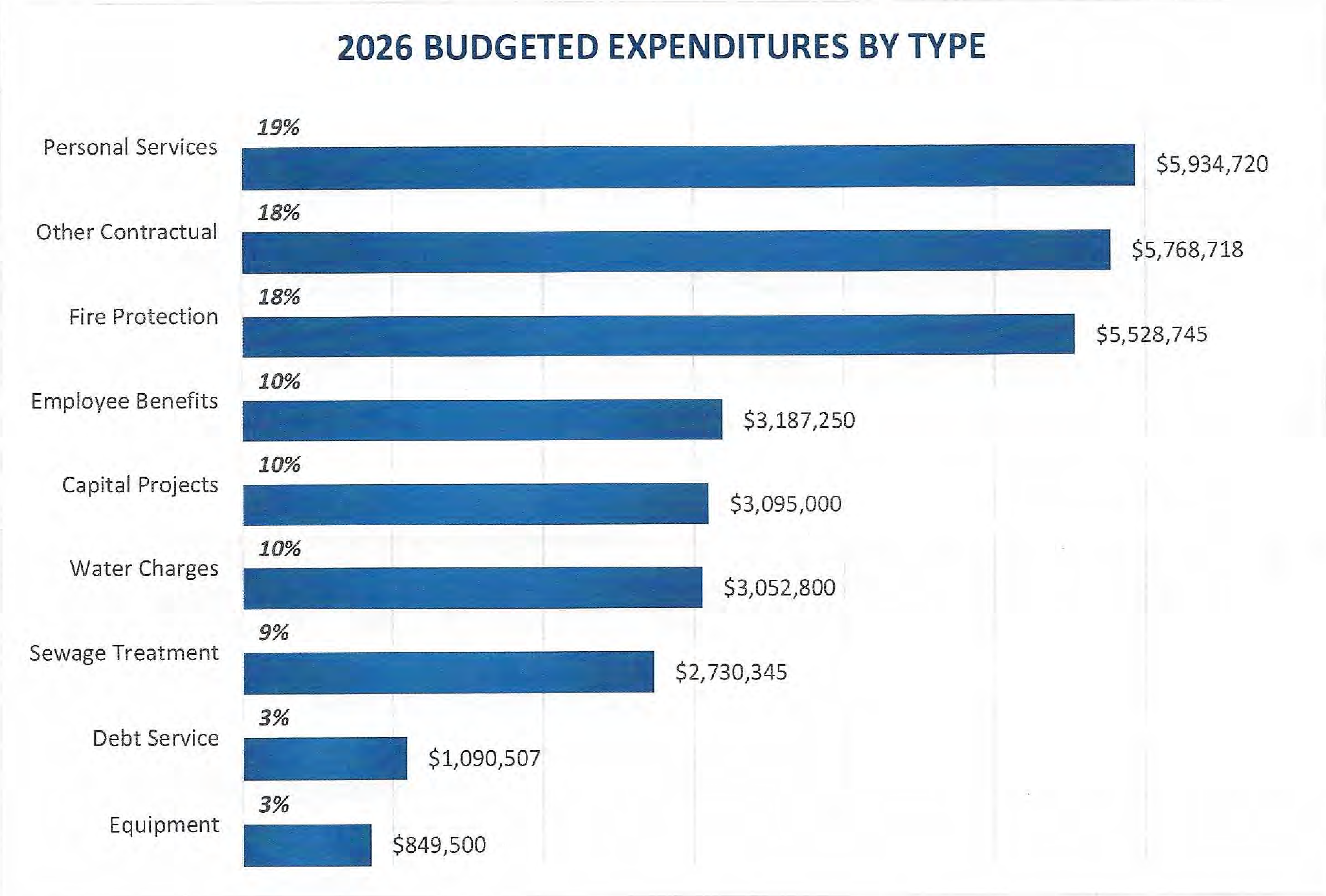
TOWN OF ITHACA – BUDGET SUMMARY



The total Ithaca Town Budget decreased from $32.16m to $31.24m, by nearly $1 million, or 2.9%.

Personnel costs (salaries and wages) represent 19% of the budget and have increased from $5.36m to $5.93m, by $570k or 11%, due in large part to an additional pay period in 2026 impacting hourly wage earners. One additional position is also funded to support the administrative functions of HR, Payroll, Finance and Tax Collections.

Fire Protection represents 18% of the total budget and has increased from $5.18m to $5.53m, by $351k or 6.7% due to the increased costs for fire protection services provided to Town residents by the City of Ithaca and the Village of Cayuga Heights Fire Departments.

Employee Benefits total 10% of the town's operational budget and has increased $430k from $2.75m to $3.19m, or 16%. This is attributable to increased costs for health insurance and NYS retirement contributions.

Capital Projects total 10% of the budget, for a total of $3.1m, down from $5.8m, with a significant portion of the 2025 capitals funds being encumbered for 2026 for projects that were bid late in 2025. Refer to CIP for a detailed breakdown of projects and cost estimates.

Together, water delivery and sewer treatment make up roughly 19% of the Town's expenditures, totaling over $6.1m.

Capital Equipment/Vehicles represent roughly 3% of the budget and expense of $900k.

The Property Tax totals $9.3m, an increase of $409k or 4.6% over the prior year levy of $8.9m. The total Property Tax Levy (including Water/Sewer Benefit Assessment Fees) is $11.76m, an increase of $482k or 4.3% over the prior year total of $11.27m. **This increase complies with the property tax cap limit for 2026.**

PROPERTY TAX BILL FOR A TYPICAL PROPERTY IN THE TOWN OF ITHACA BASED ON A MEDIAN ASSESSED VALUE OF $385,000						
Major Components to Property Tax Bill	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
GENERAL TOWNWIDE PROPERTY TAX RATE	$ 2.40	$ 2.06	$ 2.08	$ 2.08	$ 1.82	**$ 1.86**
HIGHWAY TOWNWIDE PROPERTY TAX RATE	$ 0.48	$ 0.38	$ 0.40	$ 0.34	$ 0.28	**$ 0.27**
HIGHWAY PART-TOWN PROPERTY TAX RATE	$ -	$ 0.71	$ 0.62	$ 0.30	$ -	**$ -**
FIRE PROTECTION DIST. PROPERTY TAX RATE	$ 3.00	$ 2.71	$ 2.33	$ 2.22	$ 2.32	**$ 2.45**
WATER BENEFIT ASSESSMENT CHARGE/UNIT	$ 165.00	$ 182.81	$ 189.59	$ 189.59	$ 190.00	**$ 197.25**
SEWER BENEFIT ASSESSMENT CHARGE/UNIT	$ 65.00	$ 75.41	$ 89.00	$ 98.50	$ 114.00	**$ 121.50**
TOTAL TOWN TAX ON TYPICAL PROPERTY	**$ 1,759**	**$ 1,815**	**$ 1,847**	**$ 1,876**	**$ 2,003**	**$ 2,085**
Median Assessed Value (Single-Family Home)	$ 260,000	$ 265,000	$ 289,000	$ 322,000	$ 385,000	$ 385,000
Town Tax- Change from Prior Year	$ 1,759.48	$ 55.04	$ 32.08	$ 29.15	$ 126.95	**$ 82.27**
Percentage Change from Prior Year	-4.0%	3.1%	1.8%	1.6%	6.8%	**4.1%**

The property tax bill for a typical residential property in the Town (outside of the Village of Cayuga Heights) increases to $2,085, from $2,003, by $82 or 4.1%. The estimated property taxes shown above include water and sewer benefit assessment fees.

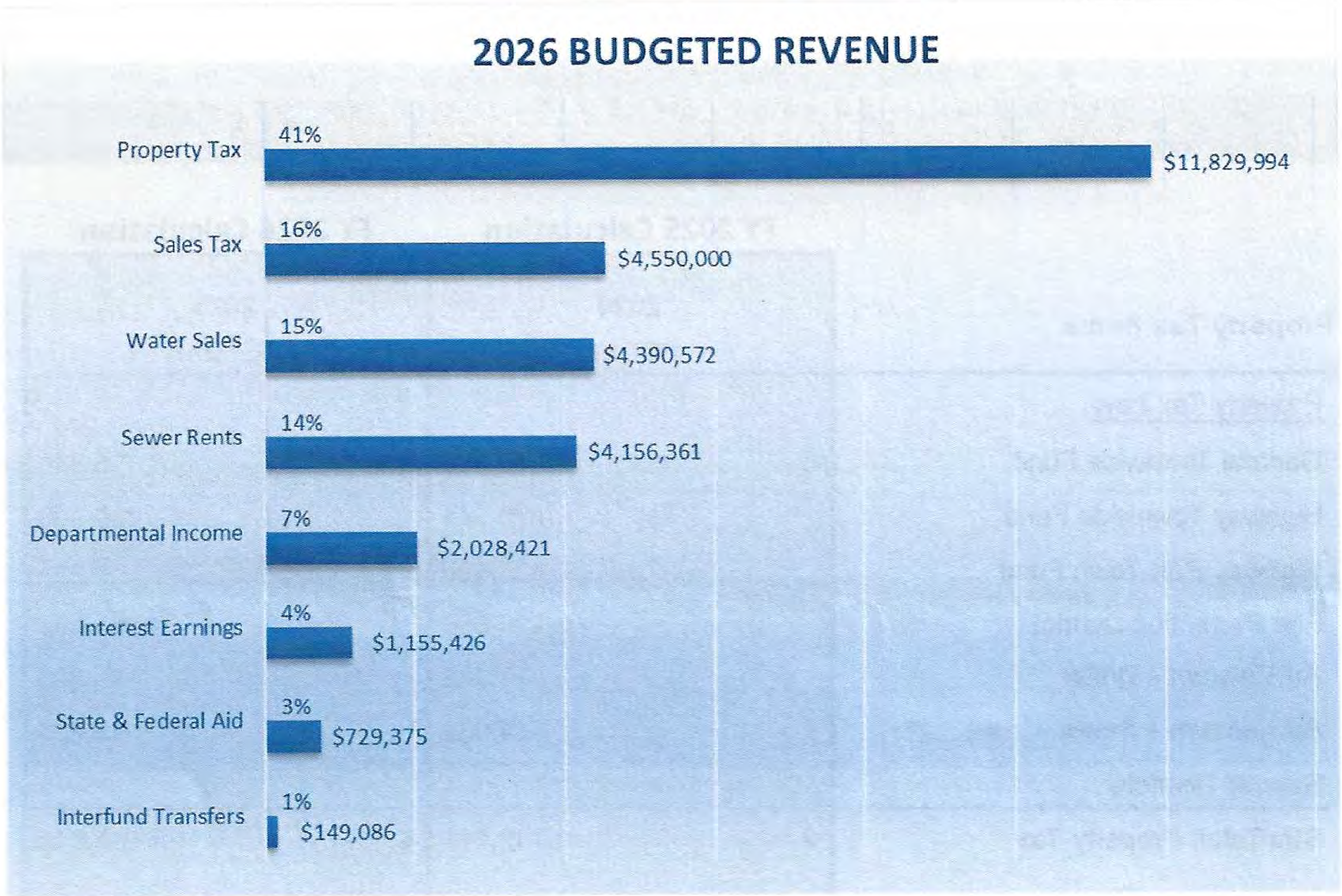
PROPERTY TAX BILL FOR A TYPICAL PROPERTY IN THE VILLAGE OF CAYUGA HEIGHTS BASED ON A MEDIAN ASSESSED VALUE OF $500,000						
Major Components to Property Tax Bill	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
GENERAL TOWNWIDE PROPERTY TAX RATE	$ 2.4021	$ 2.0629	$ 2.0769	$ 2.0778	$ 1.8153	**$ 1.8626**
HIGHWAY TOWNWIDE PROPERTY TAX RATE	0.4804	0.3819	0.3950	0.3364	0.2752	**0.2729**
TOTAL TOWN TAX ON TYPICAL PROPERTY *	**$ 1,441.25**	**$ 1,222.40**	**$ 1,235.95**	**$ 1,207.10**	**$ 1,045.25**	**$ 1,067.77**
TOWN TAX INCREASE FROM PRIOR YEAR	$ 254.06	$ (218.85)	$ 13.55	$ (28.85)	$ (161.85)	**$ 22.52**
PERCENTAGE INCREASE FROM PRIOR YEAR	21.40%	-15.18%	1.11%	-2.33%	$ (0.13)	**2.15%**

* A *Typical Property* in the Village of Cayuga Heights is a Single-Family Residence with an Assessed Value of $500,000.

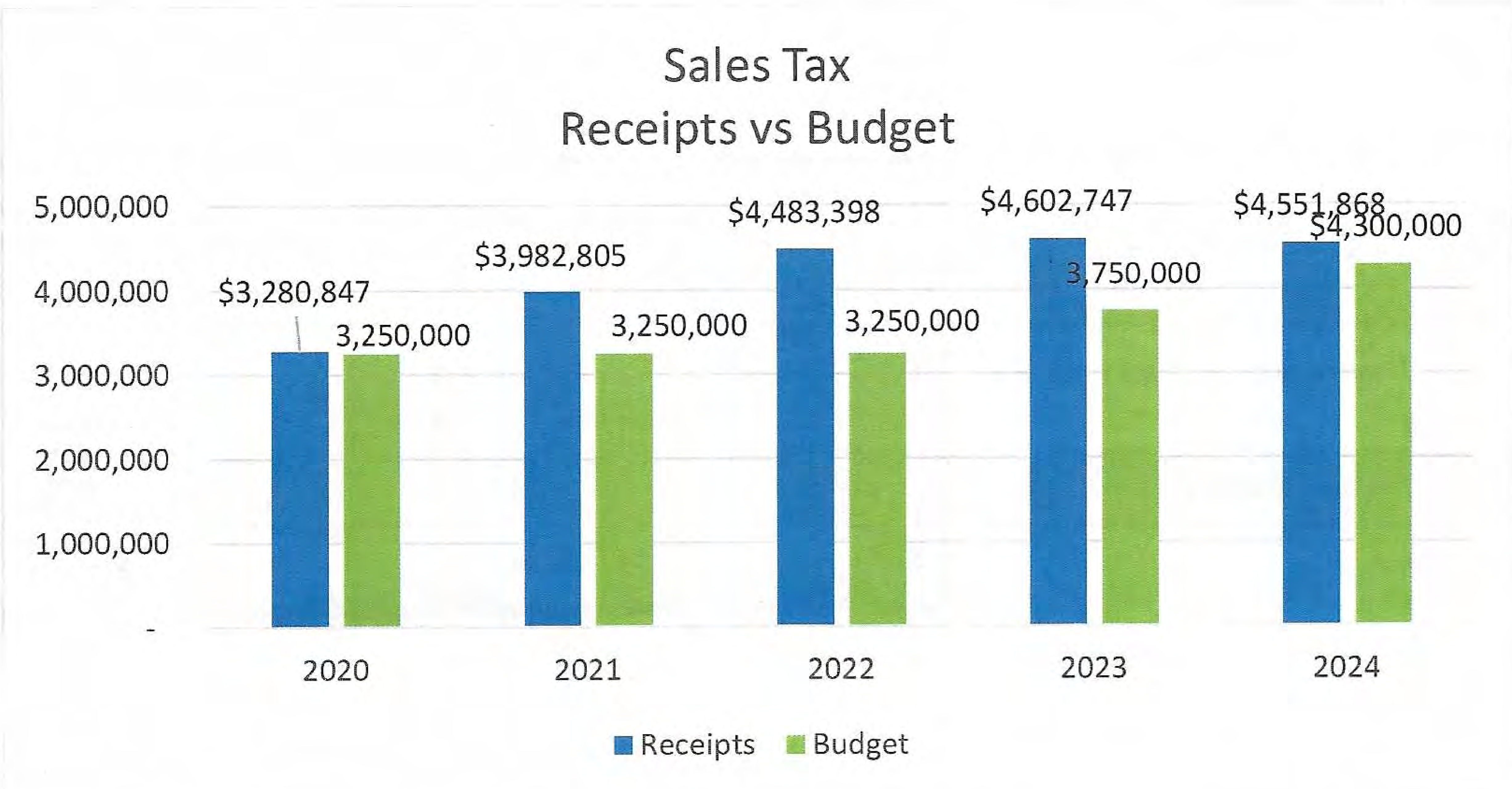
The property tax bill for a typical residential property in the Village of Cayuga Heights will go from $1,045 to $1,068, by $22 per year or 2.15%

SUMMARY OF TAXABLE ASSESSED PROPERTY VALUES, TAX LEVY AMOUNTS, AND ESTIMATED PROPERTY TAX BY FUND/DISTRICT FOR FISCAL YEAR 2026

FUND / DISTRICT	TAXABLE VALUE	LEVY AMOUNT	ESTIMATED TAX OR ASSESSMENT RATE
GENERAL TOWNWIDE FUND	$ 2,308,542,061	$ 4,300,000	$1.8626 / $1,000 A.V.
HIGHWAY TOWNWIDE FUND	$ 2,308,542,061	$ 630,000	$0.2729 / $1,000 A.V.
HIGHWAY PART-TOWN FUND	$ 1,679,341,438	$ -	$ - / $1,000 A.V.
FIRE PROTECTION FUND	$ 1,774,051,241	$ 4,350,000	$2.4520 / $1,000 A.V.
WATER FUND	$ 771,032,012 7,477.82	$ 15,421 $ 1,539,254	$0.0200 / $1,000 A.V. $197.25 PER UNIT
SEWER FUND	$ 786,156,572 7803.57	$ 15,421 $ 908,555	$0.0200 / $1,000 A.V. $121.50 PER UNIT



Property taxes are the Town's largest revenue source, representing 41% of total budgeted revenues, followed by Sales Tax (16%), Water (15%) rents and Sewer (14%) rents, then Department Income (7%).



Water rates increase from $9.91/1000 gallons to $10.41/1000gallons of consumption, or 5.0%. Sewer rents, billed on water consumption, increase from $7.22/1000 gallons to $7.94/1000, or 10.0%. Together quarterly minimum water and sewer charges increase from $85.65 to $91.72, or by $24 a year.

The Water Benefit Assessment Fee increases from $190/unit to $197.25/unit, raising revenues of approximately $1,539,254 to be used to pay the annual debt service on Water projects as well as directly funding small capital projects.

The Sewer Benefit Assessment Fee increases from $114/unit to $121.50/unit, raising revenues of $908,555 to be used to pay the annual debt service on the Town's share of outstanding long-term debt for improvements at the Ithaca Area Wastewater Treatment Facility as well as funding for small capital projects.

Following historically high Interest earnings, rates have begun to decline and are expected to continue to fall heading into 2026, and represent about 4% of the towns estimated revenue.

PROPERTY TAX CAP CALCULATION

Property Tax Items	FY 2025 Calculation 2024 ACTUAL	FY 2026 Calculation 2025 ACTUAL	
Property Tax Levy:			
General Townwide Fund	$ 4,140,000	$ 4,155,834	
Highway Townwide Fund	670,344	630,000	
Highway Part-Town Fund	435,500	-	
Fire Protection District	3,436,600	4,085,000	
Ad Valorum - Water	13,349	15,390	
Ad Valorum - Sewer	14,969	15,626	
Special Districts	-	-	
Sub-Total: Property Tax	$ 8,710,762	$ 8,901,849	
Benefit Fees:			
Benefit Fees - Water	$ 1,506,245	$ 1,508,866	
Benefit Fees - Sewer	747,164	863,599	
Sub-Total: Benefit Fees	$ 2,253,409	$ 2,372,465	
Total: Property Tax Levy	**$ 10,964,170**	**$ 11,274,314**	
x Tax Base Growth Factor	**1.0123** 11,099,029	**1.0080** 11,364,509	
+ PILOT Payments - Actual from PY	$ 67,571	$ 66,449	
Sub-Total	$ 11,166,600	$ 11,430,958	
x Levy Growth Factor	**1.0200**	**1.0200**	
Sub-Total	$ 11,389,932	$ 11,659,577	
- PILOT Payments - Est for Next Year	$ 66,449	$ 66,449	
TAX LEVY LIMIT	**11,323,483**	**11,593,128**	2.83%
+ Prior Year Carryover	169,541	172,397	
TAX LEVY LIMIT WITH ADJ	**$ 11,493,024**	**$ 11,765,525**	4.36%
ACTUAL TAX LEVY	**$ 11,274,299**	**$ 11,758,953**	4.30%
DIFFERENCE OVER/(UNDER)	**(218,725)**	**(6,572)**	