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On behalf of the Town Board, we are posting this article from the New York State Association of Towns, NYAOT, regarding their assessment of the state of town budgets and the pressures the majority of towns and cities in NYS face each year!

The purpose of this information in to keep you "in the loop" that the Town(s) are not alone in the fight to control / manage cost and put our tax dollars to work efficiently and to reduce taxes where we are able to. LaFayette has been a member of NYAOT for decades and we use their expertise and legal resources often throughout each year. The NYAOT Executive Director and his staff have been aggressive in assisting NYS towns to have a voice and to help at the State level. They are and have been a voice for us just as each of our state elected officials has been too.

Since January 2026, each Town Board meeting has emphasized the need to reduce, control uncontrollable cost, and become more efficient with our tax dollars. We have budget working group meetings beginning on September 14, 2026, at the Town Hall and you are encouraged to attend, listen, and be heard! We hope to see you there!

I will be attending a NYAOT Legislation Work Session in Albany on September 22-23 to work on this issue with all of the member town from NYS. Our budget concerns have been sent to the NYAOT with our request for two proposals to NYS Legislature and the Governor to provide budget assistance / relief ASAP! I will report it back to you.

The Town Board has frozen the upcoming Fiscal Year 2027 budget at the lower rate of the last two years budgets from each department with the intent to remain under the NYS Cap of 2% and hopefully to further reduce your tax levels.

Please stay in touch and join us for the upcoming budget workshops, the dates and times are posted on the Town web site!

On behalf of Your Town Board, Please enjoy a great summer day and thank you for reading this! Pass it along!

Bill McConnell

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The Math Isn't Working for Towns

Why NYAOT is taking direct aim at the policies driving local budget pressures

By Executive Director Christopher A. Koetzle

As you begin to build next year's budget over these next few summer months, you already know that it's getting tougher and tougher to deliver an affordable budget while maintaining your town's frontline services. Each year it gets tougher to manage the tax cap, absorb the health insurance costs, and meet all the mandates. This fiscal exercise is not difficult because your towns are being managed poorly, it's because the cost pressures bearing down on local government have outpaced the tools you have to manage them.

We know what's driving this, and state mandates continue to be among the biggest contributor. From prevailing wage requirements on routine maintenance jobs, to stormwater compliance obligations under the MS4 program that come with zero direct state funding, to public notice advertising that costs towns nearly $8 million a year, collectively, the mandate burden just keeps growing. The 2 percent property tax cap, meanwhile, does not. When mandates grow at 4, 6, or 8 percent and your revenue growth is capped at 2, something has to give. Usually it's the services your residents actually see and feel.

Health insurance is another large contributor to the burden. Towns purchasing coverage in New York's community-rated small group market are cross-subsidizing high-risk pools they have no control over, and premiums reflect it. Counties and larger municipalities self-insure and avoid this dynamic entirely. Most towns can't get there because the legal barriers to forming or joining cooperative health plans are simply too high for small governments to clear on their own. That's not just a fairness argument; it's a structural problem with a legislative solution, and it's one we are actively pursuing.

And then there's the not-so-obvious, OPEB — Other Post-Employment Benefits — the retiree health costs that show up in your operating budget year after year, growing quietly and without a pre-funding mechanism that works for small towns. Unlike pensions, there is no investment vehicle helping offset these costs over time. You simply pay as you go, and the bill gets bigger as your workforce ages. This is one of the most underappreciated fiscal time bombs in town government today, and we intend to do something about it.

This is why on the legislative front, our 2026 agenda takes direct aim at each of these pressure points. We are working hard to let towns join county self-insured health plans — a change that would immediately unlock the buying power that larger governments have enjoyed for years. We are fighting to establish an authorized OPEB trust fund framework so towns can begin pre-funding retiree obligations before the liability becomes unmanageable. We are pushing to eliminate the print mandate for public notices and move them online, saving real money right away. And we continue to advocate for common-sense reforms to procurement thresholds, prevailing wage compliance burdens, and the civil service system.

Thankfully, we and our sister associations have been successful in securing additional increases in AIM and CHIPS this past year and that will help but it's not enough. Unrestricted operating support and formula highway aid are exactly the kinds of reliable revenue that help towns do their jobs. But those wins also remind us there is more to do. That's why we're fighting to get SWAP enacted, which is a CHIPS-like formula program for water and sewer infrastructure that would give towns the same kind of dedicated, predictable support for their water and sewer systems that CHIPS provides for roads.

We at the Association know your challenges and how difficult your job is, and that's why we will continue fighting for you. However, we need your voice to maximize our efforts in Albany. I call on you to join us, lend your voice and your story. Join us for NYAOT's first ever Legislative Conference on September 22nd and 23rd in Albany. You will see more information in the magazine about this, but we have a great program planned for you and you will (as a named delegate from your town) have a direct voice in adopting our 2027 legislative agenda. I hope to see you there.