COLLECTION III — LOCAL GOVERNMENT

Understanding Your Local Budget

How to read a municipal budget, where the money comes from, and how citizens can weigh in.

By Daniel P. Devine · Civest Sphere · November 2026

Why the budget matters most

The budget is where a government's real priorities show up. Every promise either has money behind it or it doesn't.

The budget calendar

For New York towns, the supervisor prepares a tentative budget in the fall, the board holds a public hearing, and the final budget must be adopted by November 20. Counties, villages and school districts follow their own calendars. School budgets go to a public vote in May. Check your government's website for its dates.

Where the money comes from

- **Property taxes,** the largest source for towns, villages and schools.
- **Sales tax,** a major source for counties, sometimes shared with towns and cities.
- **State and federal aid,** especially for schools, roads and social services.
- **Fees and charges,** such as permits, parks, water and garbage.
- **Reserves and fund balance,** money saved from past years.

Where the money goes

Budgets are usually split into **funds** (general fund, highway fund, special districts), then into departments, then into lines like salaries, benefits, equipment and contracts. Watch for:

- **Personnel and benefits,** often the largest share.
- **Debt service,** payments on past borrowing.
- **Contractual expenses,** money paid to outside vendors.

The property tax cap

New York limits most local governments' annual property tax levy increase to 2% or the rate of inflation, whichever is less, with some exceptions. A town or county board can override the cap by a 60% vote. A school district needs 60% of voters to approve a budget over its cap.

Questions to ask

1. What's changing from last year, and why?
2. Are one-time funds, like reserves, being used to pay ongoing costs?
3. How large is the fund balance, and what's it for?
4. What does each department actually accomplish with its money?
5. How much is going to debt, and what's planned for borrowing?

How to weigh in

Attend the budget hearing, submit written comments, and ask your representatives about specific lines. The NY State Comptroller publishes fiscal data and audits for every local government.

OFFICIAL SOURCES

- NY State Comptroller — Local Government (https://www.osc.ny.gov/local-government)

Last reviewed November 2026. This guide is general information, not legal advice. Laws, deadlines and procedures change, so confirm details with the official source before you act.

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