

New York State Comptroller
THOMAS P. DiNAPOLI



Annual Report on Local Governments for FYE 2021

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Division of Local Government and School Accountability

Mission and Goals

The mission of the Division of Local Government and School Accountability is to serve taxpayers' interests by improving the fiscal management of municipalities and school districts in New York State.

To achieve our mission, we have developed the following goals:

- Enable and encourage local government officials to maintain or improve fiscal health by increasing efficiency and effectiveness, managing costs, improving service delivery, and accounting for and protecting assets.
- Promote government reform and foster good governance in communities statewide by providing local government and school officials with up-to-date information and expert technical assistance.

A Message From New York State Comptroller Thomas P. DiNapoli



As State Comptroller, one of my most important responsibilities is to monitor the financial operations of the State's local governments. The Office of the New York State Comptroller fosters the efficient use of taxpayers' dollars by, among other things, gathering and reporting local government financial data. This *Annual Report on Local Governments for FYE 2021* provides a summary of this data for the local fiscal years that ended in 2021.

Year two of the COVID-19 pandemic continued to present local officials with financial and operational challenges. In this report, we summarize these by class of local government. On our website, we also provide data on each individual county, city, town, village and school district in user-friendly interactive dashboards. Visitors can also use **Open Book New York** to view detailed information on specific entities or to download comprehensive datasets that compare all entities within a class of local government.

In addition, my office's Division of Local Government and School Accountability continues to provide support to local officials and to the communities they serve. In 2021, OSC completed 302 local government audits, trained nearly 10,500 local government officials, and continued to collect financial data and report on local fiscal stress through the Fiscal Stress Monitoring System. Coming in 2023, OSC will be releasing its new Annual Financial Report online application, allowing local officials to remotely access, prepare and submit their reports from their electronic devices.

I hope you find this report useful, and I encourage you to visit our website and follow us on Facebook, Twitter and YouTube for the latest on our work.

Sincerely,

Thomas P. DiNapoli
State Comptroller

Local Government Financial Data for FYE 2021

The Office of the New York State Comptroller (OSC) is required to publish an annual statement of comparative revenue, expenditure and debt data for each major class of local government in New York State: counties, cities, towns, villages, school districts and fire districts. This report focuses on local fiscal years ending (FYE) in 2021, the latest data available for all classes of local government together. It contains a series of statistical “dashboards” that illustrate revenues, expenditures and debt for these government entities, in aggregate, as well as separately for each one. New York City and its school district is excluded from this analysis unless otherwise indicated.¹

In addition to this report, OSC offers interactive content online to enable users to view data for individual counties, cities, towns, villages and school districts, which is available at: www1.osc.state.ny.us/localgov/nys-local-government-interactive-data.htm.

Local Governments Resilient Throughout Pandemic in FYE 2021

In many ways, FYE 2021 was very different for calendar year municipalities (all counties, towns, fire districts, most cities and a few villages) than for non-calendar year ones (some cities and most villages), and different still for school districts, which have a July 1-June 30 fiscal year. (See Figure 1.)

Several factors affected the pandemic’s impact on local government finances, including the timing of State and federal aid distributions and the overall recovery. For calendar year entities, the start of FYE 2021 marked year two of the pandemic, a time when some pandemic-related restrictions had already been softened or eliminated altogether and there was less economic uncertainty.

However, non-calendar year entities with fiscal years beginning in June, July or even August had a much different experience in FYE 2021, as the State’s economy was only beginning to reopen after the “first wave” of the pandemic led to a mass of business and office closures, as well as international and domestic travel restrictions. There are several villages whose fiscal years begin in March, and a few cities (and one village) whose years begin in April, which means that their FYE 2021 started around the onset of the pandemic and the “shutdown” in New York State.

In order to provide the best picture of local government finances in FYE 2021, this report will, wherever possible, supplement self-reported annual financial report data with other available data sources, such as quarterly local sales tax collections and OSC fiscal stress scores.

FIGURE 1
Number of Local Governments by Fiscal Year End Date and Class

Class	2/28	3/31	5/31	6/30	7/31	12/31
County						57
City		4	1	10	2	44
Town						933
Village	26	1	488		6	12
School District				689		
Fire District						900
Total	26	5	489	699	8	1,946

Source: Office of the New York State Comptroller (OSC).
 Note: Does not include New York City.

Revenues

Local government revenues totaled \$90 billion in FYE 2021, an increase of 5.2 percent when compared to FYE 2020, which was much stronger than the average annual growth rate of 2.3 percent from FYE 2011 to 2021. (See Revenues dashboard on page 7.)

As the dashboard shows, some large sources of revenue, such as sales and use taxes and State aid, rebounded in FYE 2021 after either declining or remaining flat in FYE 2020. Only charges for services failed to exceed pre-pandemic levels. Federal aid was also still at elevated levels, slightly higher than in FYE 2020, due to funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act; the federal aid amount in FYE 2021 was at its highest level since FYE 2011, the last time the federal government distributed major temporary stabilization funding via the American Recovery and Reinvestment Act (ARRA).²

As noted earlier, however, revenue growth varied by class of local government in FYE 2021. (See Revenues dashboard and also dashboards for each class, starting on page 20.) County revenues grew by 9.8 percent over FYE 2020, primarily the result of a significant year-over-year increase in sales tax collections. County federal aid, while down, was still above ARRA levels, as well. Meanwhile, city and town revenues rose by 11.1 percent and 8.7 percent, respectively, at least partially due to State and federal aid increases. Villages saw slower revenue gains, since most villages' FYE 2021 ended on May 31, 2021, before they received any federal aid.

School districts experienced the slowest year-over-year growth in revenues of all classes at 1.3 percent, with most of this increase coming from federal pandemic relief funding. However, this aid only partially offset a decline in State aid from FYE 2020.

Revenues - All Major Classes

Fiscal Year Ending in 2021

Total revenues grew at an annual rate of

2.3%

over 10 years

School districts received

63.2%

of real property taxes

State aid grew at an annual rate of

3.0%

over 10 years

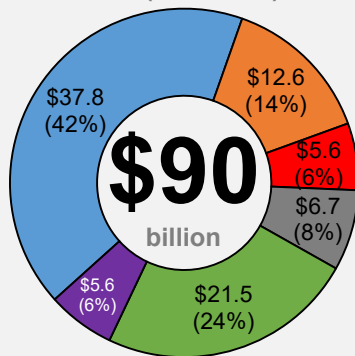
Federal aid totaled

\$5.6

billion

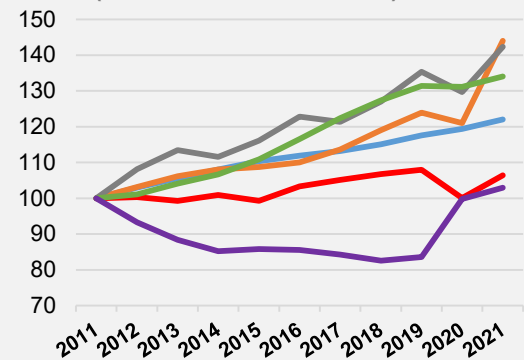
Revenues by Source

Total Dollars (in billions)



- Real Property Taxes
- Sales and Use Taxes
- Charges for Services
- Other Local Taxes and Revenues
- State Aid
- Federal Aid

Trend (Indexed FYE 2011 = 100)

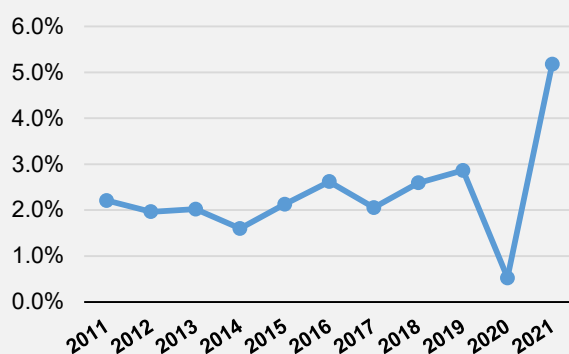


Percentage of Total for Each Class

Revenue Sources	County	City	Town	Village	School District	Fire District
Real Property Taxes	21.5%	24.6%	49.8%	47.5%	54.2%	89.4%
Sales and Use Taxes	36.6%	19.5%	9.9%	6.2%	0.8%	0.0%
Charges for Services	8.6%	17.9%	13.1%	26.6%	0.8%	0.0%
Other Local Taxes and Revenues	11.8%	10.9%	13.6%	10.7%	2.9%	9.6%
State Aid	11.6%	19.8%	9.6%	6.6%	36.7%	0.4%
Federal Aid	9.9%	7.3%	3.9%	2.3%	4.7%	0.6%

Trends in Total Revenues

Year-Over-Year Change



Annual Growth Rate

	2011 to 2021	2020 to 2021
County	2.4%	9.8%
City	2.2%	11.1%
Town	3.0%	8.7%
Village	2.0%	2.3%
School District	2.2%	1.3%
Fire District	3.2%	4.4%
Total	2.3%	5.2%

Source: OSC.

Notes: Includes New York State counties, cities, towns, villages, school districts and fire districts, except New York City. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Real property taxes (RPT) also include other RPT items such as payments in lieu of taxes and school tax relief payments. Other local taxes and revenues include other non-property taxes, charges to other governments, use and sale of property, and other local revenues.

Property Tax

The real property tax is the largest single source of local government revenue. In FYE 2021, property taxes made up 42 percent (\$37.8 billion) of all sources of revenue. Fire districts rely most heavily on property taxes, which comprise 89.4 percent (\$834 million) of their total revenues. School districts, however, collect the most property tax revenue: in FYE 2021 they received over 63 percent (\$23.9 billion) of all local property taxes.

The property tax is not typically affected by short-term changes to the economy, and local governments often raise property taxes when other revenues come up short. However, their ability to do so is limited in two ways.

The first is the statutory tax cap (“tax cap”), which generally limits the growth of local government levies to the lesser of 2 percent or the rate of inflation.³ Although local governments and school districts have the ability to override the cap, doing so may be difficult. Municipal government boards that wish to exceed the tax cap must override it by passing a local law or resolution by a vote of at least 60 percent of their members. For school districts, voters can override the cap with a 60 percent vote in favor of the district’s proposed budget. Despite whatever fiscal challenges local governments were facing in FYE 2021, they were no more likely than in prior years to take action to address them with property tax increases.

The second is the constitutional tax limit (CTL), which restricts the amount of property tax revenues that counties, cities or villages may raise in any single fiscal year. If a local government exceeds its CTL, the State Comptroller must withhold State aid equal to the excess. While most local governments are well below their CTLs, 22 have levied in excess of 80 percent of their CTL, up from 7 in 2012.

State Aid

As the second largest source of revenue, State aid accounted for nearly 23.9 percent, or \$21.5 billion, of all local government revenues in FYE 2021. This represented an increase of 1.8 percent over FYE 2020. School districts and cities are particularly reliant on State aid, much of which is unrestricted. State aid made up 36.7 percent, or \$16.2 billion, of school district revenues (with 27 districts depending on it for over 70 percent of their total revenues) and nearly one-fifth, or \$1 billion, of city revenues. The impact of State budget decisions, however, was very different on the two groups, partly due to the timing of their fiscal years, but also because of the way they are funded.

When the State passed its enacted State Fiscal Year (SFY) 2020-21 budget in early April 2020, it had just ordered the closure of nonessential businesses and schools, significantly reducing tax-generating activity for an unknown period of time. There were concerns that the State might not be able to fund even the activities proposed in the Executive budget, so the Enacted budget made several cuts to local assistance affecting the April 1, 2020 to March 31, 2021 budgetary period. It also specified that the State could, if necessary, withhold up to 20 percent of any aid payment during the fiscal year, with the possibility of paying it back if there were funds available at the end of the year. In stark contrast, by late March 2021, vaccines were being administered, many COVID restrictions were removed or loosened, tax revenue was exceeding expectations and major new federal aid for the State and its local governments had been passed. (See Federal Aid section on page 11.)

School districts, whose fiscal years ran July 1, 2020 to June 30, 2021, were affected by aid reductions passed in the SFY 2020-21 budget. Some major aid categories were held flat or even reduced. The overall effect of these changes reduced total State aid to schools by 2 percent in FYE 2021.⁴

Other local aid payments were reduced, but not permanently; although the State withheld 20 percent of several types of aid payments in the summer and fall of 2020, it ultimately repaid most of these by spring of 2021.⁵ The effect of this on calendar year local governments was generally to increase the amount of State aid in FYE 2021 relative to FYE 2020. The effect on non-calendar year cities and villages was more varied, depending on the fiscal year.

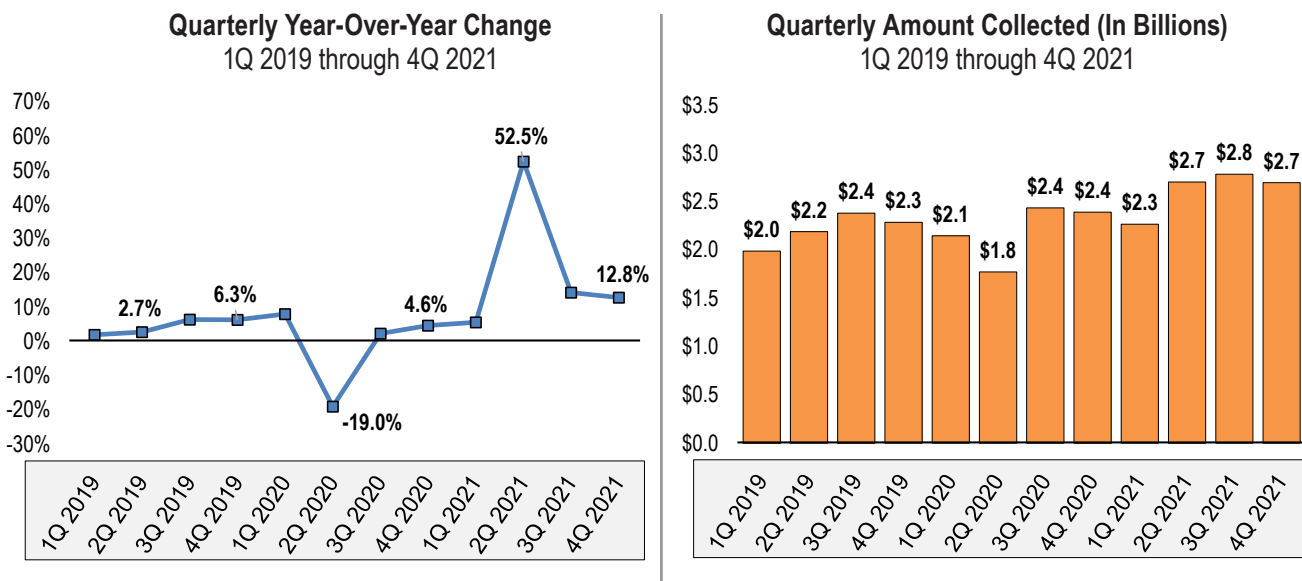
In addition to aid to localities affected by State Budget changes, cities and particularly towns were positively affected by increases in another component of State aid, the mortgage recording tax, due largely to booming home sales.⁶ (See Financial Data dashboards for counties, cities, towns and villages, starting on page 20.)

Sales Tax

Sales and use taxes totaled \$12.6 billion (or 14 percent of total revenues) in FYE 2021, making it the third largest source of revenue for local governments. Counties and cities typically rely the most on sales taxes, with it representing 37 percent and 19 percent of their total revenues, respectively, that year.

Sales tax revenues for FYE 2021 were generally fairly strong, as collections outside of New York City rebounded quickly after the initial shutdown of nonessential businesses in the second quarter of 2020. (See Figure 2.) By the spring of 2021, they were much higher than even pre-pandemic levels. One contributing factor to the strong growth in calendar 2021 was inflation, which grew by 4.7 percent over the prior year, nearly triple the average annual rate of inflation from 2012 to 2020 (1.6 percent).⁷

FIGURE 2
Local Sales Tax Collections Outside of New York City



Source: New York State Department of Taxation and Finance, with calculations by OSC.

Notes: Includes all counties and cities outside of New York City; however, it does not include local sales taxes collected on behalf of the New York Convention Center Development Corporation, the Mass Transportation Operating Assistance Fund, the Metropolitan Transit Authority Aid Trust Account and school districts.

Federal Aid

Federal aid is a relatively minor source of revenue for most local governments in most years. However, it played a larger role in FYE 2021 than usual. As with State aid, the way this affected local governments depended both on the timing of the payments and the different policies affecting schools as compared to municipalities.

The CARES Act passed in March 2020 included \$1.13 billion in aid for school districts in New York, over \$413 million of which was for districts outside of New York City. This financial assistance was intended to supplement State and local funding and to help schools address the challenges of the pandemic over several years.⁸ The \$284 million in CARES Act funding that these districts drew down in FYE 2021 contributed to a 26.4 percent increase in federal aid over FYE 2020. However, New York State used the CARES Act funding to replace a portion of its already reduced FYE 2021 State aid to these districts, reducing its own aid by an equal “pandemic adjustment.”⁹ Many school districts did not receive all of their allocated CARES Act funding in FYE 2021, and several received none at all, in part due to delays in the funding application process.¹⁰

Enacted in March 2021, the American Rescue Plan Act (ARPA) included fiscal relief to local governments to help mitigate the ongoing economic impact of the pandemic. A total of \$4.8 billion in ARPA funding was allocated to local governments outside of New York City. The first half of that amount was distributed in the summer of 2021. Because counties, towns and most cities operate on a calendar year basis, they received the first round of ARPA funding in FYE 2021, whereas non-calendar year entities, for the most part, received this aid during FYE 2022.¹¹ Cities saw an especially dramatic jump in federal aid in FYE 2021 (73.4 percent compared to the previous year), although it was still by far the smallest source of revenue (7.3 percent of total) for them that year. (See Figure 3 for the total CARES Act and ARPA funding distributions made to local governments in FYE 2021.)

FIGURE 3
Distributions of Pandemic-Related Federal Aid by Class of Local Government, FYE 2021

Class	American Rescue Plan Act (ARPA)	Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
Counties	\$1,140,367,030	NA
Cities	\$703,229,436	NA
Towns	\$430,738,418	NA
Villages	\$14,432,666	NA
School Districts	NA	\$283,953,791
Fire Districts	NA	NA
Total	\$2,288,767,549	\$283,953,791

Source: New York State Education Department, New York State Division of the Budget and U.S. Department of the Treasury, with calculations by OSC.

Note: Does not include New York City. School districts did not start receiving ARPA funding until after the close of FYE 2021. A handful of large local entities, including 5 counties and 1 town, were distributed CARES Act funding during FYE 2020.

In addition to the school district aid described above, the CARES Act also included funding for several large counties and one town, but this affected their FYE 2020. Similarly, ARPA included funding for districts, but they did not receive it until school year 2021-22.

Expenditures

Local government expenditures totaled nearly \$91 billion in FYE 2021, an increase of 2 percent from FYE 2020, when a combination of the uncertainty of the pandemic's impact on local finances, program closures for health reasons and actual revenue shortfalls, caused just over half of all entities to cut spending. However, despite the strong year-over-year growth, which was nearly the same as the average annual growth prior to the pandemic, expenditures only increased by 1.2 percent on average each year, from FYE 2019 to 2021.

Some local governments did restore FYE 2021 spending to pre-pandemic levels after having made cuts in FYE 2020. Still, nearly half of all entities either reduced or kept flat their year-over-year expenditures, including a majority of fire districts, school districts and villages. In fact, calendar year entities, especially counties, were mostly responsible for the overall growth in spending in FYE 2021, which can be attributed to how much sales and use taxes and federal aid grew for them that year.

Local government expenditures may be aggregated in two ways: by function and by object, each providing insight into what happened during the fiscal year. The function of an expenditure describes the general purpose of the spending (e.g., transportation, education or public safety), while the object of expenditure refers to items purchased (e.g., equipment) or services obtained (e.g., personal services or employee benefits) to carry out these functions. (See Expenditures dashboard on page 13 for a trend analysis of local government spending by object and expenditure.)

Expenditures By Function

Most functions of expenditure for local governments saw at least some year-over-year growth in FYE 2021, with a few of the “other” lesser functions – in terms of total dollars spent – experiencing the strongest growth. (See Expenditures dashboard.)

However, spending patterns have changed during the pandemic. Education, which is the largest expenditure area, had been growing, year over year, since FYE 2013, but slightly declined from FYE 2019 to 2021. School districts are responsible for nearly all educational spending, and, as noted above, many were struggling with funding decreases or delays.¹² (See also School District dashboard on page 25.)

Social services spending, which has been declining for most of the decade, dropped even more steeply in FYE 2020 and FYE 2021 than prior to that. This category is primarily county Medicaid contributions, and the recent drops reflect reduced county contributions due to the federal government increasing its share of spending for that program during the pandemic.¹³

Expenditures - All Major Classes

Fiscal Year Ending in 2021

Total expenditures grew at an annual rate of

1.8%

over 10 years

School districts accounted for

50.4%

of total spending

Employee benefits grew at an annual rate of

2.6%

over 10 years

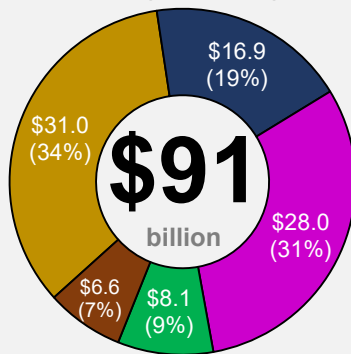
Salaries and benefits accounted for

52.9%

of total spending

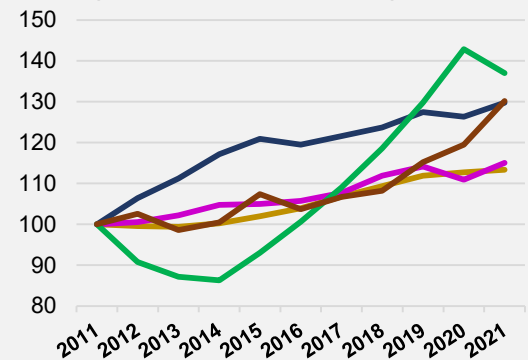
Total Expenditures by Object

Total Dollars (in billions)



- Personal Services
- Employee Benefits
- Contractual Items
- Equipment and Capital Outlay
- Debt Service

Trend (Indexed FYE 2011 = 100)

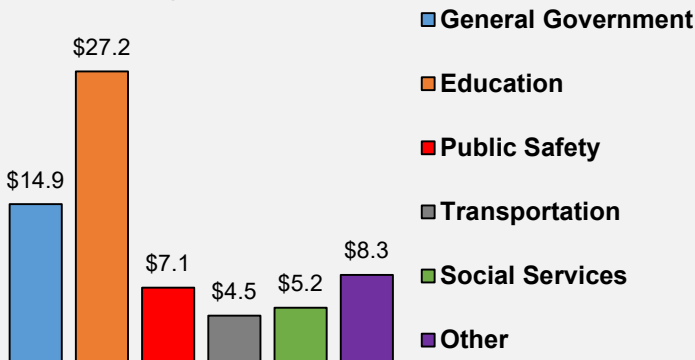


Percentage of Total for Each Class

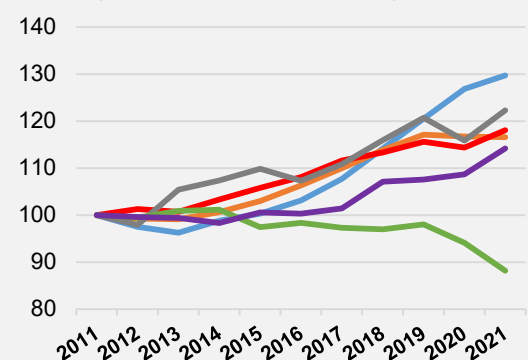
Object of Expenditure	County	City	Town	Village	School District	Fire District
Personal Services	21.2%	33.8%	26.2%	29.3%	44.2%	18.9%
Employee Benefits	14.9%	24.0%	15.9%	17.5%	20.9%	18.4%
Contractual Items	51.1%	19.9%	30.6%	28.4%	20.6%	25.8%
Equipment and Capital Outlay	6.6%	12.9%	15.7%	15.6%	7.7%	27.1%
Debt Principal	4.2%	7.3%	9.7%	7.5%	5.1%	8.3%
Debt Interest	2.0%	2.0%	2.0%	1.7%	1.4%	1.6%

Selected Expenditures by Function

Total Dollars (in billions)



Trend (Indexed FYE 2011 = 100)



Source: OSC.

Notes: Includes New York State counties, cities, towns, villages, school districts and fire districts, except New York City. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Debt service includes payments made on principal and interest. The "Other" category of selected expenditures by function includes health, sanitation, economic development, culture and recreation, community services and utilities.

Expenditures By Object

When looking at expenditures by object, the three largest objects of expenditure – personal services (salaries), contractual items (i.e., purchases of supplies, like paper or road salt, and services acquired from vendors) and employee benefits (i.e., local share of social security, retirement, and various types of insurance) – each grew at a slower rate from FYE 2019 to 2021 when compared to FYE 2011 to 2019. The slowdown in personal services and employee benefits was mostly due to school districts, which are responsible for well over half of this spending. Significant funding uncertainty, at the time, led many school districts to reduce personal service expenditures by laying off staff in FYE 2021.¹⁴ The slower growth in contractual items was mostly due to the decrease in county Medicaid contributions mentioned above.

(See Debt section on page 15 for a discussion of debt service trends.)

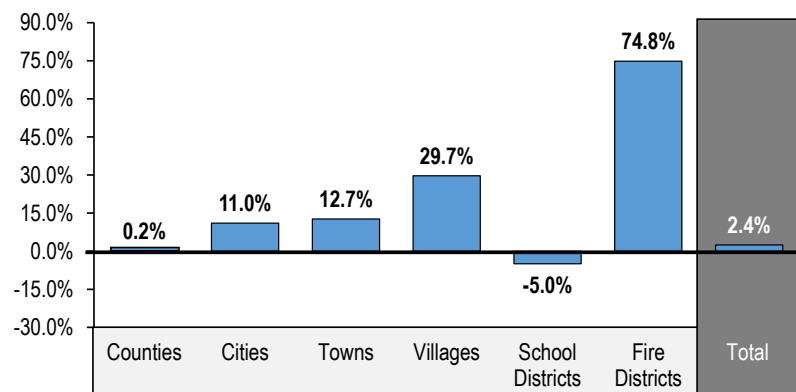
Debt

Prudent debt management is integral to the financial health of local governments and can advance the prosperity of the communities they serve. Local governments may issue long-term debt to finance infrastructure essential to commerce and communities, including roads, bridges and public buildings. Short-term debt may be issued for certain cash flow needs. (See Debt dashboard on page 16.)

Debt Outstanding

The debt owed by local governments at the end of the fiscal year, or “debt outstanding,” is mostly from long-term debt, although it can include some short-term cash flow debt that was not repaid within the fiscal year. In FYE 2021, local governments held a total of \$44.6 billion in debt outstanding, 2.4 percent more than a decade prior, for an average annual growth rate of just over 0.2 percent.

FIGURE 4
Percentage Change in Local Government Debt Outstanding by Class, FYE 2011 to 2021



Source: OSC.
Notes: Does not include New York City.

As shown in Figure 4, the slow growth in total local government debt over time, however, hides considerable variation by class. The debt held by school districts, which comprises over two-fifths of the total debt outstanding, actually declined by 5 percent from FYE 2011 to 2021. All other classes increased their debt outstanding over the past decade. Fire districts experienced the most rapid increase in debt at nearly 75 percent (although they still had the least amount of debt outstanding), followed by villages and towns at 29.7 percent and 12.7 percent, respectively.

Debt - All Major Classes

Fiscal Year Ending in 2021

Total debt grew at an annual rate of

0.2%

over the last 10 years

Local governments paid

\$6.6

billion in debt service

School districts account for

42.4%

of debt outstanding

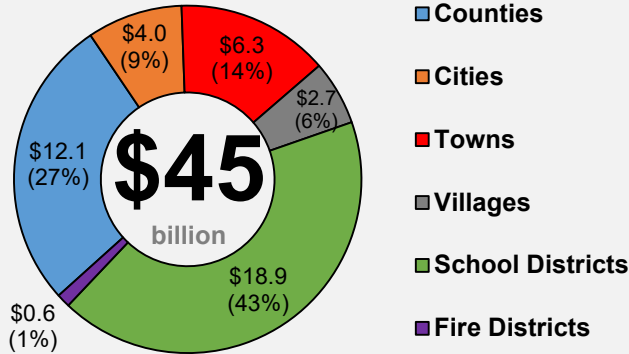
Short-term cash flow debt was issued by

4.7%

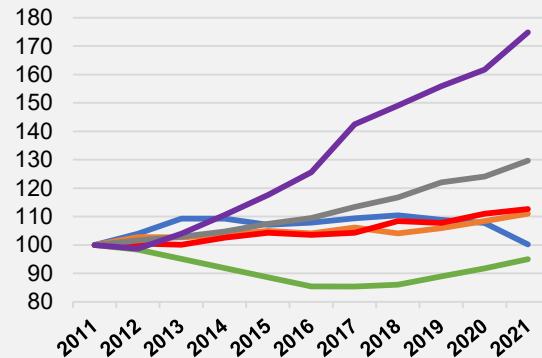
of local governments

Total Debt Outstanding

Total Dollars (in billions)

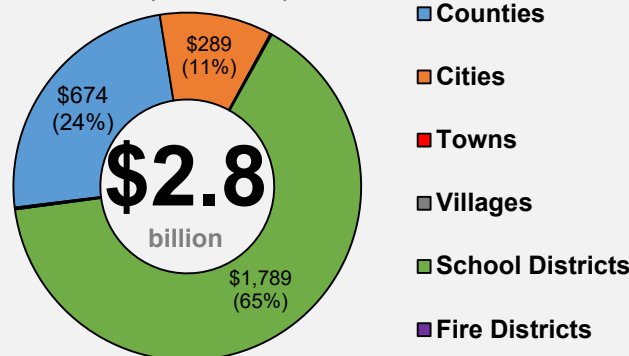


Trend (Indexed FYE 2011 = 100)

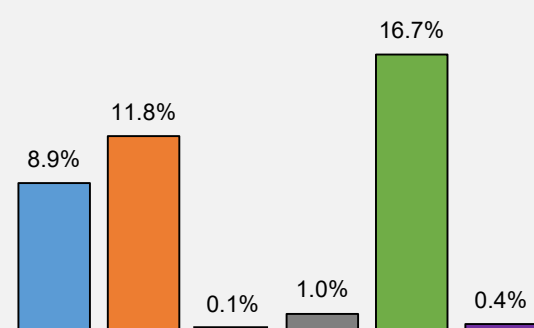


Short-Term Cash Flow Debt Issued

Total Dollars (in millions)

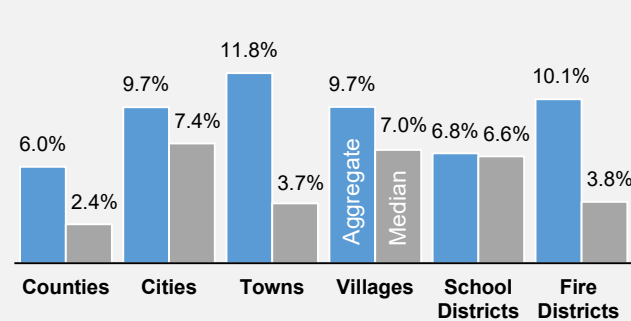


Percentage of Entities in Each Class that Issued Short-Term Cash Flow Debt

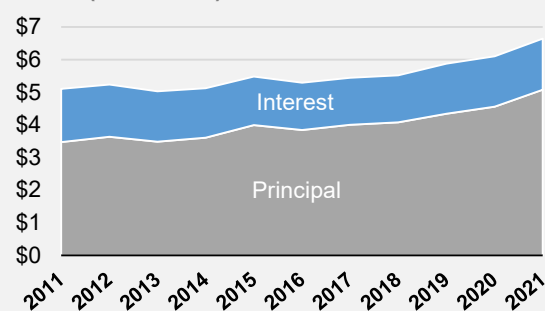


Debt Service

As a Share of Total Revenue



Trend (in billions)



Source: OSC.

Notes: Includes New York State counties, cities, towns, villages, school districts and fire districts, except New York City. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Debt service includes payments made on principal and interest. Short-term debt includes revenue anticipation notes, tax anticipation notes, budget notes and deficiency notes. Shares of debt that are less than 1 percent are not shown in the donut charts above.

Debt Service

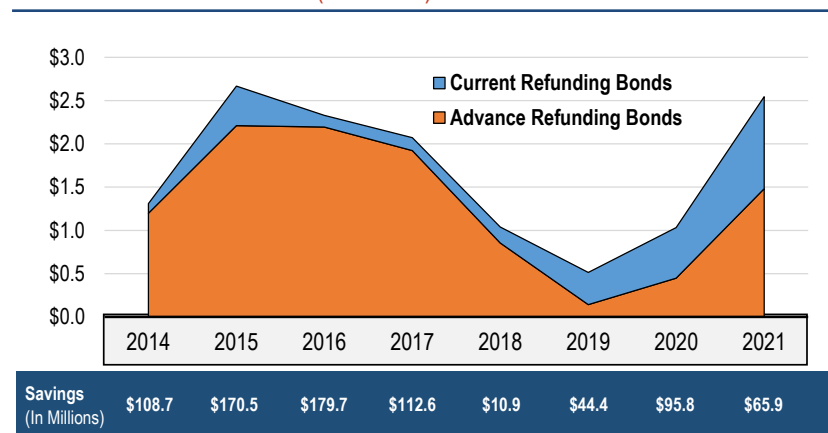
Local governments made nearly \$6.6 billion in principal and interest payments on debt (referred to as debt service payments) in FYE 2021, an increase of 8.9 percent over FYE 2020. One reason for this jump appears to have been an increase in the number of entities refinancing their debt through the issuance of refunding bonds. (See discussion of refunding bonds below.) Still, total debt service has grown quite a bit over the past decade. Payments have increased by 30 percent since FYE 2011, with principal payments, alone, increasing by 46.4 percent, while interest payments actually declined by 4.2 percent, largely the result of interest rates remaining quite low for a continued period of time.

Refunding Bonds

When interest rates are low, local governments can generate savings on debt service payments by issuing refunding bonds to pay off existing bonds issued when interest rates were higher.

There are two types of refunding bonds: *current* and *advance*. Local governments use current refunding bonds when they can pay off the prior bonds immediately or within 90 days. Advance refunding bonds, however, are issued more than 90 days before the prior bonds can be paid off.¹⁵

FIGURE 5
Local Government Refunding Bond Issuance and Savings,
Calendar Year 2014 to 2021 (In Billions)



Source: OSC.

Notes: Includes counties, cities, towns, villages, school districts and fire districts, but does not include New York City. The savings noted in the above figure only include refunding bonds issued by local governments that are reviewed by OSC (based on legal criteria) and account for nearly all refunding bonds issued in a given year.

As shown in Figure 5, current refunding bonds nearly doubled in calendar 2021 when compared to the prior year, and advance refunding bonds more than tripled. Local governments issued over \$2.5 billion in total refunding bonds in 2021, of which nearly \$1.5 billion were advance refunding bonds. Overall, these refunding bonds saved local governments approximately \$65.9 million in debt service costs.¹⁶

Short-Term Cash Flow Debt

Local governments may issue certain types of short-term debt, such as revenue anticipation notes, tax anticipation notes, budget notes, or deficiency notes, in order to address temporary cash flow problems. (Bond anticipation notes, which typically mature within a year, are not considered a form of short-term cash flow obligation, as they are issued in anticipation of issuing long-term bonds.) A chronic or increasing need to issue short-term cash flow debt can be an indicator that a local government is experiencing fiscal stress. However, this debt is also an important tool for weathering circumstances such as temporary expenditure increases or revenue losses from events, such as a global pandemic or natural disaster.

In FYE 2021, a total of 135 local governments (4.8 percent of the total) issued \$2.8 billion in short-term debt for cash flow purposes. While this amount declined by 12.7 percent from FYE 2020, when borrowing surged at the beginning of the pandemic, it was still up 9 percent over FYE 2019.

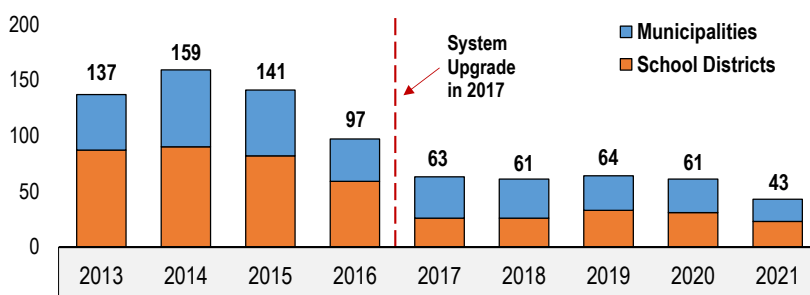
Once again, the timing of the pandemic's impact on local governments with different fiscal year end dates, specifically school districts and counties, as well as the timing of cuts made to State aid and federal pandemic relief funding payments, played a significant role in short-term debt issuance in FYE 2021.

School districts issued nearly \$1.8 billion in short-term cash flow debt in FYE 2021, the most of any class. This represented an increase of 22.8 percent from FYE 2020. On the other hand, counties reduced their issuance of this type of debt from \$1.4 billion in FYE 2020 to \$674 million in FYE 2021, a decline of 52.8 percent. The amount they issued in FYE 2021 was 38.5 percent less than what they issued in FYE 2019. Only a handful of towns, village and fire districts issued such short-term obligations, amounting to nearly \$9 million, in aggregate, in FYE 2021.

Fiscal Stress

According to the Comptroller's Fiscal Stress Monitoring System (FSMS), a total of 43 local governments, including 23 school districts, were designated in fiscal stress in FYE 2021. This was nearly a 30 percent decline from the previous year and the lowest number of entities in stress since FSMS began in FYE 2013. (See Figure 6.)

FIGURE 6
Number of Local Governments Designated in a Fiscal Stress Category, FYE 2013 to 2021



Source: OSC.

Notes: "Municipalities" includes counties, cities, towns and villages, but does not include New York City. "School Districts" does not include the "Big 4" districts of Buffalo, Syracuse, Rochester and Yonkers.

Stress by Class and Fiscal Year

Among municipalities, calendar year entities experienced the most change in fiscal stress levels: counties went from 10.9 percent (6 of 55 scored) in some level of stress in FYE 2020 to none designated in stress in FYE 2021, while towns declined from 1.1 percent to 0.2 percent in FYE 2021. Certain fiscal stress indicators, specifically low fund balance and operating deficits, dropped significantly for calendar year local governments in FYE 2021 as a result of the rapid growth in sales tax revenue and an influx of ARPA funding.

Meanwhile, cities, which are a mix of calendar and non-calendar year, had the highest incidence of stress at 16 percent (8 of 50 scored), which was a slight increase from FYE 2020. Villages (mostly non-calendar year) had a stress rate of 2.2 percent (10 of 452 scored) in FYE 2021, also slightly up from the prior year.

School districts saw the number of entities in stress decline by nearly 26 percent (from 31 to 23 districts in some level of stress) in FYE 2021. While this would at first seem surprising, the reason appears to have been that many districts made spending cuts at the beginning of the 2020-21 school year, due to the delays, reductions and uncertainty surrounding State and federal aid. These pre-emptive cuts, combined with eventual improvements in State aid by the end of the year, helped improve most indicator scores. Still, many districts issued more short-term debt, which generated worse scores for that indicator.

The number of municipalities that did not receive a fiscal stress score because they did not file an annual financial report in time to be included was at an all-time high of 188 in FYE 2021. This represented 11.9 percent of the 1,584 counties, cities, towns, and villages covered by FSMS, up 10.6 percent even from FYE 2020.¹⁷ Failure to file in time reduces transparency and calls into question the financial standing of the locality as well as the general effectiveness of the management of the local government.¹⁸

Individual scores and more information about FSMS are available at:

www.osc.state.ny.us/localgov/fiscalmonitoring.

Financial Data

On the following pages are dashboards that summarize financial data for counties, cities, towns, villages, school districts and fire districts. The current year data on the indexed trend line charts in these dashboards has been adjusted to fill in data for late filers. However, current year data in all other charts is as reported.

Financial Data for Counties (57 Total)

Fiscal Year Ending in 2021

Total revenues grew at an annual rate of

2.4%

over 10 years

Real property taxes accounted for

21.5%

of total revenues

Employee benefits grew at an annual rate of

2.2%

over 10 years

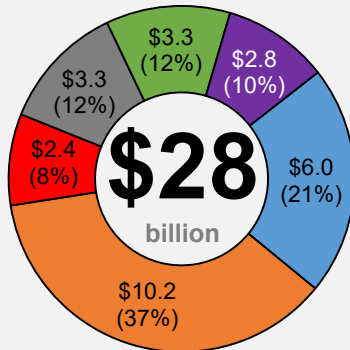
Total debt outstanding amounted to

\$12.1

billion

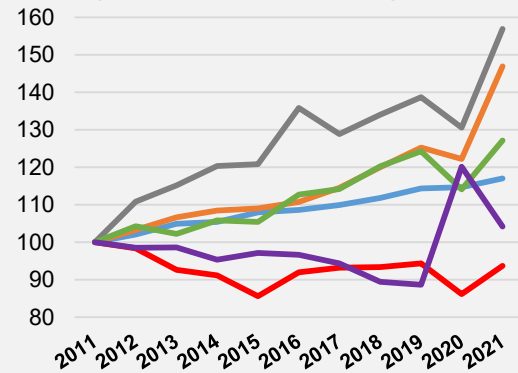
Revenues by Source

Total Dollars (in billions)



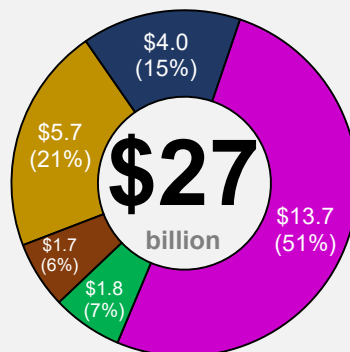
- Real Property Taxes
- Sales and Use Taxes
- Charges for Services
- Other Local Taxes and Revenues
- State Aid
- Federal Aid

Trend (Indexed FYE 2011 = 100)



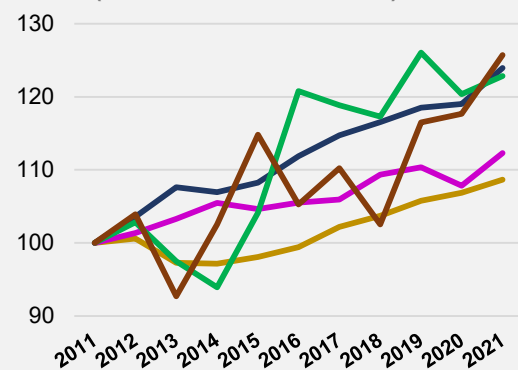
Expenditures by Object

Total Dollars (in billions)



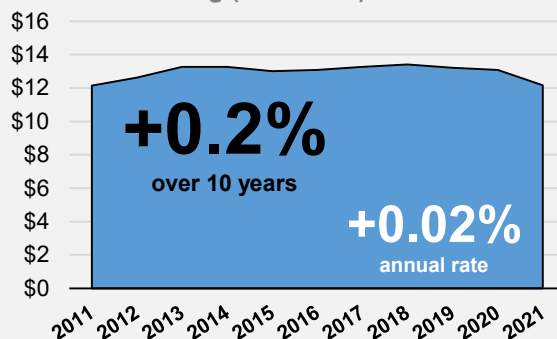
- Personal Services
- Employee Benefits
- Contractual Items
- Equipment and Capital Outlay
- Debt Service

Trend (Indexed FYE 2011 = 100)

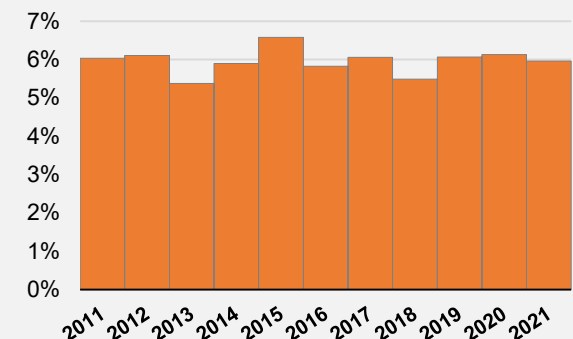


Debt Trends

Debt Outstanding (in billions)



Debt Service Share of Total Revenues



Source: OSC.

Notes: Includes New York State counties outside of New York City. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Real property taxes (RPT) also include other RPT items such as payments in lieu of taxes and school tax relief payments. Percentages in the donut charts above may not total 100 due to rounding.

Financial Data for Cities (61 Total)

Fiscal Year Ending in 2021

Total revenues grew at an annual rate of

2.2%

over 10 years

Real property taxes accounted for

24.6%

of total revenues

Employee benefits grew at an annual rate of

2.6%

over 10 years

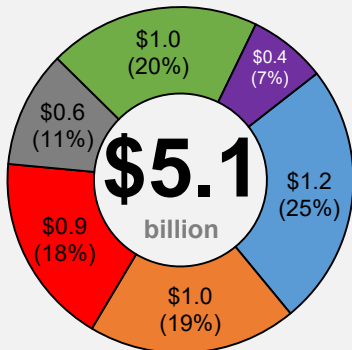
Total debt outstanding amounted to

\$4.0

billion

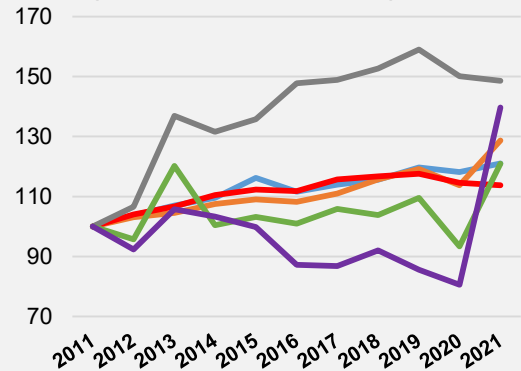
Revenues by Source

Total Dollars (in billions)



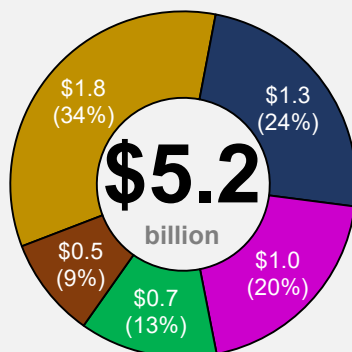
- Real Property Taxes
- Sales and Use Taxes
- Charges for Services
- Other Local Taxes and Revenues
- State Aid
- Federal Aid

Trend (Indexed FYE 2011 = 100)



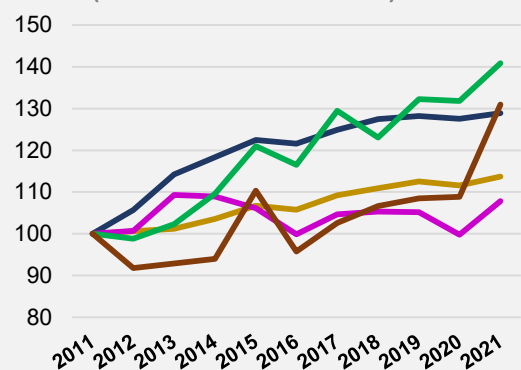
Expenditures by Object

Total Dollars (in billions)



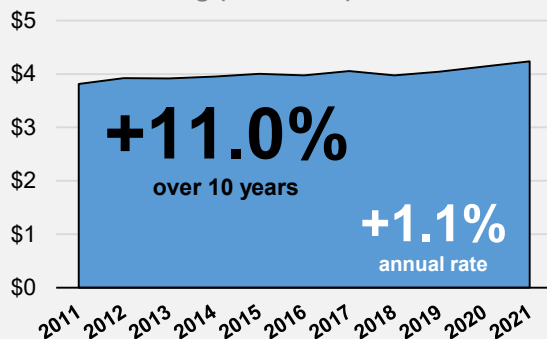
- Personal Services
- Employee Benefits
- Contractual Items
- Equipment and Capital Outlay
- Debt Service

Trend (Indexed FYE 2011 = 100)

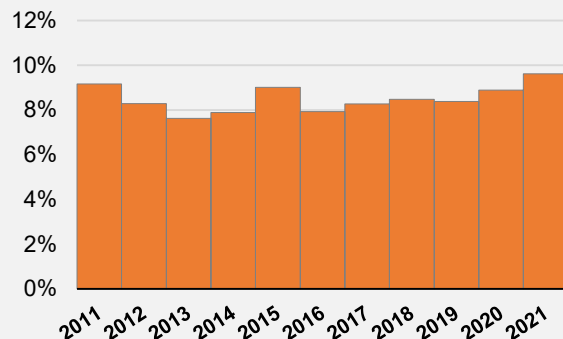


Debt Trends

Debt Outstanding (in billions)



Debt Service Share of Total Revenues



Source: OSC.

Notes: Includes New York State cities except New York City. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Real property taxes (RPT) also include other RPT items such as payments in lieu of taxes and school tax relief payments. Percentages in the donut charts above may not total 100 due to rounding.

Financial Data for Towns (933 Total)

Fiscal Year Ending in 2021

Total revenues grew at an annual rate of

3.0%

over 10 years

Real property taxes accounted for

49.8%

of total revenues

Employee benefits grew at an annual rate of

2.8%

over 10 years

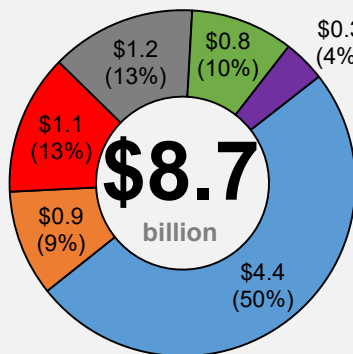
Total debt outstanding amounted to

\$6.3

billion

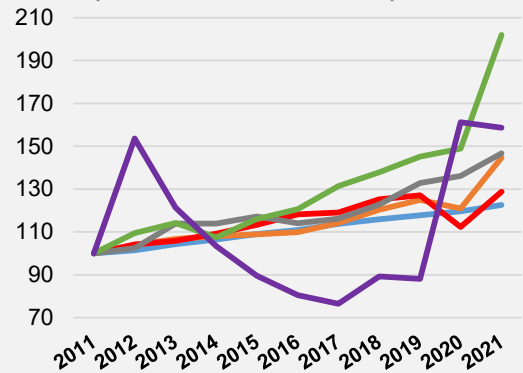
Revenues by Source

Total Dollars (in billions)



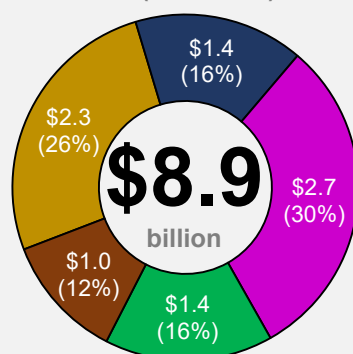
- Real Property Taxes
- Sales and Use Taxes
- Charges for Services
- Other Local Taxes and Revenues
- State Aid
- Federal Aid

Trend (Indexed FYE 2011 = 100)



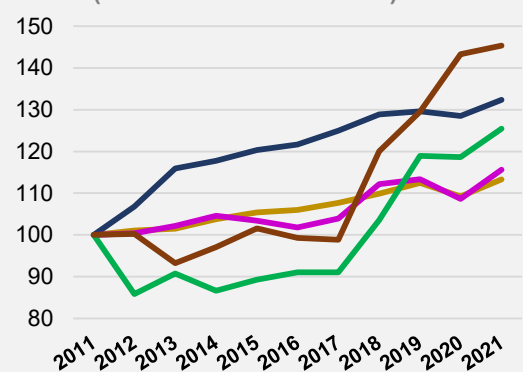
Expenditures by Object

Total Dollars (in billions)



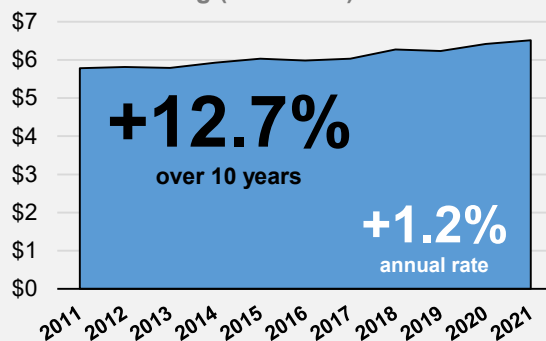
- Personal Services
- Employee Benefits
- Contractual Items
- Equipment and Capital Outlay
- Debt Service

Trend (Indexed FYE 2011 = 100)

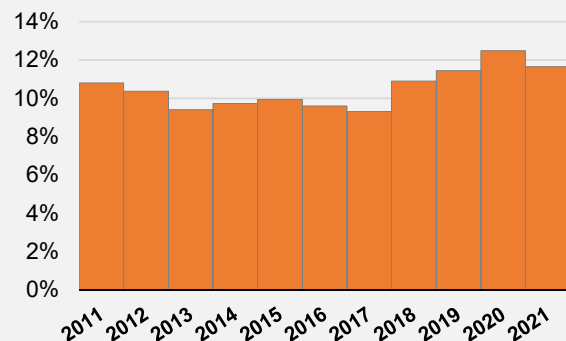


Debt Trends

Debt Outstanding (in billions)



Debt Service Share of Total Revenues



Source: OSC.

Notes: Includes New York State towns. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Real property taxes (RPT) also include other RPT items such as payments in lieu of taxes and school tax relief payments. Percentages in the donut charts above may not total 100 due to rounding.

Financial Data for Villages (533 Total)

Fiscal Year Ending in 2021

Total revenues grew at an annual rate of

2.0%

over 10 years

Real property taxes accounted for

47.5%

of total revenues

Employee benefits grew at an annual rate of

2.7%

over 10 years

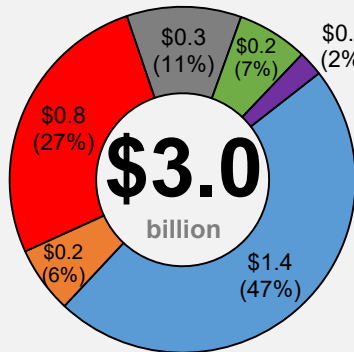
Total debt outstanding amounted to

\$2.7

billion

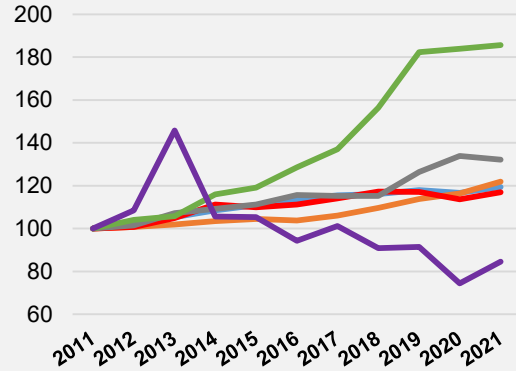
Revenues by Source

Total Dollars (in billions)



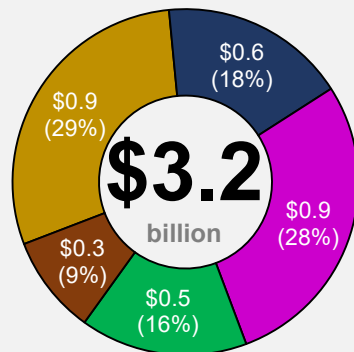
- Real Property Taxes
- Sales and Use Taxes
- Charges for Services
- Other Local Taxes and Revenues
- State Aid
- Federal Aid

Trend (Indexed FYE 2011 = 100)



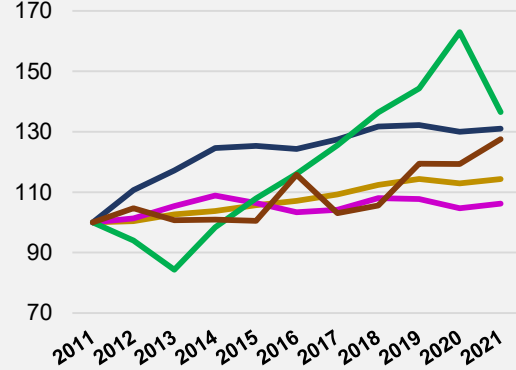
Expenditures by Object

Total Dollars (in billions)



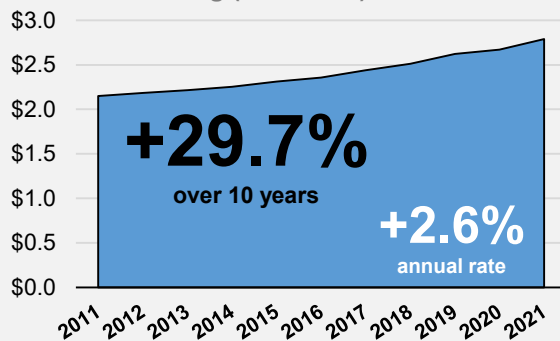
- Personal Services
- Employee Benefits
- Contractual Items
- Equipment and Capital Outlay
- Debt Service

Trend (Indexed FYE 2011 = 100)

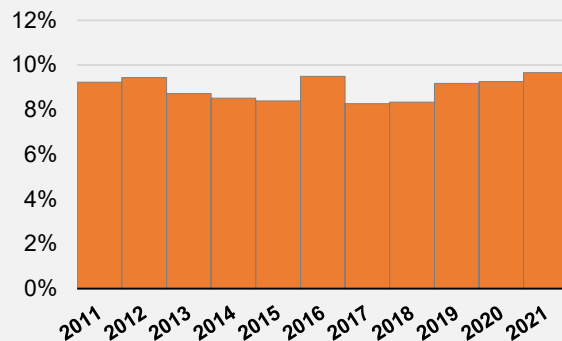


Debt Trends

Debt Outstanding (in billions)



Debt Service Share of Total Revenues



Source: OSC.

Notes: Includes New York State villages. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Real property taxes (RPT) also include other RPT items such as payments in lieu of taxes and school tax relief payments. Percentages in the donut charts above may not total 100 due to rounding.

Financial Data for School Districts (689 Total)

Fiscal Year Ending in 2021

Total revenues grew at an annual rate of

2.2%

over 10 years

Real property taxes accounted for

54.2%

of total revenues

Employee benefits grew at an annual rate of

2.8%

over 10 years

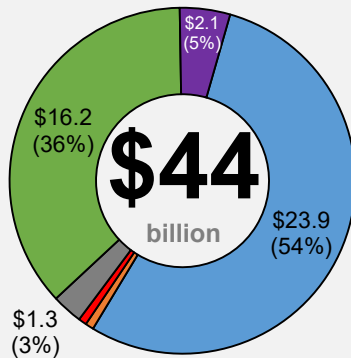
Total debt outstanding amounted to

\$18.9

billion

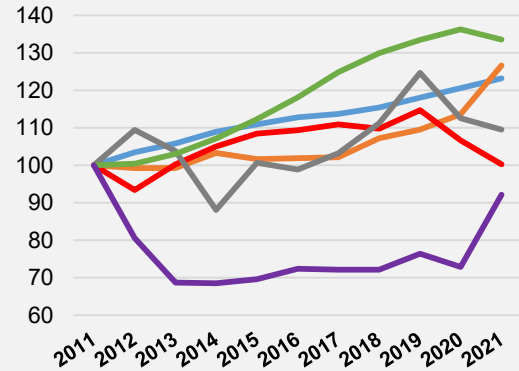
Revenues by Source

Total Dollars (in billions)



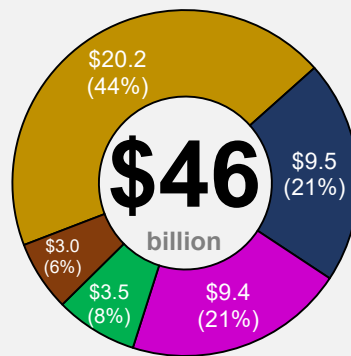
- Real Property Taxes
- Sales and Use Taxes
- Charges for Services
- Other Local Taxes and Revenues
- State Aid
- Federal Aid

Trend (Indexed FYE 2011 = 100)



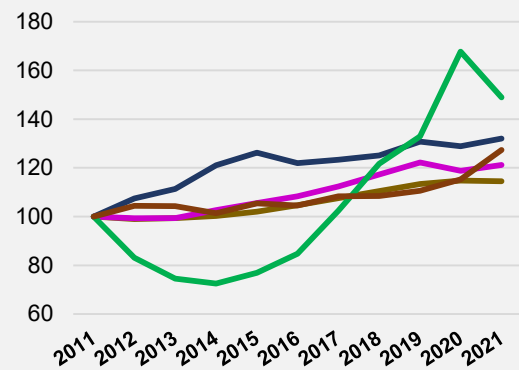
Expenditures by Object

Total Dollars (in billions)



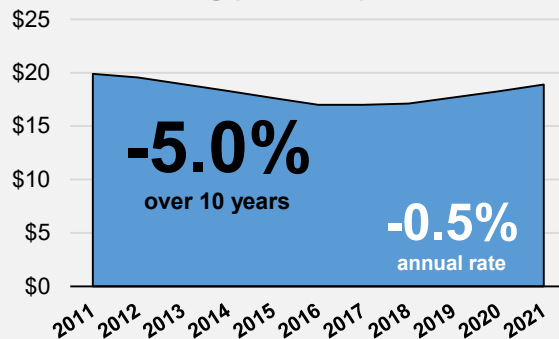
- Personal Services
- Employee Benefits
- Contractual Items
- Equipment and Capital Outlay
- Debt Service

Trend (Indexed FYE 2011 = 100)

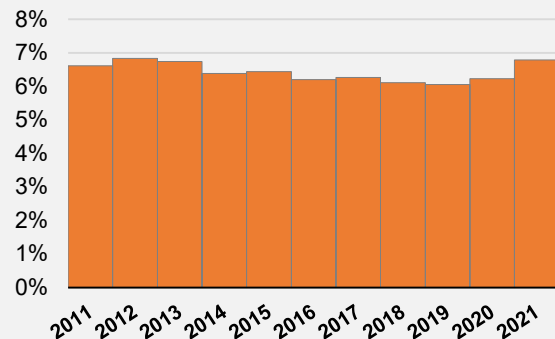


Debt Trends

Debt Outstanding (in billions)



Debt Service Share of Total Revenues



Source: OSC.

Notes: Includes school districts outside of New York City. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Real property taxes (RPT) also include other RPT items such as payments in lieu of taxes and school tax relief payments. Percentages in the donut charts above may not total 100 due to rounding.

Financial Data for Fire Districts (900 Total)

Fiscal Year Ending in 2021

Total revenues grew at an annual rate of

3.2%

over 10 years

Real property taxes accounted for

89.4%

of total revenues

Employee benefits grew at an annual rate of

2.6%

over 10 years

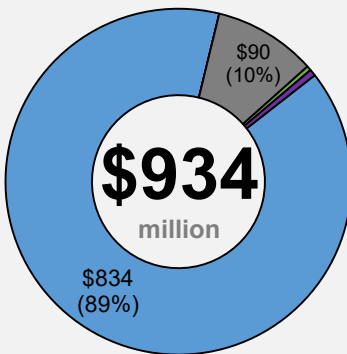
Total debt outstanding amounted to

\$563

million

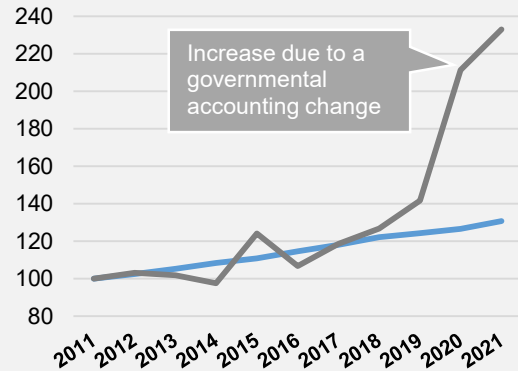
Revenues by Source

Total Dollars (in millions)



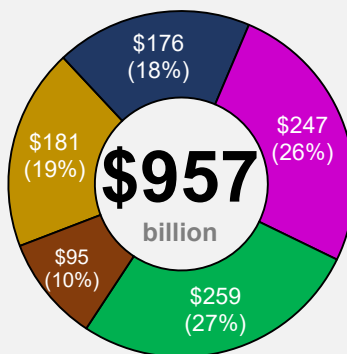
- Real Property Taxes
- Other Local Taxes and Revenues

Trend (Indexed FYE 2011 = 100)



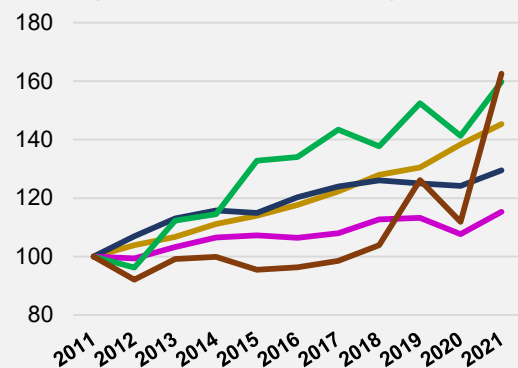
Expenditures by Object

Total Dollars (in millions)



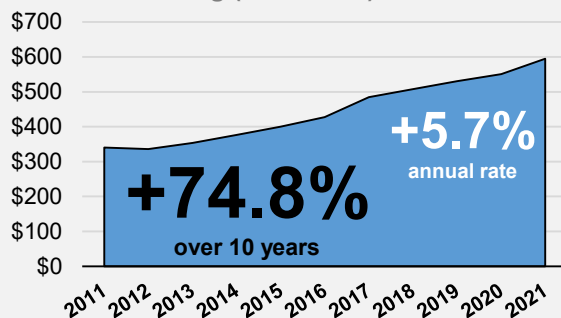
- Personal Services
- Employee Benefits
- Contractual Items
- Equipment and Capital Outlay
- Debt Service

Trend (Indexed FYE 2011 = 100)

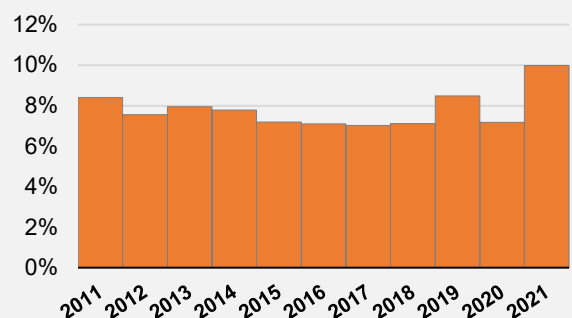


Debt Trends

Debt Outstanding (in millions)



Debt Service Share of Total Revenues



Source: OSC.

Notes: Includes New York State fire districts. The data above does not include local government fiduciary funds. The annual rate for 2011 to 2021 is the compound annual growth rate. Real property taxes (RPT) also include other RPT items such as payments in lieu of taxes and school tax relief payments. Shares that are less than 1 percent are not shown in the donut charts above and percentages may not total 100 due to rounding.

Services and Resources

Audits and Oversight

One of the primary ways the Division of Local Government and School Accountability (LGSA) helps to advance government reform and transparency throughout the State is through its audit and technical assistance functions. Through these efforts, LGSA is able to provide local officials and taxpayers with an independent analysis of their local governments' financial condition, as well as recommend ways to achieve cost savings and efficiencies, strategies for revenue enhancements and methods to improve controls over operations and assets.

302 The Division issued **302** audits of municipalities, school districts and local public authorities in 2021.¹⁹

24 financial condition audits found ineffective budgeting practices, excessive fund balance and inadequate policies, records, and reports.

4 accountability audits more than **\$304,000** of misappropriated local government assets.

Our Audit Work

22 audits cited poor budgeting practices by school districts and municipalities, of which:

16 identified school districts and municipalities that had retained excess fund balance.

2 audits identified school districts that had retained excess reserves.

36 accountability audits identified more than **\$2.9** million in recommended cost savings and revenue enhancement measures or misappropriated local government assets.

63 Information Technology (IT) security audits and **37** confidential IT letters revealed weaknesses potentially allowing for unauthorized access to confidential information, inappropriate use and/or exposure to ransomware threats.

599 property tax cap calculations were conducted to help local governments comply with the tax cap law.

23 municipalities and school districts indicated they would exceed their tax levy limits without a proper override.

Financial Condition Highlights

Instead of basing budgets on prior years' actual results, a school district overbudgeted expenditures by more than \$20.7 million over four years. It also appropriated fund balance totaling \$12.9 million that was not needed. As a result, it levied more taxes than necessary to fund operations.

**Overbudgeted expenditures by
\$20.7 million**

A school district not only overfunded its unemployment insurance reserve fund with a balance of \$176,750, but also did not use any money from the fund to pay average expenditures totaling \$9,700. The current reserve balance could fund approximately 18 years of expenditures, and a reasonable balance would be about \$38,800.

Overfunded reserve

\$176,750

A city council did not adopt structurally balanced budgets, properly monitor the city's financial operations, or take appropriate actions to maintain the city's fiscal stability. As a result, the city was under significant fiscal stress. Errors in the accounting records, inaccurately reported fund balance and insufficient financial reports made it difficult for the council to monitor city finances. Consequently, the general fund balance declined, and officials had to rely on loans for cash flow.

Significant fiscal stress

Accountability Audit Highlights

A town board did not provide adequate oversight of financial operations, which allowed the town supervisor to disburse more than \$172,000 without board authorization and inappropriately pay himself more than \$57,000. As a result of our audit and investigation, the supervisor was arrested, pleaded guilty and was sentenced to serve time in state prison.

**\$240,000
paid in
restitution**

A fire district made inappropriate payments totaling \$40,309 for rehabilitation services at a residential substance dependency rehabilitation facility, men's suits and clothing and questionable charges paid to a fire department that appeared to be inappropriate District expenditures. These included charges for gifts and gift cards, awards, donations and cigars.

**\$40,309
questionable or
inappropriate
purchases**

An industrial development agency (IDA) did not monitor or correctly allocate payments in lieu of taxes paid by IDA project owners. A county, city, school district and library that should have received the allocated payments received incorrect amounts or no payments at all totaling nearly \$376,000.

**\$376,000
incorrect or
missing payments**

Statewide Audits and Regional Projects

In addition to individual audits, LGSA undertakes audits and projects involving several local governments in a region or statewide. In 2021, the State Audits and Regional Projects Unit audited 13 county probation departments to determine whether they disbursed victim restitution payments promptly and appropriately. Other topics included determining whether 13 school districts maintained websites that provided the public with transparent and comprehensive financial information, and whether local officials of 5 counties, 5 cities, 8 towns and 2 villages adequately considered the pandemic's effect on their financial operations while developing their FYE 2021 budgets.

\$1.6 million
in undisbursed restitution

Audits of Local Governments Available Online

To promote transparency and accountability, OSC makes all local government audits and reports available at www.osc.state.ny.us/local-government/audits. This web page allows users to browse the most recently released audits or search for any audit from the last five years by government name, county, class or year.

Local Official Training

LGSA provides a wide variety of training opportunities for local officials through accounting schools, statewide and regional conferences, leadership institutes, workshops and webinars.

The goal of the Division’s Local Official Training Unit is to train and support as many local officials as possible across the State. While local officials are not required to attend OSC training sessions, taking advantage of these programs helps officials remain up to date on accounting practices and the implementation of robust internal controls.

After a period of providing only remote offerings, LGSA began conducting in-person training again in 2021, on a limited basis. All accounting schools continue to be offered remotely, increasing accessibility, and ultimately lowering the costs of providing this vital training.

The Division’s online training resource – **the Academy for New York State’s Local Officials** – was redesigned and improved during the pandemic. Local officials can use the website to search and register for virtual and live training, browse previously recorded webinars and download presentation materials: www.osc.state.ny.us/local-government/academy.

Local Government Training Statistics

	Sessions			Attendance		
	2020	2021	% Change	2020	2021	% Change
OSC Webinars	33	28	-15%	7,006	4,875	-30%
AFR Modernization Workshops	11	1	-91%	125	216	73%
Accounting Schools	6	10	67%	350	868	148%
OSC Seminars	8	4	-50%	435	427	-2%
External Training	50	55	10%	5,180	4,113	-21%
Total	108	98	-9%	13,096	10,499	-20%

Research on Local Governments

A wide range of LGSA research products are produced that inform OSC's legislative policy agenda, help local officials understand the factors affecting the fiscal condition of their municipalities and school districts, and assist the public in accessing and understanding local government data.

In 2021, LGSA published reports and produced other products on a variety of topics, including:

- The results of the 2020 census for local governments
- The pandemic's impact on local government finances
- Industrial development agencies
- Local sales tax collection updates (monthly and quarterly)
- Sales tax sharing agreements and arrangements
- Fiscal Stress Monitoring System results

All research publications are made available at:

www.osc.state.ny.us/local-government/publications.

Justice Court Fund

The Justice Court Fund (JCF), which is housed within LGSA, accounts for the revenues from fines and penalties collected by the State's town and village justice courts, the Department of Motor Vehicles Administrative Adjudication Bureaus, and other parking and traffic fees assessed by certain local governments.²⁰ In 2021, JCF processed 24,000 town and village justice court monthly reports. The year also marked the beginning of the first phase of JCF's multi-year modernization project aimed at upgrading its collection and distribution processes.

More JCF information is available at:

www.osc.state.ny.us/local-government/required-reporting/justice-court-fund.

Annual Financial Report Modernization

Since the 1990s, OSC has provided local governments with software to enable them to file their annual financial reports (AFRs). While that software has served users well over the years, it has become apparent that a new platform is required to ensure OSC systems remain current and stable, as well as to allow for the flexibility to address emerging needs. The new AFR application will be released in 2023 and will provide an improved user experience, including tools to further validate the data and ensure data quality.

Find out more at: www.osc.state.ny.us/local-government/required-reporting/annual-financial-report-afr-modernization-project.

Local Government Data

OSC makes extensive data available online so that local officials, researchers and others interested in local governments and public finance can conduct their own research and analysis.

Local Government Interactive Data

This interactive data visualization allows the public to view and analyze a ten-year window of New York State local government finances, including revenues, expenditures and debt.

www1.osc.state.ny.us/localgov/nys-local-government-interactive-data.htm

Open Book New York

The Comptroller's online resource for data on local governments and school districts, State contracts, public authorities and State spending and payments.

www.openbooknewyork.com/index.htm

Fiscal Stress Monitoring System

Full results for all municipalities and school districts on all of the fiscal stress indicators, plus the ability to download all of the underlying data, along with reports and interactive tools to explore and understand the results.

www.osc.state.ny.us/local-government/fiscal-monitoring

Financial Data for Local Governments

Detailed financial datasets covering up to 24 years for local governments, school districts, fire districts, industrial development agencies and other local government entities.

www.osc.state.ny.us/localgov/datanstat/findata/index_choice.htm

Real Property Tax Rates and Levies

Local government real property tax levies, taxable full value and full value tax rates from 2013 through 2020.

www.osc.state.ny.us/localgov/orptbook

Local Government Entities

OSC maintains a list of active local governments, which is available for downloading in both pdf and spreadsheet formats. There is also an interactive map.

www1.osc.state.ny.us/localgov/web-entity-map/entity-map.cfm

Summary of Finances for Major Classes of New York State Local Government, Fiscal Year Ending in 2021

(All dollar amounts in millions)

	County	City	Town	Village	School District	Fire District	Total
Population - 2020 Census	11,368,400	2,267,035	9,093,639	1,930,347	N/A	N/A	
Full Value of Real Property	\$1,334,920.2	\$144,583.1	\$1,189,317.5	\$288,613.5	\$1,352,008.5	N/A	
Revenues:							
Real Property Taxes	\$6,012.2	\$1,244.1	\$4,358.1	\$1,445.1	\$23,911.7	\$834.3	\$37,805.5
Sales and Use Taxes	\$10,243.2	\$988.4	\$866.9	\$189.6	\$343.4	\$0.0	\$12,631.5
Charges for Services	\$2,393.1	\$907.2	\$1,147.6	\$807.9	\$334.5	\$0.0	\$5,590.3
Other Local Taxes & Revenues	\$3,310.2	\$552.2	\$1,186.0	\$325.7	\$1,266.8	\$89.7	\$6,730.6
Total Local Revenues	\$21,958.7	\$3,691.8	\$7,558.6	\$2,768.2	\$25,856.5	\$924.0	\$62,757.9
State Aid	\$3,250.8	\$1,001.6	\$840.8	\$201.2	\$16,172.5	\$4.0	\$21,470.9
Federal Aid	\$2,773.6	\$367.6	\$343.9	\$71.0	\$2,073.6	\$5.8	\$5,635.4
Total State and Federal Revenues	\$6,024.4	\$1,369.2	\$1,184.7	\$272.3	\$18,246.1	\$9.7	\$27,106.3
Total Revenues	\$27,983.1	\$5,061.0	\$8,743.3	\$3,040.5	\$44,102.6	\$933.7	\$89,864.1
Expenditures:							
Personal Services	\$5,657.4	\$1,761.2	\$2,318.2	\$932.2	\$20,185.2	\$180.5	\$31,034.8
Employee Benefits	\$3,974.1	\$1,251.7	\$1,405.5	\$555.3	\$9,528.2	\$175.6	\$16,890.4
Contractual Items	\$13,651.5	\$1,033.7	\$2,708.0	\$902.0	\$9,409.8	\$246.9	\$27,951.9
Total Current Operations	\$23,283.1	\$4,046.6	\$6,431.7	\$2,389.4	\$39,123.3	\$603.0	\$75,877.1
Equipment and Capital Outlay	\$1,759.7	\$670.0	\$1,393.3	\$497.6	\$3,508.8	\$259.0	\$8,088.4
Debt Service							
Principal	\$1,123.1	\$382.1	\$854.9	\$238.7	\$2,346.5	\$79.5	\$5,024.8
Interest	\$547.4	\$106.6	\$173.6	\$55.0	\$648.3	\$15.2	\$1,546.2
Total Expenditures	\$26,713.3	\$5,205.3	\$8,853.6	\$3,180.8	\$45,626.8	\$956.7	\$90,536.4
Debt							
Debt Issued:							
Bonds	\$2,419.6	\$474.2	\$948.1	\$383.6	\$2,518.3	\$88.7	\$6,832.4
Other Debt	\$979.9	\$595.9	\$422.7	\$233.9	\$4,297.5	\$42.9	\$6,572.8
Outstanding Debt:							
Bonds (Gross)	\$11,423.7	\$2,997.3	\$5,361.6	\$2,111.6	\$14,140.3	\$484.7	\$36,519.2
Other Debt	\$713.1	\$961.8	\$980.4	\$567.1	\$4,766.4	\$78.2	\$8,066.9
Total Outstanding Debt	\$12,136.8	\$3,959.1	\$6,342.0	\$2,678.8	\$18,906.6	\$562.8	\$44,586.1

Sources: OSC and U.S. Census Bureau.

Notes: Excludes New York City, Real property taxes also include payments in lieu of taxes (PILOTs) and school tax relief (STAR) subsidies. Other local taxes and revenues include charges to other governments, other non-property taxes, other local revenues and taxes on the use and sale of property.

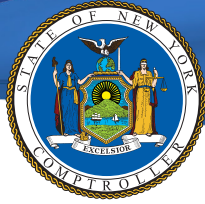
Notes

- ¹ This report uses data reported by local governments to the Office of the New York State Comptroller (OSC) in the Division of Local Government and School Accountability. The data are from local government fiscal years ending (FYE) in 2021. Data from prior fiscal years are used for comparative purposes. The data in this report do not include local government fiduciary funds (trust and custodial funds). A small number of local governments did not file 2021 annual financial reports in time for inclusion for this report. For most trend analyses in this report, the 2020 data set was interpolated for the non-filing entities.
- ² The Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was enacted in March 2020, provided federal stimulus to five counties and one town during their FYE 2020. In 2009, the American Recovery and Reinvestment Act was signed into law, providing federal relief funding to local governments experiencing financial hardship due to the 2008 economic recession.
- ³ For more information about the statutory tax cap, see OSC, "Real Property Tax Cap and Tax Cap Compliance," at www.osc.state.ny.us/local-government/property-tax-cap; and the New York State Department of Taxation and Finance (Tax and Finance) and New York State Department of State, *The Property Tax Cap: Guidelines for Implementation (Publication 1000)*, October 2011, at www.tax.ny.gov/pdf/publications/orpts/capguidelines.pdf.
- ⁴ For a description of the effect on school aid payments, see New York State Education Department (SED), "Payment Information," posting dated August 20, 2020, accessed on November 11, 2022, at stateaid.nysed.gov/payment. For the official rationale for local aid withholdings, see New York State Division of the Budget (DOB), *FY 2021 Financial Plan – First Quarterly Update*, p. 9, at www.budget.ny.gov/pubs/archive/fy21/enac/fy21-fp-q1.pdf.
- ⁵ DOB, "FY 2021 Enacted Budget – Localities and School Districts," www.budget.ny.gov/pubs/archive/fy21/enac/fy2021-enacted-budget.html.
- ⁶ These are imposed on the issuance of new mortgages, whether due to new home sales or refinancing activity. New York State Association of Realtors, Inc., *2021 Annual Report on the New York State Market*, at www.nysar.com/wp-content/uploads/2022/01/NYSAR_ANN_2021.pdf.
- ⁷ Tax and Finance, *Revenue Distribution Certification (AS001)*, at www.tax.ny.gov/research/stats/statistics/sales_tax/government/as001.htm; and U.S. Bureau of Labor Statistics, *Consumer Price Index, All Urban Consumers*, at www.bls.gov/data/.
- ⁸ U.S. Public Law No: 116-136, CARES Act. Amounts are based on data from SED with additional calculations by OSC. CARES Act funding for charter schools is not included in these totals.
- ⁹ DOB, *FY 2021 Enacted Budget Financial Plan*, p. 89, and *2020-21 State Aid Projections*, p. 11, at www.budget.ny.gov/pubs/archive/fy21/enac/2020-21-enacted-schoolaid-runs.pdf; and *FY 2021 Financial Plan – First Quarterly Update*, p. 36, at www.budget.ny.gov/pubs/archive/fy21/enac/fy21-fp-q1.pdf.
- ¹⁰ Based on school district data reported to SED and OSC, it was determined that of the 660 districts eligible for CARES Act funding, 294 (44 percent) reported receiving all of the money allocated by the end of school year 2020-21 (FYE 2021), but 96 (15 percent) reported receiving none, and the remaining 270 districts reported receiving only a portion of the total. CARES Act funding for charter schools is not included in these totals. For more information on how CARES Act funding impacted school districts in school year 2020-21, see OSC, *Fiscal Stress Monitoring System, School Districts: Fiscal Years 2020-21 Results*, January 2022, at www.osc.state.ny.us/files/local-government/publications/pdf/fsms-school-districts-fiscal-year-2020-21-results.pdf.

Notes

- ¹¹ New York Statewide Financial System; and “Coronavirus State and Local Fiscal Recovery Funds,” *U.S. Department of the Treasury*, accessed on September 13, 2022, at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>. A very small number of local governments chose not to receive federal stimulus funding from ARPA. The non-calendar year entities that received a first round of ARPA funding in May of 2021 were the cities of Auburn, Buffalo, Rochester, Syracuse, Utica, Watertown, White Plains and Yonkers, as well as the villages of Hempstead and Woodbury.
- ¹² OSC, *Fiscal Stress Monitoring System – School Districts: Fiscal Year 2020-21 Results*, January 2022, at www.osc.state.ny.us/files/local-government/publications/pdf/fsms-school-districts-fiscal-year-2020-21-results.pdf.
- ¹³ See DOB, *FY 2023 Mid-Year Update*, pp. 10, 30-31 and 47, at www.budget.ny.gov/pubs/archive/fy23/en/fy23en-fp-my.pdf.
- ¹⁴ OSC, *Fiscal Stress Monitoring System – School Districts: Fiscal Year 2020-21 Results*, January 2022, at www.osc.state.ny.us/files/local-government/publications/pdf/fsms-school-districts-fiscal-year-2020-21-results.pdf.
- ¹⁵ For more information on refunding bonds, see “Refunding Municipal Bonds,” *Government Finance Officers Association*, at www.gfoa.org/materials/refunding-municipal-bonds.
- ¹⁶ This “savings” is based off of the refunding bonds issued in calendar 2021 that were reviewed by OSC (based on legal criteria), which account for nearly all refunding bonds issued by local governments.
- ¹⁷ For lists of non-filing local governments, see “Fiscal Stress Monitoring System: Lists,” OSC, at www.osc.state.ny.us/local-government/fiscal-monitoring/lists.
- ¹⁸ For a recent report on local governments that have persistently failed to file their annual financial reports, see OSC, *A Grade of Incomplete: Persistent Non-Filers of Legally Required Local Government Reports*, March 2020, at www.osc.state.ny.us/files/local-government/publications/pdf/2020-persistent-non-filers-snapshot.pdf.
- ¹⁹ All numbers as of December 31, 2021.
- ²⁰ These include the Nassau County and Suffolk County Traffic and Parking Violations Agencies, and the Buffalo and Rochester Traffic Violations Agencies, as well as parking surcharges collected by the City of New York.

Contacts



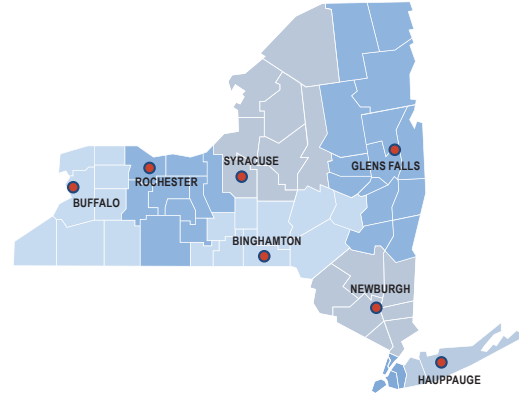
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