

City of Kingston Community Budget Forum



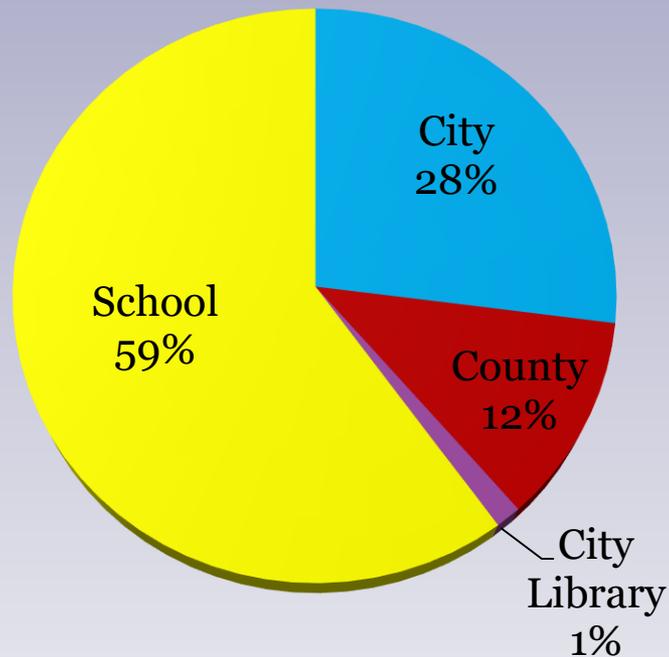
City Budget - What's Included?

- The City budget is actually comprised of two “funds”, each with their own budget.
- The “General Fund” budget includes the general operations of government such as Police, Fire, Parks and Recreation, Citibus, Department of Public Works, Building and Safety, and City Hall. The City’s 2018 General Fund budget was approximately \$42.5 million. Property taxes (42%) and Sales tax (31%) provide approximately 73% of the funding for the General Fund, with the balance coming from departmental revenues, state and federal aid, and other sources. Property taxes are subject to the NYS “Property Tax Cap”.
- The “Sewer Fund” budget includes the City’s entire sanitary sewer system, including the Wastewater Treatment Plant. The City’s 2018 Sewer Fund budget was approximately \$5.1 million. 90% of the funding for the Sewer Fund is received in the form of a per unit Sewer Use Fee.

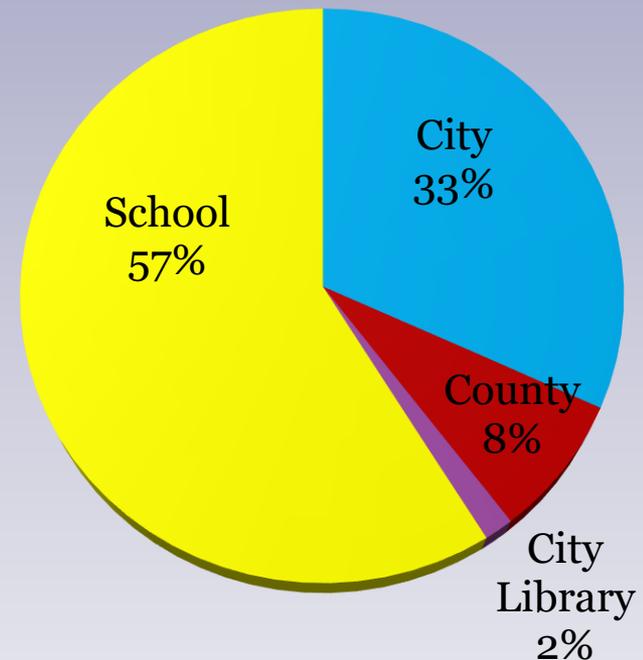
How does the City budget affect my tax bills?

Distribution of Your Property Taxes Dollars By Jurisdiction (Average of Combined General and School Tax Bill Using Published Tax Rates)

Residential



Commercial





PROPERTY
TAXES

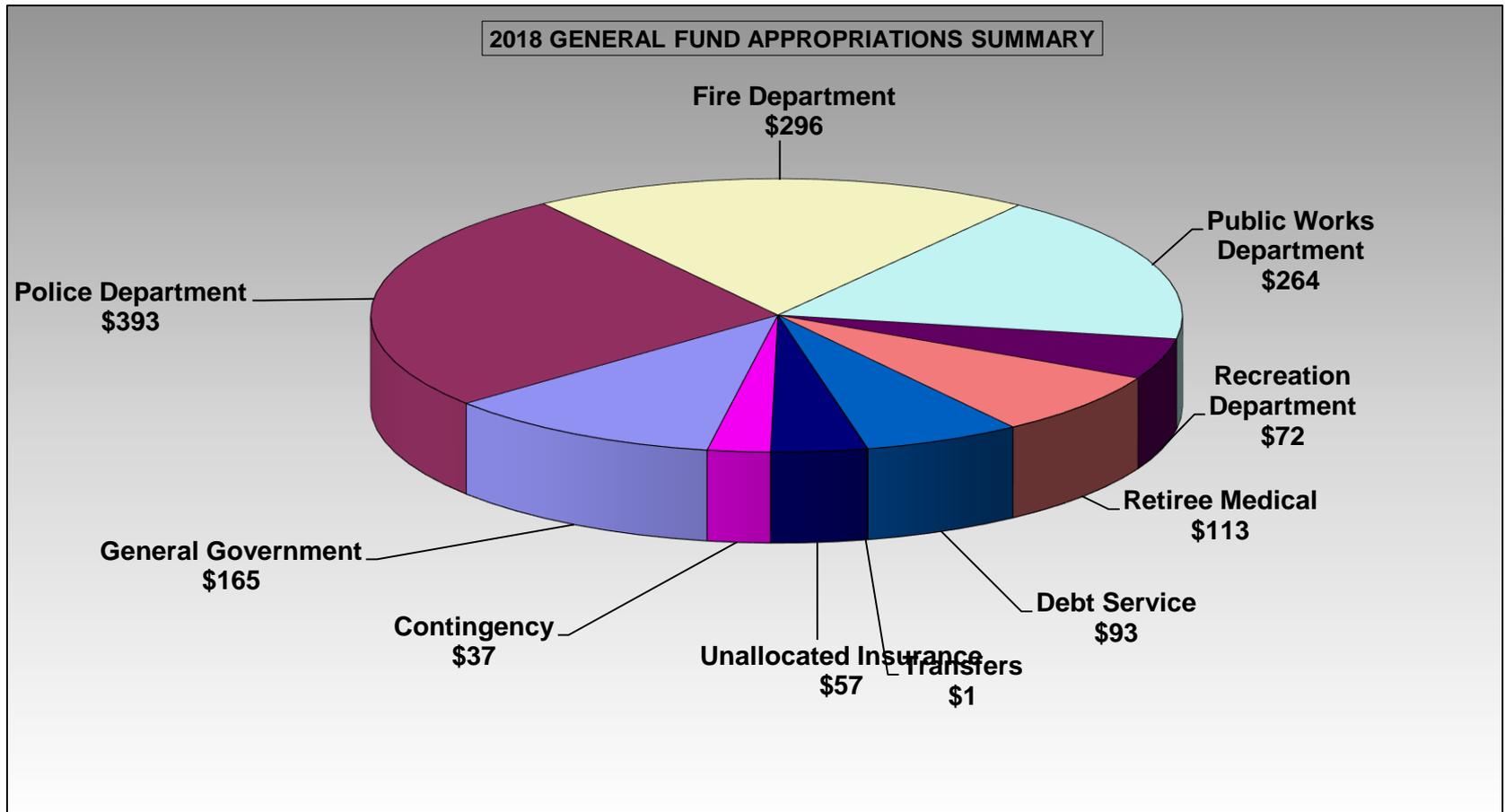


The Tax Cap

- The “Tax Cap” was put in place in 2012 by New York State to protect taxpayers against unchecked increases in local property taxes.
- While the City’s Common Council could vote to override the “Tax Cap” in any year, the City of Kingston has yet to do so.
- The “Tax Cap” calculation uses multiple factors (rate of inflation, growth in tax base, pilots, carry forwards, etc.) that results in a dollar limit on the increase in property taxes. For 2019, that amount is approximately \$700,000.
- Under the NYS Tax Cap, municipalities face pressure to find innovative methods to reduce expenditures and find alternative revenue sources on an annual basis.

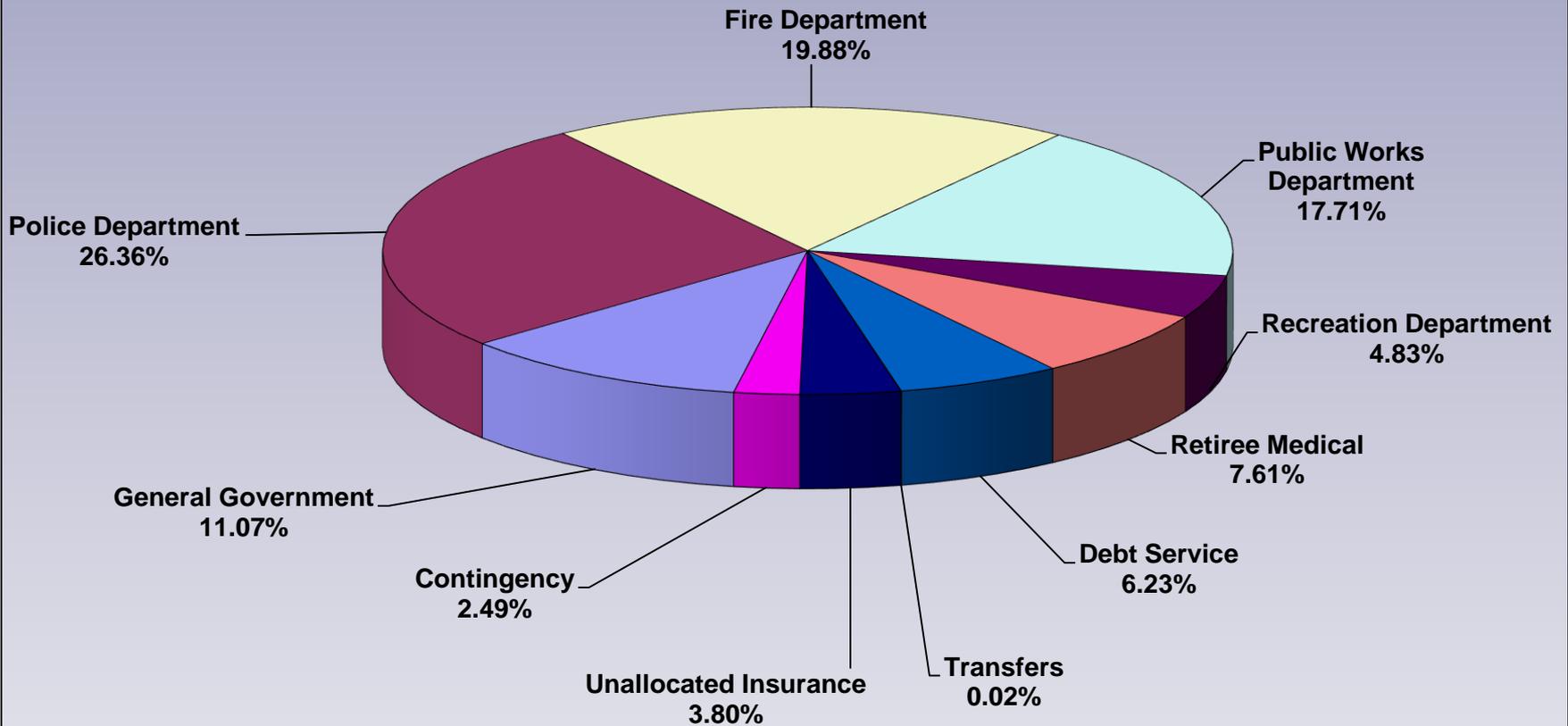
Allocation of \$1,491 In 2018 City Tax Paid on \$150,000 Residence

What does your City tax dollars fund?



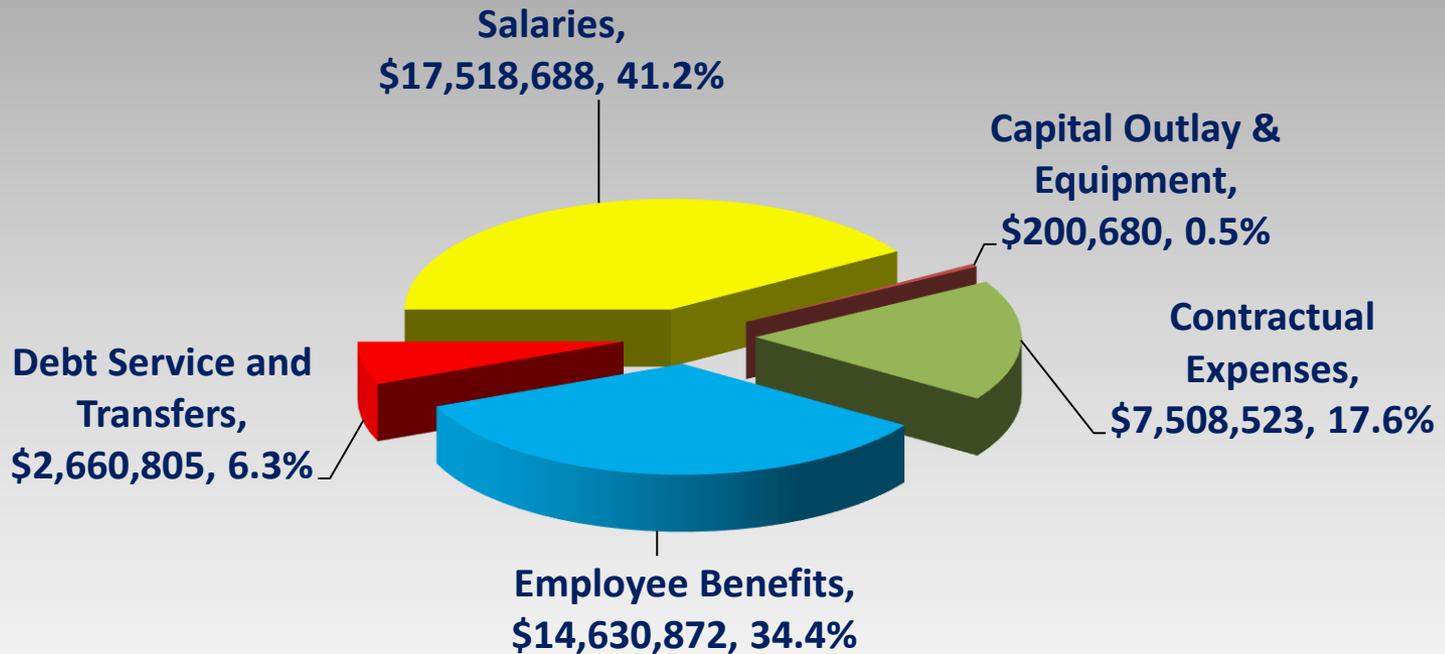
City Spending - By Purpose

2018 GENERAL FUND APPROPRIATIONS SUMMARY

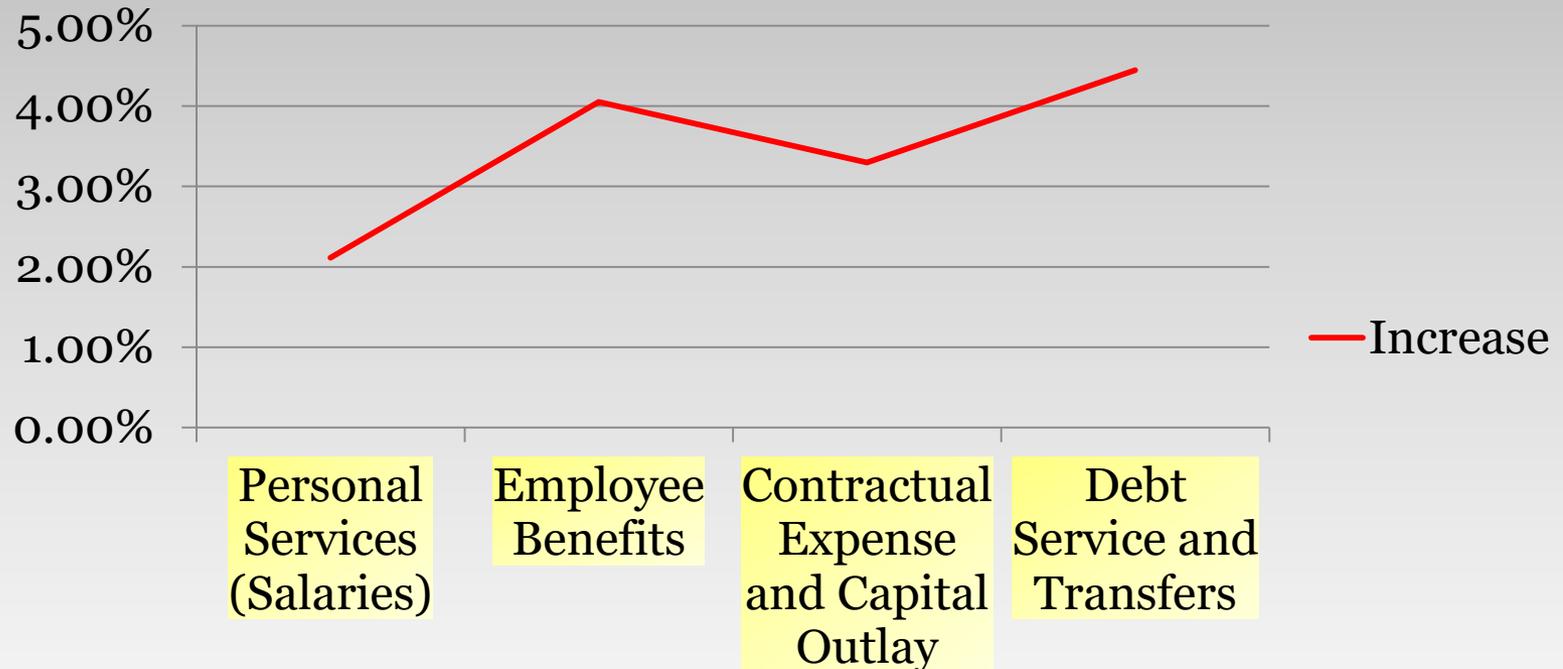


City Spending - By Category

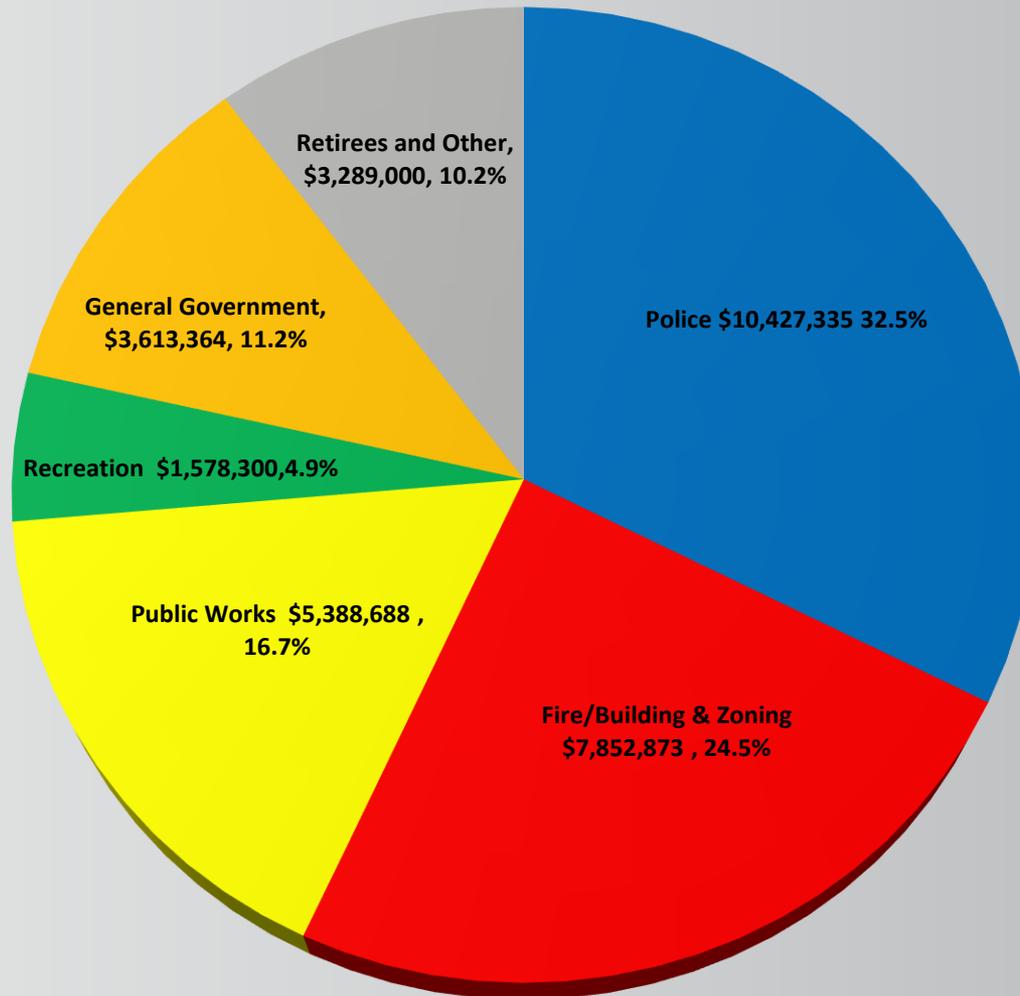
2018 General Fund Appropriations Summary Total Budget \$42,519,568



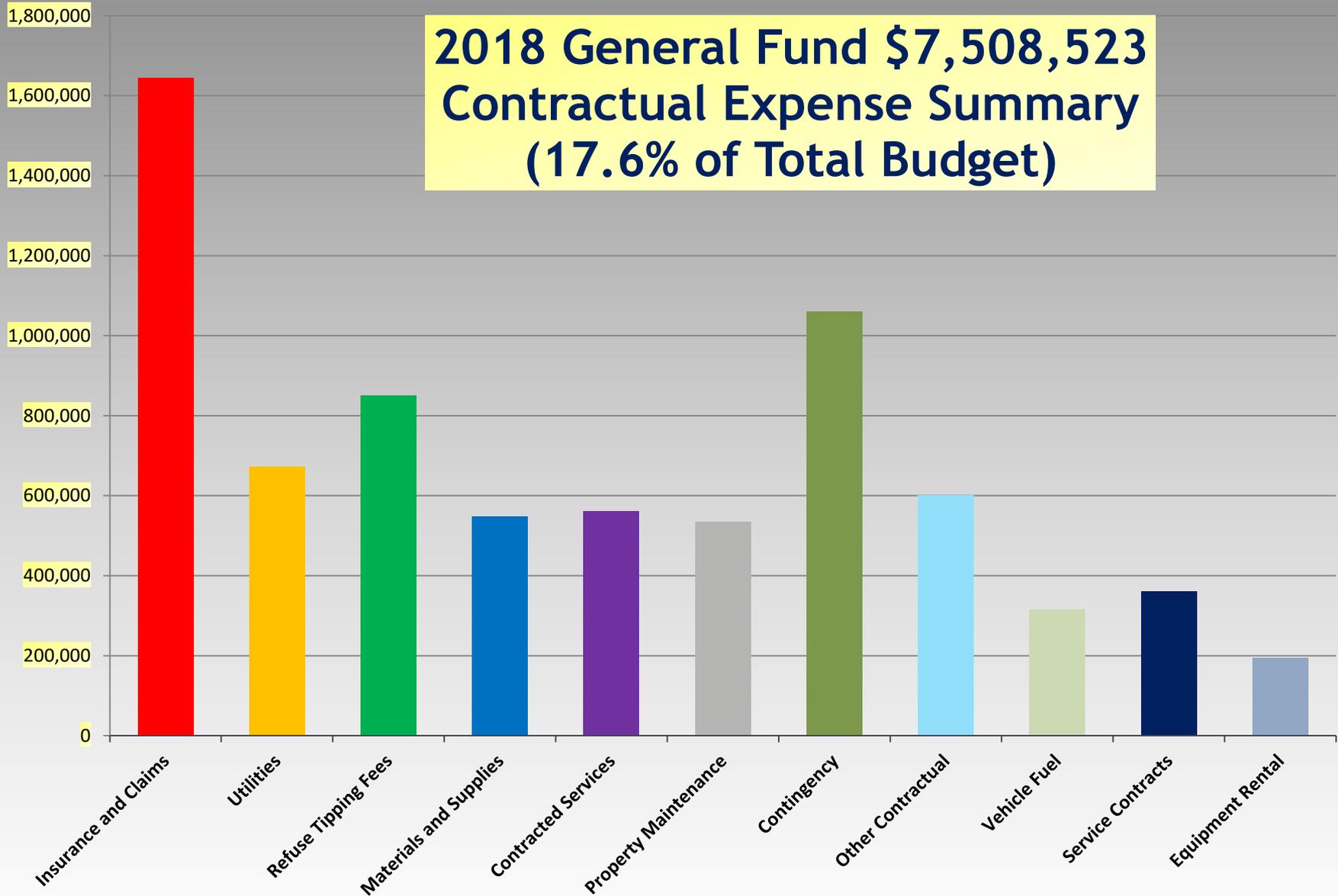
Average Annual Increase In City Spending By Category (5 Year trend)



2018 General Fund Salary and Benefits Budget \$32,149,560 (75.6% of Total Budget)



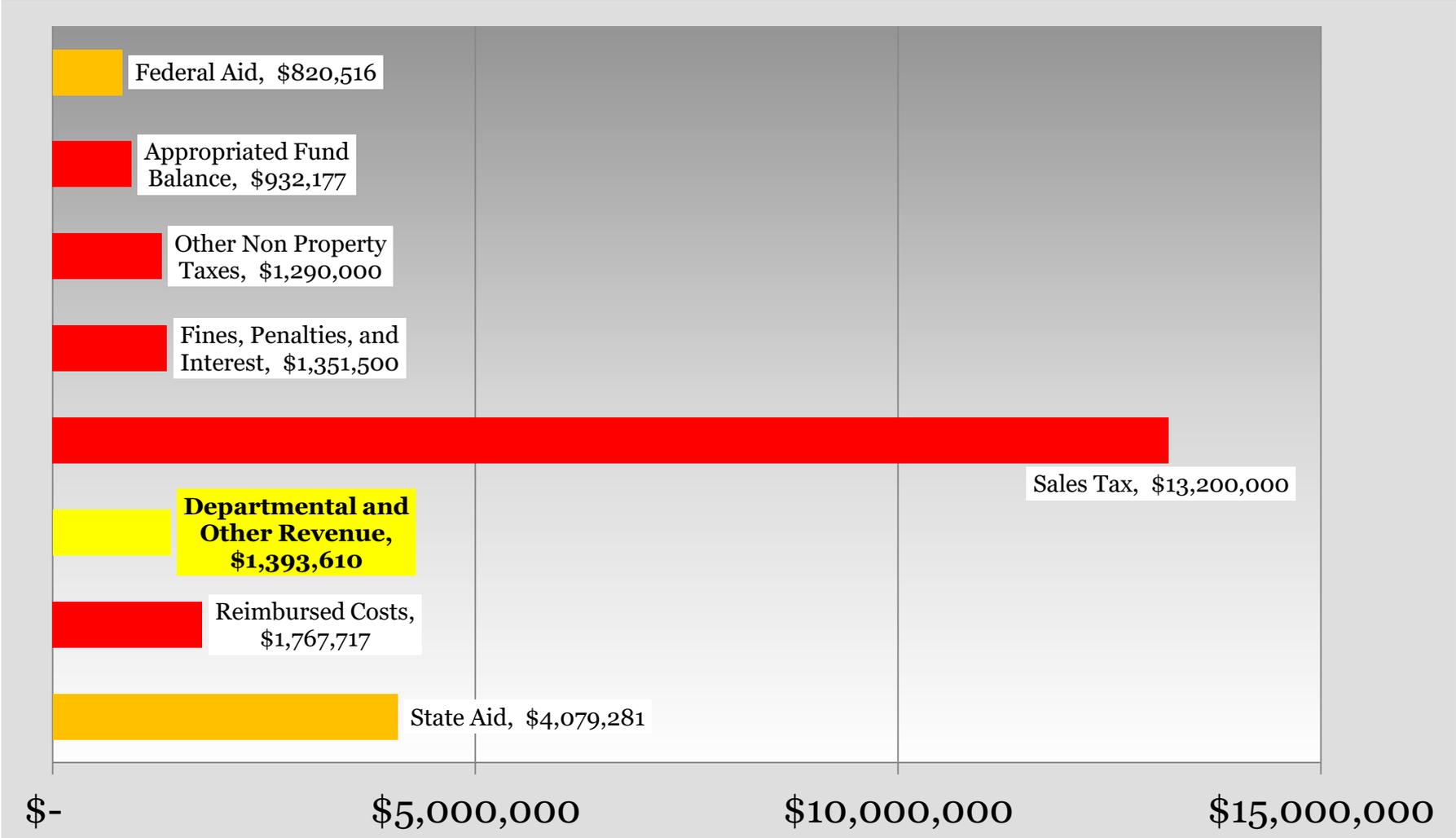
**2018 General Fund \$7,508,523
Contractual Expense Summary
(17.6% of Total Budget)**



What Are the Sources of City Revenue?



Besides Property Tax, Where Does General Fund Revenue Come From?



Key Budget Challenges For 2019 And Beyond

- Will the current inflationary economic environment continue and create pressure on the City budget through higher prices?
- How do we continue to update/replace the City's aging infrastructure while minimizing the effect on the City's budget, particularly in the Sewer Fund?
- How do we minimize the budgetary impact of maintaining and improving our level of services to the public?

Questions For Consideration

- What are your budget priorities for the City? (i.e. minimizing increases in property taxes, maintenance of existing services, improvement of existing services, offering of new services.)
- What services, programs, and functions of City government do you consider high priorities for the future, including any new ideas you may have?
- What ideas do you have to improve the quality or cost efficiency of existing City services, programs, and functions?
- The City's tax levy has not increased since the 2016 budget. Implementation of service fees in areas such as Parking, Parks and Recreation, and Public Works has assisted in this effort. Are there other areas where you believe fees for service would be appropriate in order to minimize tax increases in the future?
- What other ideas do you have for the City budget?