

# Property Taxes in the Tug Hill Region

October 2011

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## TUG HILL COMMISSION ISSUE PAPER SERIES

### TUG HILL COMMISSION

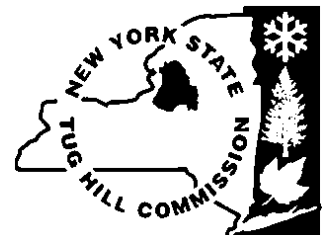
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## Executive Summary

Analysis of how the cost of local services impacts the tax burden of Tug Hill residents is the focus of this report. In particular, this paper summarizes the issues surrounding the property tax and provides preliminary expenditure trend analysis among various units of government and taxing jurisdictions in the Tug Hill Region. We seek to better understand how the property tax has changed over time and how a rural region like Tug Hill compares with New York State as a whole. Identifying trends is paramount, especially in this time of economic downturn, to addressing the emerging issues that influence policymakers and ultimately affect Tug Hill residents.

The property tax burden for most residents of the Tug Hill Region increased from 2005 through 2009 when measured in median taxes paid<sup>1</sup>. Property tax paid as a percentage of median income increased for all Tug Hill Counties, with the exception of Oswego County, whose percentage rose between 2005 through 2008, but decreased from 2006 through 2009. Property tax paid as a percentage of median home value decreased in the Tug Hill Region, while the New York State percentage remained relatively flat. During this time Tug Hill median home values remained stable, increasing moderately while those in New York State and the U.S. dipped slightly from 2006 through 2009.

Property tax is the most stable locally-controlled revenue source. Whereas sales tax and state aid are indeterminate revenue streams, property tax reliably pays for services such as schools, roads, and fire protection. This is due to the fact that property values remain relatively stable over time. Local property taxes also pay the local share of some federal/state programs such as Medicaid. They are used to balance municipal budgets after all other revenue sources are exhausted. This is significant because property taxes can be dramatically impacted by decreases in other revenues such as sales tax and state aid or increases in required spending (i.e. mandates). As a result, municipalities typically find they need to increase property tax levies during economic downturns.

All real property in New York State is taxable, except where legal provisions render all of its value or part of its value exempt from property taxes. Exemptions may lower individuals' assessed values, however, they do little to lower the tax burden on communities, as they mostly spread the burden out amongst all members of the community. Exemptions on Tug Hill are compared with exemptions statewide to provide additional comparisons and contrasts between the two areas. The results are not remarkable.

Property tax levies were studied for the years between 1998 and 2008 for all Tug Hill Counties, school districts, Towns and Villages. Levies increased for each of these taxing jurisdictions during this period, but did not necessarily increase each year and did not increase at a steady rate. Counties have, by far, the highest property tax levies followed by school districts, Towns and Villages. During this period, the average Tug Hill County tax levy increased 1.6% annually, the average Tug Hill school district tax levy increased 2.3% annually, the average Tug Hill Town tax levy increased 4.7%, and the average Tug Hill Village tax levy increased 3.6%. Keep in mind, the County tax levy is spread out among a much larger population and tax base, whereas the school levy is spread over a smaller tax base and population.

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<sup>1</sup> Based on American Community Survey three-year averages.

Analysis of property tax trends must continue with a look at what services Tug Hill Region local governments provide and how they pay for them. In other words - where do residents' property tax dollars go and what is driving the increased need for them? Counties, Towns, Villages, and school districts are required to report all expenditures and revenues to the Office of the State Comptroller annually. This information is compiled and made available to the public via the Comptroller's Office Open Book website <http://www.openbooknewyork.com>.

When expenditures for the four Tug Hill Counties (Jefferson, Lewis, Oneida, and Oswego) are averaged, we find that in 2008, the average County spent almost one third of its budget on social services, which is similar to the average New York State County. Tug Hill Counties, along with all NYS Counties generated funding through a variety of taxes and charges, the largest being sales taxes, followed by property taxes and state aid.

The average Tug Hill Town spent the majority of its budget on transportation costs, which was considerably higher than the average NYS Town. We also find that, in 2008, the average Tug Hill Town derived almost three quarters of its budget from an almost even mix of property taxes, sales taxes, and proceeds of debt. The average NYS Town was considerably more reliant on property taxes, which made up almost half of its funding.

Tug Hill Villages had a more diverse mix of expenditures in 2008 than Tug Hill Towns, with public sewer and public water system operation and maintenance, public safety, and transportation spending being roughly equal. This was true of Villages statewide as well. Revenue sources for Tug Hill Villages differed from those of Towns, in that charges for services (typically for water and sewer service) made up a much greater piece of the funding "pie." Property taxes and sales taxes followed charges for services in the revenue mix. The average Tug Hill Village differed slightly from the average NYS Village in that it received more of its funding from federal aid and less from property taxes.

The average Tug Hill school district spent just over half of its 2008 budget on education expenses with the remainder being made up of administrative costs, employee benefits and debt service. This breakdown is very similar to that of the average NYS school district. On the revenue side, we find that the average Tug Hill school district received just over half of its funding from state aid and just less than a quarter from property taxes. This differs from the average NYS school district, which raised about even amounts from state aid and property taxes.

The next question asked is "how are expenditures changing over time – and what categories are increased fastest? For all NYS Towns combined, the fastest growing expense categories between 1998 and 2008 dollarwise were, in order, transportation, employee benefits, and general government. The largest categorical percentage increases were education, employee benefits, and community services. This analysis was also performed for four individual (and anonymous) Tug Hill Towns, each chosen for its unique characteristics. Expenditure and revenue mixes and trends were charted for the period of 1998-2008. Somewhat surprising are the differences in all of these between each of the four Towns. This points out the fact that Tug Hill Towns are not homogeneous in terms of local government spending and revenue raising. Only a couple common expenditures trends can be pulled from this analysis. It is interesting to note that three of the four Towns had

transportation costs as one of their top three increasing expenditures dollar-wise. All four had employee benefits as one of their top three categories for percentage increase.

Residents of Tug Hill Towns that live outside Villages pay about half of their annual property tax bill to their school district, a quarter to their County, and the remainder to their Town and relevant special district(s). Residents of Tug Hill Villages pay just under half of their tax bills to their school district, just under a quarter to their County, about 10% to their Town, and 20% to their Village.

## Why Look at Property Taxes Now

Over the past year there has been renewed emphasis statewide to take a hard look at the tax burden of residents and businesses and come up with creative ways to reduce costs. To better understand what role the property tax plays in the Tug Hill Region, Commission staff looked at trends in Tug Hill taxing entities. The goal is to help inform local officials as the conversation regarding tax caps and mandate relief continues.

## The Tug Hill Region, Local Government and People

The Tug Hill Region encompasses 2,162 square miles of forest and farmland, rural Villages and Towns between Lake Ontario and the Adirondacks, Oneida Lake and the Black River. While the region is larger than the state of Delaware, its population of only 110,346 makes it among New York's most rural areas.

The median age of Tug Hill residents is 39.9, varying across the Region, from age 24.8 in the Village of Copenhagen to age 55.4 in the Village of Turin, both in Lewis County. The Tug Hill median age is higher than the State median of 37.7 and the U.S. of 36.5. The median Tug Hill income is \$35,854, \$20,126 less than the State median income of \$55,980 and \$16,175 less than the U.S. An average of 13 percent of Tug Hill people are considered to be below poverty level, while the State and U.S. are 14.2 and 14.3 percent, respectively.<sup>2</sup>

## Tug Hill Governance

Over two centuries have passed since the first settlers arrived on Tug Hill and began to form communities and local governments to provide basic public services. Local government in Tug Hill, like elsewhere in New York State, comprises Counties, Towns and Villages (the Region has no cities), which are corporate entities known as municipal corporations. These units of local government, commonly referred to as general-purpose units of government, provide most local government services in the Region. On the other hand, School districts, although defined as municipal corporations, are single-purpose units of government basically concerned with primary and secondary education. Fire districts, also considered local governments, are single-purpose units that provide fire service in areas of Towns. Fire districts are classified as district corporations governed by a board of Fire Commissioners (not to be confused with fire protection districts, which are taxing districts that contract for fire service). Geographic data about fire protection districts is difficult to come by, especially since these are not reported to NYS the same way fire districts are. Therefore, the authors have made their best estimate of their number. This number should be verified in future research. There are other governmental entities or structures which have attributes of local governments but are not local governmental corporations. These miscellaneous units or entities (e.g. sewer or water districts, lighting districts, etc.) are generally special purpose or administrative units normally providing a single service for a specific geographic area. The following table summarizes local governments within the Tug Hill region.

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<sup>2</sup> Source for Median Household Income and Percent Population Below Poverty Level is 2000 Census. Source for Median Age is the 2005-2009 American Community Survey.

## Local Government

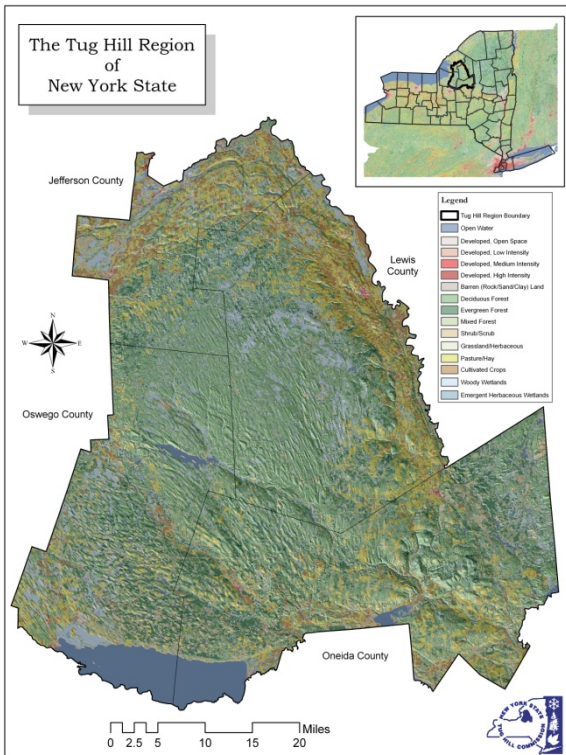
### In the Tug Hill Region by County

Municipal Corporations					Special Purpose Units of Local Government (Improvement Districts)							
Counties	Villages	Towns	School Districts	Fire Districts	Fire Protection	Garbage	Street Lighting	Water	Sewer	Ambulance	Environmental	
Jefferson	4	7	6	6	4	1	8	17	10	0	0	
Lewis	7	11	4	1	17	0	3	10	7	0	0	
Oneida	6	13	8	6	15	1	14	16	6	0	1	
Oswego	4	10	6	2	11	1	8	7	5	1	0	
<b>Totals</b>	<b>21</b>	<b>41</b>	<b>24</b>	<b>15</b>	<b>47</b>	<b>3</b>	<b>33</b>	<b>50</b>	<b>28</b>	<b>1</b>	<b>1</b>	

The Tug Hill region encompasses the more rural portions of four Counties – Jefferson, Lewis, Oneida and Oswego. County government overlays towns and villages within their boundaries and provide services such as public safety, economic development and planning. In addition, they are an administrative unit in which the State government carries out a number of its functions and duties such as courts, Medicare, social services and public health. All four of the Tug Hill Counties have legislative bodies. Oneida County is a Charter County with an *elected* County Executive. Jefferson, Lewis and Oswego Counties are non-charter with Jefferson and Oswego having *appointed* County Administrators and Lewis having an *appointed* County Manager.

Everyone in Tug Hill lives in a Town. While there are 21 Villages in the region they overlay a geographic area within a Town. The 41 Towns in Tug Hill vary in: **size** - ranging from the Town of Turin with 30.36 square miles to the Town of West Turin with 100.52 square miles; **population** - from the Town of Montague with 108 residents to the Town of Hastings with 7,157 residents; and in **population density** - with the Town of Montague at 1.2 people per square mile and the Town of Hastings with 207 people per square mile.<sup>3</sup>

Villages on Tug Hill, as with other villages in New York, were originally formed within towns to provide services for clusters of residents and businesses. By definition, a village is a municipality which, at the time of its incorporation, met statutory requirements then established by the New York State Legislature as prerequisites to that incorporation. Although New York Village Law now sets area (i.e. not larger than 5 square miles) and population (not less than 500 people) criteria, 7 of 21 Tug Hill Villages have populations smaller than the statutory minimum. If



<sup>3</sup> Source of population is the 2010 census.

they were to dissolve they would not be able to re-incorporate without population growth.

The 21 Villages in Tug Hill also vary in: **size** - from the Village of Barneveld at 0.19 square miles to the Village of Camden at 2.26 square miles; **population** from the Village of Turin at 263 residents to the Village of Lowville at 3,476 residents; and **population density** from the Village of Altmar at 185.5 people per square mile to the Village of Lowville at 2,041.2 people per square mile.<sup>4</sup>

Local governments in the Tug Hill region are not only the accumulation of over two centuries of history, they also reflect the basic beliefs and perceptions, deeply held by past and present residents of the region. These rural local governments hold dearly to the New York State Constitution's deference to "Home Rule." Home Rule, in its technical sense, refers to the State's Constitutional and statutory powers given to local governments to enact legislation and manage its finances in order to discharge their duties and responsibilities relating to their "property, affairs or government." In its broad sense, Home Rule refers to those governmental functions and activities traditionally reserved to or performed by local government without undue infringement by the state.

### History of Mergers, Consolidations, Dissolutions and Shared Services

As a rural region with a small and historically declining population, it would be logical to see changes in the size and scale of local government throughout the region. In fact, the region has seen some, but not much change in its local governments. Tug Hill has the only successful merger of two towns within all of New York when in 1973 the Town of Highmarket was annexed into the Town of West Turin. To date, there has only been one village dissolution in the region. The Village of Forestport in Oneida County dissolved its corporate structure in 1938. It should be noted, however, at the writing of this report, the Village of Altmar in Oswego County, is faced with an elector initiated dissolution vote, which occurred in November of 2010.

On the other hand, in order to help execute their governmental responsibilities, local governments in the Tug Hill region have a long history of formal and informal sharing of government services, facilities and equipment; Intermunicipal Agreements; and cooperative arrangements. *Appendix A* provides a list of dozens of intermunicipal arrangements that Tug Hill communities have exercised over the years. Again, at the writing of this paper, the Towns of Harrisburg, Pinckney and Montague finalized a shared justice and Justice Court arrangement under legislation enacted in 2010. It is hoped that this shared court arrangement will be replicated within the region and elsewhere in rural areas of New York.

These shared arrangements have enabled Tug Hill rural local governments to provide the basic services that their residents need and want while retaining their Home Rule tradition of governance. They also have resulted in improved delivery of services and in many instances reduced costs to property taxpayers.

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<sup>4</sup> Source of Area, Population, and Population Density is the 2010 Census.



## The Property Tax is Key to Balancing Municipal Budgets

The property tax in New York State is based on the value of real property (land and improvements). It occupies a special place in the financing of local government not only because of its yield in relation to total local revenue, but also because of its key position in the municipal budget process.

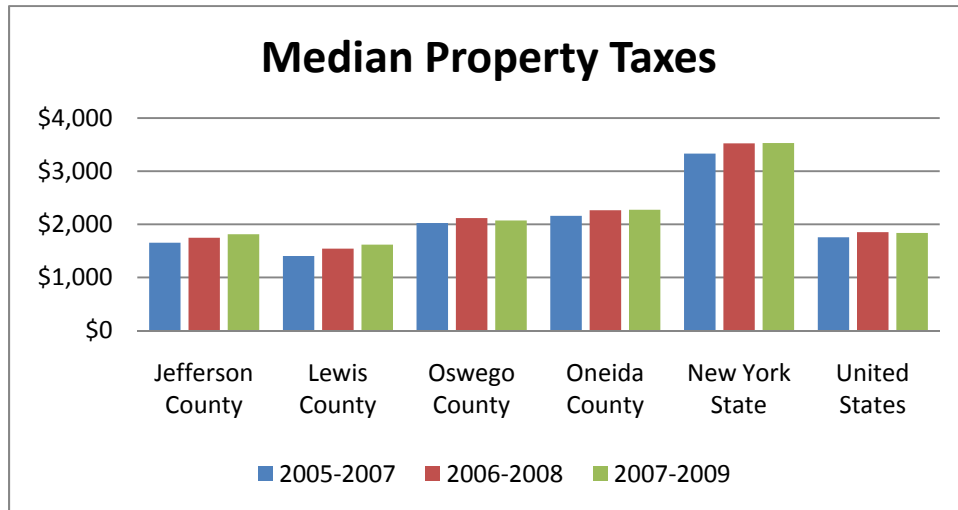
Property tax is the most stable locally-controlled revenue source. Whereas sales tax and State aid are indeterminate revenue streams, property tax reliably pays for services such as schools, roads and fire protection. This is due to the fact that property values remain relatively stable over time. Local property taxes also pay the local share of some State programs such as Medicaid. They are used to balance municipal budgets after all other revenue sources are accounted for. This is significant because property taxes can be dramatically impacted by decreases in other revenues such as sales tax and State aid or increases in required spending (i.e. mandates). As a result, municipalities typically find they need to increase property tax levies during economic downturns.

Municipal budgeting follows a procedure that first estimates expenditures or appropriations and then deducts estimated revenues from sources other than the property tax to arrive at a remainder, which is the *tax levy*. Thus the property tax levy becomes the balancing item on the revenue side of the municipal budget. This process is constrained by legal limitations upon the amounts that may be raised by certain jurisdictions from the real property tax. The final step is fixing the local tax rate. The tax levy is divided by the total dollar amount of the taxable assessed valuation of real estate within the local government. The result is a percentage figure, which is expressed as a tax rate, normally so many dollars and cents per \$1,000 of assessed valuation. Where the tax levy for a county, school district or improvement district is spread between or among two or more municipalities, assessed valuations are equalized for each municipality through the use of equalization rates. Equalization is intended to ensure equity where a property tax is levied over several local government units that assess properties at different percentages of value. For school apportionment and for county apportionment in most counties, the equalization rates are determined by the State Office of Real Property Services (ORPS). In other counties — except Nassau County and the Counties in New York City — equalization rates are established by the county legislative body, subject to review by ORPS.

**Measures of Overall Property Tax Growth, by Tug Hill County**

A look at recent property tax trends in the table and chart below for all municipalities within Tug Hill Counties reveals an increase in taxes paid between 2005 and 2009 in Jefferson, Lewis, and Oneida Counties, along with New York State. Oswego County and the U.S. saw a decline in property taxes paid over the last period.

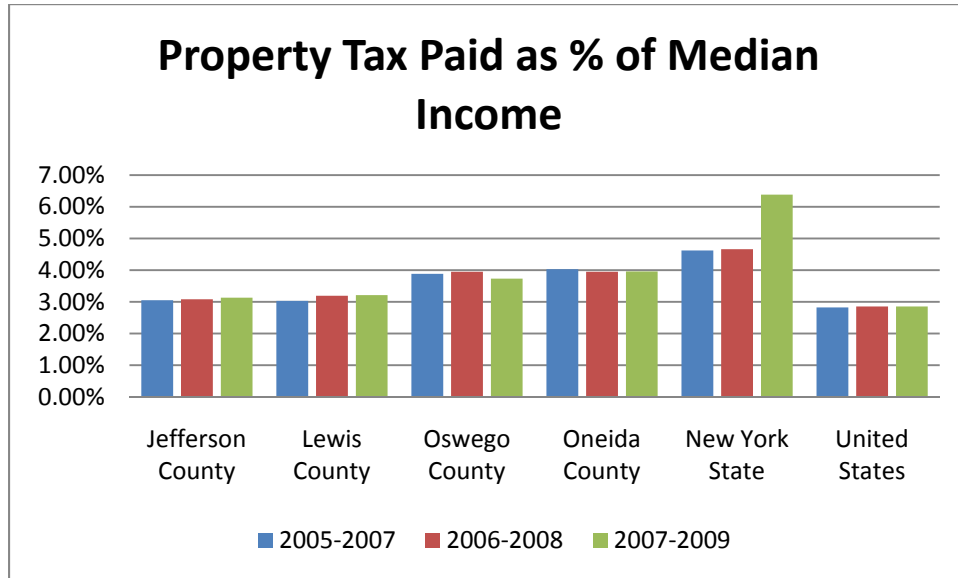
<b>Property Tax Data by County<sup>5</sup></b>			
<b>Median Property Taxes</b>	2005-2007	2006-2008	2007-2009
Jefferson County	\$1,653	\$1,746	\$1,813
Lewis County	\$1,404	\$1,543	\$1,619
Oswego County	\$2,023	\$2,117	\$2,074
Oneida County	\$2,160	\$2,266	\$2,275
New York State	\$3,332	\$3,525	\$3,531
United States	\$1,755	\$1,854	\$1,838



The chart below indicates that property tax paid as a percentage of median income has increased slightly in Jefferson and Lewis Counties across the three averaged periods between 2005 and 2009. Oswego County increases in 2006-2008, and then most recently has seen a negligible decline. Oneida County had a lower tax paid as percentage of median income mid-period with a slight increase in 2007-2009. Overall New York State, followed by Oswego and Oneida Counties, use a greater percentage of their household income toward property taxes than Jefferson and Lewis Counties.

The U.S. percentage of household income used to pay property taxes is stable across periods between 2.82 to 2.85 percent, while the NYS figure shows a jump from 4.66 to 6.38 percent in the most recent period.

<sup>5</sup> Source: Census-American Community Survey 3-Year Estimates.



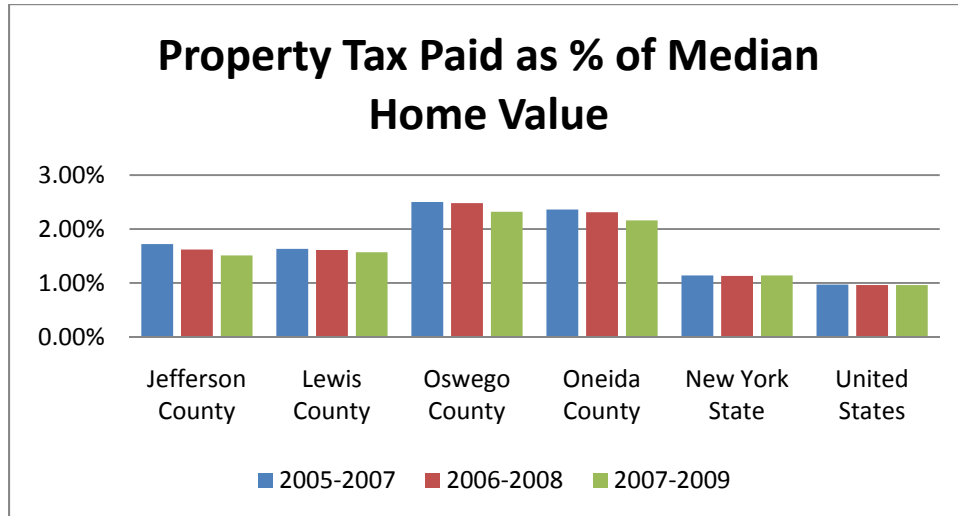
The median home value of owner-occupied units in Tug Hill County is far below the State and U.S. averages for all periods, but shows a steady increase from 2005 through 2009. New York State and the U.S. home values increase in the 2006-2008 estimate, but most recently experience a modest decline. See table below.

Median Home Value <sup>6</sup>	2005-2007 (three year average)	2006-2008 (three year average)	2007-2009 (three year average)
Jefferson County	\$96,300	\$107,600	\$120,100
Lewis County	\$86,100	\$96,000	\$103,100
Oswego County	\$81,000	\$85,300	\$89,400
Oneida County	\$91,500	\$98,000	\$105,100
New York State	\$293,400	\$311,700	\$310,100
United States	\$181,800	\$192,400	\$191,900

In the chart below, property tax paid as a percentage of median home value is higher in the Region than in the State and U.S. reflecting an overall higher amount of property tax paid in the Region relative to home values. The New York State figure is between .37 and 1.36 percent lower than the Tug Hill Region.<sup>7</sup> In general, this reflects lower yet steadier values of homes in the Tug Hill Region.

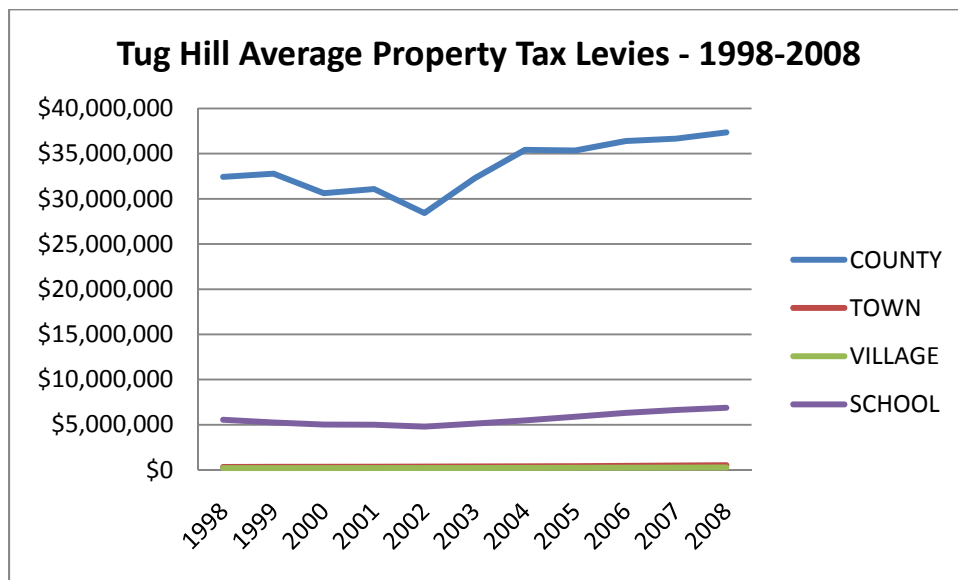
<sup>6</sup> Source: American Community Survey 3-Year Estimates.

<sup>7</sup> Source: Tax Foundation calculations based upon Census data (American Community Survey). Data refers to median real estate taxes and median value on "owner-occupied housing units," as well as the median household income of units that are owner-occupied.



## Property Tax Levies and Rates for Tug Hill Governments

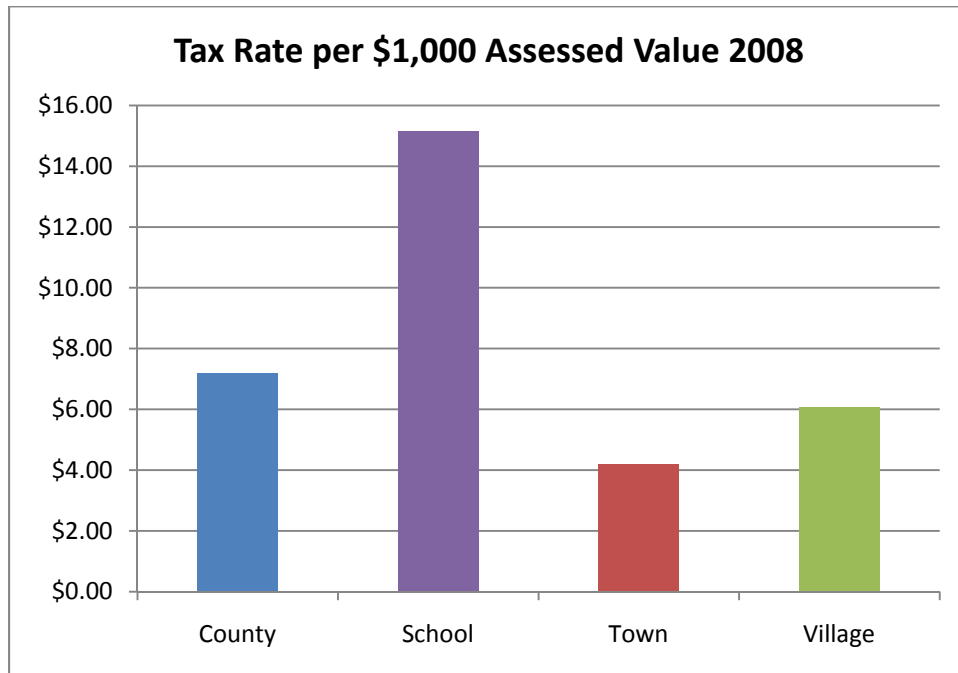
The chart below shows changes in property *tax levies* (as opposed to tax rates) from 1998 to 2008 for four taxing entities: Counties, Towns, Villages, and school districts. The figures represent the averages of all of these types of units in the Tug Hill Region. Note that the levies increased during this period for all governments, but did not necessarily increase each year and did not necessarily increase at a steady rate. This chart also illustrates the differences in amounts raised through property taxes by the different taxing units. Counties clearly raise much more than school districts, which in turn raise more than Towns and Villages.



The table below lists the average annual dollar increase for each unit along with the average annual percentage increase (1998-2008). Note that the relative sizes of absolute dollar increases do not correlate directly to the relative sizes of percentage increases. For example, while the average Tug Hill County tax levy increased annually by a much higher dollar figure than the other units of government, the annual percentage increase for County was the lowest, at 1.6%. Conversely, the average Town increased its levy at a much lower amount of \$19,346 per year, which translates into a 4.7 percentage increase.

	AVERAGE DOLLAR INCREASE	AVERAGE PERCENT INCREASE
<b>COUNTIES</b>	\$491,741	1.6%
<b>SCHOOL DISTRICTS</b>	\$133,317	2.3%
<b>TOWNS</b>	\$19,346	4.7%
<b>VILLAGES</b>	\$8,206	3.6%

Tax rates are derived from dividing the tax levy by the tax base. Property tax bills are computed as a dollar figure charge per each \$1000 of a property’s assessed value. For example, a \$100,000 dollar house would be billed the tax rate multiplied by 100. The larger a community’s tax base, the lower its tax rate, all other things being equal. When tax rates are averaged for all Tug Hill communities, it becomes clear that school districts have the highest tax rates (more than counties and towns combined), followed by counties, towns, and villages.



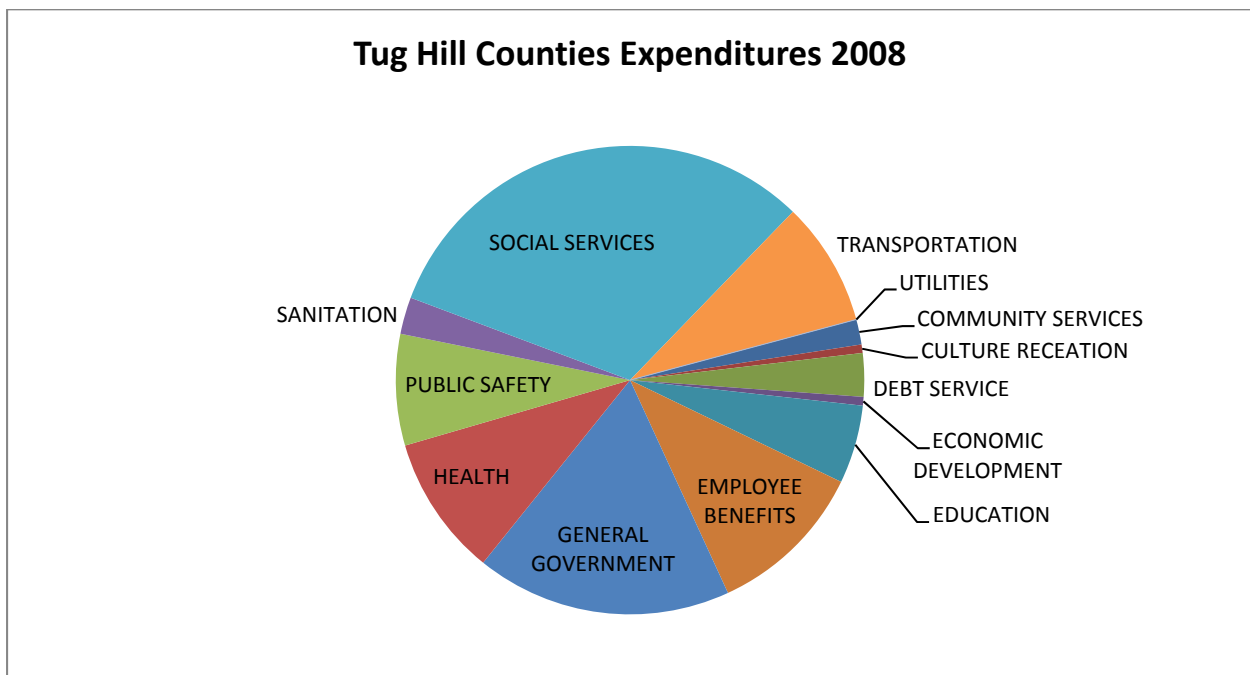
**PROPERTY TAX TRENDS**

An analysis of property tax trends must begin with a look at what services Tug Hill Region local governments provide and how they pay for them. In other words - where do residents' property tax dollars go and what is driving the increased need for them? Counties, Towns, Villages and school districts are required to report all expenditures and revenues to the Office of the State Comptroller annually. This information is compiled and made available to the public via the Comptroller's Office Open Book website. For the purposes of this study, data for fiscal year 2008 was compiled and averaged for all four Tug Hill Region Counties (including portions of the counties that are not in the Tug Hill Region), all 41 Tug Hill Region Towns, all 21 Tug Hill Region Villages and all 24 Tug Hill Region school districts (including portions of the school districts that are not in the Tug Hill Region). The figures for each of these units of governments are depicted in the pie charts on the following pages. Figures were also averaged for all New York State Counties, Towns, Villages, school districts, and fire districts for fiscal year 2008. This was done to determine what is unique about the way Tug Hill Region municipalities and other similar rural local governments raise and spend funds compared to local governments statewide.

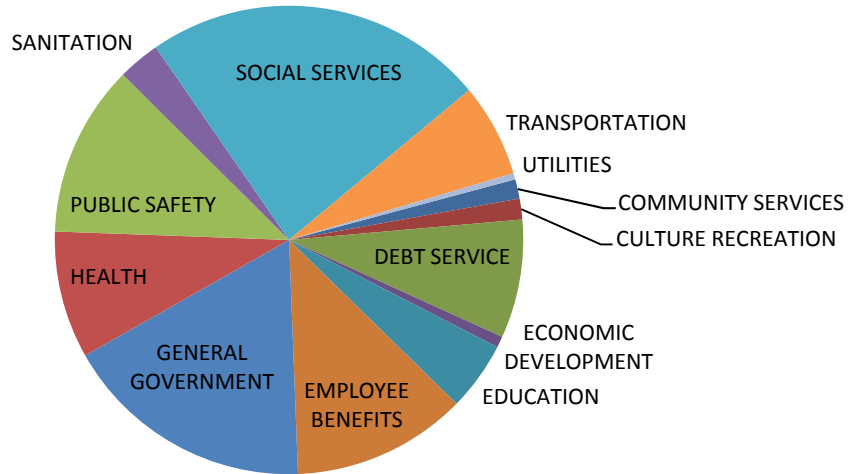
Expenditures are divided into 13 categories, each with a number of subcategories. Revenues are divided into 11 categories, also with subcategories. The categories and subcategories are listed in *Appendix C*.

**COUNTY EXPENDITURES AND REVENUES**

The average Tug Hill County spent almost one third of its budget (31%) on social services in 2008. The next highest expenditures were general government (18%), employee benefits (11%), health spending (10%), and transportation (9%). Compared to the average NYS County, the average Tug Hill County spent a larger share of its budget on social services, a smaller share on debt service, and a smaller share on public safety.

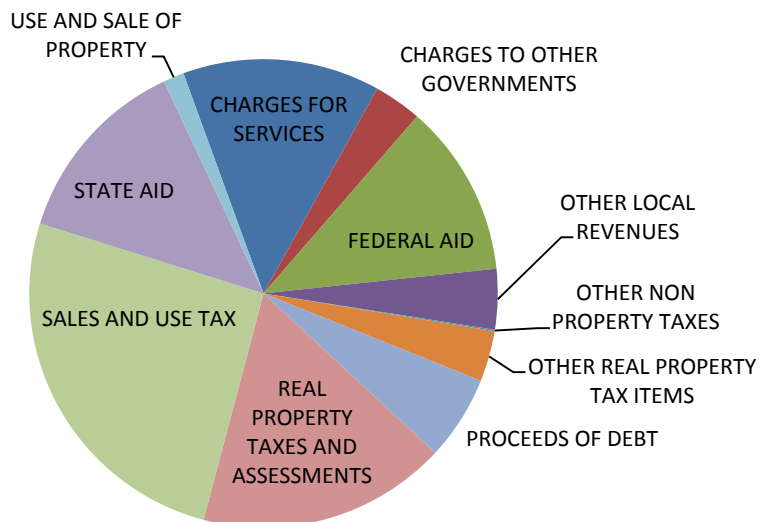


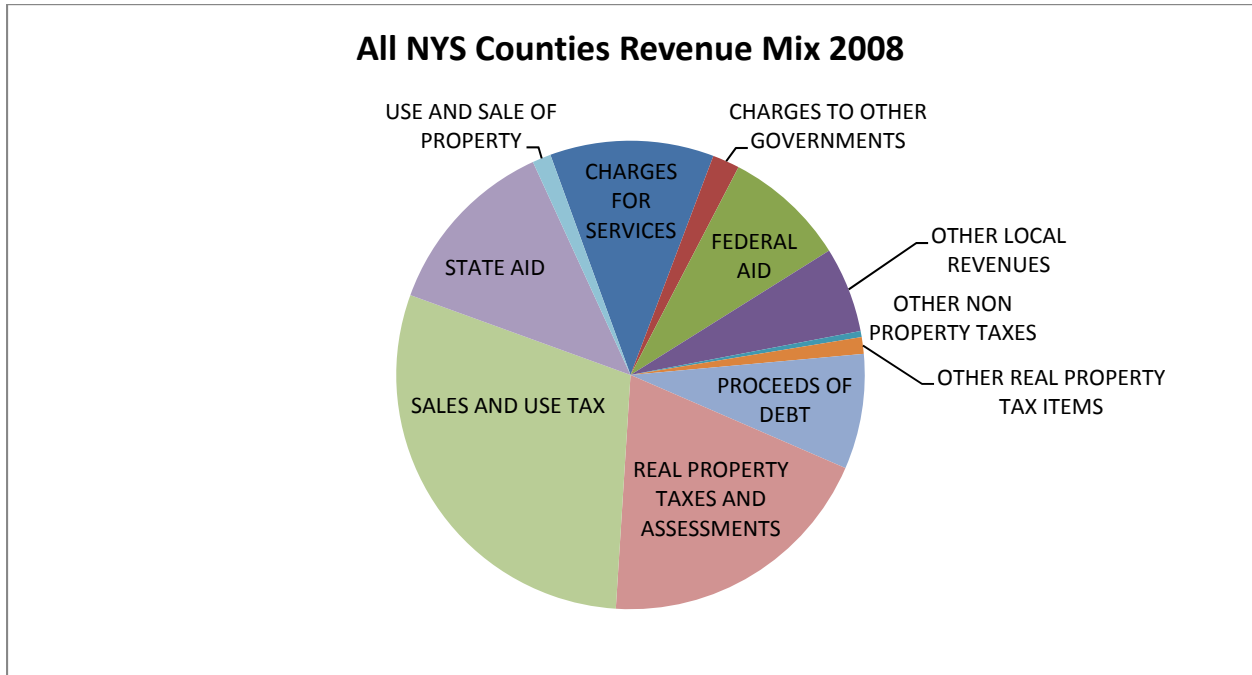
**All NYS Counties Expenditures 2008**



The average Tug Hill County received its revenue from a wide variety of sources, the largest being sales tax (26%). The next most important revenue sources were property taxes (17%), charges for services (14%), state aid (13%), and federal aid (12%). Compared to the average NYS County, the average Tug Hill County received slightly less of its total revenues from sales tax and property tax and more from charges for services, federal aid, and other real property tax items.

**Tug Hill Counties Revenue Mix 2008**



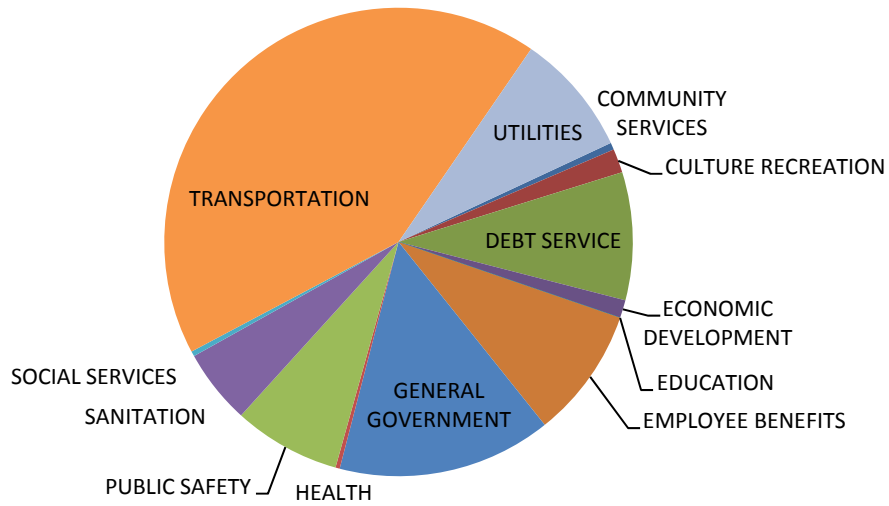


**TOWN EXPENDITURES AND REVENUES**

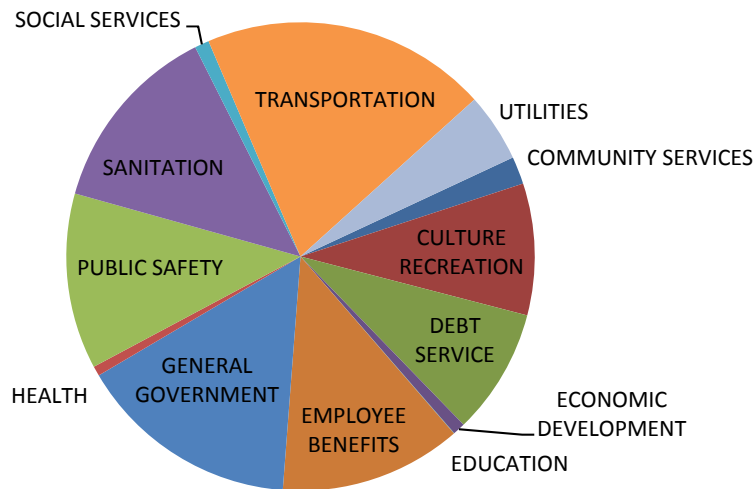
The average Tug Hill Town spent the overwhelming majority of its budget on transportation (42%) in 2008 (compared with a statewide expenditure on transportation of 20% in the same year). The next largest portions of the spending total were general government (15%), debt service (9%), employee benefits (9%), and utilities (9%). Compared to the average NYS Town, the average Tug Hill Town spent much more of its revenues on transportation and more on utilities. The average Tug Hill Town spent less of its revenues on culture/recreation, employee benefits, public safety, and sanitation.



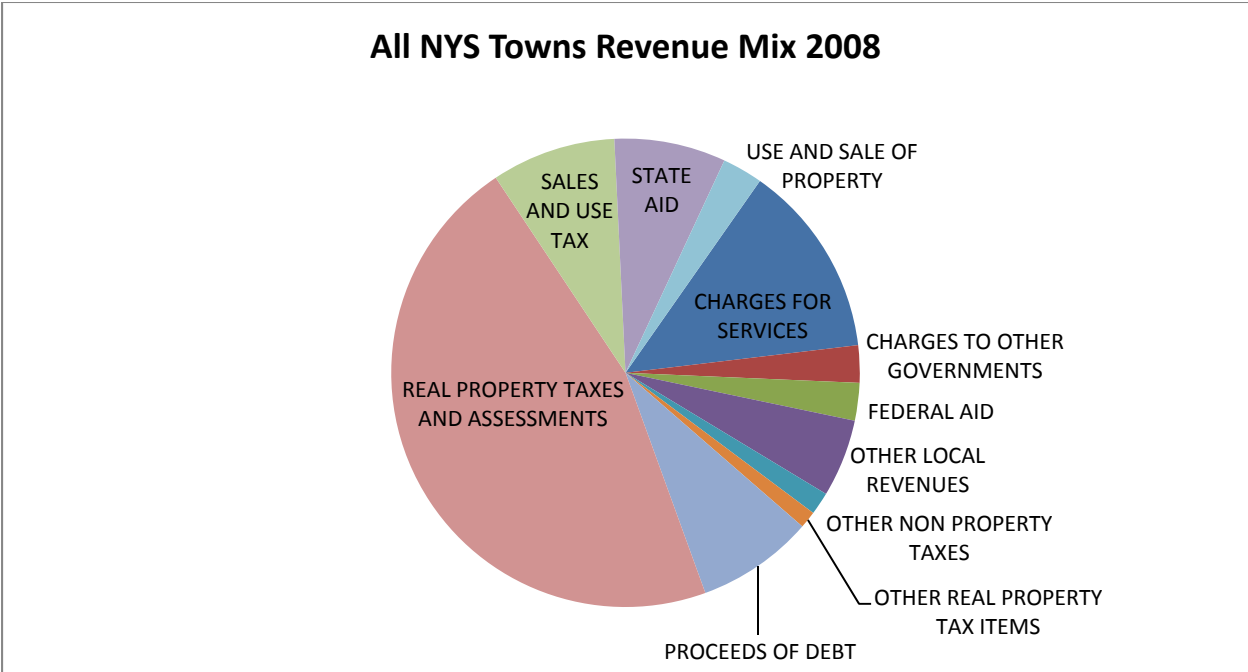
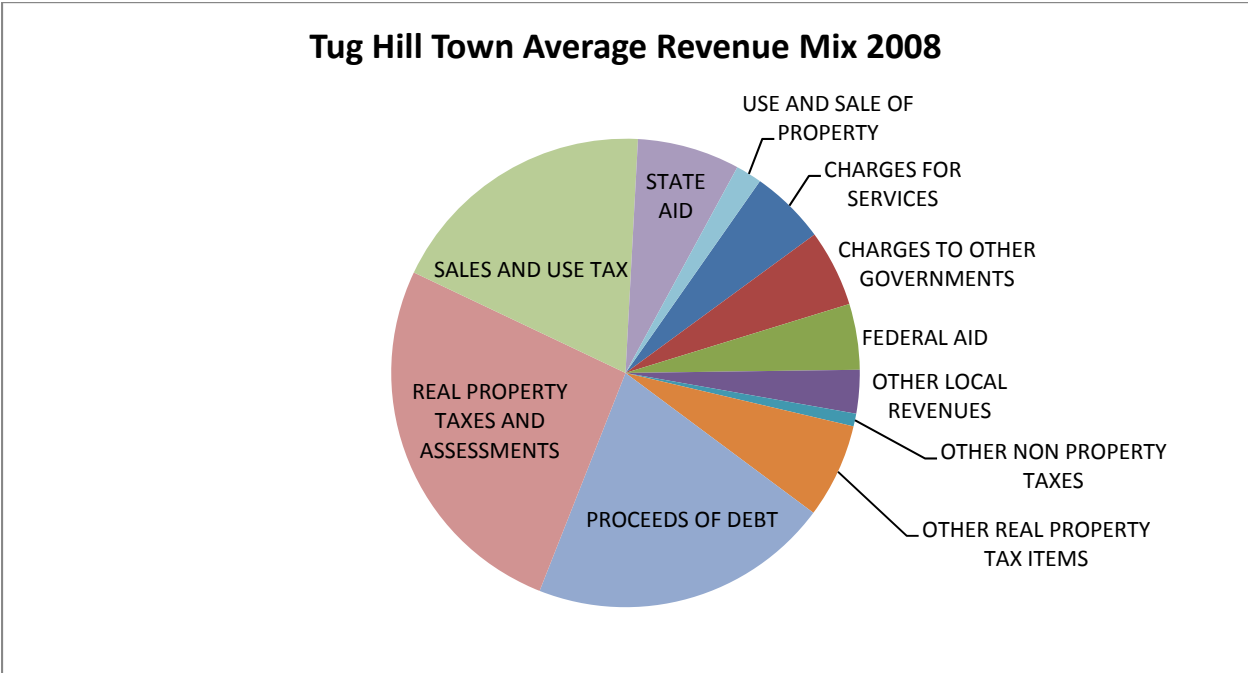
**Tug Hill Towns Average Expenditures 2008**



**All NYS Town Expenditures 2008**

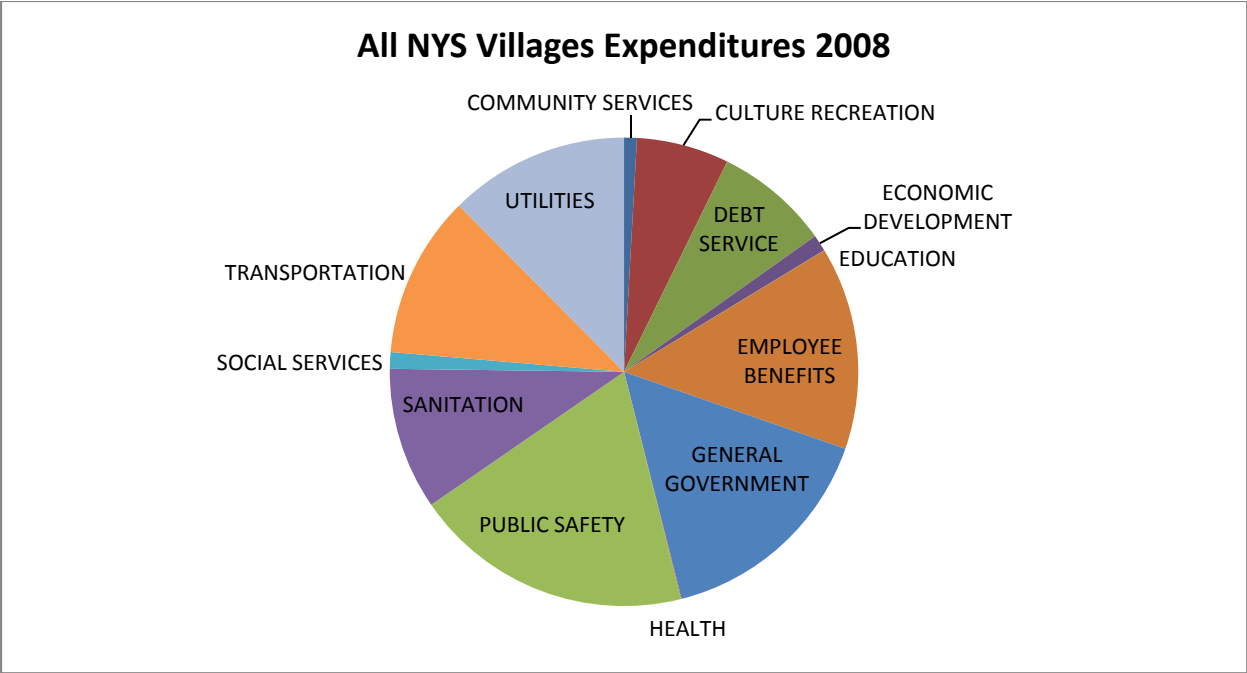
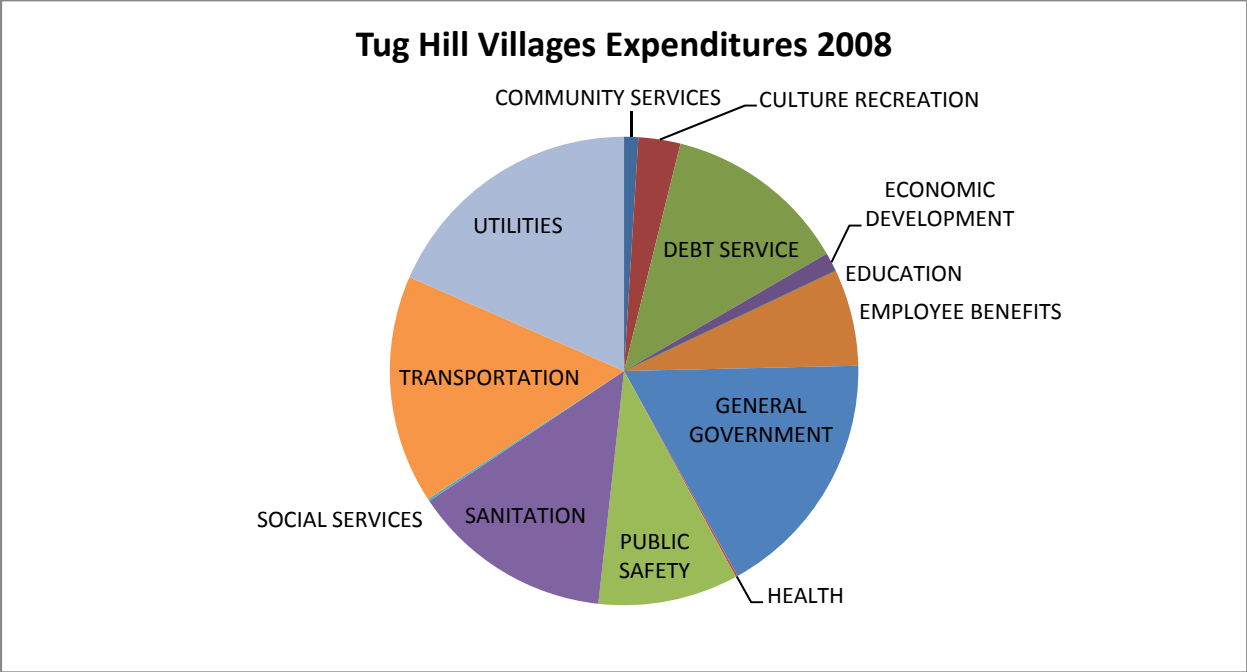


The average Tug Hill Town received just over one quarter of its revenues (26%) from property taxes in 2008. The next highest portions were proceeds of debt (21%) and sales tax (19%), followed by state aid (7%) and other real property tax items (6%). The average Tug Hill Town was more dependent on sales tax, proceeds of debt, and other real property tax items and less dependent on property taxes, charges for services.

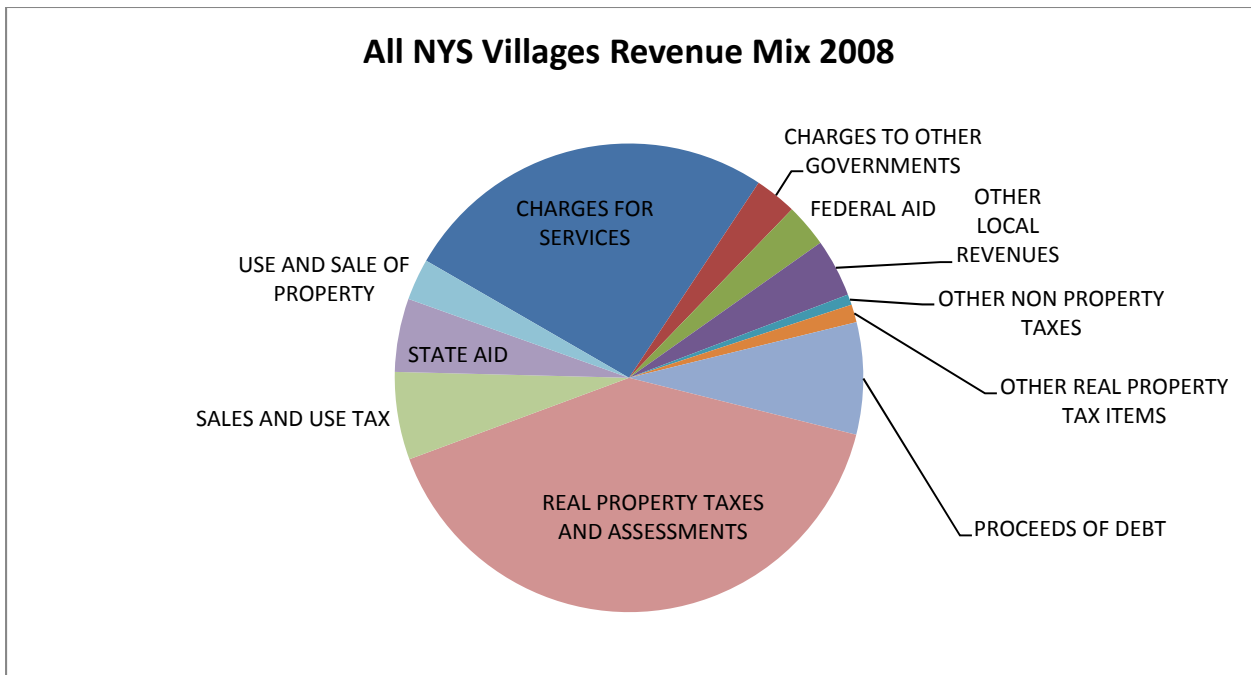
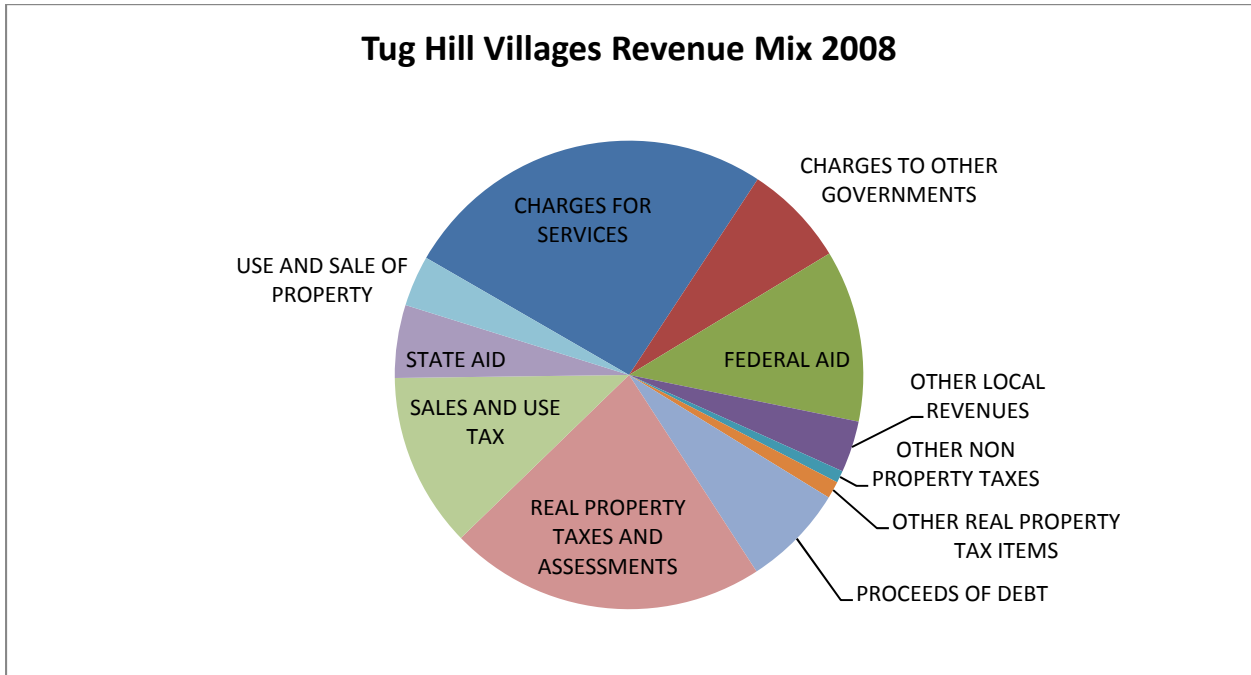


## VILLAGE EXPENDITURES AND REVENUES

The average Tug Hill Village had a very diverse mix of expenditures in 2008 with the largest being utilities (18%), general government (17%), transportation (16%), sanitation (14%), and debt service (13%). Compared to the average NYS Village, the average Tug Hill Village spent larger portions of its revenues on debt service, sanitation, transportation, and utilities. The average Tug Hill Village spent less of its revenues on culture/recreation, employee benefits, and public safety.



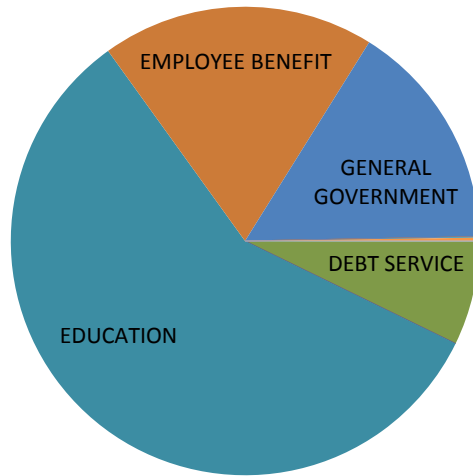
The average Tug Hill Village receives its revenues from a diverse mix of sources with the largest being charges for services (26%) and property taxes (22%). These are followed by federal aid (12%), sales tax (12%), and charges to other governments (7%). Compared to the average NYS Village, the average Tug Hill Village received more of its revenues from sales tax, federal aid and charges to other governments. The Tug Hill Village received much less (18% less) of its mix from property taxes.



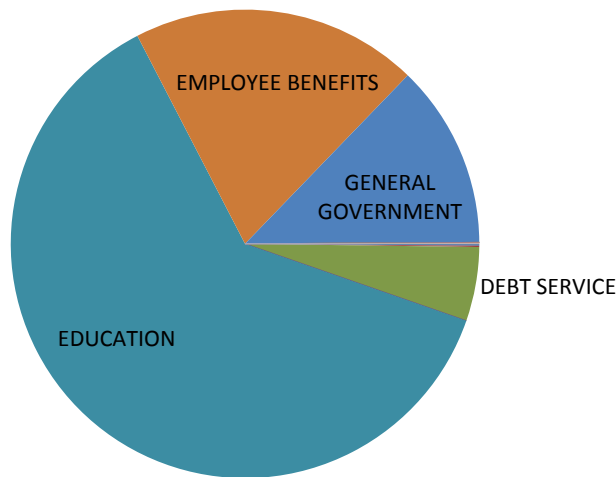
## SCHOOL DISTRICT EXPENDITURES AND REVENUES

The average Tug Hill school district in the Tug Hill region spent the majority of its revenues (58%) on education, not surprisingly, in 2008. This category is followed by employee benefits (19%), general government (administrative) (16%), and debt service (7%). This mix was very similar to the average NYS school district, the biggest differences being that Tug Hill schools spent slightly more of its revenues on general government and slightly less on education.

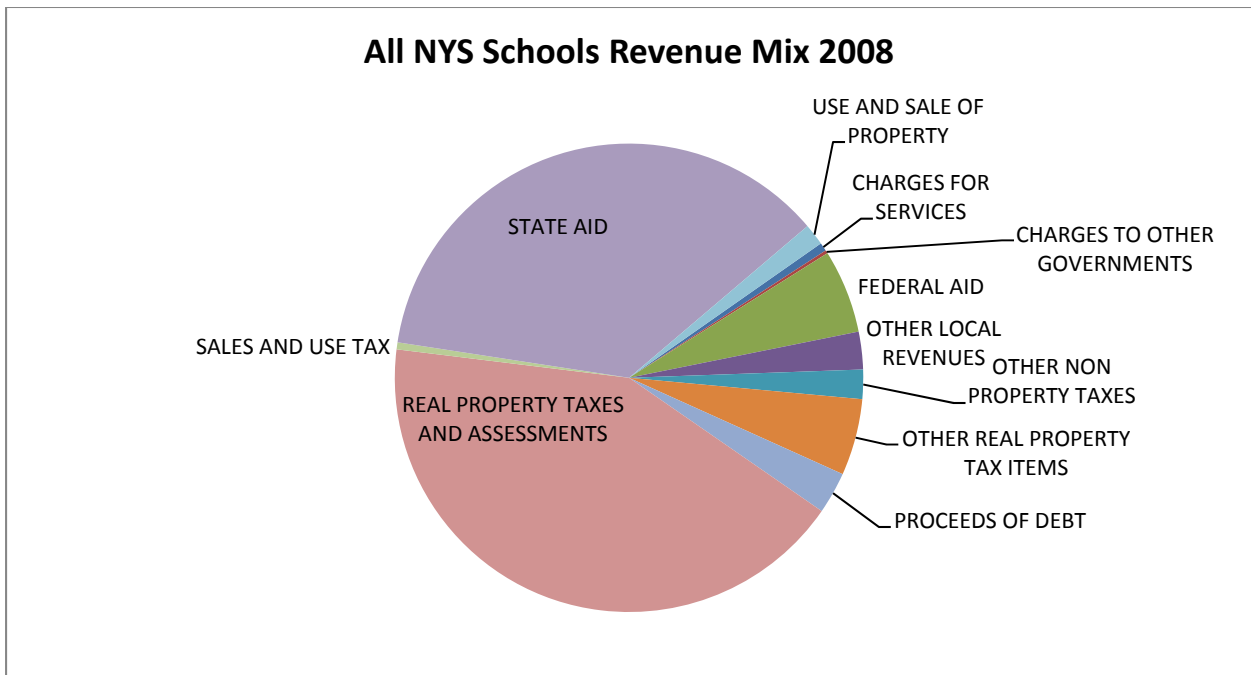
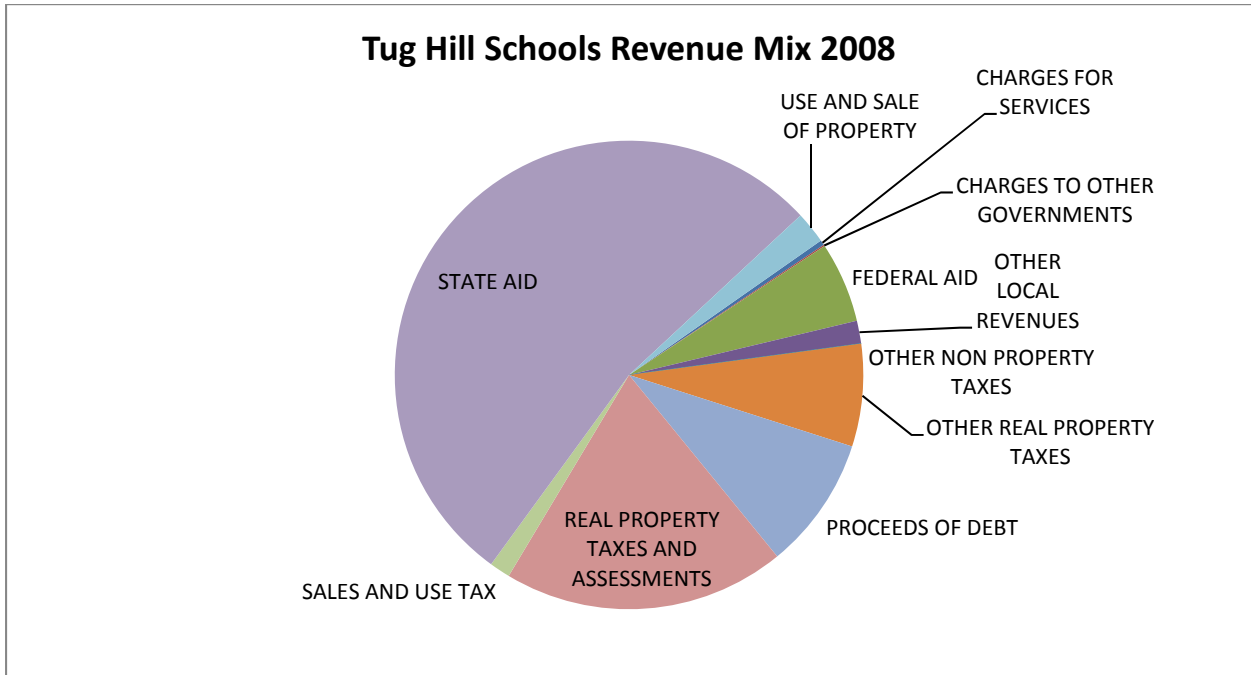
### Tug Hill Schools Expenditures 2008



### All NYS Schools Expenditures 2008



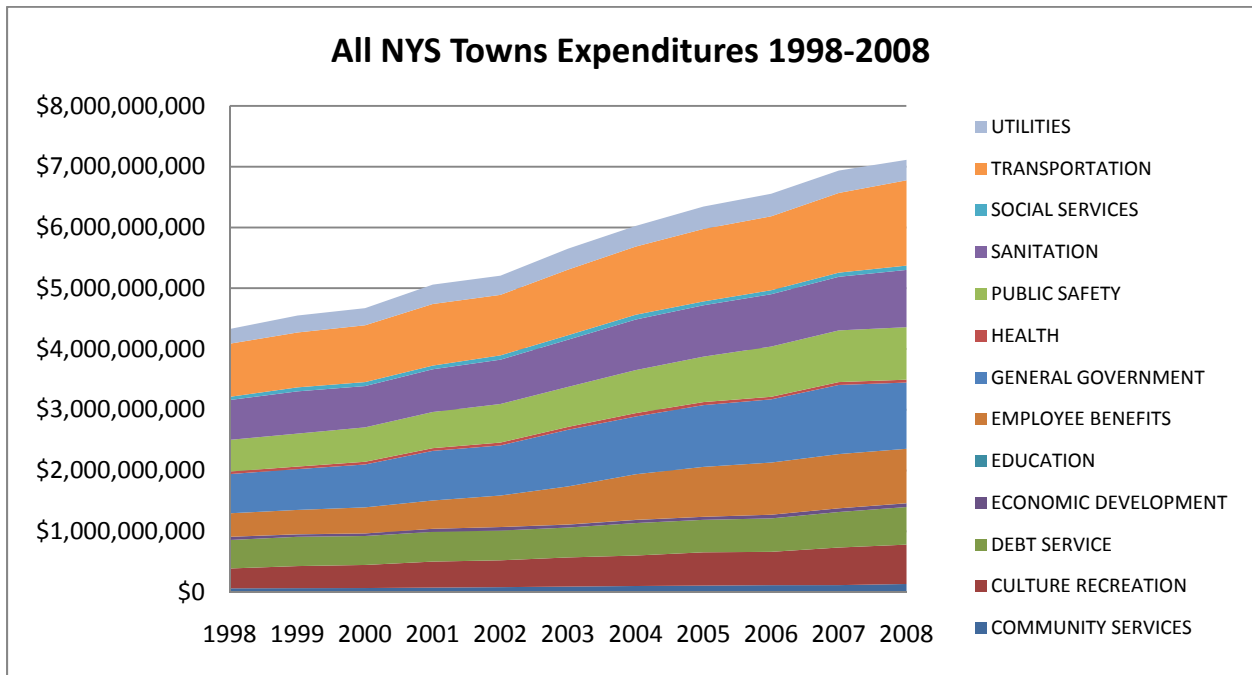
The average Tug Hill school district received just over half of its funds (53%) from state aid in 2008. The next largest sources were property taxes (20%), proceeds of debt (9%), other property taxes (7%), and federal aid (6%). The Tug Hill school district was much more dependant (19% more dependant) on state aid than the average NYS school district. The Tug Hill school district also received more of its revenues from proceeds of debt. The average NYS school district was more dependent on property taxes.



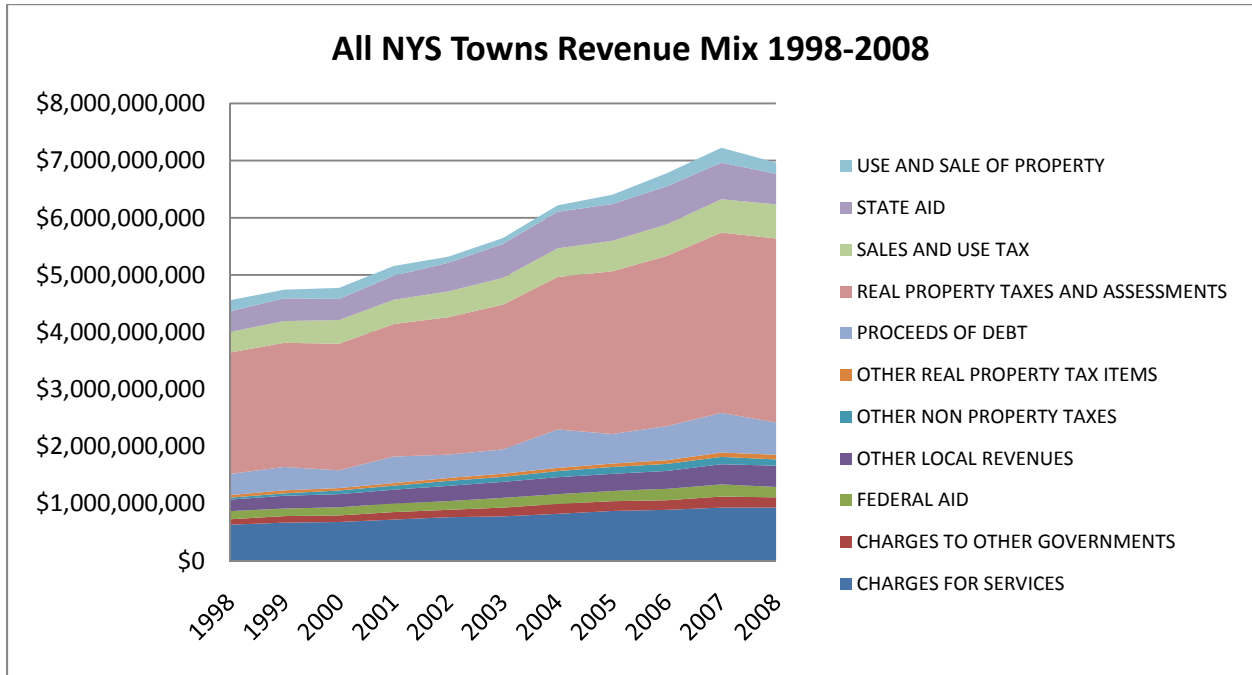
## TUG HILL TOWNS – CASE STUDIES

Building on the concept that while averaging the figures for all local governments in the Region provides a convenient measure of a "typical" Tug Hill community against a "typical" New York state community, there is no typical Tug Hill community—the following graphs compare finances for all NYS Towns combined with a sample of four 'types' of Tug Hill Towns.

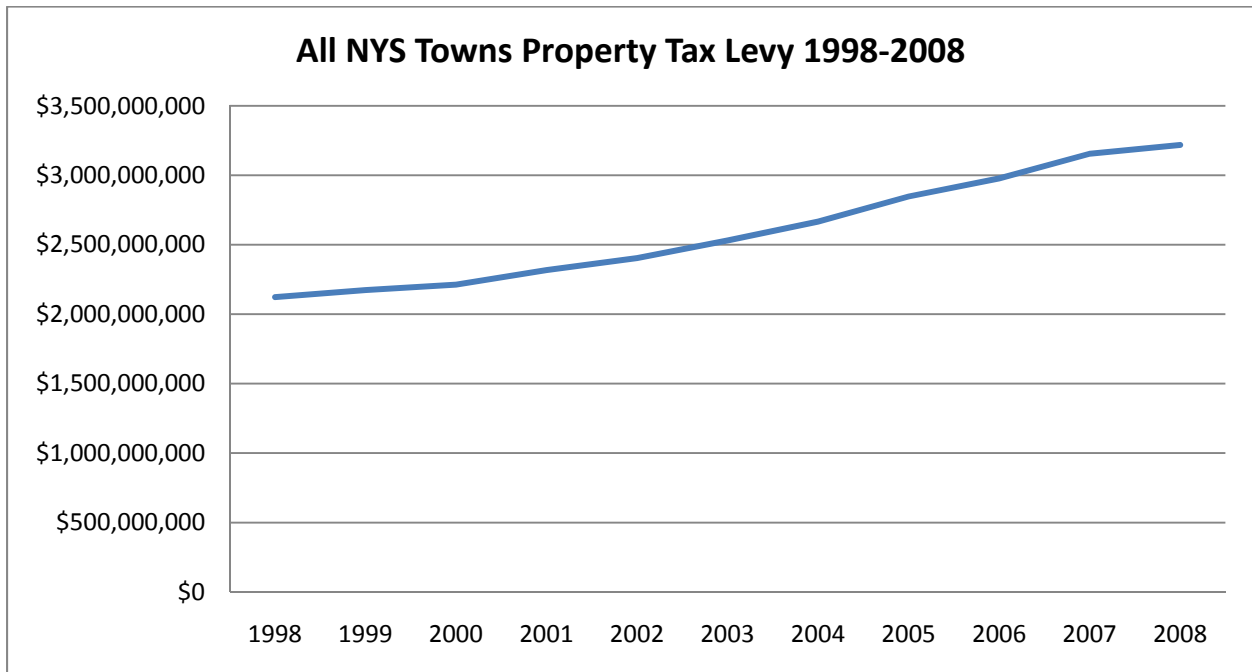
When expenditure trends are graphed for all New York State Towns, the expenditure categories defined by the Comptroller rise gently and evenly. This is evidenced by the absence of sharp spikes and drops and is due to the averaging of many different types of Town (suburban, rural, etc.) The largest dollar increases during the period from 1998 to 2008 were, in order, **transportation (+529 mil.), employee benefits (+507 mil.), and general government (+444 mil.)**. The largest percentage increases were education (+1,738%), employee benefits (+131%), and community services (+115%).



When revenues are graphed, it becomes clear that these have also grown steadily, although slightly less steadily than expenditures due to fluctuations in proceeds of debt (bonding) over the time period. The chart also illustrates the dependence New York State Towns have on real property taxes.

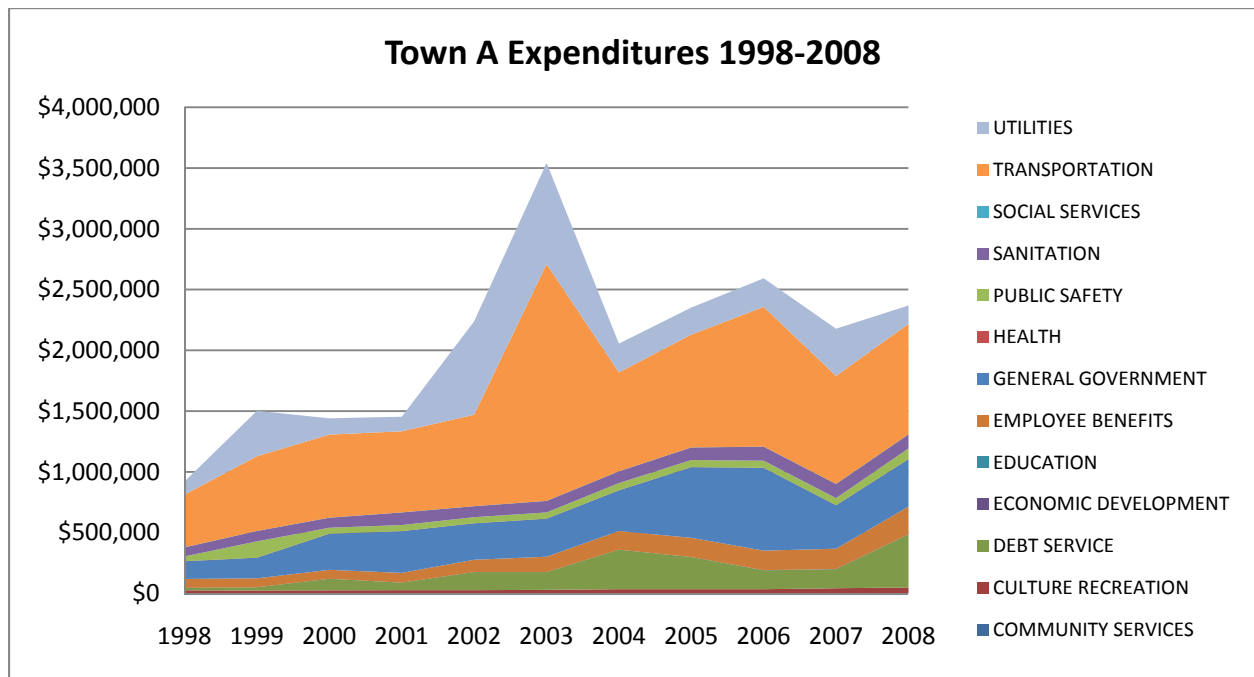


The chart below depicts the increase in property tax levies for all New York State Towns between 1998 and 2008. The levies increased steadily during this period at an average annual rate of **4.3%**. The average rate of inflation during this period was **2.8%**.

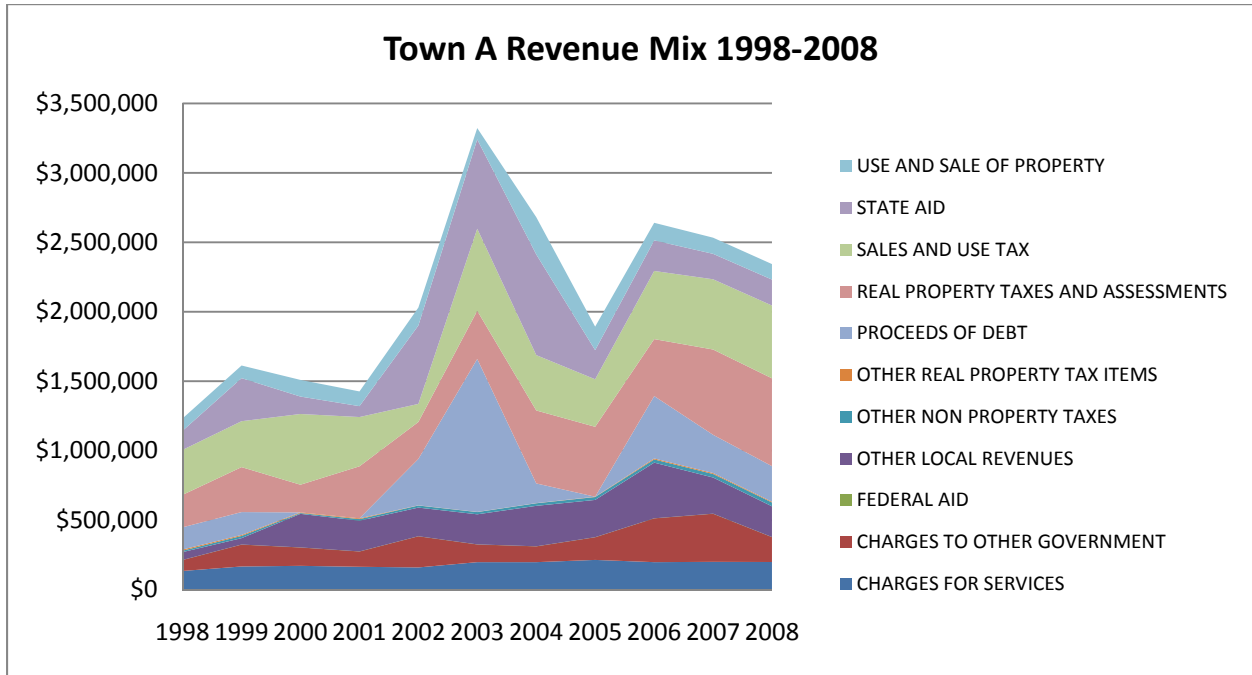




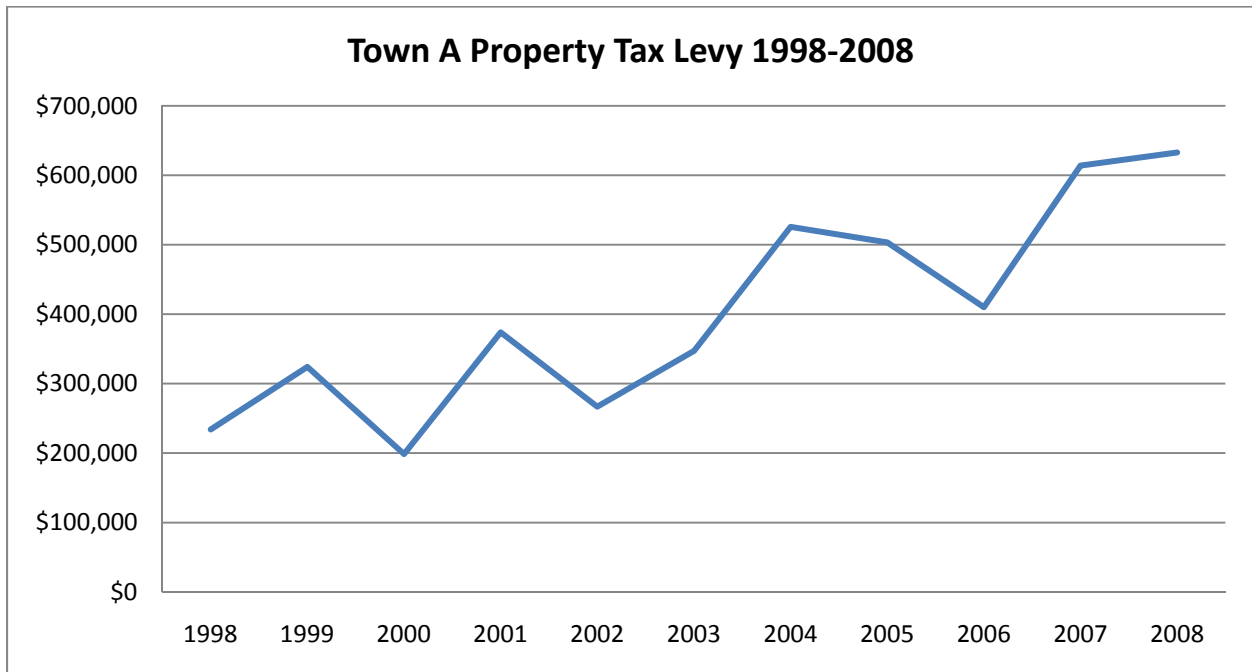
Town 'A' is an example of a Tug Hill Town with a relatively higher population density (it includes one of the larger Villages). When expenditure trends are charted, it becomes immediately noticeable that data for individual Towns shows a much more volatile budget nature, with spikes in spending, and large differences in expenditure categories. Town 'A' clearly spends a large share of its budget on transportation and general government expenses and had large spikes in transportation expenditures around 2003 and 2006. The fastest growing expenditures by dollar during the 1998 – 2008 period were, in order, **transportation (+473k)**, **debt service (+417k)**, and **general government (+245k)**. The largest percentage increases were debt service (+2,162%), community services (+283%), and employee benefits (+208%).



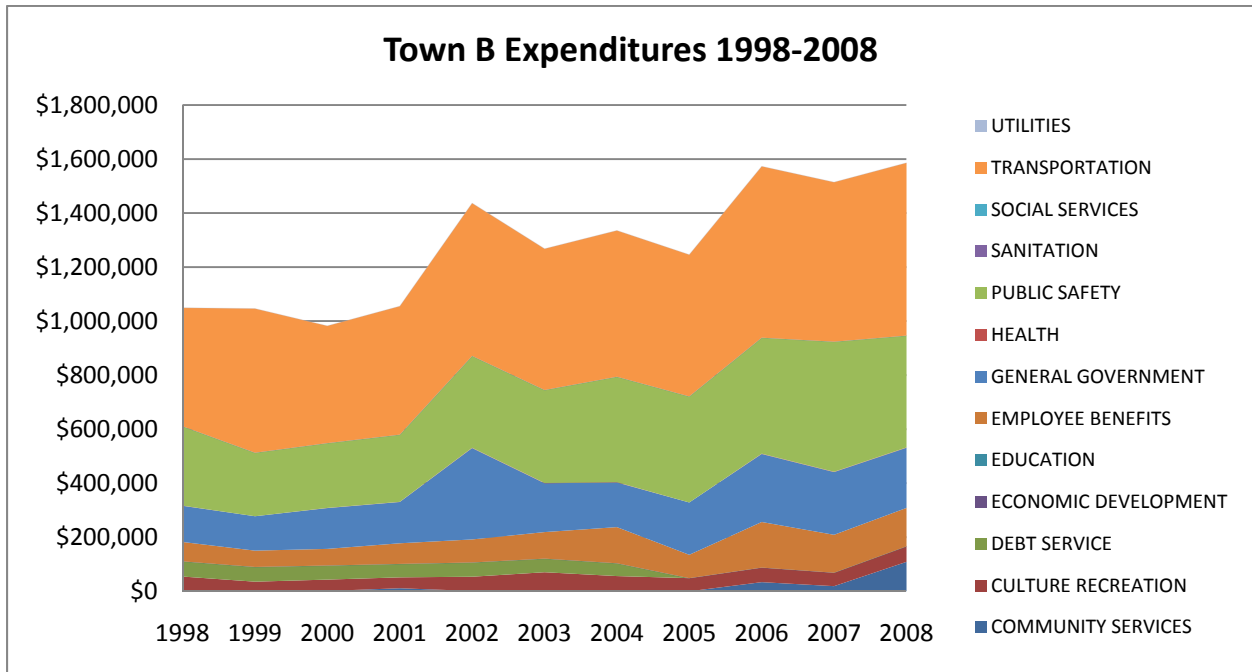
A look at revenue trends reveals large spikes in proceeds of debt (due to bonding) that most likely correlate to the transportation expenditures around the same years. The chart also reveals that Town 'A' is about equally dependent on sales taxes and property taxes.



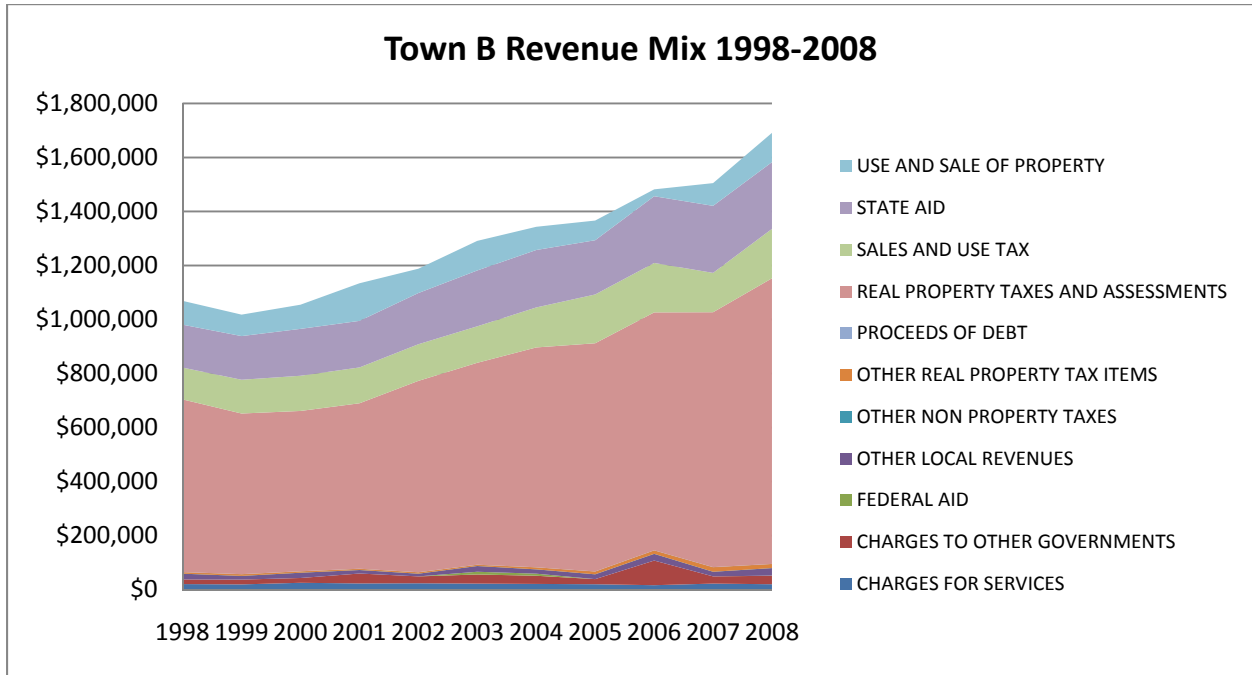
Property tax levies for Town ‘A’ illustrate a much more volatile nature than the averaged state Town with alternating increases and decreases. Overall, the property tax levy grew by an average annual rate of **17.1%** during the period from 1998 – 2008.



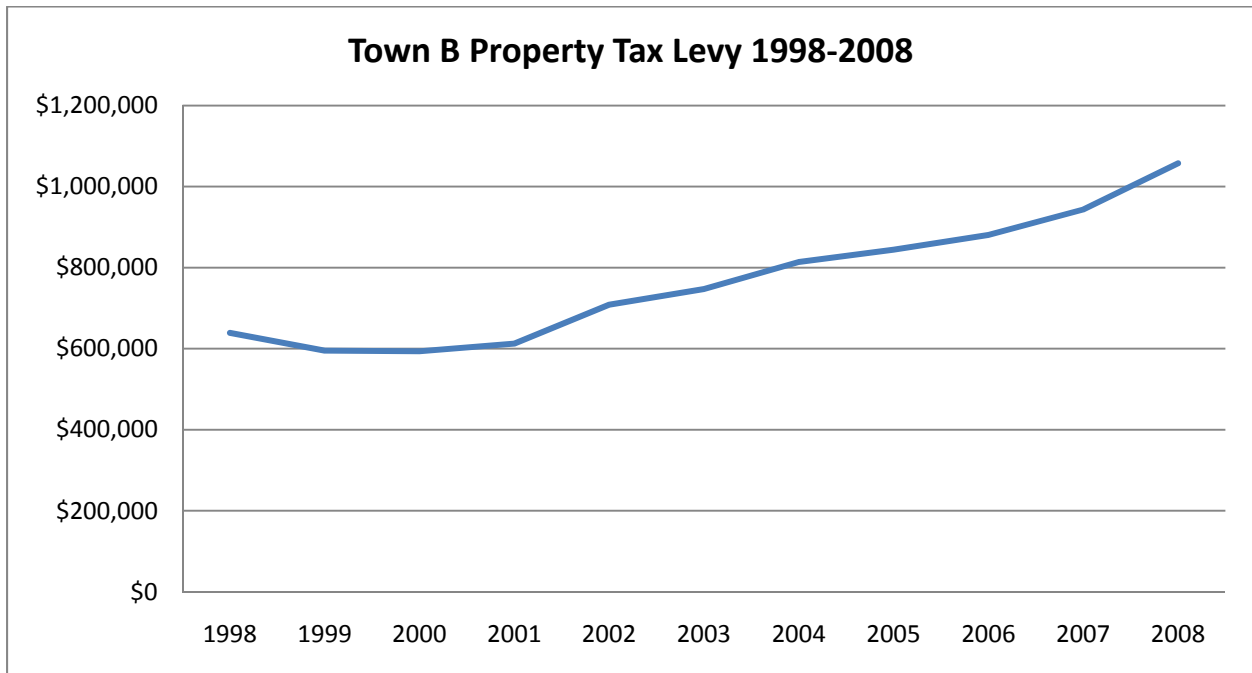
Town 'B' is an example of a Town along the region's periphery with a large number of second homes. Here the expenditure trend chart shows spikes in general government spending around 2002 and employee benefits around 2006. The chart also shows that Town 'B' spends a good portion of its budget on public safety expenses. The largest dollar increases in expenditures from 1998 to 2008 were, in order, **transportation (+201k)**, **public safety (+120k)**, and **community services (+108k)**. The largest percentage increases in spending were community services (+10,792%), health (+161%), and employee benefits (+98%).



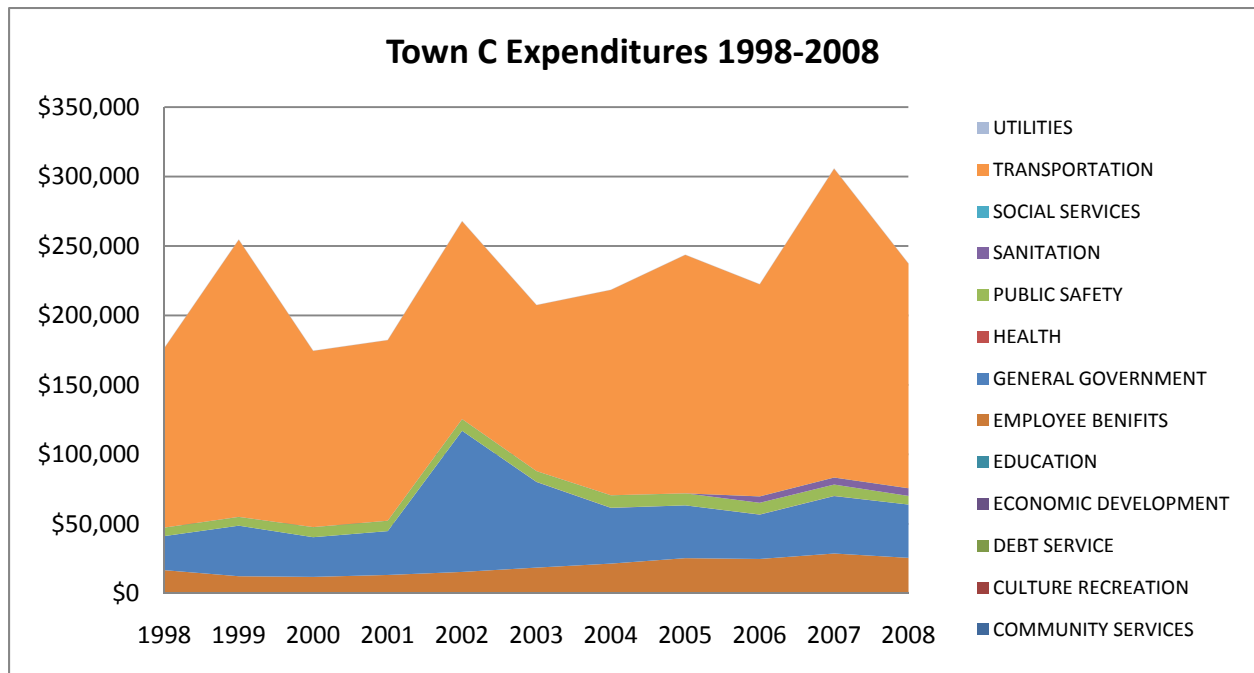
When revenues are charted, we see a gradual increase in property taxes relative to other funding sources. We also see that Town 'B' is highly dependent on property taxes, as opposed to other sources.



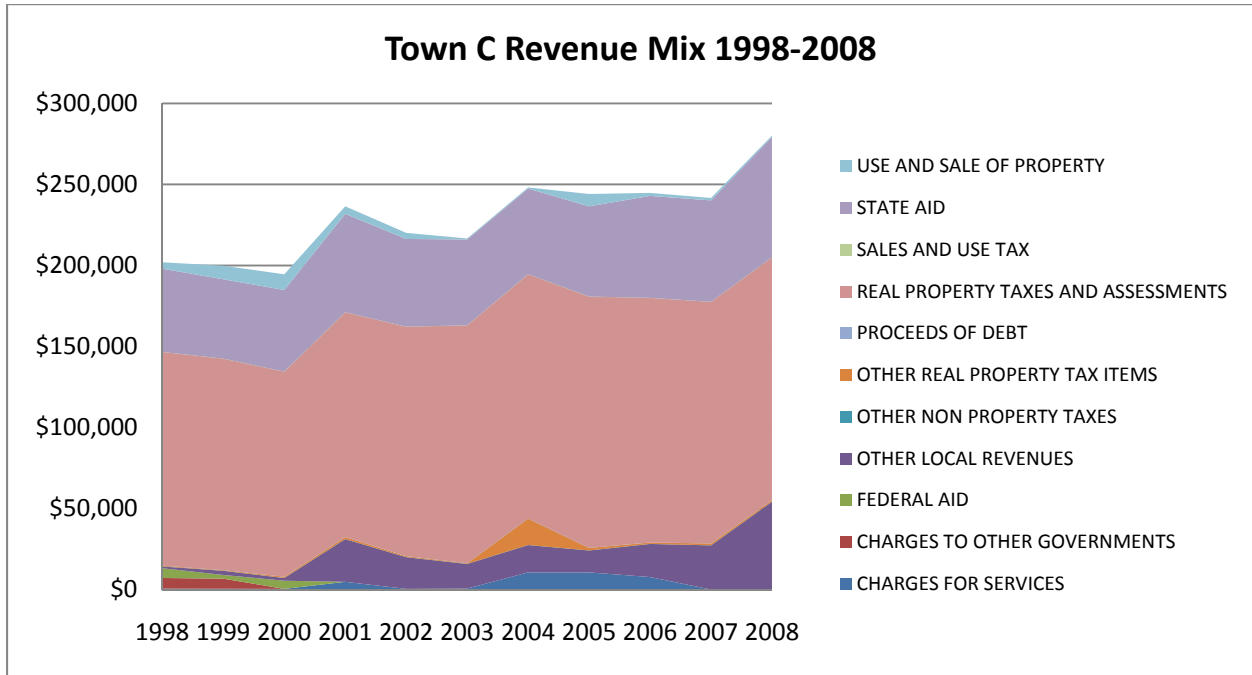
The property tax trend chart for Town ‘B’ shows a downward trend from 1998 to 1999, followed by a steady increase to 2008. The average annual increase for the period as a whole was **5.3%**.



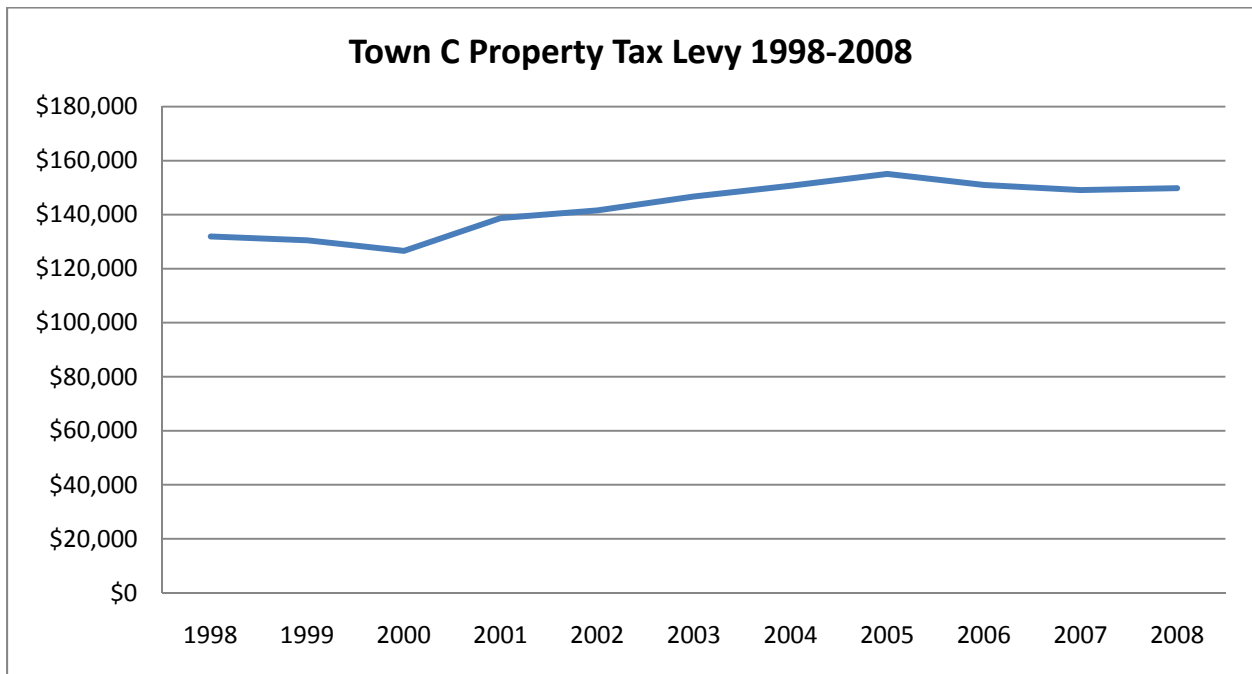
Town ‘C’ is an example of a very rural, core Tug Hill Town with a low population density and a relatively smaller budget. The expenditure trend chart shows very modest growth in spending overall, with small spikes in transportation spending in 1999, 2005, and 2007. The data also shows a spike in general government expenditure around 2002. The fastest growing expenditures in dollars during the 1998 to 2008 period were, in order **transportation (+32k)**, **general government (+14k)**, and **employee benefits (+9k)**. The largest percentage increases were general government (+56%), employee benefits (+53%), and community services (+51%). It is clear from this chart that Town ‘C’ mainly functions as a highway department, as is the case with many rural Towns.



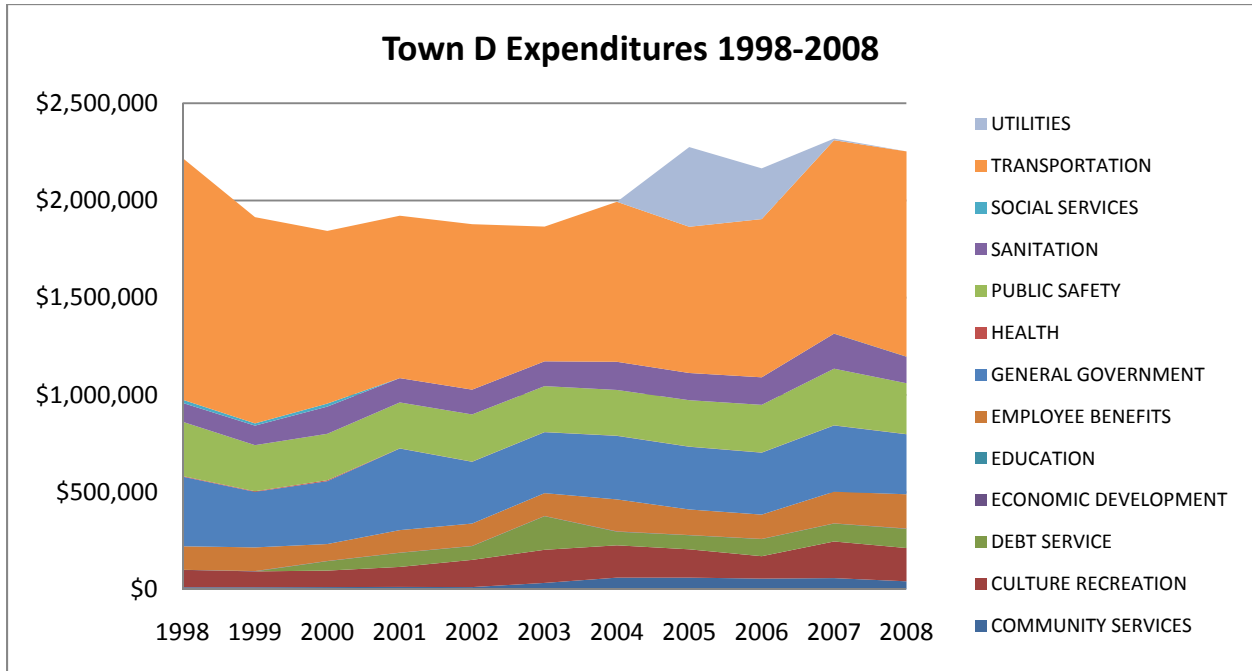
The revenue profile for Town ‘C’ shows moderate growth with small spikes in “other local revenues” in 2001 and 2008 and “other real property tax items” in 2004. The chart also illustrates that Town ‘C’ is relatively dependent on state aid for its funding.



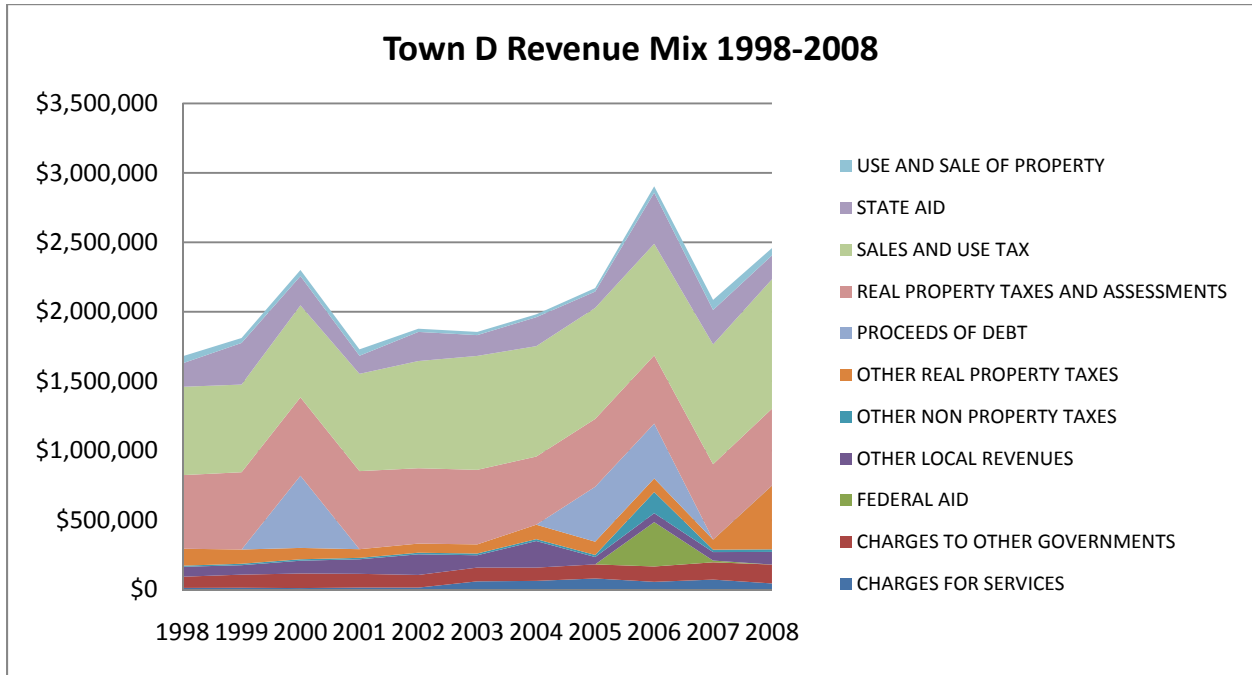
Town 'C' had very modest increases and decreases in property tax levies between 1998 and 2008 with an overall average annual increase of **1.3%**.



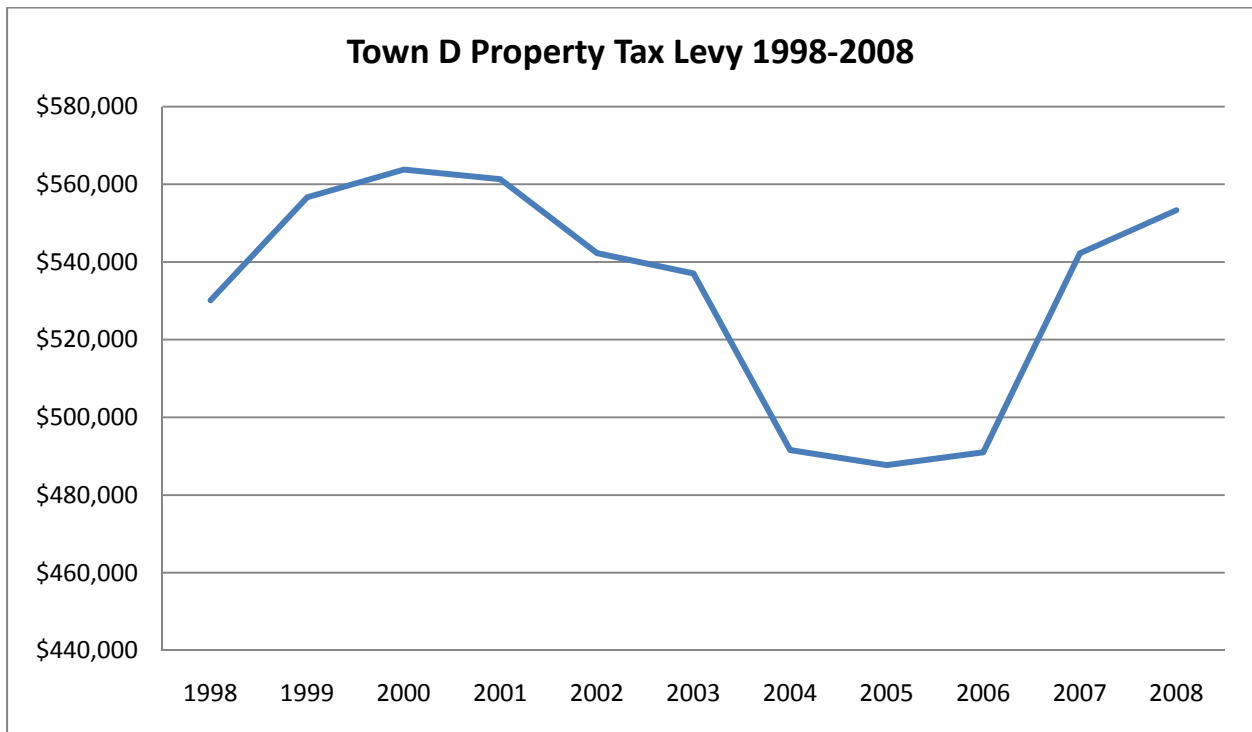
Town ‘D’ is a community on the southern fringe of the region and is more suburban/bedroom community in nature than the typical Tug Hill core Town. This Town’s expenditure trend chart shows very little change in spending over the 1998 – 2008 period. Town ‘D’ also shows a much more diverse budget with spending in the categories of sanitation and culture/recreation which aren’t seen in the other example Towns. The largest dollar increases in expenditure during the period were, in order, **debt service (+99k)**, **culture/recreation (+82k)**, and **employee benefits (+55k)**. The largest percentage increases were community services (+251%), culture/recreation (+91%), and employee benefits (+46%).



Revenue growth in Town ‘D’ was volatile with increases in proceeds of debt around 2000, federal aid in 2006, and “other real property taxes” in 2008. Town ‘D’ gets a large proportion of its funding from sales tax – more than it receives from real property taxes.



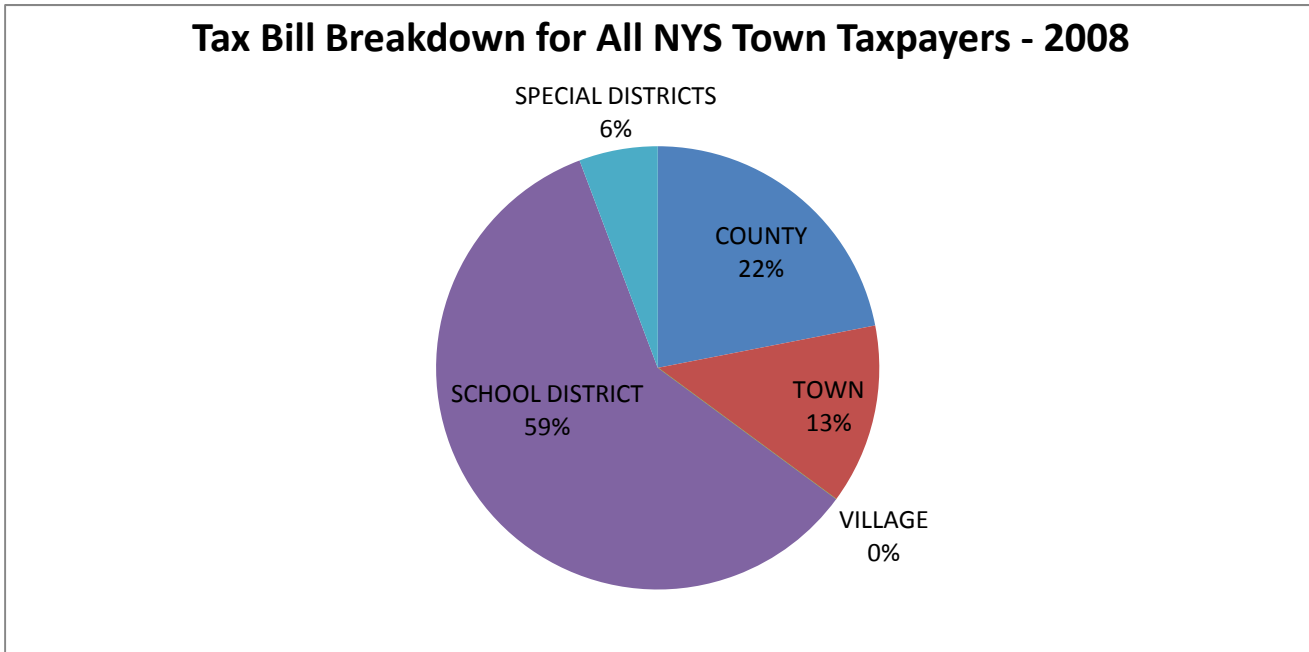
While Town 'D' exhibits large ups and downs in property tax levy amounts between 1998 and 2008, its average annual increase is only **0.5%** overall.



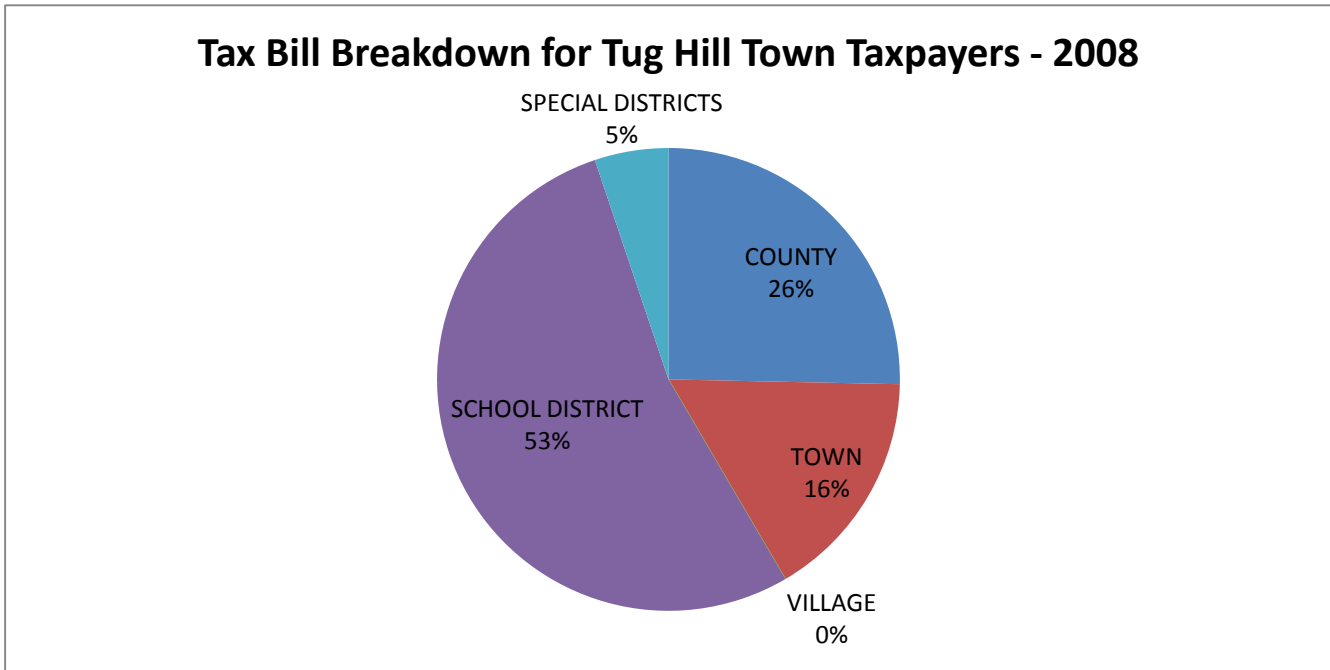


**TAX BILL BREAK-DOWN BY TAXING UNIT**

Property owners in New York State generally pay property taxes annually to five entities. School Districts, Special Districts (library, fire, etc.) and the County, Town and Village in which the tax payer resides, all depend on property taxes, in large part, for their operating funds. The chart below shows how the typical property tax bill, for the average New York State landowner living in a Town (average of all NYS Towns), was allocated and paid to the five entities in the year 2008.

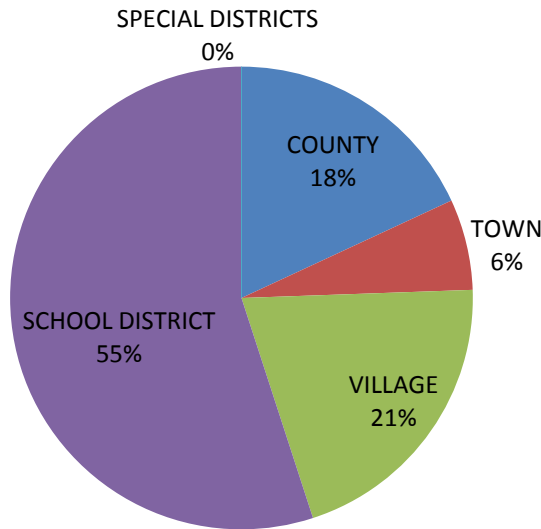


The following chart depicts the breakdown for Tug Hill towns. In general, property owners in Tug Hill Towns paid a slightly higher amount in County and Town taxes, and slightly lower in School District and Special District funding.

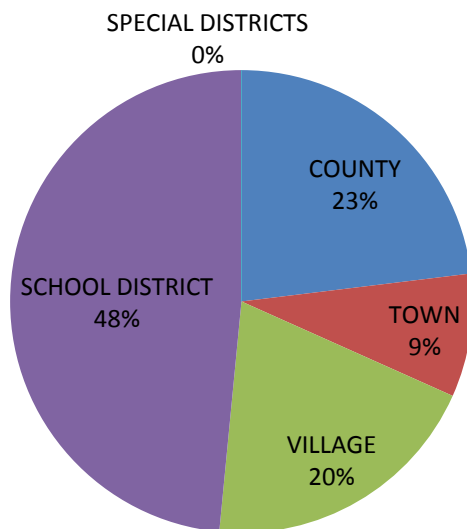


Similar comparisons can be made between the average Village property owner in New York State versus the average Tug Hill Village property owner. On average, taxpayers in Tug Hill Villages paid more in school district taxes, but higher County and Town taxes than the average of Village property owners across the State. The Villages' portions of the property tax bill for Tug Hill Villages and NYS Villages were nearly identical at 20% and 21% respectively.

### Tax Bill Breakdown for All NYS Village Taxpayers - 2008



### Tax Bill Breakdown for Tug Hill Village Taxpayers - 2008



## HOW EXEMPTIONS AFFECT PROPERTY TAXES

Since the property tax is heavily dependent on individual real property assessments, it's important to touch on the topic of property tax exemptions. The assessed value of similar properties can vary greatly because of exemptions placed on them. To explain, the assessed value of property, as determined by the assessor, is based on its market value, or how much the property could sell for, and is usually a percentage of the market value. For example, if an assessor determines the market value of a property is \$200,000 and the assessment unit (i.e. school district, Town, Village, city, etc.) is assessing at 50% of value, the taxable assessed value of the property is \$100,000. Barring any exemptions on the property, this is the number multiplied by the tax rate to determine the property owner's tax bill.

There are several types of exemptions in terms of what they are granted for (i.e. veterans, senior citizens, agriculture, etc.) and whether or not all of the assessed value is exempt or only part of it. In addition, exemptions can be mandated by the state or they may be granted at the discretion of the local taxing unit. The following introductory paragraph was taken from *Exemptions from Real Property Taxation in New York State* by Harry S. Lawyer, NYS Office of Real Property Services Research and Policy and Development Bureau and it describes exemptions generally and in terms of how they are applied. This report can be accessed via the Internet at <http://www.orps.state.ny.us/ref/pubs/exempt/ex09/index.htm>. (The Tug Hill Commission wishes to thank Harry S. Lawyer and Jeff Bartholomew, both of the New York State Office of Real Property Tax Services, for their data contributions in this section and for the review and comments they provided to make this section better.)

*“All real property in New York is subject to taxation unless specific legal provisions grant it exempt status, whereas personal property is not subject to taxation. Real Property tax exemptions are granted on the basis of many different criteria, including the use to which the property is put, the owner's ability to pay taxes, the desire of the state and local governments to encourage certain economic or social activities and other such considerations<sup>8</sup>. Certain exemptions provide full relief from taxation (wholly exempt property) and others reduce the taxes which would otherwise be payable by varying degrees (partially exempt property). Some exemptions apply to taxes levied for County, city/Town, and school purposes, whereas others pertain to only some of these purposes. Yet another difference involves the extent of local government autonomy: while some exemptions are mandated by state law, others are subject to local option, and/or local determination of eligibility criteria.” (Lawyer, Harry S.)*

Exemptions were created historically as a way to recognize the intrinsic values that religious, educational and charitable properties brought to a community. Exempting property used for such purposes from taxes was not seen as a burden to the community because those properties were seen to serve a higher purpose in the community. Though meant to encourage properties of certain types in a community, exemptions come at a price and seem to complicate matters more than reduce the tax burden for desirable properties. Exemptions are more commonly seen as a great financial stress on communities because they do not reduce a community's tax levy, rather, they spread the burden of taxes out amongst all the tax payers in the community, which, in turn, raises taxes for the rest of the property owners in the community.

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<sup>8</sup> Most exemptions are granted under Article 4 of the Real Property Tax Law, but others are authorized by a wide variety of statutes ranging from the Agriculture and Markets Law to the Transportation Law.

Exemptions do not affect the state’s overall budget because the state does not collect property taxes. There is one exception to this and that is the school tax relief (STAR) exemption. The basic STAR exemption exempts the first \$30,000 of assessed value of the home for school tax purposes, but only in cases where the household earns less than \$500,000 annually. In addition, for seniors earning less than \$79,050 annually, the first \$60,100 in the home’s assessed value is exempt. The tax revenue lost through this exemption, however, is made up by the state in the form of reimbursements to the school districts, which, in effect, spreads the burden of the exemption to taxpayers across the state. Based on 2009 data, 21% of the state’s exempt value is attributable to STAR.

Complicating the analysis of exemptions across the state is that some assessors may not assign a value to a property that is wholly exempt, feeling there is no reason to do so since it will not be taxed. This obscures the data, where we look at the total values of exempt properties and must be considered when making any conclusions about exemption value. With that in mind, we compared Tug Hill to New York State and found very little surprising results.

Conveniently, the State Office of Real Property Services groups their exemptions into lettered categories, making it easier to summarize. We compare these groups statewide against Tug Hill for illustrations.

Statewide, by far, the most commonly granted exemptions (91% of all exemptions statewide) are in group A, which includes STAR, Veterans and seniors amongst others and these also account for the greatest exempt value statewide (29% of all the equalized exempt value statewide). Group A exemptions are mostly partial exemptions on private property. In contrast, group C exemptions, which include County, Town, Village and school properties, represent only 2% of the exemptions statewide, however, in terms of value, they account for almost 25% of the equalized exempt value statewide. Generally speaking, statewide, a small number of exemptions in group C represent a high proportion of exemption value. This can be attributed to the fact that most of the exemptions granted in Group C exemptions are wholly exempt.

**STATEWIDE: Real Property Tax Exemptions by Property Group, 2009 Assessment Rolls**

	Group	Number of Exemptions	Percent of Exemptions	Equalized Exempt Value (\$000)	Percent of Equalized Exempt Value
A.	Residential Property other than Multiple Dwellings Non-Residential Property Owned by Certain Individuals (includes STAR, Veterans, Seniors, etc.)	4,258,309	91.3%	\$234,163,842	29.1%
B.	Property of New York State Government and Agencies (includes State Owned, Public Authorities, etc.)	19,369	0.4%	\$82,562,613	10.3%
C.	Property of Municipal Governments and Agencies, School Districts, BOCES, and Special Districts (includes County, Town, Village, school, etc.)	100,569	2.2%	\$199,928,262	24.8%
D.	Property of U.S. and Foreign Governments and Agencies, International or Interstate Agencies, and Indian Tribes	4,005	0.1%	\$44,471,355	5.5%
E.	Property of Private Community Service Organizations, Social Organizations, and	69,130	1.5%	\$112,784,832	14.0%

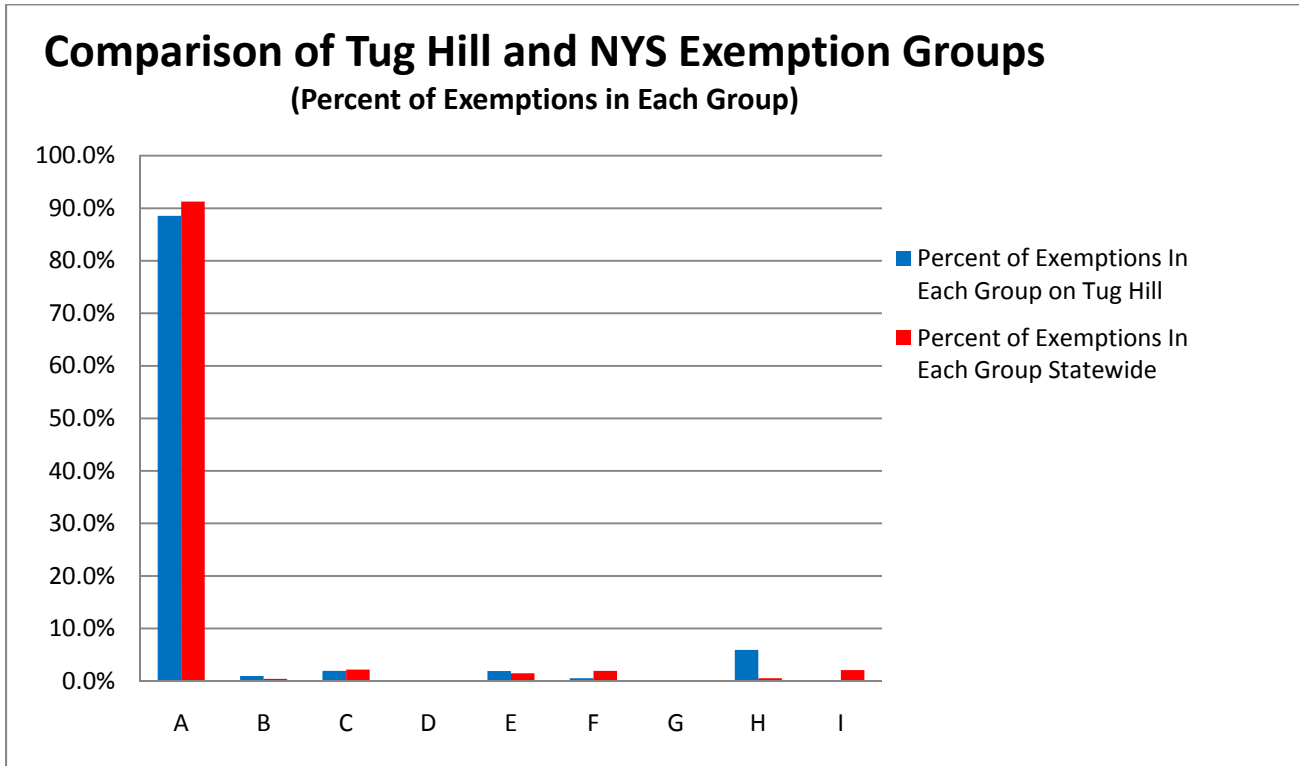
	Professional Societies (includes churches, cemeteries, nonprofits, etc)				
F.	Industrial, Commercial, and Public Service Property (includes IDA property, railroads, public utilities, etc.)	25,097	0.5%	\$69,615,220	8.6%
G.	Urban Renewal Property, Public Housing, and Private Subsidized Housing (Multiple Dwellings)	90,492	1.9%	\$52,897,607	6.6%
H.	Agricultural and Forest Property (includes Ag. Districts, State and County Owned Forests, etc.)	96,491	2.1%	\$7,235,952	0.9%
I.	Invalid Codes	2,603	0.1%	\$1,576,292	0.2%
	<b>TOTAL</b>	<b>4,666,065</b>		<b>\$805,235,974</b>	

On Tug Hill, nearly 89% of exemptions granted are in group A (which includes, amongst others, STAR, veterans and seniors) and they represent almost 58% of the exempt value across Tug Hill. In general, these are partial exemptions on privately owned property. Similar to the statewide summary, exemptions in group C on Tug Hill represent nearly 2% of the exemptions on Tug Hill and these represent approximately 12% of the exempt value on Tug Hill. In general, most properties in Group C are wholly exempt. After group A, on Tug Hill, the values across the property groups range from 12% to 0.1%. Not surprisingly, we see that the second most common exemption (nearly 6% of exemptions) on Tug Hill is in group H, which includes agricultural and publicly owned forests. These account for nearly 5% of the exempt value on Tug Hill and many of properties that fall into this group are wholly exempt.

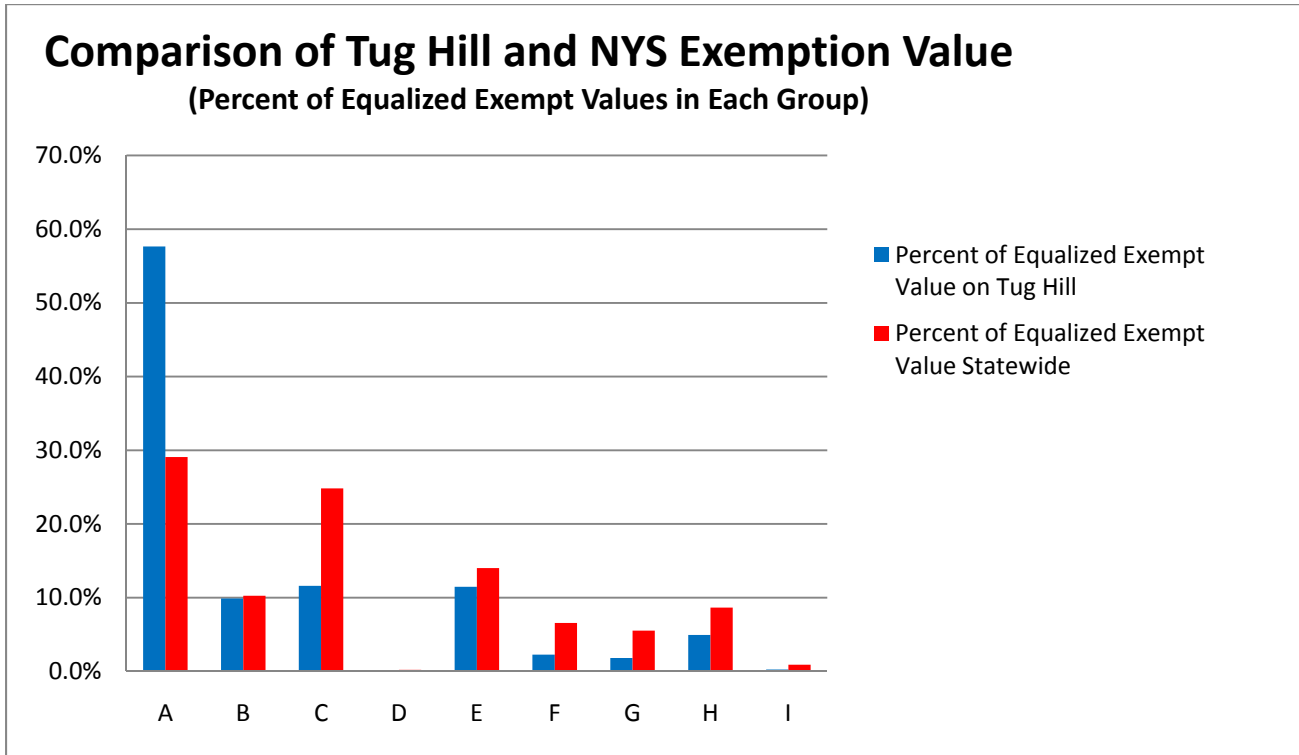
**TUG HILL: Real Property Tax Exemptions by Property Group, 2009 Assessment Rolls**

	Group	Number of Exemptions	Percent of Exemptions	Equalized Exempt Value (\$000)	Percent of Equalized Exempt Value
A.	Residential Property other than Multiple Dwellings Non-Residential Property Owned by Certain Individuals	36,168	88.6%	\$1,463,892	57.7%
B.	Property of New York State Government and Agencies	386	0.9%	\$250,769	9.9%
C.	Property of Municipal Governments and Agencies, School Districts, BOCES, and Special Districts	783	1.9%	\$294,209	11.6%
D.	Property of U.S. and Foreign Governments and Agencies, International or Interstate Agencies, and Indian Tribes	21	0.1%	\$3,529	0.1%
E.	Property of Private Community Service Organizations, Social Organizations, and Professional Societies	776	1.9%	\$290,938	11.5%
F.	Industrial, Commercial, and Public Service Property	210	0.5%	\$57,652	2.3%
G.	Urban Renewal Property, Public Housing, and Private Subsidized Housing (Multiple Dwellings)	62	0.2%	\$46,082	1.8%
H.	Agricultural and Forest Property	2,414	5.9%	\$125,189	4.9%
I.	Invalid Codes	24	0.1%	\$6,386	0.3%
	<b>TOTAL</b>	<b>40,844</b>		<b>\$2,538,646</b>	

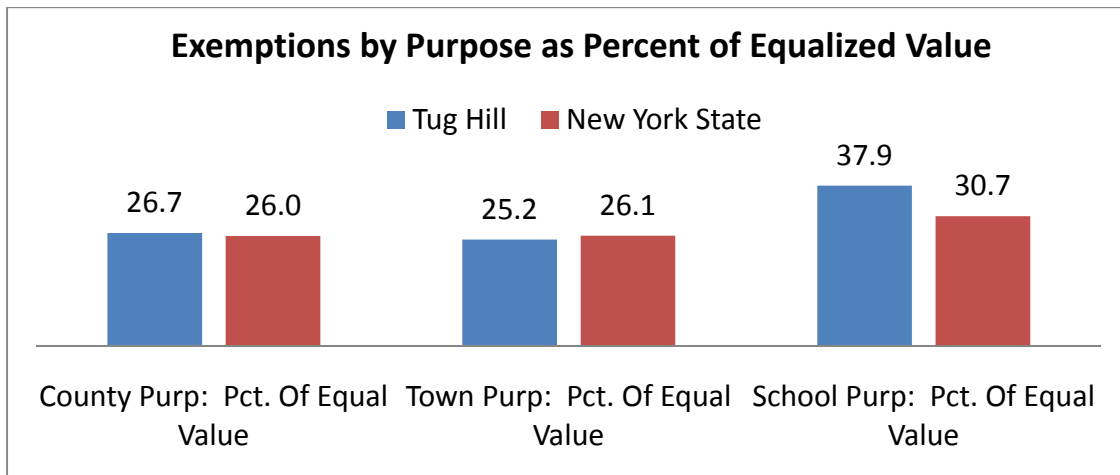
There is nothing very remarkable about contrasting the number of exemptions granted on Tug Hill versus Statewide, except to say that Tug Hill grants more in group H (Agriculture and Forest Property) than Statewide and less in Group A than Statewide.



In terms on exempt value, however, all of the statewide property exemption groups are higher than Tug Hill, with the exception of Group A. Nearly 60% of the exempt value on Tug Hill is in Group A; statewide, the exempt value in Group A is less than 30%.



Similarly, there is nothing quite remarkable about comparing exemption purposes (i.e. exempt for County, Town or school purposes) on Tug Hill versus Statewide. The total equalized value of real property in New York State is \$2,511,330,785,000. Statewide, the value of exemptions for County purposes represent 26.02% of the total value, exemptions for City/Town purposes represent 26.10% of the total value and exemptions for school purposes represent 30.7% of the total value. Similarly, across Tug Hill, the total equalized value of real property is \$7,962,353,000 (Tug Hill's equalized value represents about 0.32% of the State's total equalized value) and exemptions for County purposes represent 26.7% of the total Tug Hill value, exemptions for City/Town purposes represent 25.2% of the total Tug Hill value and exemptions for school purposes represent 37.9% of the total Tug Hill Value.



## The Property Tax Cap Key Points

On June 24, 2011 the property tax cap was signed into law. The tax cap law establishes a limit on the annual growth of property taxes *levied* by local governments and school districts to two percent or the rate of inflation, whichever is less, and is applicable to all independent school districts outside of the Big Five Cities—i.e. dependent school districts—and to all local governments including Counties, Cities, Towns, Villages, fire, school, and special districts.

Special districts, including, but not limited to sewer, water, library and fire protection districts, if having a separate independent elected board and also having the authority to levy a tax or require a municipality to levy a tax on its behalf, is subject to the tax levy limit. Whereas, a tax levy that supports the operations of a special district that is established and governed by another local government—such as a tax levy imposed by a Town or County board, under its authority and is part of that Town or County’s tax levy, is to be applied to the tax levy limit of that Town or County. The cap first applies to local fiscal years beginning in 2012. Local budgets that commenced in 2011 but conclude in 2012 are not affected.

There are very limited situations that warrant exclusion to the cap, including certain costs of significant judgments arising out of tort actions and unusually large year-to-year increases in pension contribution rates. The adjustment can only be made for costs of those court orders or judgments that exceed 5 percent of the total prior year’s tax levy. The pension exemption is triggered if the annual growth in the average actuarial contribution rate for the Employees’ Retirement System (ERS), the Police and Fire Retirement System (PFRS), or the normal contribution rate for Teachers’ Retirement System (TRS) exceeds two percentage points, in which case employer contribution rate above two percentage points are exempted from the cap.

An override mechanism exists that will override the tax cap if 60 percent of voters (for school districts) or 60 percent of the total voting power of the governing body (for local governments) approve the increase. Additional Real Property Tax Cap information, including guidelines for overrides, implementation, timelines, on-line calculation tools and reporting forms, and training opportunities can be found at: <http://www.osc.state.ny.us/localgov/realprop/index.htm>.

A summary of the Property Tax Cap legislation prepared by the Office, please see Appendix C.



### **Regional Cooperation on Tug Hill – Project Examples**

**Councils of Governments:** Each meets periodically to discuss issues of shared concern. Each is also served by a circuit rider to provide information and technical assistance, or to serve as a “broker” for assistance from the Commission’s central staff in WaterTown.

- Cooperative Tug Hill Council (CTHC)
- Northern Oneida County Council of Governments (NOCCOG)
- North Shore Council of Governments (NorCOG)
- Salmon Rivers Council of Governments (SRCG)
- River Area Council of Governments (RACOG)

#### **Intermunicipal planning and ZBA administration**

- Planning Accord for Tug Hill
- CTHC Cooperative ZBA (Towns of Pinckney, Montague, Turin, Osceola, and Florence (Florence is in Oneida County)).
- Town and Village of Parish joint planning board
- Town and Village of Lowville joint planning board, ZBA, and CEO
- Town and Village of Lowville joint comprehensive plan
- Town and Village of Adams joint comprehensive plan and joint Quality Communities design project
- Town and Village of Boonville community visioning process
- Four-Town comprehensive plan: Harrisburg, Martinsburg, Pinckney, & Montague
- RACOG Quality Communities Project
  - Carthage/W. Carthage joint downtown revitalization project
  - Both Towns and both Villages streamlining administrative procedures
- RACOG intermunicipal zoning project and joint ZBA

#### **Corridor planning (rivers, highways, & byways)**

- NYS Route 3 sewer corridor
- Salmon River Corridor
- Sandy Creeks and Black River watershed projects
- Black River Blueway Trail
- Black River Watershed Plan
- Scenic Byways
  - Olympic Scenic Byway
  - Black River Scenic Byway (Rome to Dexter)
  - Maple Traditions Scenic Byway (NY 812, Lowville to Ogdensburg)

**Joint municipal functions, buildings and facilities**

- Town of Albion & Village of Altmar
- Town & Village of Boonville
- Town & Village of Turin
- Town & Village of Adams
- Town & Village of Parish
- Town of Trenton & Village of Barneveld
- T/V of Lowville and Lowville Academy and Central School investigating feasibility of shared garage & maintenance facility.
- Montague, Pinckney, & Harrisburg pursuing a shared justice and Town court facility.

**Recreation & tourism**

- Winona Forest Recreation Area
- Tug Hill Regional Marketing
- I LOVE NY Winter Festival
- Snowmobile Summit
- ATV Issues Group and Economic Impact Study

**Other**

- East Branch of Fish Creek Watershed Protection Project
- Great Lakes Collaborative
- Northern Forest
- NOCCOG records management project
- Montague, Pinckney, & Harrisburg shared tractor and brush hog
- USGS Tug Hill Aquifer study
- Carthage & West Carthage shared police services—***study underway.***
- Barneveld, Prospect, & Remsen shared water operator— ***feasibility study underway.***
- Villages of Herrings and Deferiet joint water system
- Lewis and Jefferson County Joint Infrastructure Management Initiative (JIMI) including the Towns of Adams, Alexandria, Champion, Clayton, Croghan, Denmark, LeRay, Lowville, Martinsburg, and Philadelphia and the Villages of Lowville, Philadelphia and West Carthage.

**APPENDIX B**

**EXPENDITURE CATEGORIES**

**Community Services**

- Constituent Services
- Elder Services
- Miscellaneous Community Services
- Natural Resources
- Student Census

**Culture And Recreation**

- Adult Recreation
- Cultural Services
- Library
- Miscellaneous Cultural And Recreation
- Recreation Services
- Youth Recreation

**Debt Service**

- Debt Principal
- Interest On Debt

**Economic Development**

- Development Infrastructure
- Economic Development Administration
- Economic Development Grants
- Miscellaneous Economic Development
- Promotion

**Education**

- Community College
- Education - Transportation
- Instruction
- Instructional Support
- Miscellaneous Education
- Pupil Services
- Student Activities

**Employee Benefits**

- Disability Insurance
- Life Insurance
- Losap/Miscellaneous
- Medical Insurance
- Retirement - Police & Fire
- Retirement - State/Local
- Retirement - Teacher
- Social Security

**APPENDIX B (Continued)**

- Unclassified Employee Benefits
- Unemployment Insurance

Union Benefits Program  
Worker's Compensation

**General Government**

Administration  
County Distribution Of Sales Tax  
Judgements  
Miscellaneous General Government  
Operations  
Zoning And Planning

**Health**

Environmental Services  
Mental Health Services  
Miscellaneous Public Health  
Public Health Administration  
Public Health Facilities  
Public Health Services

**Public Safety**

Correctional Services  
Disaster Response  
Emergency Response  
Fire Protection  
Homeland Security And Civil Defense  
Miscellaneous Public Safety  
Police  
Public Safety Administration

**Sanitation**

Drainage  
Landfill Closures  
Miscellaneous Sanitation  
Refuse And Garbage  
Sewer  
Storm Sewer

**Social Services**

Employment Services  
Financial Assistance  
Housing Assistance  
Medicaid  
Miscellaneous Social Services  
Non-Medicaid Medical Assistance

**APPENDIX B (Continued)**

Public Facilities  
Social Service Administration

Youth Services

**Transportation**

- Airports
- Bus Service
- Highway Services To Other Govts
- Highways
- Miscellaneous Transportation
- Rail Service
- Transportation Ancillary
- Transportation Facilities
- Waterways

**Utilities**

- Electricity
- Natural Gas
- Steam
- Water

**REVENUE CATEGORIES**

**Charges For Services**

- Community Services Fees
- Culture And Recreation Fees
- Economic Development Fees
- Education Fees
- General Government Fees
- Health Fees
- Miscellaneous Fees
- Public Safety Fees
- Sanitation Fees
- Social Services Fees
- Transportation Fees
- Utility Fees

**Charges To Other Governments**

- Community Services Charges
- Culture And Recreation Charges
- Debt Service Charges
- Education Charges
- General Government Charges
- Health Charges

**APPENDIX B (Continued)**

- Miscellaneous Intergovernmental Charges
- Public Safety Charges

Sanitation Charges  
Social Services Charges  
Transportation Charges  
Utility Charges

**Federal Aid**

Federal Aid - Community Services  
Federal Aid - Culture And Recreation  
Federal Aid - Economic Development  
Federal Aid - Education  
Federal Aid - General Government  
Federal Aid - Health  
Federal Aid - Public Safety  
Federal Aid - Sanitation  
Federal Aid - Social Services  
Federal Aid - Transportation  
Federal Aid - Utilities  
Miscellaneous Federal Aid

**Other Local Revenues**

Compensation For Loss  
Employee Contributions  
Fines  
Forfeitures  
Gifts  
Library Grants From Local Governments  
Miscellaneous Grants From Local Governments  
Miscellaneous Revenues

**Other Non-Property Taxes**

City Income Tax  
Emergency Telephone System Surcharge  
Franchises  
Miscellaneous Non-Property Taxes

**Other Real Property Tax Items**

Gain From Sale Of Tax Acquired Property  
Interest & Penalties  
Miscellaneous Tax Items  
Payments In Lieu Of Taxes  
Star Payments

**Proceeds Of Debt**

Bans Redeemed From Appropriations

**APPENDIX B (Continued)**

Miscellaneous Debt Proceeds  
Sale Of Obligations

**Real Property Taxes And Assessments**

Real Property Taxes  
Special Assessments

**Sales And Use Tax**

Miscellaneous Use Taxes  
Sales Tax  
Sales Tax Distribution  
Utilities Gross Receipts Tax

**State Aid**

Miscellaneous State Aid  
Mortgage Tax  
State Aid - Community Services  
State Aid - Culture And Recreation  
State Aid - Economic Development  
State Aid - Education  
State Aid - General Government  
State Aid - Health  
State Aid - Public Safety  
State Aid - Sanitation  
State Aid - Social Services  
State Aid - Transportation  
State Aid - Utilities  
Unrestricted State Aid

**Use And Sale Of Property**

Interest And Earnings  
Rental Of Property  
Sale Of Property