

FISCAL UPDATE 2021-2022



2021 Annual Update

- **General Fund Revenue \$521.3 million- increased \$65.5**
 - Sales Tax \$50.3 million
 - Federal American Rescue Program revenue \$5 million
 - Hotel / Motel Tax, County Clerk Fees, Prior year expense, and other \$10.2 million
- **General Fund Expense \$464.3 million- increased \$7.3**
 - Sales Tax payments to municipalities \$9.2 million
 - Public Health, Early Intervention and Pre-School Special Education increased \$2 million
 - Home and Community for Learn, Play, Create Grants- \$3 million
 - Municipal Innovation Grant Program- \$1 million
 - Debt Service \$5 million as we paid off old debt, saving interest
 - Offset by \$12 million in Economic Assistance Area

2021 Fund Balance

Increased from \$60 million to \$119.5 million

Policy

- 1-2 Months of Operating approximately \$40-80 million
- Use unassigned fund balance to pay down debt, avoid debt and provide tax relief

Includes Usage in 2021 - \$9 million

- Vehicle Replacement- \$1.4 million
- DCC Capital Projects County Share- \$1.3 million
- Paid off Callable Debt- \$4.9 million
- Jail OT- \$1.5 million

2021 Fund Balance

Increased from \$60 million to \$119.5 million

Policy

- 1-2 Months of Operating approximately \$40-80 million
- Use unassigned fund balance to pay down debt, avoid debt and provide tax relief

2022- Used almost \$30 million

- Emergency Response Vehicles and Radio Project- \$5.6 million
- Camp Nooteeming- \$4.8 million
- Buildings improvements- \$2 million
- Urban Trail higher than expected- \$2.5 million
- Paid off Callable Debt- \$8.6 million
- Other Projects- OCIS Servers, Buildings, ADA highway funding- \$5.5 million
- Capped sales tax on retail fuel at \$2 / gallon
- Will avoid indebtedness where reasonable and payoff debt when callable



2022

2022-2023 State Budget

- State no longer withholding sales tax for AIM and Distressed Hospital Fund- \$2.5 million annually
- DBCH 36% on fringe benefits- \$1.6 million
- Highway paving- \$1.7 million
- Possible rate increase for EI / PS- 11% COLA
- Retention Bonus for Mental Health Workers- still researching
- Modified vesting period for state retirement purposes tiers 5 and 6 vest at 5 years instead of 10
- Property tax relief checks are going out, changes based on eligibility

www.tax.ny.gov/pit/property/htrc/dutchess.htm

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2022 Homeowner Tax Rebate Credit Amounts

Below are the homeowner tax rebate credit (HTRC) amounts for the school districts in your municipality.

If the check amount field for your school district is *Not eligible*, your credit amount would have been less than \$100 and you will not receive a check. By law, we cannot issue checks for the HTRC that are less than \$100.

In most school districts, the tax rates are the same for all property. However, some school districts use different tax rates for different property classes. If you live in one of these school districts, check your school tax bill to confirm your class. See [Tax classes](#) for descriptions.

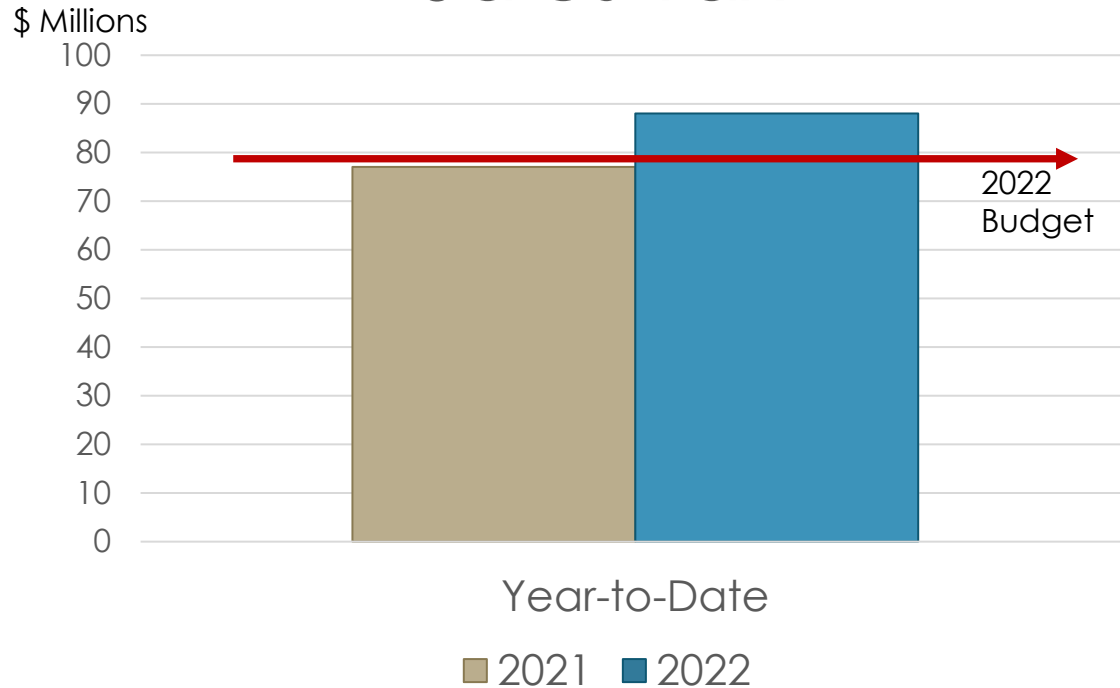
Note: The amount of your credit could be less than the amount shown below if your net school tax liability is less than the credit amount after taking into account your STAR benefit. For details, see [HTRC Limitations](#).

Town of Poughkeepsie

School district name	Tax Class	2022 Enhanced STAR recipients	2022 Basic STAR recipients			
			2020 income: \$0 to \$75,000	2020 income: \$75,000.01 to \$150,000	2020 income: \$150,000.01 to \$200,000	2020 income: \$200,000.01 to \$250,000
Hyde Park		\$1,262.26	\$1,322.70	\$933.19	\$535.57	\$146.06
Arlington	Homestead	\$1,320.67	\$1,383.90	\$976.37	\$560.35	\$152.82
Arlington	Non-homestead	\$1,691.17	\$1,772.14	\$1,250.28	\$717.55	\$195.70
Spackenkill	Homestead	\$1,270.50	\$1,351.55	\$953.55	\$547.25	\$149.25
Spackenkill	Non-homestead	\$2,885.52	\$3,486.57	\$2,459.85	\$1,411.74	\$385.02
Wappingers	Homestead	\$98.72	\$1,005.71	\$709.55	\$407.22	\$111.06
Wappingers	Non-homestead	\$1,252.68	\$1,357.82	\$957.97	\$549.79	\$149.94

2022

Sales Tax



- Unemployment 2.8% April lowest since 2001
- Inflation 8.3% 40 year high
- Housing Market- Average Current Selling price up 60% and volume up 70% higher than 2019
- Sales tax at 15% YTD vs. 2.8% Budgeted
Realized- \$88 million vs. \$77 million last year
- Increased costs for gas, utilities, maintenance items, and construction materials and supplies will impact budget

ECONOMIC PROJECTIONS

- Inflation continues to erode purchasing power, we'll see limited growth
- Higher interest rates make borrowing more expensive
- Risk for employment growth slowing while inflation doesn't- may mean a period of stagflation
- Inflation is expected to remain through 2022 lessening but remaining in 2023 driven by:
 - Rising wages due to labor market tightness and low unemployment
 - Energy and utility escalation
 - Stimulus was too high relative to production capacity
 - COVID-19 lockdowns in China disrupting supply chains
- Recession is not expected until possibly 2024 and beyond, inflation is expected to hang out
- Economy will be cyclical over next 10 years with highs higher and lows lower
- Federal infrastructure spending will begin to roll-out later in the year



QUESTIONS?