



Mayor Mike Spano

City of Yonkers

Four Year Financial Plan

Fiscal Year 2014 – Fiscal Year 2017

**Prepared by the
Office of Management and Budget**

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TO: Mike Spano, Mayor

FROM: John Liszewski, Commissioner of Finance
John Delaney, Budget Director

SUBJECT: City of Yonkers, Four Year Financial Plan for FY 2014 – 2017

DATE: April 26, 2013

The Finance Department has prepared the Four Year Financial Plan for the City of Yonkers for Fiscal Year 2014 - Fiscal Year 2017.

The 2014 – 2017 Financial Plan uses the 2014 Executive Budget as the base year and trends from there.

All large NYS urban cities are facing challenging times. Financial plans such as this one, which identify weaknesses and quantify the structural deficits, are the first step in finding some solutions.

As always, my staff and I are available to discuss the findings in this report.

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Overview and Discussion

Section A

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City of Yonkers Financial Plan FY 2014 - FY 2017

Overview

The 2014 - 2017 Financial Plan uses the 2014 Executive Budget as the basis for the 2015 through 2017 fiscal year projections. The 2014 Executive Budget continues past practices to balance the City's Operating Budget: pension amortization (\$22 million), borrowing for certioraris (\$10 million), and the utilization of \$39 million in fund balance: \$17 million of City fund balance - \$12 million to balance the City-side budget and \$5 million to increase the City's contribution to the School District - along with \$22 million of the School District's own fund balance to balance their budget. In addition to fund balance used from the General Fund (\$17 million) and the Education Fund (\$22 million), \$1.3 million of fund balance was used from the Water and Sewer Funds to balance those budgets. These practices of borrowing and utilizing savings are not included in projections for years 2015 through 2017, so as to avoid minimizing the structural deficits, defined as deficits resulting from the variance between recurring expenditures and recurring revenues. Also, building a modest but stable fund balance is a critically important tool in working towards a fiscally sound budget.

It is important not to mask projected structural deficits with non-recurring revenues, as the non-recurring revenues may eventually run out, such as the use of fund balance or one-shots, or in the case of borrowing for operating costs, result in additional financial pressures in the future. Borrowing for current costs, such as judgments and pension costs, masks the problem, and the repayment of this borrowing will utilize much needed resources for future operating expenses and capital improvements. Just as businesses do not want to incur long-term debt for operating expenses, nor do individuals and families want to rely on borrowing, for any length of time, to close the gap between their income and expenses, so it should be the City's ultimate goal to bring recurring revenues and recurring expenditures into balance and return fiscal stability to the City, including the establishment of stable fund balances.

In the meantime, the first step to a solution is quantifying the magnitude of these structural deficits and making all interested parties aware of the challenges facing the City. The use of borrowing and one-shots to close budget gaps is a short-term approach to the City's fiscal problems, and while providing some breathing room, ultimately these practices do not correct the continuing imbalance between revenues and expenditures.

Yonkers has been borrowing for pensions since at least 2004, and the City continues to pay for retirement costs amortized between 2005 through 2012, adding \$7 million annually to the City's current pension bill for these past amortizations. As the City continues to borrow for retirement costs, the amount paid for prior amortizations will grow - an added burden to the already increasing cost of pension bills. Despite the option to defer payment of most of the current increases via pension amortization (i.e., \$22 million of the projected \$25 million increase for 2014), the City must pay some of the current increase in the retirement costs (i.e., \$3 million for 2014), as well as principal and interest on prior, current and future amortizations. These debt service payments will increase by approximately \$2 million to \$3 million per year, depending on the amount amortized and interest rates, over the next few years as the City continues to borrow, with the only relief in sight being the expiration of some of the older amortizations and the possible decrease in pension rates requiring less borrowing in the future. Any union settlements will

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further compound the problem of future pension costs, as all wages are pensionable, including overtime, longevity and stipends.

The City has also been borrowing to pay Tax Certioraris, already amassing \$65 million in debt for these payments by 2012, not including interest, and will bond for \$10 million in 2013, with another \$10 million in bonding budgeted for this purpose in 2014. Any increase in the City's borrowing rates will further increase the cost of this practice. The revaluation should provide relief; however, the revaluation will most likely occur over several years, and until then, the City has no choice but to continue to borrow for this expense, and add to the City's debt service expense. Eventually, the certioraris should be virtually eliminated by the revaluation, and the debt paid off, although the term of the bonds is ten years, so the City will be saddled with this debt for the next decade, an imposition on much-needed borrowing for capital improvements.

The use of borrowing for operating costs, utilizing fund balance and spin-ups of revenues, were ways of "kicking the can down the road", to mortgage the future to pay for past costs. At some point, the future becomes the present, problems pushed off must be addressed, and the road runs out. Add to these practices, a lack of investment in City infrastructure and the School District's facilities, and no provision made for the possibility of contract settlements for the City's unions, who have been without salary increases since 2009.

So as not to be alarmist, it should be pointed out that the City can, to some extent, mitigate the financial hardship facing the City by continuing to borrow for pension costs and certioraris, and to the extent available, utilizing fund balance. These practices will allow the City to continue to operate. In addition to operating costs, the City's debt service payments will continue, and hopefully it is understood that these financial problems should not impact the City's credit rating. In fact, the City's bondholders are afforded the unusual protection of having a significant portion of the City revenues intercepted by the NYS Comptroller, who controls the City's bond proceeds, in a sufficient amount to provide for annual debt service payments. A similar ability is available to the NYS Comptroller to intercept State Aid to the School District (the main reason cited by rating agencies for the high bond rating the School District enjoys), should the City encounter financial difficulty. Still, while the City's bondholders are protected, these structural deficits need to be addressed as they will eventually impact City operations, perhaps requiring a reduction in City services.

Projections for the City were developed by the City's Department of Finance while projections for the Yonkers School District were provided by the Board of Education (BOE). As with the City's projections for fiscal years 2015 – 2017, the BOE's 2015 – 2017 projections assume no use fund balance to close the gaps.

Below is a discussion of overall revenues and expenditures, along with the assumptions used in formulating projections. The next section - Section B: The Plan - provides projection details, including a summary of revenues and expenditures and details on projected tax rates and the 2% constitutional tax limit calculations. The 2% constitutional tax limit and its impact on the City's ability to raise revenues through property taxes is one of the most serious financial challenges facing the City at this time,

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followed by the BOE's asserted need to increasing funding, especially for capital improvements, and the eventuality of contract settlements with the City's unions in the form of salary increases, given that no provision has been made for contract settlements, due to the financial difficulties of the City.

The projected structural deficits are summarized as follows:

STRUCTURAL DEFICITS 2014-2017 (in millions)				
	2014	2015	2016	2017
<u>Revenues</u>				
City	\$ 692	\$ 686	\$ 698	\$ 712
BOE	<u>298</u>	<u>284</u>	<u>293</u>	<u>301</u>
Total	\$ 991	\$ 970	\$ 991	\$ 1,013
<u>Expenditures</u>				
City	\$ 461	\$ 507	\$ 507	\$ 512
BOE	<u>530</u>	<u>585</u>	<u>607</u>	<u>634</u>
Total	\$ 991	\$ 1,091	\$ 1,115	\$ 1,146
Deficit	\$ -	\$ (121)	\$ (123)	\$ (133)

Financial Plan Summary

Revenues

The major sources of revenue for the City's operations in the FY14 Executive Budget are State and Federal Aid (39%) and Property Taxes (33%).

City-anticipated State and Federal Aid is \$111 million for FY14 (11% of total revenue) and BOE State and Federal Aid for FY14 is \$273 million (28% of total revenue). State and Federal Aid for the City is projected to decrease by \$2 million or 2% by 2017 from 2014, as federal grants for public safety expire (a decline of \$24 million or 18% since 2011). State and Federal Aid for the BOE is projected to increase by \$25 million or 9% by 2017 from 2014 (an increase of \$55 million or 22% since 2011).

Property Taxes are projected to increase 2% per year, or approximately \$6.75 million annually, based on the 2% property tax levy limit. Should inflation decrease below 2% (the tax levy cap is the lower of 2% or the rate of inflation) or should PILOTs (Payments in Lieu of Taxes) increase above or decrease from the 2014 budget of \$17 million, the projected property tax levy will be adjusted accordingly. Should inflation drop to less than 2% or should PILOTs increase again, as they did in 2014, the revenue-generating ability of the City in connection with the 2% Property Tax Levy Cap may be further constrained. Of the \$327.8 million proposed property tax levy for FY2014, \$227.3 million (69%) is for the BOE and \$100.5 million (31%) is to fund City operations.

City of Yonkers Financial Plan FY 2014 - FY 2017

After the 72% of revenue from State and Federal Aid and Property Taxes, the remaining 28% of revenues are comprised of: Sales Tax (7%), the Income Tax Surcharge (4%), Water and Sewer revenues (4%), Parking Violations revenue (1%), Real Estate Transfer and Mortgage Taxes (1%), and other taxes and revenues. Given the limits of the Property Tax Levy Cap and the unpredictability of State and Federal Aid from year to year, at least on the City-side, these revenues, often economically driven, become the major source of revenue growth for City operations. Unfortunately, as these economically driven tax revenues increase, so do the City's expenses, as many include an inflation component (i.e., sales and income taxes).

As mentioned above, neither City nor BOE Fund Balance is included in projections for 2015 - 2017. \$40.3 million of fund balance was used in the 2014 Executive Budget to close the gap: \$22 million from Education Fund, \$17 million from the City General Fund, and \$1.3 million from the Water and Sewer Funds. Obviously, the City has become increasingly reliant on prior years' savings - fund balance - to fund current operations.

The major revenues mentioned above are projected to grow as follows:

Property Taxes revenues will increase 2% or approximately \$6.75 million annually.

State Funding is projected to decrease slightly for the City, while the BOE assumes their State Funding will increase \$7.9 million in 2015, \$8.8 million in 2016 and \$7.9 million in 2017. The BOE's projections of state aid are preliminary: the BOE's numbers have not been verified with NYS.

Sale and Use Tax revenues will increase 3% or approximately \$2.15 million per year.

Income Tax Surcharge revenues will increase 2% or approximately \$850,000 annually.

Metered Water Sales will increase 10% or approximately \$3 million annually, but are offset by corresponding increases in the price of water from the NYC Water Board that the City of Yonkers must pay and other associated cost increases (i.e., other supplies; labor). Therefore, these added revenues cover only expenses.

Major revenue projections are summarized below:

MAJOR REVENUES 2014 - 2017 (in millions)				
	2014	2015	2016	2017
Property Tax	\$ 331	\$ 338	\$ 344	\$ 351
State Aid - City	108	108	108	108
State Aid - BOE	272	280	289	297
Sales Tax	70	72	74	76
Income Tax	42	42	43	44
Water/Sewer Revenues	38	41	44	48

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Expenditures

The major uses of the City's operating funds are the Board of Education (51% of total expenditures; 53.5% when their debt service is included), City Departmental Expenses (26% of total expenditures with the Police, Fire and Public Works departments comprising 20% of total expenditures), and Fringe Benefits (12%). Including the cost of Fringe Benefits with City Departmental Expenses, the total cost for the City's departmental operations rises to 38% of total expenditures. The remainder of the expenditures is split over Debt Service (7% of total expenditures, but only 5% without BOE Debt Service) and Special Items (3%).

BOE Operating Expenses (not including Debt Service) increase \$26.5 million or 5.2% for 2015, \$25.0 million or 4.7% in 2016 and \$26.5 million or 4.7% for 2017 based on their projection. The increases assume no use of BOE fund balance.

Overall, City Departmental Expenses are expected to increase \$3.7 million (1.4%) in 2015, \$3.7 million (1.4%) in 2016 and \$4.0 million (1.5%) in 2017. There is no provision for bargaining unit settlements or raises of any kind other than normal step increases in the City's departmental projected expenditures. Within departments, personal services (0100's) increase 0.5%, which covers normal step increases. DPW's Materials and Supplies accounts (0300's) increase 2.7% in 2015, 3.2% in 2016, and 3.7% in 2017 due to rising prices for gasoline, auto supplies, and heating fuel. DPW's Contractual Services accounts (0400's) increase \$2.1 million in 2015, \$2.0 million in 2016 and \$2.0 million in 2017, primarily due to the impact of rising water rates (mentioned above in the Revenue section).

City employee Fringe Benefits increase \$31.8 million (25%) in FY2015, are projected to be flat for 2016, and then increase an additional \$3.6 million (2.3%) in 2017. Retirement Expense comprises 84% of the Fringe Benefits increase from 2014 to 2015: an additional \$26.7 million is projected in 2015 as a result of not amortizing the allowable portion of pension costs, as compared to 2014, which included the amortization of \$22 million. By 2016, one of the previously amortized borrowings will have been paid off, and retirement rates are expected to start going down. The return for the retirement system is based on a five year rolling average, so as the poor performance investment years of 2008 and 2009 fall off and are replaced with newer, higher performing years, the retirement system's returns should improve, decreasing the contribution rates for employers. Therefore, decreases in Retirement Expense of \$5.1 million and \$2.0 million are projected in 2016 and 2017, assuming no additional amortization and consistent improvement in market conditions.

Cost of Health Benefits is projected to increase approximately 7% or \$3.8 million per year based on historical growth rate for this expense for the City.

Workers' Compensation expense is expected to increase 10% annually, from \$12 million in 2014 to \$16 million in 2017. Approximately, one-third of Workers Compensation costs are paid on behalf of the BOE for their employees. These payments are not part of the maintenance of effort (MOE), but a cost the City has always assumed in the past and now "grandfathered" in.

City of Yonkers Financial Plan FY 2014 - FY 2017

The following table summarizes the projected retirement costs for 2014 through 2017:

RETIREMENT COSTS 2014 - 2017 (in millions)				
	2014	2015	2016	2017
Employee Retirement Systems	\$ 12	\$ 19	\$ 18	\$ 18
Police-Fire Retirement Systems	<u>34</u>	<u>54</u>	<u>50</u>	<u>48</u>
Total	46	72	67	65

Debt Service increases \$32.2 million for 2015, and then decreases \$1.6 million and \$165,000 in the next two years. The increase in debt service is driven by BOE's proposed \$400 million Educational Facilities Plan. The BOE's debt service estimates were provided by the BOE. However, the City's Finance Department has not received sufficient details to evaluate the BOE's plan nor its estimates. The BOE's debt service is paid by the City and is not part of the City's mandated maintenance of effort (MOE) with the BOE. In addition to the MOE paid to the BOE (\$209 million for FY14), the City pays the BOE's debt service (\$22 million for FY14), and pays the BOE's Workers Compensation payments, which are approximately one-third of this fringe benefit (\$4 million of the estimated \$12 million for FY14).

Special Items (\$31.3 million for FY14 or 3% of total expenditures) includes the Reserve for Uncollected Taxes (\$17.9 million for FY14, based on calculation promulgated by the Fiscal Agent Act to provide sufficient reserves), Taxes on City Property (\$3.2 million for FY14), a provision for Termination Payments (\$2 million for FY14), Litigation Expense (\$1.3 million for FY14), Affordable Housing Subsidies (\$1.3 million for FY14), Tax Remission (\$1.1 million for FY14) and Judgments and Claims (\$1.0 million for FY14). The FY14 Budget only provides \$0.5 million for Tax Certiorari Payments, as the City will bond \$10 million to cover remaining payments.

Presuming the expedited progression of the proposed revaluation initiative and a continued improvement in market values, special Items overall increase \$6.9 million from 2014 to 2015, then are projected to decrease \$3.1 million in 2016 and \$2.5 million in 2017. Tax Certiorari Payments increase to \$7 million for FY15 from \$0.5 million in 2014, which assumes City will not bond for these costs for 2015 – 2017. The Plan also assumes that Tax Certioraris will decrease as a result of revaluation from \$10.5 million in 2014 (including \$10 million for bonding), down to \$7 million in FY15, then \$3.5 million for FY16 and finally down to \$0.5 million for FY17. The Reserve for Uncollected Taxes increases from \$18 million for FY14 up to \$19 million for FY17, tracking the 2% annual increase in Property Taxes. Remaining expenses in Special Items are projected to remain flat.

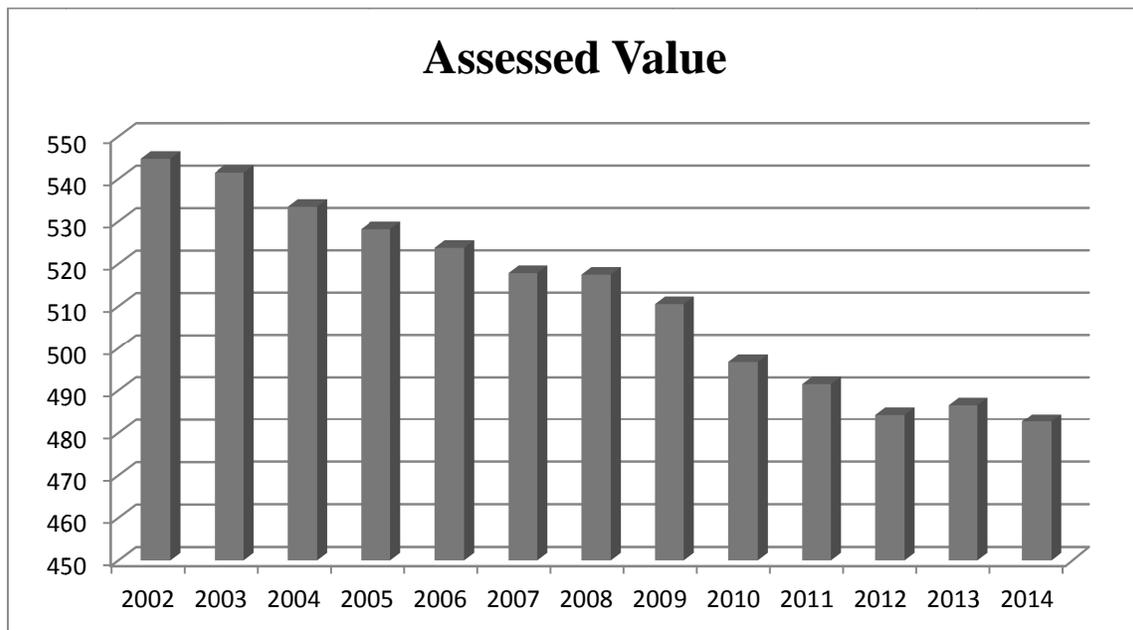
City of Yonkers Financial Plan FY 2014 - FY 2017

Expenditure projections are summarized below:

EXPENDITURES 2014 - 2017 (in millions)				
	2014	2015	2016	2017
BOE Including Debt Service	\$ 530	\$ 585	\$ 607	\$ 634
COY Departmental Expenses	256	259	263	267
COY Fringe Benefits	127	159	159	163
COY Special Items	31	38	35	33
COY Debt Service (excl. BOE)	<u>47</u>	<u>50</u>	<u>50</u>	<u>50</u>
Total	991	1,091	1,115	1,146

Areas of Concern

2% Constitutional Tax Limit: As mentioned above, the Plan projects that the Property Tax will increase 2% or approximately \$6.75 million annually in the four-year plan. In addition to the constraint of the 2% Tax Levy Cap and the need for a supermajority of the City Council to override the Tax Levy Cap, the City will close in on the 2% Constitutional Tax Limit over the next couple of years, if current assessed valuation trends continue. Assessed values have been decreasing approximately 1.0% per year for the last decade and 1.2% per year since 2008.



Should the City Council decide to override the Tax Cap, they need to be aware of the remaining Constitutional Tax Margin, which has decreased from \$242 million in 2010 down to \$17 million in the

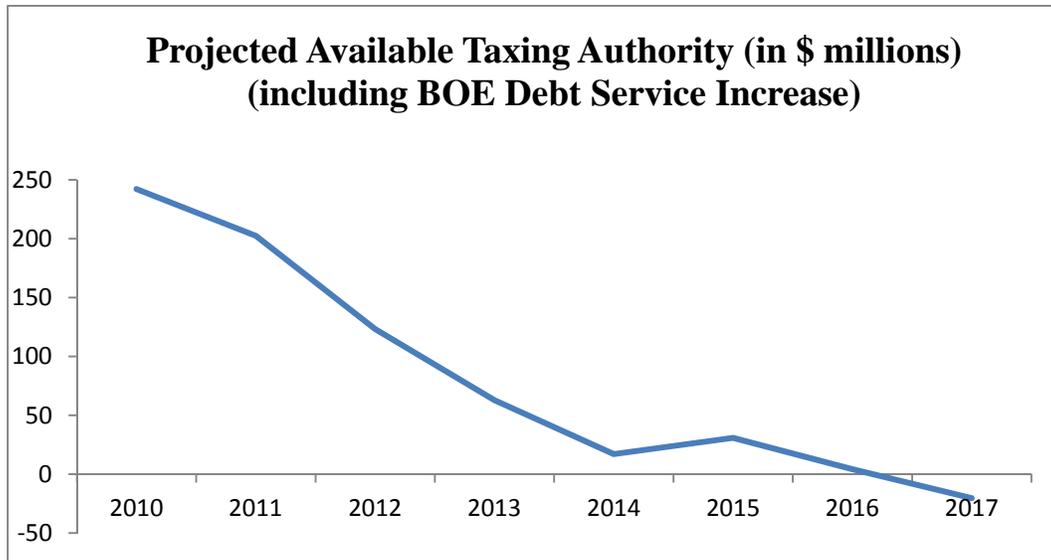
City of Yonkers Financial Plan FY 2014 - FY 2017

2014 Executive Budget. The City is permitted by NYS to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the City.

Even if Property Taxes increase just 2% annually, the constraint is projected to become a significant concern if the tax base continues to erode and taxes continue to grow. In fact, the assumption in this plan that revenues from Property Taxes will increase 2% annually ignores the projection that, given current trends, the City will run out of taxing authority for raising Property Taxes by 2015, although the Plan shows the City hitting the limit between 2016 and 2017. The plan presents the latter scenario, based on BOE's estimated increase in debt service of \$29 million in 2015; however, this assumes the City can afford an increase of \$29 million in debt service, which, of course, it cannot.

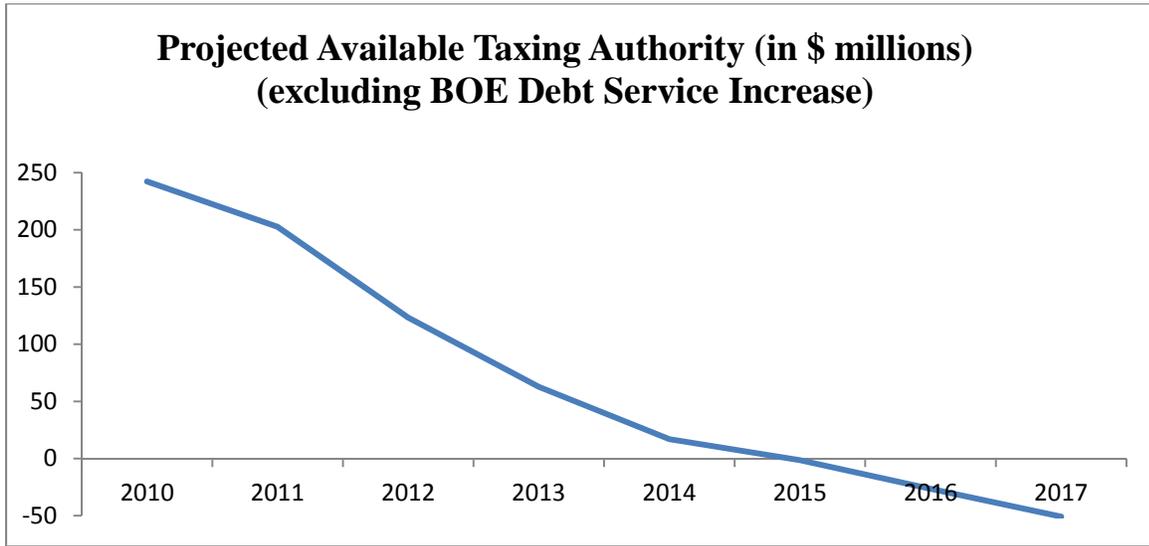
So, given the parameters of this Financial Plan, the remaining Constitutional Tax Margin is projected to increase from \$17 million in 2014 to \$30 million in 2015. This anomaly occurs only because the BOE is projecting a \$29 million increase in debt service for its \$400-million Educational Facilities Plan in 2015. Debt Service expense is excluded from the Constitutional Tax Margin calculation. So even though the tax margin increases, it is only with a significant increase in the deficit, one that is unaffordable.

But, according to the Plan, in the following years, the remaining Constitutional Tax margin will decrease to \$4 million in 2016, and then to a negative \$20 million in 2017. There is no such thing as a negative tax margin; the City cannot exceed its Constitutional Tax Margin, and therefore will not be able to levy \$20 million of property taxes that are a basic parameter of this Financial Plan.



If this one parameter, the significant increase in BOE Debt Service expense, were not to occur, the deficit caused by the expense would be averted. But the City would exceed its Constitutional Tax Margin by \$1.6 million, \$26.4 million, and \$50.8 million in each of 2015, 2016, and 2017, respectively.

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Financial Plan
FY 2014 - FY 2017**



Given that funding is not available for an increase of \$29 million for the BOE’s debt service, the second scenario is most likely, which has the City’s taxing authority running out by FY2015.

To summarize, total assessed values decreased while property taxes increased, resulting in an increase in the tax rate. Besides the impact on tax rates that the erosion of the tax base has had, once the City reaches the 2% Constitutional Tax Limit, the City will have exhausted its ability to raise Property Taxes, the City’s main revenue source after State Aid. As mentioned above, if current trends continue, this may occur by FY2015.

BOE Projected Deficits: As the expenses for the BOE have eclipsed City spending (with debt service, BOE’s expenditures for 2014 constitute 53.5% of the total budget), more oversight is needed of the BOE operations, accounting and capital plans. As summarized in the following table of projected deficits, the contribution to the overall deficit by the BOE’s projected shortfalls grows from 57% of the deficit to 76% of the \$133-million gap by 2017. These deficits are based off of the 2014 Executive Budget, which in itself, provided for a \$60-million increase, including debt service, over the BOE’s actual expenditures for 2012. The needs of the BOE for additional funding for operations is compounded by the BOE’s projected increases for capital improvements over the next few years.

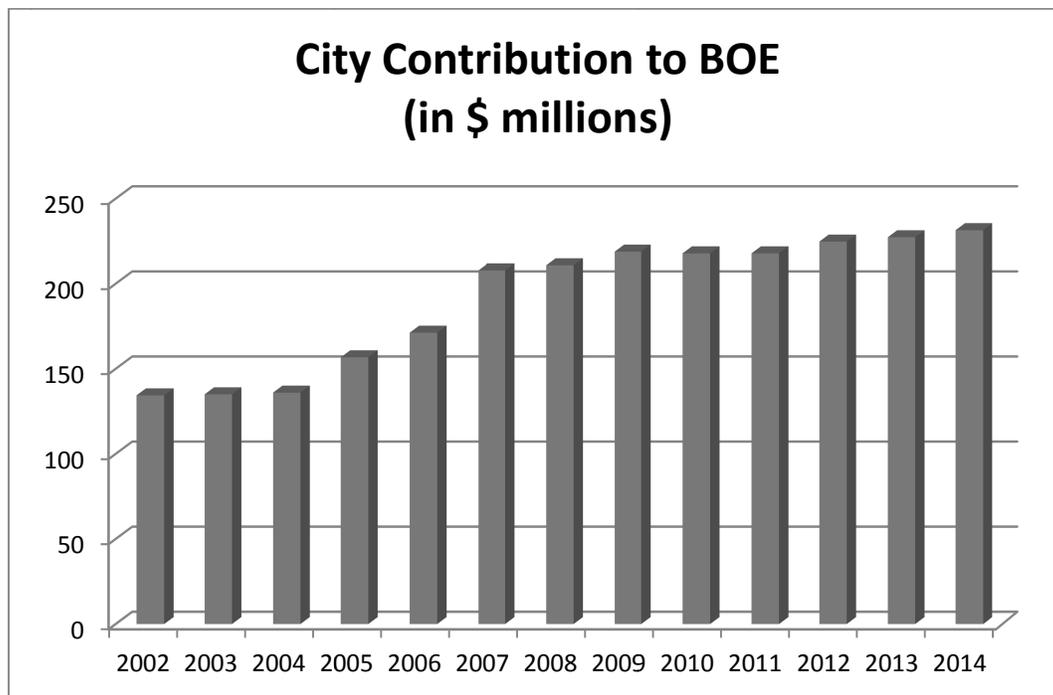
Projected Deficits 2015 - 2017 (in millions)

	2015	2016	2017
Municipal	\$ (53)	\$ (41)	\$ (32)
Education	<u>(69)</u>	<u>(83)</u>	<u>(101)</u>
Total	(121)	(123)	(133)

Financing the Capital Improvement Program (CIP) for the BOE, given the constraints of the 2% Tax Levy Cap and the 2% Constitutional Tax Limit, and the drain on resources to pay for increasing fringe

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benefits for City employees, will be close to impossible, especially as BOE asserts that the improvements to BOE schools and facilities will cost \$1.7 billion. The BOE has invested millions of dollars for the development and analysis of a \$1.7-billion schools facilities plan that assesses strategies to improve current structures to required standards, and expansion to support BOE’s projected enrollment increases. Several alternatives have been reviewed, including a Public-Private Partnership (P3) option. In March 2013, the Mayor requested that the Commission of Inquiry into the Finances of the City of Yonkers review the BOE’s feasibility report for these alternatives, and provide an independent, expert analysis to the City, along with its recommendations. At the same time, the City and BOE must revisit the calculation of state funded building aid for Yonkers’ schools and petition for additional assistance from state delegates.



Labor Contracts: As mentioned above, while the BOE has independently renegotiated contracts with its two labor unions, the City’s labor contracts have technically “expired,” meaning that City labor unions have not had salary increases since 2009, and no funding has been put aside for possible union settlements. That means, in considering the FY2014 Executive Budget, that there is no funding for FY2010 through FY2014 for increases for unions. Furthermore, the City-side of the 2014 - 2017 Financial Plan does not include any funding for possible increases. The financial exposure that exists, should there be union settlements, is significant, as even modest salary increases covering only a few years could easily result in tens of millions of dollars in added expense, an expense the City cannot afford. Therefore, considering that the City is going into the fifth year without contractual salary increases for its unions, the financial exposure facing the City cannot be emphasized enough.

Pension Amortization: The City has amortized pension costs in the past to both mitigate larger than normal payments to the retirement system in any one year (resulting from years when employees took

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early retirement incentives) and just to smooth out large spikes in pension costs. Presumably, the costs of the early retirement incentives were offset by past and future savings from the elimination or downgrading of positions vacated. The payments extend 10 years from the initial year of payment, with the exception of the amortization for the 2010 ERS retirement incentive, which is amortized over 5 years.

The current pension payments include principal and interest for these previous borrowings from the pension system of about \$7 million. The City has now added the amortizations for 2012 (\$8 million) increasing the annual pension payment by \$1 million for principal and interest, and 2013 (\$14 million) increasing the annual pension payment by \$1.7 million for principal and interest. Payments for these borrowings will add approximately \$2.7 million to the current pension bills and another \$22 million will be amortized for FY2014, this time over twelve years, adding another \$2 million in principal and interest payments. Any future amortizations of retirement bills will be added on top of these existing layers and extend twelve years out from the initial year, payable at the prevailing interest rates at the time of amortization. Even as pension rates decrease, the City will have to continue to amortize the difference between the lower rates the City currently pays under the amortization program and the declining full rates (rates without amortization) until the declining rates decrease below the rates the City is paying under the amortization program. And then, although the City will stop adding to the amounts borrowed, the City will have to pay higher rates than the declining actual pension rates until all amortizations are paid off.

Bonding for Tax Certioraris Payments: The City bonded \$65 million to pay for previous years' tax certioraris payments. These payments can be bonded with principal and interest paid over ten years, as opposed to paying in full at the time of judgment. Similar to the pension amortization program the City opted to join, the decision to bond for these judgments results in accumulated debt that will take years to pay off. Once the city-wide revaluation (the Fair Property Tax Act) is complete, filings for these judgments should decrease significantly, eliminating the need to borrow for these payments. In the meantime, utilizing this option to bond for tax certioraris increases the City's annual debt service and reduces available resources for future capital investments.

Gap Closing Measures

Exactly how the City addresses looming structural deficits will be decided by the administration in conjunction with the various stakeholders that touch and concern its budgetary status. This includes federal and state elected officials, the NYS Comptroller, the public and their representatives in the City Council, City and BOE employees and their union representatives, local businesses, developers and property owners. Therefore, the following gap closing measures are provided only as an illustration in an attempt to quantify possible means to a solution. Only recurring revenues and recurring expenditure savings are included to address the structural deficit. When formulating the budgets for these years, it may be necessary to include some non-recurring revenues and expense savings, in order to close the budget gap (as opposed to the structural deficit). It is likely that a combination of increases in revenues and spending cuts, or at least some form of cost containment, will be required to close the structural deficit.

City of Yonkers Financial Plan FY 2014 - FY 2017

It should be pointed out that the fiscal problems facing the City are not unique to Yonkers and cannot be solved simply by cutting current costs significantly. A review of the categories of expenditures - Departmental Expenditures and Fringe, Special Items, the BOE, and Debt Service - and their associated costs reveals that many of the significant expenses are mandated or beyond the control of the City. For instance, the City cannot decrease its contribution to the BOE under the MOE. Also, the City cannot easily decrease its Debt Service expense, as the expense is based on prior years' bonding, and decreasing future debt service payments will be difficult given the needs to bond for infrastructure improvements going forward, especially for the School District, and for Tax Certiorari Payments. The largest expense of the Special Items, the Reserve for Uncollected Taxes, must be calculated based on a formula specified by the Fiscal Agent Act, and cannot be reduced as a budget item.

Fringe Benefits are increasing, and at best can only have their rate of growth reduced, but not eliminated. Most of the Departmental Expenses are for wages, and close to 70% of the wages are for public safety: 69% of 2012 actual wages were for the Police and Fire Departments. Cuts to staffing in departments providing public safety services, namely Police and Fire, normally result in increased overtime of an equal or greater amount. The only area of departmental expense that can be controlled is overtime, but usually only with increased hiring and therefore increases in health insurance costs, an expensive fringe benefit, or with greater management control, which may be hampered by the provisions of union contracts. Still, some savings can be achieved and they are included below.

Barring additional, meaningful assistance from the state and/or federal governments, the Department of Finance is presenting a limited set of available financial tools for the City to consider to generate additional revenues or additional savings. Employing any or all of these tools must be done judiciously and with precision to ensure that the City's financial obligations are met while limiting the fiscal stress on taxpayers and maintaining a robust City government. As noted above, the Department of Finance is providing the following list of gap closing options as an illustration of tools which may be utilized to address deficits:

1. Income Tax Surcharge: This city income tax, based on an individual's state income tax, was introduced as part of the solution by the Control Board. Today it stands at 15% and under current state law could be increased up to 19.25%, generating an additional \$10 million in revenue annually.
2. Real Estate Transfer Tax: This tax currently stands at 1.5%, and could be increased up to 3.0% of the conveyance, according to the standards set by the Control Board. Returning this tax up to 3.0% of the transaction amount from the current 1.5% would generate an additional \$6 million annually.
3. Property Tax: Each 1% increase in the Property Tax garners an additional \$3.4 million.
4. Employee Contributions to Health Care Costs: The various bargaining units have different contribution rates, so it is difficult to estimate the impact of increasing the contribution rates, but a contribution rate similar to that paid by some NYS employees could yield significant savings to the City. Any changes to contribution rates would have to be contractually renegotiated.

City of Yonkers Financial Plan FY 2014 - FY 2017

5. Self-Insured Health Benefits Plan: Many cities and counties, for instance, the City of Syracuse and the County of Westchester, have been able to better control increases in health insurance costs by becoming self-insured. While savings would only be minimal in the short run, perhaps \$1 million annually, because of the need for costly stop loss insurance for a newly established self-insured plan without a track history of claims for catastrophic cases to evaluate, eventually this option could provide significant savings, especially if stop loss insurance could be discontinued, and perhaps better healthcare options for our employees.
6. Labor Cost-sharing: Noting that any labor cost-sharing or re-set proposal would have to be negotiated with unions, contractual adjustments such as lower starting salaries for new employees, adjusted benefits contributions or adjustments to other work conditions or terms could yield significant long-term savings.
7. Early Retirement Incentive: While normally ERI's are proposed to reduce staffing levels and therefore reduce costs in that manner, there would be notable long term savings from providing the option of an Early Retirement Incentive (ERI) due to the variance in pension rates between and among the various retirement tiers.
8. Containing the Growth in the BOE's Operating Costs: The BOE's forecasted growth in operating expenses (not including the BOE's proposed and extraordinary debt service increase) is dramatic: on average \$26 million higher each year after 2014. These increases are on top of the 2014 Executive Budget which provides for a \$60 million increase, including debt service, over the amount actually spent in 2012 (and no BOE fund balance actually ended up being used in 2012, despite being budgeted). There are no identified sources for the management of increases of this magnitude. At best, given the constraints on the City's current financial resources, the City will not likely be able to further increase the maintenance of effort (MOE) allocations now in place, noting that the MOE has been increased in the 2014 Executive Budget by \$5 million, an increase which will therefore become a recurring expense without commensurate recurring revenue, thus adding \$20 million to the City-side deficit for the fiscal years 2014 through 2017.

Limiting the City's contribution to the proposed 2014 MOE will decrease the projected deficits by \$26 million in 2015, \$50 million in 2016 and \$77 million in 2017. Cuts in projected growth of this magnitude would assist greatly in reducing the projected deficits, but would also require dramatic cuts to the BOE's planned operating expenses and possible use of fund balance or further reliance on state aid to mitigate the impact of these reductions.

City of Yonkers Financial Plan FY 2014 - FY 2017

Financial Plan Assumptions

Any forecast, and especially a multi-year plan projecting several years into the future, is molded by assumptions used in creating the forecast. Following are the assumptions used for this plan:

Revenue Assumptions

No use of City or BOE Fund Balance for 2015 – 2017 (\$40 million used in 2014).

Property Tax will increase 2% each year, as prescribed by the Property Tax Levy Cap enacted by NYS.

Sale and Use Tax revenues will increase 3% per year, based on 10 year historical average.

Utilities Gross Receipts will decrease 2.0% per year, based on the trend seen in recent years.

Income Tax Surcharge revenues will increase 2% annually.

Total City Departmental Revenue decreases approximately 1.1% annually, with all of the decrease from the Parking Violation Bureau, which is expected to see revenues decrease 2% per year, as tickets from the red light cameras decreases. Revenue for all other City Departments is held flat.

Metered Water Sales increase 10% annually, based on projected NYC water rates plus associated costs.

Sewer Rents increase 10% per year based on median increase from 2002 to 2012.

BOE assumes their State Funding will increase 2.9%, 3.2% and 2.8% each year from 2015 to 2017. These increases need to be verified with NYS.

Expenditure Assumptions

No provision for bargaining unit settlements or raises of any kind other than normal step increases.

City Departmental Expenses increase 1.4%, 1.4% and 1.5% annually. Within departments, personal services increase 0.5% to cover step increases. The Supplies and Contractual accounts (300s and 400s) increase 2.0%, 2.5% and 3.0% annually for 2015 through 2017 for all departments except DPW. DPW's Supplies accounts increase 2.7% in 2015, 3.2% in 2016 and 3.7% for 2017. DPW's Contractual accounts increase an average of 6.1% for 2015 through 2017, largely because of 10% increases in Water Purchases and related costs.

Fringe Benefits overall increase 25%, 0% and 2.3% in 2015, 2016 and 2017 respectively. 84% of the increase in Fringe Benefits from 2014 to 2015 is due to an increase in Retirement Expense of 58% as a result of not amortizing the allowable portion of pension costs, as compared to 2014, which included the amortization of \$22 million. In 2016, the retirement bill is expected to decrease 7%, as one of the previously amortized borrowings will have been paid off. Also, retirement rates are expected to reverse and start decreasing by 2016. The Plan therefore projects a retirement cost decrease in 2016 of 7% followed by a decrease of 3% in 2017. These decreases assume that pension costs are not amortized in

City of Yonkers Financial Plan FY 2014 - FY 2017

2015, thereby allowing the City to participate in the expected downturn in pension rates. If in fact the City does amortize the increase in pension costs for 2015, expenses will not go down in 2016 and 2017.

Social Security is calculated off of projected personal costs. It is assume only 85% of costs are charged the full 7.65% so that 85% of personal services costs are multiplied by 6.2% and 100% of these costs are multiplied by 1.45%, for Medicare.

Workers' Compensation increases 10% per year based on trend from 2009 – 2011 (although recently rates have increased faster because of the increase in the weekly benefit).

Health Benefits increases 7% per year, based on 10 year average growth.

Reserve for Uncollected Taxes increases 2%, based on percentage of Property Tax Levy, which increases 2% each year.

Tax Certiorari Payments increase \$6.5 million from 2014 to 2015, under the assumption that the City will not bond for these costs as done in 2014, and then decrease \$3 million in 2016 and another \$3 million in 2017, as a result of the decline in tax certioraris because of city-wide revaluation.

BOE Operating Expenses increase 5.1%, 4.5% and 4.8% per year for 2015 to 2017 based on their projection. These increases assume no use of BOE fund balance. The City may opt to only fund the BOE at the MOE level, given the City's current financial distress.

Debt Service increases 46.7% for 2015, then decreases 1.6% for 2016 and remains flat for 2017, with the increase of debt service for the BOE being the major driver in 2015. Debt service for the BOE spikes in 2015: this assumes that bond sales of approximately \$400 million will occur in 2014 in order to support the first phase of the Educational Facilities Plan.

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Operating Revenue and Expenditure Plan

Section B

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**City of Yonkers
Analysis of Projected Budgets
and Structural Deficits
FY 2014 - FY 2017**

	FY 2014		FY 2015		FY 2016		FY 2017
City Budget	\$ 460,952,064	\$	506,674,445	\$	507,350,019	\$	512,381,114
B.O.E. Budget	\$ 529,945,158	\$	584,765,885	\$	607,362,560	\$	633,684,212
Total Budget	\$ 990,897,222	\$	1,091,440,330	\$	1,114,712,579	\$	1,146,065,326
Budget Gap (before Gap Closing measures)	\$ -	\$	(121,496,768)	\$	(123,214,571)	\$	(132,760,055)
					3 Year Total	\$	(377,471,394)

**Breakdown of City-Side Budget
FY 2014 - FY 2017**

	FY 2014		FY 2015		FY 2016		FY 2017
City Expenditures	\$ 460,952,064	\$	506,674,445	\$	507,350,019	\$	512,381,114
City Revenues	\$ 460,952,064	\$	454,050,855	\$	466,783,640	\$	480,641,220
City Budget Gap (before Gap Closing measures)	\$ -	\$	(52,623,590)	\$	(40,566,379)	\$	(31,739,894)
					3 Year Total	\$	(124,929,863)

**Breakdown of BOE Budget
FY 2014 - FY 2017**

	FY 2014		FY 2015		FY 2016		FY 2017
BOE Expenditures	\$ 529,945,158	\$	584,765,885	\$	607,362,560	\$	633,684,212
B.O.E. Revenues	\$ 298,478,334	\$	284,425,883	\$	293,247,544	\$	301,197,227
City Contribution to Education	\$ 231,466,824	\$	231,466,824	\$	231,466,824	\$	231,466,824
BOE Budget Gap (before Gap Closing measures)	\$ -	\$	(68,873,178)	\$	(82,648,192)	\$	(101,020,161)
					3 Year Total	\$	(252,541,531)

City of Yonkers Revenue and Expenditure Summary

	FY 2014 Executive	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
Revenues				
Property Taxes	\$ 330,920,260	\$ 337,538,665	\$ 344,289,439	\$ 351,175,227
Special Taxes	131,120,130	134,047,132	137,060,475	140,162,445
State & Federal Funding	110,570,063	109,284,863	108,751,220	108,751,220
City Departments	26,212,135	25,927,135	25,647,835	25,374,121
Other Revenues	37,552,497	37,762,483	37,977,644	38,198,085
Appropriated Fund Balance	17,000,000	-	-	-
Total Revenues - General Fund	\$ 653,375,085	\$ 644,560,278	\$ 653,726,612	\$ 663,661,098
Library Fund	165,070	165,070	165,070	165,070
Water Fund	33,036,385	34,564,844	37,526,344	40,783,995
Sewer Fund	5,842,348	6,227,488	6,832,437	7,497,881
Total City Revenue	\$ 692,418,888	\$ 685,517,679	\$ 698,250,464	\$ 712,108,044
Board of Education	298,478,334	284,425,883	293,247,544	301,197,227
Total Revenues - All Funds	\$ 990,897,222	\$ 969,943,562	\$ 991,498,008	\$ 1,013,305,271
Expenditures				
City Departments	\$ 255,605,625	\$ 259,290,192	\$ 262,977,359	\$ 266,947,737
Fringe Benefits	127,210,190	159,025,153	159,066,517	162,670,571
Special Items	31,319,398	38,264,979	35,212,021	32,668,685
Board of Education	507,750,047	533,637,786	557,878,741	584,365,794
Subtotal	\$ 921,885,260	\$ 990,218,110	\$ 1,015,134,638	\$ 1,046,652,786
Debt Service	69,011,961	101,222,221	99,577,941	99,412,540
Total Expenditures	\$ 990,897,222	\$ 1,091,440,330	\$ 1,114,712,579	\$ 1,146,065,326
Revenues vs. Expenditures	\$ -	\$ (121,496,768)	\$ (123,214,571)	\$ (132,760,055)

City of Yonkers Revenue Summary

	FY 2014 Executive	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
Property Taxes	\$ 330,920,260	\$ 337,538,665	\$ 344,289,439	\$ 351,175,227
Special Taxes				
Sale and Use Tax	\$ 69,607,050	\$ 71,695,262	\$ 73,846,119	\$ 76,061,503
Raceway Admissions	39,000	39,000	39,000	39,000
Utilities Gross Receipts	6,861,520	6,724,290	6,589,804	6,458,008
Supplemental Real Estate Tax	818,225	818,225	818,225	818,225
Real Estate Transfer Tax	6,730,935	6,730,935	6,730,935	6,730,935
O.T.B. Surcharge	290,000	290,000	290,000	290,000
Multiple Unit Dwelling Tax	144,900	144,900	144,900	144,900
E.P.T.A. Adm. Charge	210,670	210,670	210,670	210,670
City & State Mortgage Tax	4,766,390	4,909,382	5,056,663	5,208,363
Income Tax Surcharge	41,651,440	42,484,469	43,334,158	44,200,841
Total - Special Taxes	\$ 131,120,130	\$ 134,047,132	\$ 137,060,475	\$ 140,162,445
State & Federal Funding				
AIM - State Funding	\$ 108,215,500	\$ 108,215,500	\$ 108,215,500	\$ 108,215,500
SAFER	1,285,200	-	-	-
COPS	533,643	533,643	-	-
Civil Defense	21,450	21,450	21,450	21,450
Veterans Services	12,500	12,500	12,500	12,500
Court Facilities	440,000	440,000	440,000	440,000
County of West. - CMHB	61,770	61,770	61,770	61,770
Total - State and Federal Funding	\$ 110,570,063	\$ 109,284,863	\$ 108,751,220	\$ 108,751,220
City Departments				
Executive	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
City Clerk	242,000	242,000	242,000	242,000
Corporation Counsel	1,550	1,550	1,550	1,550
Finance and Mgt. Services	60,000	60,000	60,000	60,000
Parking Violations Bureau	14,250,000	13,965,000	13,685,700	13,411,986
Consumer Protection	619,000	619,000	619,000	619,000
Civil Service	57,000	57,000	57,000	57,000
Planning and Development	56,100	56,100	56,100	56,100
Police	465,600	465,600	465,600	465,600
Fire	1,777,700	1,777,700	1,777,700	1,777,700
Public Works	500,000	500,000	500,000	500,000
Engineering	610,000	610,000	610,000	610,000
Parks	2,583,185	2,583,185	2,583,185	2,583,185
Housing and Buildings	3,330,000	3,330,000	3,330,000	3,330,000
Court Fines	1,620,000	1,620,000	1,620,000	1,620,000
Total - City Departments	\$ 26,212,135	\$ 25,927,135	\$ 25,647,835	\$ 25,374,121

City of Yonkers Revenue Summary

	FY 2014 Executive	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
Other Revenues				
Prior Year Tax Payments	\$ 10,353,282	\$ 10,560,348	\$ 10,771,555	\$ 10,986,986
Interest on Investment	256,190	256,190	256,190	256,190
Interest on Taxes	3,208,900	3,208,900	3,208,900	3,208,900
Cable Television Fees	2,140,005	\$ 2,182,805	\$ 2,226,461	\$ 2,270,990
Rent on City Property	445,995	\$ 454,915	\$ 464,013	\$ 473,293
Maintenance of State/Co. Roads	474,485	474,485	474,485	474,485
Payments in Lieu of Taxes	16,885,270	\$ 16,885,270	16,885,270	16,885,270
Yonkers Raceway Impact Fees	1,500,000	1,500,000	1,500,000	1,500,000
County Prisoner Processing	329,570	329,570	329,570	329,570
Sale of Property	300,000	300,000	300,000	300,000
Miscellaneous	1,000,000	1,000,000	1,000,000	1,000,000
QSCB Interest	658,800	610,000	561,200	512,400
Subtotal	\$ 37,552,497	\$ 37,762,483	\$ 37,977,644	\$ 38,198,085
Appropriated Fund Balance	17,000,000	-	-	-
Total - Other Revenues	\$ 54,552,497	\$ 37,762,483	\$ 37,977,644	\$ 38,198,085
Library Fund				
Rental of Real Property	\$ 11,160	\$ 11,160	\$ 11,160	\$ 11,160
Fees and Fines	65,300	65,300	65,300	65,300
Miscellaneous Library	41,050	41,050	41,050	41,050
State Funding	47,560	47,560	47,560	47,560
Subtotal	\$ 165,070	\$ 165,070	\$ 165,070	\$ 165,070
Appropriated Fund Balance	-	-	-	-
Total - Library Fund	\$ 165,070	\$ 165,070	\$ 165,070	\$ 165,070
Water Fund				
Water Frontage Tax	\$ 4,095,295	\$ 4,095,295	\$ 4,095,295	\$ 4,095,295
Metered Water Sales	26,922,735	29,615,009	32,576,509	35,834,160
Sundries and Interest	854,540	854,540	854,540	854,540
Subtotal	\$ 31,872,570	\$ 34,564,844	\$ 37,526,344	\$ 40,783,995
Appropriated Fund Balance	1,163,815	-	-	-
Total - Water Fund	\$ 33,036,385	\$ 34,564,844	\$ 37,526,344	\$ 40,783,995
Sewer Fund				
Sewer Rents	\$ 5,499,535	6,049,488	6,654,437	7,319,881
Reserve for Encumbrances	-	-	-	-
Other	178,000	178,000	178,000	178,000
Subtotal	\$ 5,677,535	\$ 6,227,488	\$ 6,832,437	\$ 7,497,881
Appropriated Fund Balance	164,813	-	-	-
Total - Sewer Fund	\$ 5,842,348	\$ 6,227,488	\$ 6,832,437	\$ 7,497,881

City of Yonkers Revenue Summary

	FY 2014 Executive	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
Board of Education				
State Funding - Basic	\$ 224,408,862	\$ 232,326,171	\$ 241,147,832	\$ 249,097,515
State Additional Chapter 1 Accrual	28,116,478	28,116,478	28,116,478	28,116,478
State Funding from VLTs	19,600,000	19,600,000	19,600,000	19,600,000
Federal Aid	520,000	520,000	520,000	520,000
Department	387,120	387,120	387,120	387,120
Indirect Cost Reimbursement	979,139	979,139	979,139	979,139
Revenue Other - ERS	-			
Misc. Departmental Revenue	2,495,475	2,495,475	2,495,475	2,495,475
Saunders Trust Fund	1,000	1,000	1,000	1,000
Interest for Debt Service	500	500	500	500
Subtotal	\$ 276,508,574	\$ 284,425,883	\$ 293,247,544	\$ 301,197,227
Appr. Fund Balance - G./F.	21,969,760		-	-
Appr. Fund Balance - D/S	-	-	-	-
Total - Board of Education	\$ 298,478,334	\$ 284,425,883	\$ 293,247,544	\$ 301,197,227
Total Revenues	\$ 990,897,222	\$ 969,943,562	\$ 991,498,008	\$ 1,013,305,271

City of Yonkers Expenditure Summary

	FY 2014 Executive	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
City Departments				
Executive	\$ 1,196,252	\$ 1,204,850	\$ 1,214,433	\$ 1,225,065
Legislative	2,551,406	2,577,971	2,609,669	2,646,838
Corporation Counsel	2,433,484	2,448,691	2,465,068	2,482,690
Finance and Mgt. Services	10,428,382	10,522,867	10,633,069	10,760,018
Human Resources	2,635,930	2,662,074	2,693,015	2,729,070
Information Technology	5,753,551	5,825,310	5,912,905	6,017,382
Planning and Development	1,806,001	1,822,326	1,841,359	1,863,277
Police	79,810,176	80,249,674	80,705,930	81,179,938
Fire	57,130,358	57,440,527	57,761,123	58,092,755
Public Works	66,981,790	69,471,593	71,867,224	74,308,677
Engineering	2,397,745	2,411,742	2,426,532	2,442,165
Parks	9,952,149	10,017,782	10,089,483	10,302,100
Housing and Buildings	2,775,515	2,791,443	2,808,189	2,825,803
Constituent Services	826,437	835,531	846,457	859,335
Inspector General	415,228	419,267	424,033	429,574
Veterans Services	413,434	416,089	418,969	422,088
Human Rights	-	-	-	-
Library	7,921,187	7,992,322	8,075,264	8,170,788
Museum	176,600	180,132	184,635	190,174
Total - Departmental Expenditures	\$ 255,605,625	\$ 259,290,192	\$ 262,977,359	\$ 266,947,737
Fringes Benefits				
Employees' Retirement	\$ 11,820,900	\$ 18,834,835	\$ 17,513,109	\$ 17,625,504
Police & Fire Retirement	33,857,050	53,527,966	49,720,475	47,633,116
Social Security	13,935,200	14,333,561	14,405,965	14,491,106
Workers' Compensation	12,100,000	13,310,000	14,641,000	16,105,100
Life/Health/Dental Insurance	50,069,630	53,574,504	57,324,719	61,337,450
Trust & Welfare Payments	3,375,410	3,392,287	3,409,249	3,426,295
Local Pension Plan	87,000	87,000	87,000	87,000
Unemployment Insurance	200,000	200,000	200,000	200,000
Fire 207A Supple. Pension	1,765,000	1,765,000	1,765,000	1,765,000
Reserve for Encumbrances	-	-	-	-
Total - Fringe Benefits	\$ 127,210,190	\$ 159,025,153	\$ 159,066,517	\$ 162,670,571
Special Items				
Taxes on City Property	\$ 3,206,960	\$ 3,271,099	\$ 3,336,521	\$ 3,403,252
Tax Remission	1,090,000	1,090,000	1,090,000	1,090,000
Senior Citizens Tax Exempt	360,000	360,000	360,000	360,000
Res. for Uncollected Taxes	17,904,000	18,262,080	18,627,322	18,999,868
YMCA-SNUG Grant	100,000	100,000	100,000	100,000
Tax Advertising	20,000	20,000	20,000	20,000
Paying Agent Expense	126,000	126,000	126,000	126,000
Municipal Dues	5,000	5,000	5,000	5,000
Tenant Act Expense	168,800	168,800	168,800	168,800
Judgments and Claims	1,000,000	1,000,000	1,000,000	1,000,000
Tax Certiorari Payments	500,000	7,000,000	3,500,000	500,000

City of Yonkers Expenditure Summary

	FY 2014 Executive	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
Termination Payments	2,000,000	2,000,000	2,000,000	2,000,000
Fiscal Agent Bank Fee	10,000	10,000	10,000	10,000
Grant Cash Match	650,000	650,000	650,000	650,000
Litigation Expenses	1,290,000	1,290,000	1,290,000	1,290,000
Administrative Income Tax	300,000	300,000	300,000	300,000
Yonkers Historical Society	10,000	10,000	10,000	10,000
MTA Payroll Tax	690,425	701,325	704,867	709,033
Board of Ethics	25,000	25,000	25,000	25,000
Green Task Force	10,000	10,000	10,000	10,000
Affordable Housing Subsidies	1,264,813	1,264,813	1,264,813	1,264,813
Buena Vista Parking Garage	173,000	173,000	173,000	173,000
Annual City Audit	415,400	427,862	440,698	453,919
Total - Special Items	\$ 31,319,398	\$ 38,264,979	\$ 35,212,021	\$ 32,668,685
 Board of Education				
Basic Operating Expenditures	\$ 507,750,047	\$ 533,637,786	\$ 557,878,741	\$ 584,365,794
 Debt Service				
General Fund	\$ 38,511,480	\$ 41,788,751	\$ 41,788,751	\$ 41,788,751
Education Fund	22,195,111	51,128,099	49,483,819	49,318,418
Library Fund	755,536	755,536	755,536	755,536
Museum Fund	646,844	646,844	646,844	646,844
Water Fund	3,128,238	3,128,238	3,128,238	3,128,238
Sewer Fund	3,774,752	3,774,752	3,774,752	3,774,752
Total - Debt Service	\$ 69,011,961	\$ 101,222,221	\$ 99,577,941	\$ 99,412,540
Total Expenditures	\$ 990,897,222	\$ 1,091,440,330	\$ 1,114,712,579	\$ 1,146,065,326

City of Yonkers Property Tax Calculation

	FY 2013 Adopted	FY 2014 Executive	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast
Board of Education					
Operating Expenditures	\$ 490,365,425	\$ 507,750,047	\$ 533,637,786	\$ 557,878,741	\$ 584,365,794
Debt Service	23,027,936	22,195,111	51,128,099	49,483,819	49,318,418
Total Expenditures	\$ 513,393,361	\$ 529,945,158	\$ 584,765,885	\$ 607,362,560	\$ 633,684,212
Less B.O.E. Revenue	286,093,712	298,478,334	284,425,883	293,247,544	301,197,227
Less City Revenue to B.O.E.	-	-	68,873,178	82,648,192	101,020,161
Tax Levy	\$ 227,299,649	\$ 231,466,824	\$ 231,466,824	\$ 231,466,824	\$ 231,466,824
Assessed Valuation	\$ 486,548,675	\$ 482,556,668	\$ 478,597,414	\$ 474,670,645	\$ 470,776,095
Tax Rate per \$1000 A.V.	\$ 467.17	\$ 479.67	\$ 483.64	\$ 487.64	\$ 491.67
\$ Change vs. Prior Year	\$ 3.05	\$ 12.50	\$ 3.97	\$ 4.00	\$ 4.03
% Change vs. Prior Year	0.66%	2.68%	0.83%	0.83%	0.83%
City					
Total Tax Levy	327,820,814	330,920,260	337,538,665	344,289,439	351,175,227
Less B.O.E. Levy	227,299,649	231,466,824	231,466,824	231,466,824	231,466,824
City Tax Levy	\$ 100,521,165	\$ 99,453,436	\$ 106,071,841	\$ 112,822,615	\$ 119,708,403
Assessed Valuation	\$ 479,023,065	\$ 475,363,309	\$ 471,463,075	\$ 467,594,842	\$ 463,758,346
Tax Rate per \$1000 A.V.	\$ 209.85	\$ 209.22	\$ 224.98	\$ 241.28	\$ 258.13
\$ Change vs. Prior Year	\$ 19.19	\$ (0.63)	\$ 15.77	\$ 16.30	\$ 16.84
% Change vs. Prior Year	10.07%	-0.30%	7.54%	7.24%	6.98%
Total Tax Rate					
Tax Rate per \$1000 A.V.	\$ 677.01	\$ 688.88	\$ 708.62	\$ 728.92	\$ 749.80
\$ Change vs. Prior Year	\$ 22.24	\$ 11.87	\$ 19.74	\$ 20.30	\$ 20.88
% Change vs. Prior Year	3.40%	1.75%	2.87%	2.86%	2.86%
City Contribution to BOE	\$ 227,299,649	\$ 231,466,824	\$ 231,466,824	\$ 231,466,824	\$ 231,466,824

City of Yonkers Combined Property Tax Levy Components

Scenario I: Including BOE Debt Service Increase

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Adopted	Executive	Forecast	Forecast	Forecast
2% Tax Constit. Limit	\$ 262,875,093	\$ 267,223,635	\$ 232,128,306	\$ 240,519,866	\$ 247,567,545
Debt Service Exclusion	62,638,536	61,386,682	93,596,941	91,952,661	91,787,260
City Operating Capital	114,787	114,787	114,787	114,787	114,787
City Capital Labor	692,398	695,156	698,632	702,125	705,636
Tax Certiorari Payments	500,000	500,000	10,000,000	10,000,000	10,000,000
Judgement & Claims	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Property Tax Levy	\$ 327,820,814	\$ 330,920,260	\$ 337,538,665	\$ 344,289,439	\$ 351,175,227
Total Exclusions	64,945,721	63,696,625	105,410,359	103,769,573	103,607,682
2% Constit. Limit	\$ 325,655,512	\$ 284,255,060	\$ 262,943,829	\$ 244,666,627	\$ 227,193,341
Expend. Subject to 2% Limit	\$ 262,875,093	\$267,223,635	\$232,128,306	\$240,519,866	\$247,567,545
Constit. Tax Margin	\$ 62,780,419	\$ 17,031,425	\$ 30,815,523	\$ 4,146,761	\$ (20,374,204)

City of Yonkers Combined Property Tax Levy Components

Scenario II: Excluding BOE Debt Service Increase

	FY 2013 Adopted	FY 2014 Executive	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast
2% Tax Constit. Limit	\$ 262,875,093	\$ 267,223,635	\$ 264,338,564	\$ 271,085,845	\$ 277,968,123
Debt Service Exclusion	62,638,536	61,386,682	61,386,682	61,386,682	61,386,682
City Operating Capital	114,787	114,787	114,787	114,787	114,787
City Capital Labor	692,398	695,156	698,632	702,125	705,636
Tax Certiorari Payments	500,000	500,000	10,000,000	10,000,000	10,000,000
Judgement & Claims	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Property Tax Levy	\$ 327,820,814	\$ 330,920,260	\$ 337,538,665	\$ 344,289,439	\$ 351,175,227
Total Exclusions	64,945,721	63,696,625	73,200,101	73,203,594	73,207,105
2% Constit. Limit	\$ 325,655,512	\$ 284,255,060	\$ 262,943,829	\$ 244,666,627	\$ 227,193,341
Expend. Subject to 2% Limit	\$ 262,875,093	\$267,223,635	\$264,338,564	\$271,085,845	\$277,968,123
Constit. Tax Margin	\$ 62,780,419	\$ 17,031,425	\$ (1,394,736)	\$ (26,419,217)	\$ (50,774,782)

City of Yonkers FY 2013 - 2% Constitutional Tax Limit Calculation

Fiscal Year	Property	Franchise	City Taxable A. V.	Vet. Exempt.	School Taxable A. V.	Special Ratio%	Full Value
FY 2009	\$ 487,352,637	\$ 15,499,698	\$ 502,852,335	\$ 7,590,723	\$ 510,443,058	2.64	\$ 19,334,964,318
FY 2010	\$ 471,926,631	\$ 17,156,259	\$ 489,082,890	\$ 7,696,865	\$ 496,779,755	2.92	\$ 17,013,005,308
FY 2011	\$ 465,024,329	\$ 18,822,499	\$ 483,846,828	\$ 7,700,399	\$ 491,547,227	3.17	\$ 15,506,221,672
FY 2012	\$ 457,275,235	\$ 18,822,499	\$ 476,097,734	\$ 8,155,530	\$ 484,253,264	3.23	\$ 14,992,361,115
FY 2013	\$ 454,698,864	\$ 24,324,201	\$ 479,023,065	\$ 7,525,610	\$ 486,548,675	3.34	\$ 14,567,325,599
Five Year Total							\$ 81,413,878,012
Five Year Average							\$ 16,282,775,602
2% of Five Year Ave.							\$ 325,655,512

City of Yonkers FY 2014 - 2% Constitutional Tax Limit Calculation

Fiscal Year	Property	Franchise	City Taxable A. V.	Vet. Exempt.	School Taxable A. V.	Special Ratio%	Full Value
FY 2010	\$ 471,926,631	\$ 17,156,259	\$ 489,082,890	\$ 7,696,865	\$ 496,779,755	3.00	\$ 16,559,325,167
FY 2011	\$ 465,024,329	\$ 18,822,499	\$ 483,846,828	\$ 7,700,399	\$ 491,547,227	3.26	\$ 15,078,135,798
FY 2012	\$ 457,275,235	\$ 18,822,499	\$ 476,097,734	\$ 8,155,530	\$ 484,253,264	3.41	\$ 14,200,975,484
FY 2013	\$ 454,698,864	\$ 24,324,201	\$ 479,023,065	\$ 7,525,610	\$ 486,548,675	3.68	\$ 13,221,431,386
FY 2014 Executive	\$ 450,246,221	\$ 25,117,088	\$ 475,363,309	\$ 7,193,359	\$ 482,556,668	4.02	\$ 12,003,897,214
Five Year Total							\$ 71,063,765,048
Five Year Average							\$ 14,212,753,010
2% of Five Year Ave.							\$ 284,255,060

City of Yonkers FY 2015 - 2% Constitutional Tax Limit Calculation

Fiscal Year	Property	Franchise	City Taxable A. V.	Vet. Exempt.	School Taxable A. V.	Special Ratio%	Full Value
FY 2011	\$ 465,024,329	\$ 18,822,499	\$ 483,846,828	\$ 7,700,399	\$ 491,547,227	3.26	\$ 15,078,135,798
FY 2012	\$ 457,275,235	\$ 18,822,499	\$ 476,097,734	\$ 8,155,530	\$ 484,253,264	3.41	\$ 14,200,975,484
FY 2013	\$ 454,698,864	\$ 24,324,201	\$ 479,023,065	\$ 7,525,610	\$ 486,548,675	3.68	\$ 13,221,431,386
FY 2014 Executive	\$ 450,246,221	\$ 25,117,088	\$ 475,363,309	\$ 7,193,359	\$ 482,556,668	4.02	\$ 12,003,897,214
FY 2015 Projection	\$ 446,345,987	\$ 25,117,088	\$ 471,463,075	\$ 7,134,339	\$ 478,597,414	4.26	\$ 11,231,517,281
Five Year Total							\$ 65,735,957,163
Five Year Average							\$ 13,147,191,433
2% of Five Year Ave.							\$ 262,943,829

City of Yonkers FY 2016 - 2% Constitutional Tax Limit Calculation

Fiscal Year	Property	Franchise	City Taxable A. V.	Vet. Exempt.	School Taxable A. V.	Special Ratio%	Full Value
FY 2012	\$ 457,275,235	\$ 18,822,499	\$ 476,097,734	\$ 8,155,530	\$ 484,253,264	3.41	\$ 14,200,975,484
FY 2013	\$ 454,698,864	\$ 24,324,201	\$ 479,023,065	\$ 7,525,610	\$ 486,548,675	3.68	\$ 13,221,431,386
FY 2014 Executive	\$ 450,246,221	\$ 25,117,088	\$ 475,363,309	\$ 7,193,359	\$ 482,556,668	4.02	\$ 12,003,897,214
FY 2015 Projection	\$ 446,345,987	\$ 25,117,088	\$ 471,463,075	\$ 7,134,339	\$ 478,597,414	4.26	\$ 11,231,517,281
FY 2016 Projection	\$ 442,477,754	\$ 25,117,088	\$ 467,594,842	\$ 7,134,339	\$ 474,670,645	4.52	\$ 10,508,835,438
Five Year Total							\$ 61,166,656,803
Five Year Average							\$ 12,233,331,361
2% of Five Year Ave.							\$ 244,666,627

City of Yonkers FY 2017 - 2% Constitutional Tax Limit Calculation

Fiscal Year	Property	Franchise	City Taxable A. V.	Vet. Exempt.	School Taxable A. V.	Special Ratio%	Full Value
FY 2013	\$ 454,698,864	\$ 24,324,201	\$ 479,023,065	\$ 7,525,610	\$ 486,548,675	3.68	\$ 13,221,431,386
FY 2014 Executive	\$ 450,246,221	\$ 25,117,088	\$ 475,363,309	\$ 7,193,359	\$ 482,556,668	4.02	\$ 12,003,897,214
FY 2015 Projection	\$ 446,345,987	\$ 25,117,088	\$ 471,463,075	\$ 7,134,339	\$ 478,597,414	4.26	\$ 11,231,517,281
FY 2016 Projection	\$ 442,477,754	\$ 25,117,088	\$ 467,594,842	\$ 7,134,339	\$ 474,670,645	4.52	\$ 10,508,835,438
FY 2017 Projection	\$ 438,641,258	\$ 25,117,088	\$ 463,758,346	\$ 7,134,339	\$ 470,776,095	4.79	\$ 9,832,653,907
Five Year Total							\$ 56,798,335,226
Five Year Average							\$ 11,359,667,045
2% of Five Year Ave.							\$ 227,193,341

City of Yonkers
Departmental Projected Operating Expenditures
FY 2014 - FY 2017

Department	Account Class	FY 2014 Executive	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast
Executive	100's	\$ 1,021,802	\$ 1,026,911	\$ 1,032,046	\$ 1,037,206
	200's	-	-	-	-
	300's	33,950	34,629	35,495	36,560
	400's	140,500	143,310	146,893	151,300
	Total	\$ 1,196,252	\$ 1,204,850	\$ 1,214,433	\$ 1,225,065
Legislative	100's	\$ 1,609,516	\$ 1,617,564	\$ 1,625,651	\$ 1,633,780
	200's	16,000	16,000	16,000	16,000
	300's	23,250	23,715	24,308	25,037
	400's	902,640	920,693	943,710	972,021
	Total	\$ 2,551,406	\$ 2,577,971	\$ 2,609,669	\$ 2,646,838
Corporation Counsel	100's	\$ 2,230,851	\$ 2,242,005	\$ 2,253,215	\$ 2,264,481
	200's	-	-	-	-
	300's	12,816	13,072	13,399	13,801
	400's	189,817	193,613	198,454	204,407
	Total	\$ 2,433,484	\$ 2,448,691	\$ 2,465,068	\$ 2,482,690
Finance	100's	\$ 7,605,481	\$ 7,643,508	\$ 7,681,726	\$ 7,720,135
	200's	-	-	-	-
	300's	33,416	34,084	34,936	35,985
	400's	2,789,485	2,845,275	2,916,407	3,003,899
	Total	\$ 10,428,382	\$ 10,522,867	\$ 10,633,069	\$ 10,760,018
Human Resources	100's	\$ 1,771,658	\$ 1,780,516	\$ 1,789,419	\$ 1,798,366
	200's	-	-	-	-
	300's	5,500	5,610	5,750	5,923
	400's	858,772	875,947	897,846	924,782
	Total	\$ 2,635,930	\$ 2,662,074	\$ 2,693,015	\$ 2,729,070
Information Technology	100's	\$ 2,887,451	\$ 2,901,888	\$ 2,916,398	\$ 2,930,980
	200's	\$ -	\$ -	\$ -	\$ -
	300's	74,750	76,245	78,151	80,496
	400's	2,791,350	2,847,177	2,918,356	3,005,907
	Total	\$ 5,753,551	\$ 5,825,310	\$ 5,912,905	\$ 6,017,382

City of Yonkers
Departmental Projected Operating Expenditures
FY 2014 - FY 2017

Department	Account Class	FY 2014 Executive	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast
Development	100's	\$ 1,319,669	\$ 1,326,267	\$ 1,332,899	\$ 1,339,563
	200's	-	-	-	-
	300's	3,000	3,060	3,137	3,231
	400's	483,332	492,999	505,324	520,483
	Total	\$ 1,806,001	\$ 1,822,326	\$ 1,841,359	\$ 1,863,277
Housing and Community Redevelopment	100's	\$ -	\$ -	\$ -	\$ -
	200's	-	-	-	-
	300's	-	-	-	-
	400's	-	-	-	-
	Total	\$ -	\$ -	\$ -	\$ -
Police Department	100's	\$ 77,113,721	\$ 77,499,290	\$ 77,886,786	\$ 78,276,220
	200's	-	-	-	-
	300's	751,520	766,550	785,714	809,286
	400's	1,944,935	1,983,834	2,033,430	2,094,432
	Total	\$ 79,810,176	\$ 80,249,674	\$ 80,705,930	\$ 81,179,938
Fire Department	100's	\$ 55,457,908	\$ 55,735,198	\$ 56,013,874	\$ 56,293,943
	200's	28,500	28,500	28,500	28,500
	300's	532,600	543,252	556,833	573,538
	400's	1,111,350	1,133,577	1,161,916	1,196,774
	Total	\$ 57,130,358	\$ 57,440,527	\$ 57,761,123	\$ 58,092,755
Public Works	100's	\$ 27,275,821	\$ 27,412,200	\$ 27,549,261	\$ 27,687,007
	200's	95,000	95,000	95,000	95,000
	300's	8,101,406	8,316,779	8,579,643	8,893,900
	400's	31,509,563	33,647,614	35,643,320	37,632,769
	Total	\$ 66,981,790	\$ 69,471,593	\$ 71,867,224	\$ 74,308,677
Engineering	100's	\$ 2,263,851	\$ 2,275,170	\$ 2,286,546	\$ 2,297,979
	200's	-	-	-	-
	300's	95,280	97,186	99,615	102,604
	400's	38,614	39,386	40,371	41,582
	Total	\$ 2,397,745	\$ 2,411,742	\$ 2,426,532	\$ 2,442,165

City of Yonkers
Departmental Projected Operating Expenditures
FY 2014 - FY 2017

Department	Account Class	FY 2014 Executive	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast
Parks Department	100's	\$ 8,874,929	\$ 8,919,304	\$ 8,963,900	\$ 9,143,178
	200's	14,300	14,300	14,300	14,300
	300's	304,910	311,008	318,783	328,347
	400's	758,010	773,170	792,499	816,274
	Total	\$ 9,952,149	\$ 10,017,782	\$ 10,089,483	\$ 10,302,100
Housing and Building	100's	\$ 2,638,811	\$ 2,652,005	\$ 2,665,265	\$ 2,678,591
	200's	-	-	-	-
	300's	8,654	8,827	9,048	9,319
	400's	128,050	130,611	133,876	137,893
	Total	\$ 2,775,515	\$ 2,791,443	\$ 2,808,189	\$ 2,825,803
Constituent Services	100's	\$ 495,654	\$ 498,132	\$ 500,623	\$ 503,126
	200's	-	-	-	-
	300's	5,300	5,406	5,541	5,707
	400's	325,483	331,993	340,292	350,501
	Total	\$ 826,437	\$ 835,531	\$ 846,457	\$ 859,335
Inspector General	100's	\$ 284,354	\$ 285,776	\$ 287,205	\$ 288,641
	200's	-	-	-	-
	300's	1,274	1,299	1,332	1,372
	400's	129,600	132,192	135,497	139,562
	Total	\$ 415,228	\$ 419,267	\$ 424,033	\$ 429,574
Human Rights	100's	\$ -	\$ -	\$ -	\$ -
	200's	-	-	-	-
	300's	-	-	-	-
	400's	-	-	-	-
	Total	\$ -	\$ -	\$ -	\$ -

City of Yonkers
Departmental Projected Operating Expenditures
FY 2014 - FY 2017

Department	Account Class	FY 2014 Executive	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast
Veteran's Service Agency	100's	\$ 374,244	\$ 376,115	\$ 377,996	\$ 379,886
	200's	-	-	-	-
	300's	8,300	8,466	8,678	8,938
	400's	30,890	31,508	32,295	33,264
	Total	\$ 413,434	\$ 416,089	\$ 418,969	\$ 422,088
Library	100's	\$ 5,744,591	\$ 5,773,314	\$ 5,802,181	\$ 5,831,191
	200's	55,987	55,987	55,987	55,987
	300's	145,709	148,623	152,339	156,909
	400's	1,974,900	2,014,398	2,064,758	2,126,701
	Total	\$ 7,921,187	\$ 7,992,322	\$ 8,075,264	\$ 8,170,788
Museum	100's	\$ -	\$ -	\$ -	\$ -
	200's	-	-	-	-
	300's	-	-	-	-
	400's	176,600	180,132	184,635	190,174
	Total	\$ 176,600	\$ 180,132	\$ 184,635	\$ 190,174
Total	100's	\$ 198,970,312	\$ 199,965,164	\$ 200,964,989	\$ 202,104,273
	200's	209,787	209,787	209,787	209,787
	300's	10,141,635	10,397,812	10,712,702	11,090,951
	400's	46,283,891	48,717,429	51,089,880	53,542,726
	Total	\$ 255,605,625	\$ 259,290,192	\$ 262,977,359	\$ 266,947,737

Board of Education
Projected Operating Expenses
FY 2014 - FY 2017

	FY 2014 Executive	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast
Salaries	\$ 268,019,430	\$ 277,507,318	\$ 287,331,077	\$ 297,502,597
Employee Benefits	133,805,176	141,713,610	150,158,237	159,178,341
Equipment/Library Books	1,017,000	1,047,510	1,078,935	1,111,303
Textbooks	2,430,700	2,536,192	2,539,235	2,676,862
Material/Supplies	4,537,748	4,835,878	5,061,230	5,310,749
Tuition	27,231,278	28,050,939	29,021,501	30,617,684
Charter Schools	6,715,674	7,854,652	8,608,699	9,435,134
Transportation	33,454,721	35,515,532	37,589,639	39,642,033
Fuel Oil	5,868,268	6,707,430	7,657,202	8,824,160
Travel	62,336	64,206	66,132	68,116
Other Utilities	3,772,890	3,913,619	4,099,907	4,395,920
Building Repairs	2,165,176	2,308,511	2,507,043	2,707,606
Postage	300,000	302,070	325,631	350,249
Contractual	16,337,636	19,173,551	19,649,055	20,266,035
Insurance	676,000	717,574	761,848	820,434
Transfer to Special Aid	1,106,014	1,139,194	1,173,370	1,208,571
Transfer to Lunch Funds	250,000	250,000	250,000	250,000
Subtotal	\$ 507,750,047	\$ 533,637,786	\$ 557,878,741	\$ 584,365,794
Plus Bonded Amount ¹	1,758,200	2,407,553	3,195,904	3,195,904
Subtotal	\$ 509,508,247	\$ 536,045,339	\$ 561,074,645	\$ 587,561,698
Debt service	22,195,111	51,128,099	49,483,819	49,318,418
Subtotal	\$ 531,703,358	\$ 587,173,438	\$ 610,558,464	\$ 636,880,116
Less Bonded Amount	(1,758,200)	(2,407,553)	(3,195,904)	(3,195,904)
Total B.O.E. Expenditures	\$ 529,945,158	\$ 584,765,885	\$ 607,362,560	\$ 633,684,212

¹ Bonding is not included in Detail Lines. The 2013 bonded amount is missing. BOE anticipates restoration by the annual CIP project. The amounts in subsequent years are entered to ensure consistency with prior years.

Capital Improvement Plan

Section C

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Four Year Capital Improvement Plan Highlights

The City of Yonkers Four-Year Capital Improvement Plan (CIP) Fiscal Year 2014 – Fiscal Year 2017 provides direction and guidance for the planning and management of capital and infrastructure assets within the confines of limited financial resources.

Identifying capital projects and their anticipated funding needs assists the City in scheduling (a) the finances for projects and (b) the resources needed to plan, design, and construct the projects.

The CIP is a product of the Capital Projects Committee, which includes the Mayor; appointees of the Mayor; the Comptroller; the Superintendent of Public Schools; the Commissioner of Planning and Development; and other designees. Individual departments submit estimates for capital projects that they believe should be undertaken, and the Committee considers the feasibility of all proposed capital projects in reference to necessity, priority, location, cost and method of financing.

Capital projects financing occurs through two means. First, a direct appropriation may be made; this type of appropriation is included in the equipment section of the annual Budget. Second, funds for the project may be obtained through the issuance of bonds and notes. The subsequent repayment of borrowed funds and the related interest costs are called debt service; appropriations for debt service are included in the annual Budget. Other sources - such as State Aid, Federal Aid, and private donations - may augment the funding for projects.

The CIP Fiscal 2014 - 2017 would fund the following types of projects:

Engineering

- Rehabilitation of roadways, bridges, and pedestrian bridges
- Rehabilitation and replacement of sanitary/storm sewer systems
- Traffic Signal replacement

Fire Department

- Rehabilitation of firehouses
- Replacement vehicles and equipment for firefighting

Information Technology

- Management Information Systems (MIS) hardware and software
- Communication systems for emergency responders and government offices

Library

- Facility rehabilitation and improvements
- Library materials and equipment

Museum

- Facility rehabilitation and improvements

Office for the Aging

- Vehicles for transporting seniors

Parks Department

- Rehabilitation of 3-4 parks per year

- Materials to maintain parkland, i.e. ballfield backstops and playground matting
- Equipment and vehicles to maintain park property
- Funds for tree planting

Planning and Development

- Overall streetscape improvements
- Building remediation/redevelopment
- Continued Saw Mill River Daylighting efforts

Police Department

- Rehabilitation of police department facilities
- Replacement police vehicles and equipment

Public Works

- Water works improvements
- Meter reading upgrades
- Hydrant replacement
- Pump station and water tower rehabilitation
- City Hall and city building renovations
- Repair/replacement of curbs and sidewalks; public stairs and walls; fences and guardrails
- Replacement vehicles and equipment for sanitation, snow removal, and other city services

Board of Education

- Construction and improvement to school buildings and sites

Four Year Capital Improvement Plan (CIP)
Fiscal Year 2014 - Fiscal Year 2017

Department / Project Name	FY14	FY15	FY16	FY17
Engineering				
Bridge Rehabilitation	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Walsh Road Pedestrian Bridge			500,000	
Resurfacing	1,000,000	1,000,000	1,000,000	1,000,000
Sanitary/Storm Sewer Improvements	1,700,000	1,000,000	1,000,000	1,000,000
Grassy Sprain Dam Remediation	1,000,000	425,000	25,000	25,000
Saw Mill/Bronx River Outflow Remediation	1,200,000	2,000,000	2,000,000	2,000,000
Traffic Signal Replacement	620,000	600,000	550,000	400,000
Ashburton Ave Improvements	-	6,000,000	-	-
Roberts Ave Reconstruction	-	-	475,000	-
Rumsey Road Improvements	-	750,000	-	-
Palmer Road Sewer Lining	-	-	500,000	-
Suffolk Trail Sewer Installation	-	700,000	-	-
Yonkers Ave Drain Realignment	-	-	700,000	-
Engineering Total	\$ 5,720,000	\$ 12,675,000	\$ 6,950,000	\$ 4,625,000
Fire Department				
Rehab Firehouses	\$ -	\$ 350,000	\$ 210,000	\$ 210,000
SCBA's and SCBA Bottles	75,000	75,000	75,000	100,000
Equipment Replacement	1,663,000	375,000	450,000	475,000
Vehicles	2,000,000	2,000,000	2,000,000	2,000,000
Fire Department Total	\$ 3,738,000	\$ 2,800,000	\$ 2,735,000	\$ 2,785,000
Department of Housing and Buildings				
Demolition	\$ 150,000	\$ 150,000	\$ 200,000	\$ 200,000
Department of Housing and Buildings Total	\$ 150,000	\$ 150,000	\$ 200,000	\$ 200,000
Department of Information Technology				
MIS Hardware and Software	\$ 2,710,000	\$ 850,000	\$ 520,000	\$ 145,000
Communications	1,715,000	1,045,000	455,000	480,000
Department of Information Technology Total	\$ 4,425,000	\$ 1,895,000	\$ 975,000	\$ 625,000
Library				
Library Materials	\$ 450,000	\$ 900,000	\$ 925,000	\$ 925,000
Exterior Panel Replacement	1,000,000	2,000,000	-	-
Boiler Repair	70,000	-	-	-
Crestwood Window Replacement	-	-	125,000	-
Will Branch Auditorium Rehab	-	420,000	-	-
Will Branch Parking Lot	-	300,000	-	-
Will Branch Roof Replacement	-	-	-	600,000
Crestwood HVAC Replacement	-	-	300,000	-
Riverfront Technology Training Room	-	125,000	-	-
Computer Equipment	50,000	-	-	-

Four Year Capital Improvement Plan (CIP)
Fiscal Year 2014 - Fiscal Year 2017

Department / Project Name	FY14	FY15	FY16	FY17
Library Total	\$ 1,570,000	\$ 3,745,000	\$ 1,350,000	\$ 1,525,000
Museum				
Glenview East/West Exterior	\$ -	\$ 850,000	\$ -	\$ -
Public Gallery Lighting	-	400,000	-	-
Fire Alarm System and Generator	-	-	350,000	-
Main Building HVAC Replacement	-	-	-	1,000,000
Museum Total	\$ -	\$ 1,250,000	\$ 350,000	\$ 1,000,000
Office for the Aging				
Vehicles	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000
Office for the Aging Total	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000
Parks Department				
Ballfield Backstops Replacements	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Clay and Top Soil	100,000	50,000	50,000	50,000
Playground Rubber Matting	60,000	60,000	60,000	60,000
Equipment and Vehicles	225,000	425,000	425,000	515,000
General Park Rehabilitation	3,600,000	900,000	825,000	1,350,000
Park Fencing	40,000	40,000	50,000	50,000
Tree Planting	50,000	50,000	50,000	50,000
Parks Department Total	\$ 4,150,000	\$ 1,600,000	\$ 1,535,000	\$ 2,150,000
Planning and Development				
Streetscapes	\$ 750,000	\$ -	\$ -	\$ -
Bronx River Pathway Ext	-	300,000	-	-
Riverdale Gateway	-	700,000	1,800,000	-
Yonkers Avenue Gateway	-	700,000	1,800,000	-
Building Remediation/Redevelopment	3,000,000	-	-	-
Saw Mill River Daylighting	2,500,000	-	-	-
Planning and Development Total	\$ 6,250,000	\$ 1,700,000	\$ 3,600,000	\$ -
Police Department				
Vehicles	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Building Renovations	250,000	585,000	-	-
Equipment Replacement	195,000	155,000	135,000	66,000
Firing Range Rehabilitation	-	247,000	253,000	-
ESU Commercial Generator	-	125,000	-	-
Police Department Total	\$ 2,445,000	\$ 3,112,000	\$ 2,388,000	\$ 2,066,000
Department of Public Works				
Water Works Improvements	\$ 1,310,000	\$ 1,500,000	\$ 1,710,000	\$ 500,000

**Four Year Capital Improvement Plan (CIP)
Fiscal Year 2014 - Fiscal Year 2017**

Department / Project Name	FY14	FY15	FY16	FY17
Remote Meter Reading	-	1,000,000	1,000,000	1,000,000
Hydrant Replacement/Upgrades	300,000	300,000	300,000	300,000
Crisfield and Hillview Pump Station	-	-	250,000	3,000,000
Water Tower Renovation	-	3,150,000	-	-
Perm Repairs 30" Main at Saw Mill River			1,000,000	
Cleaning and Lining Water System		4,500,000	4,500,000	4,500,000
Oil Storage Tank Remediation	550,000	350,000	-	-
City Building Rehabilitation	1,500,000	1,000,000	500,000	500,000
City Hall Renovations	120,000	100,000	425,000	-
Push Wall Renovation	150,000	-	-	-
Service Center Garage Door Replacement		60,000		40,000
Curb and Sidewalk Repair	350,000	350,000	350,000	350,000
Public Stair Repair and Demolition	500,000	500,000	500,000	500,000
Fence/Guardrail Replacement	100,000	50,000	50,000	50,000
Wall Maintenance	500,000	500,000	500,000	500,000
Vehicle Replacement Citywide	3,000,000	2,000,000	2,000,000	2,000,000
Fuel Management System Replacement	250,000	-	-	-
Equipment Replacement	420,000	345,000	300,000	275,000
Emergency Generators	225,000	-	-	-
Department of Public Works Total	\$ 9,275,000	\$ 15,705,000	\$ 13,385,000	\$ 13,515,000

City Total	\$ 37,750,000	\$ 44,659,000	\$ 33,495,000	\$ 28,518,000
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Board of Education				
Construction and Improvement to various School Buildings and the sites thereof	37,750,000			
Board of Education Total	\$ 37,750,000	TBD	TBD	TBD

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