



Mayor Mike Spano

City of Yonkers

Four Year Financial Plan

Fiscal Year 2015 - Fiscal Year 2018

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

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Overview and Discussion

Section A

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City of Yonkers Financial Plan FY 2015 - FY 2018

In viewing the 2015-2018 financial plan, it is clear that the City of Yonkers, and its dependent Board of Education, continue to face substantial challenges. This is despite substantial progress that has been made in the past three years. Chief among the accomplishments has been the City's success in staying within the state mandated property tax cap for three consecutive years. This achievement became all the more important this year, since by staying within the tax cap the City allowed its property tax payers to become eligible for state rebate checks in the fourth quarter that will fund the increase in property taxes. Exceeding the cap would have rendered taxpayers ineligible for the rebate checks.

Bond agencies have taken notice of the responsible planning and financing that has taken place during the current administration. Standard & Poor and Moody's recently upgraded Yonkers' bond rating to the highest the City has seen in more than a generation. For the last three years of this administration, a balanced budget has been passed with bipartisan support, along with certifications from both the State Comptroller's Office and the State Department of Education – providing the most safeguards for a city's budget in New York State. Additionally, Yonkers has seen a record low in its unemployment rate, the lowest in five years. The downward trend in unemployment, the increase experienced in sales revenue and home sales and rise in population over the last several years are all positive signs of the growth of Yonkers' economy.

New development is on the horizon and new businesses are opening in the city – giving signs of an increased tax base. Mindspark, a cutting-edge tech company, recently opened its new headquarters in Yonkers, relocating 160 high-pay jobs to our Downtown Waterfront; Kawasaki Rail Car recently committed to its expansion by investing \$25 million in its Yonkers factory; the award-winning 'daylighting' of the Saw Mill River signals the continuing revitalization of downtown Yonkers.

Despite this progress, however, the City nonetheless continues to face a challenging fiscal situation, in particular given what many consider an inadequate level of state funding of the school district.

The 2015 - 2018 Financial Plan uses the 2015 Adopted Budget as the basis for the 2016 through 2018 fiscal year projections. The 2015 Adopted Budget must rely on several past practices to balance the City's Operating Budget: pension smoothing provided to the City by the state, borrowing for tax certioraris, and the utilization of \$31.6 million of the City's General and Water fund balances to cover costs as well provide \$8.6 million for a contingency fund for the City-side budget. In addition, the City contributed \$1 million to balance the School District's budget. The City can mitigate the financial hardship facing the City and the School District by continuing to borrow for pension costs and certioraris, and the 2016 - 2018 projections assume we will do so.

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These practices will allow the City to continue to operate and from a practical standpoint, cannot be discontinued at this time, without requiring \$30 - \$35 million in additional recurring revenues to cover these costs.

While fund balance was used in balancing the 2015 budget, the 2016 – 2018 projections assume no use of fund balance as we cannot be certain of the availability of future fund balance. While no fund balance was used in the School District's budget, \$28 million was transferred from New York State's Mortgage Insurance Fund (MIF) as a one-shot to help offset the budget deficit in the School District's 2015 adopted budget, and this \$28 million partly explains the projected deficits for 2016 -2018. The School District will need to replace this funding for 2016 -2018. It should also be indicated that for the first time ever in Yonkers, the City has absorbed \$10 million in Board of Education expenses this year through its assumption of major administrative BOE functions and employees. This was done without a reduction in the Maintenance of Effort (MOE) and probable cuts to the classroom and/or programs.

There is also a need for substantially increased investment in City infrastructure and School District facilities, as well as to fund any future contract settlements for the various City unions whose labor agreements remain unresolved. This makes it unlikely that the City will be able to reduce expenditures as a means of dealing with the budget deficits facing both the City and the School District. Therefore, it should be the City's ultimate goal to increase recurring revenues and return fiscal stability to the City, including the continuation of stable fund balances. Despite the financial challenges facing the City and the School District, it should be pointed out that 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, and also that a similar ability is available to the NYS Comptroller to intercept State Aid to the School District, should the City encounter financial difficulty. Still, while the City's bondholders are protected, these projected deficits need to be addressed and, as mentioned above, the solution will rely mostly on increased City-generated revenue as well as additional State aid.

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. The School District's need to replace the \$28 million one-shot of MIF funding used in balancing the 2015 Adopted Budget is one of the most serious financial challenges facing the City at this time, followed by 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, as well as the possibility of contract settlements with the School District's unions, which are up-to-date

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through June 2014, but will need to be negotiated going forward. Also problematic is the fact that the School District's expenses are projected to increase more than the projected state aid including reimbursement for growing expenses. It is possible that the State's expectation is that the City will increase its funding to the School District to make up the difference between expense growth and State Aid, but as will be shown below, the City cannot afford to do so, given its own financial challenges.

The projected deficits are summarized as follows:

PROJECTED BUDGET DEFICITS 2016-2018			
	(in millions)		
	2016	2017	2018
<u>Revenues</u>			
City	\$ 480	\$ 495	\$ 510
BOE	<u>501</u>	<u>508</u>	<u>514</u>
Total	\$ 981	\$ 1,003	\$ 1,024
<u>Expenditures</u>			
City	\$ 504	\$ 515	\$ 530
BOE	<u>547</u>	<u>567</u>	<u>588</u>
Total	\$ 1,051	\$ 1,082	\$ 1,118
Deficit	\$ (70)	\$ (79)	\$ (94)

Financial Plan Summary

Revenues

The major sources of revenue for the City's operations in the FY2015 Adopted Budget are State and Federal Aid (34%) and Property Taxes (33%).

City-anticipated State and Federal Aid is \$109 million for 2015 (11% of total revenue) and BOE State and Federal Aid for 2015 is \$286 million (28% of total revenue). State and Federal Aid for the City is projected to remain flat from 2016 through 2018. State and Federal Aid for the BOE is projected to decrease \$21 million from 2015 to 2016 because of the non-continuation of the \$28 million one-shot from the MIF but then increase by \$6.7 million in 2017 and \$6.4 million in 2018. The increase in BOE state aid assumes that the Gap Elimination Adjustment (GEA) decreases by \$4 million annually until 2018, at which point it would be total eliminated, which therefore results in an increase in state aid, as the GEA was an offset to state aid increases.

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Property Taxes are projected to increase 2% per year, or approximately \$7 million annually, based on the constraint of the 2% property tax levy limit. Of the \$335 million adopted property tax levy for 2015, 70% is for the School District with the remaining 30% funding City operations.

After the 67% of revenue from State and Federal Aid and Property Taxes, the remaining 33% of revenues are comprised of: Sales Tax (7%), the Income Tax Surcharge (4%), Water and Sewer revenues (3%), 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, these often economically driven revenues have become important sources of additional revenue for City operations. However, as these economically driven tax revenues increase, so do the City's expenses, as many of the revenues and expenses are impacted by inflation.

As mentioned above, no fund balance is included in projections for 2016 - 2018, but \$31.6 million of fund balance was used in the 2015 Budget to close the gap: \$23 million for operations and \$8.6 million for contingencies.

The major revenues are projected to grow as follows:

Property Taxes revenues will increase 2% or approximately \$7 million annually.

Based on recent trends from New York State, State Funding is projected to remain flat for the City, while BOE State Funding is projected to decrease \$21 million from 2015 to 2016 because of the non-continuation of the \$28 million one-shot from the MIF but then increase by \$6.7 million in 2017 and \$6.4 million in 2018.

Sale Tax is projected to increase 3% or approximately \$2 million per year.

Income Tax Surcharge revenues are projected to increase 2% or approximately \$900,000 annually.

Metered Water Sales will increase 10% or approximately \$4 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:

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MAJOR REVENUES 2015 - 2018 (in millions)				
	2015	2016	2017	2018
Property Tax	\$ 335	\$ 342	\$ 349	\$ 356
State Aid - City	108	108	108	108
State Aid - BOE	286	265	271	278
Sales Tax	74	76	78	80
Income Tax	45	46	46	47
Water/Sewer Revenues	42	46	50	54

Expenditures

The major uses of the City's operating funds are the Board of Education (51% of total expenditures when their debt service is included), City Departmental Expenses (27%), and Fringe Benefits (13%). Including the cost of Fringe Benefits with City Departmental Expenses, the total cost for the City's departmental operations is 40% of total expenditures. The remainder of the expenditures is split over Debt Service (5% without BOE Debt Service) and Special Items (4%).

The total expense of the BOE Operating Expenses and Debt Service is projected to increase on average \$22 million each year or about 4% annually.

Overall, City Departmental Expenses are expected to increase \$7 million annually over the next few years, with approximately \$3.7 million of that \$7 million coming from the Police Department, mainly due to the increases from the two police union settlements, and \$2.4 million coming from DPW, which would include increase in cost or water for resale from NYC. 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 for the other unions.

City employee Fringe Benefits are projected to increase on average \$6.4 million, despite utilizing the pension amortization program, which holds increases from payments to the retirement system to \$1.2 million on average. The main driver is Health Benefits (\$3.9M) assuming annual increases of 7% in costs. These payments and increases in cost will continue to be passed down to the Yonkers taxpayers until the system provides options for the city workforce to pay their fair share towards these benefits. Workers' Compensation increases on average \$1.2 million. It should be noted that approximately one-third of Workers Compensation costs are paid on behalf of the BOE for their employees.

For Debt Service it was assumed that new debt service would be offset by expiring debt, with exception of an increase for the deficit financing that must be bonded for by March 30th 2015 to close the expected BOE 2014 deficit. It was assumed that this deficit will be \$35 million, for this exercise, and that annual debt service would be approximately \$4.9 million annually, although the actual deficit might be higher. The actual deficit will not be known until the 2014 fiscal year is closed.

Special Items decreases from 2015 to 2016 by \$8.1 million, because the 2016 projection does not include the \$8.6 million for contingencies that was budgeted for 2015. This contingency fund was budgeted, in

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addition to offsetting any shortfall in economically driven revenues, to allow for the possibility of union settlements. Should there be additional union settlements in 2015 or 2016 (the two Police unions have settled) recurring funds will have to be raised to fund the recurring expense of raises. After 2016, these accounts remain flat. As mentioned earlier, it has been assumed in this multi-year projection that we will continue the practice of bonding for Tax Certiorari Payments. The proposed revaluation with the continued improvement in market values could reduce the need to bond for these costs.

Expenditure projections are summarized below:

EXPENDITURES 2015 - 2018 (in millions)				
	2015	2016	2017	2018
BOE Including Debt Service	\$ 523	\$ 547	\$ 567	\$ 588
COY Departmental Expenses	276	283	289	297
COY Fringe Benefits	133	139	145	152
COY Special Items	41	33	32	32
COY Debt Service (excl. BOE)	50	50	50	50
Total	\$ 1,022	\$ 1,051	\$ 1,082	\$ 1,118

Areas of Concern

BOE Projected Deficits: The main concern in this multi-year plan is the replacement of the \$28 million one-shot of state funding used to close the 2015 BOE budget gap. As summarized in the following table of projected deficits, the contribution to the overall deficit by the BOE's projected shortfalls grows from 66% of the \$70 million deficit to 79% of the \$94 million gap by 2018.

Projected Deficits 2016 - 2018 (in millions)

	2016	2017	2018
Municipal	\$ 24	\$ 21	\$ 20
Education	46	59	74
Total	\$ 70	\$ 79	\$ 94

While the projected \$20 - \$24 million budget gaps on the City-side may be addressed through the use of fund balance, especially for 2016 given the expected return to fund balance projected from 2014 operations, the BOE has no fund balance and in fact will need to sell deficit bonds to close its 2014 financials. Since the BOE relies almost entirely on state aid and the City's annual contribution of tax levy, it is unlikely for the BOE to address these projected deficits without

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additional aid. Since the City-side is facing its own challenges, this means the state will have to help fill the hole, beginning with the \$28 million one-shot used to close 2015. It should be pointed out that the above BOE deficits do not include any funding for the BOE's union contracts, all of which expired at the end of FY2014. Furthermore, other than normal debt service and the debt service for the deficit financing, these projections do not include any funding for the multi-year capital improvement plan which was put forth by the BOE to address the growing infrastructure needs of the schools.

Labor Contracts: As mentioned above, while the BOE independently renegotiated contracts with its labor unions through end of FY2014, a number of the City's labor contracts have technically "expired," meaning that City labor unions have not had salary increases since June 2009, and no funding had been put aside for possible union settlements, until just recently when the two Police unions settled. There is funding in the 2015 Adopted Budget to fund the agreed upon raises for the Police unions, and there is \$8.6 million in a contingency account which might be used for possible union settlements for FY 2015 only. The contingency account was funded with the use of fund balance, rather than a recurring revenue source. Therefore, future union settlements could require as much as \$20 million of additional recurring revenue. The 2015 - 2018 Financial Plan does not include any funding for future possible union settlements in 2016 – 2018, other than the two Police unions, and because the funding in 2015 came from fund balance, it will need to be replaced.

Many of the generous labor contracts, which were agreed upon by previous administrations and the BOE, attribute to Yonkers being the highest paid workforce in New York State (Source: Empire Center). This is another difficulty the city taxpayers must face and needs to be considered when the city negotiates new contracts and prepares its budgets.

Fringe Benefits: While the amortization program that is available does soften the impact of the increases in the pension costs, two other benefit accounts, health benefits and workers comp costs, have been increasing faster than the rate of inflation. For the multiyear we are projecting increases of 7% annually for health care costs; for workers comp we are projecting increases of 10% annually, both based on historical trends.

Infrastructure Needs and Capital Improvement Costs: Other than the increase of \$4.5 million in debt service for the anticipated deficit financing for the school district shortfall (this multi-year assumes a deficit of approximately \$35 million) in our projections we assumed that all of the increases in debt service for other purposes would be offset by decreases due to debt expiring. While we will work to keep debt service flat, there is a great deal of infrastructure problems that need to be addressed. This is especially true with the school district: many of the schools are old and either in desperate need of repair or replacement. Currently the reimbursement rate that New

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York State provides the Yonkers school district for capital spending is approximately 61%. It is imperative that all stakeholders involved push to get this reimbursement rate increased to rates similar to the other cities with dependent school districts, which is approximately 98%. Without an increase in the reimbursement rate for school replacement and repair, it will be difficult to pay for the much-needed repairs and new building needed in the Yonkers school district. The City also has capital needs as well and may be a fiscal concern in the future.

Gap Closing Measures

Exactly how the City addresses looming structural deficits will be decided by the administration in conjunction with the various stakeholders in the City of Yonkers and those concerned with its fiscal stability. This includes federal and state elected officials, the NYS Comptroller, the State Education Department, the public and their representatives in the City Council, City and BOE employees and their union representatives, local businesses, developers, bondholders 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.

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. 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. 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.

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

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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 16.75% after being increased from 15% starting January 1, 2014. Under current state law this tax could be increased up to 19.25%, generating an additional \$5.7 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 amount. Increasing this tax up to 3.0% of the transaction amount from the current 1.5% could generate an additional \$8.8 million annually over the next three years, providing that real estate trends continue.
3. **Property Tax:** Each 1% increase in the Property Tax garners an additional \$3.5 million.
4. **Employee Contributions to Health Care Costs:** The various bargaining units have different contribution rates, so the City's impact of increasing the contribution rates varies, 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.
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 \$3 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. **Containing the Growth in Workers' Comp Costs:** Workers' Comp has been increasing approximately 10% annually and along with the costs of 207 a/c will soon approach \$20 million, when overtime to replace employees who are out is considered. Recently an RFP was sent out by the administration to explore the possibility a finding a third party administrator with proposals to aggressively contain or decrease this expense. Savings could amount to several million dollars, given the size of this expense.

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7. 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.
8. Savings from Merging BOE and City Financial and Administrative Functions: The recent merger of the BOE and City financial and administrative functions will result in stronger financial and administrative departments, at the least, and could result in cost savings from improved efficiencies and effectiveness. The main goal of this merger is to provide fiscal oversight to ensure a mistake like the one that resulted in an overstatement of expected state aid by \$55 million will not occur again, but also to implement the kind of review, using this strengthened combined team of professionals, that will analyze all operations of both the School District and City.
9. Increase Sales Tax Rate: Increasing the City sales tax rate up to the legal limit of 8.875% would bring in an additional \$15.4 million on average over the next three years. Increasing the sales tax would require legislation from NYS.
10. Bond for School District textbooks/equipment: Continuing to bond for BOE textbooks and equipment, as was done for the 2014 and 2015 fiscal year budgets, would shift, on average, \$5.1 million of expense from the operating budget to capital costs.
11. Institute a City Hotel Tax: Instituting a 3% City hotel tax could bring in an additional \$1 million on average over the next three years. Instituting this tax would require legislation from NYS.
12. Initiate a solid waste district.

Looking at the projected budget gaps and quantifying some of the possible gap closing measures, as demonstrated below, it becomes evident how critical it is that the \$28 million in one-shot BOE aid is continued or replaced with other revenue, as well as increased aid to the BOE in general. While we do not include the use of fund balance as a gap closing measure, the City could generate and maintain sufficient fund balance to use \$20 million or so annually and close the City-side budget gap, not including any major union settlements. However, the BOE budget gap will only be manageable if the \$28 million in state aid becomes recurring as opposed to a one-shot. It would be difficult for the School District to balance its budget without a continuation of this aid. The aforementioned projections do not include funding for possible school district union

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settlements, and their contracts are expired as of July 1, 2014. Fortunately, any settlements of school district unions would not require retroactive pay for years prior to FY2015.

Also, as is evident from the second chart below, even with the \$28 million, school district expenses, driven mainly by increases in wages and fringe benefits, grow faster than projected revenues, such as state aid. So, either state aid needs to increase or the City needs to pick up the difference, and the City will be hard-pressed to use increased revenues, should taxes and/or fees be raised, because the City will need about \$20 million more in recurring revenue to address the remaining unsettled contracts.

Even without union raises, the BOE's wages will increase \$5.6 million on average over the next three years. Health Benefits will increase \$5.3 million on average, should health care costs increase 7% annually, as has been the trend.

	FY 2016	FY2017	FY2018
Projected Budget Gap (in millions):			
City	\$ 24.0	\$ 20.5	\$ 20.1
School District	\$ 45.6	\$ 58.6	\$ 73.7
Total	\$ 69.6	\$ 79.1	\$ 93.8
Possible Gap Closing Measures:			
Increase Sales Tax rate to 8.875%	\$ 14.9	\$ 15.4	\$ 15.8
Raise Transfer Tax to 3%	\$ 8.6	\$ 8.8	\$ 9.0
Increase Income Tax rate to 19.25%	\$ 5.6	\$ 5.7	\$ 5.8
Bond for school textbooks/equipment	\$ 5.0	\$ 5.1	\$ 5.3
Self-insured Health Benefits Plan	\$ 3.0	\$ 3.0	\$ 3.0
More Aggressive on Workers Comp	\$ 2.0	\$ 2.0	\$ 2.0
Savings for BOE/COY Merger	\$ 0.5	\$ 1.0	\$ 1.5
Institute 3% City Hotel Tax	\$ 0.5	\$ 1.0	\$ 1.5
Total Possible savings	\$ 40.1	\$ 42.0	\$ 43.9
Remaining Gap after All measures	\$ 29.5	\$ 37.1	\$ 49.9
Not include in Projected Budget Gaps is funding for possible union settlements.			

If City uses fund balance to cover City-side budget gap and state continues funding of \$28 million in aid for school district, as can be seen here, Yonkers continues to face shortfalls on the school district side which would require some of the gap closing measures mentioned above, and even more so if any additional City or School District union settlements are reached. Coupled

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with the recurring loss of State aid to Yonkers Schools of \$56.6 million since 2012 due to the Gap Elimination Adjustment, the State must recognize the need for additional aid. It is important to realize the School’s shortfall would not be in its current state if Yonkers had been granted these funds.

	FY 2016	FY 2017	FY 2018
Projected Budget Gap (in millions):			
City	\$ 24.0	\$ 20.5	\$ 20.1
Use City Fund Balance for City Gap	\$ (24.0)	\$ (20.5)	\$ (20.1)
School District	\$ 45.6	\$ 58.6	\$ 73.7
Assume continuation of \$28M state aid	\$ (28.0)	\$ (28.0)	\$ (28.0)
Total	\$ 17.6	\$ 30.6	\$ 45.7

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 Fund Balance for 2016 – 2018 (\$31.6 million used in 2015).

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.

Real Estate Transfer Tax revenues will increase 3% annually.

Supplemental Real Estate Tax revenues will increase 3% annually.

Of the City Departmental Revenue, the Police Department’s revenue is projected to increase annually by an approximate average of 3.9%. This revenue is reimbursement for Police services provided to companies and the charges will increase with the union raises. Also, revenues from Housing and Building are projected to increase 3% annually, based on the growth in the housing

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market. Revenue for all other City Departments, including the Parking Violations Bureau and Parks, is held flat.

Yonkers Raceway Impact Fees will decrease by 60% in 2016 to \$1 million, and then remain flat. Metered Water Sales increase 10% annually commensurate with projected NYC water rates plus associated costs increases.

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

BOE Revenue will decrease 7.5% in 2016 unless there is a replacement for the \$28 million one-shot from the State MIF, and then increase approximately 2.4% in 2017 and 2018.

Expenditure Assumptions

No provision for new bargaining unit settlements or raises of any kind other than normal step increases and previous contractual wage increases.

City Departmental Expenses are projected to increase 2.6%, 2.2% and 2.5% annually from 2016 to 2018. During the same period, within departments, personal services increase 2.1%, 1.6%, and 2% annually to cover for previously contracted collective bargaining raises and step increases. For all departments other than DPW, the Supplies and Contractual accounts (300s and 400s) increase 1.9%, 2.4% and 2.9%, annually. DPW's Supplies' accounts increase 2.7% in 2016, 3.2% in 2017 and 3.7% for 2018. DPW's Contractual accounts increase an average of 6.1% for the three year period, largely because of 10%, 8%, and 7% increases in Water Purchases costs.

Fringe Benefits overall increase 4.4%, 4.1% and 5.3% in 2016, 2017 and 2018 respectively.

Social Security is calculated off of projected personal services costs. It is assumed that only 87% of the personal service costs are below the FICA thresholds so that 87% of personal services costs are multiplied by 6.2% (FICA) and 100% of these costs are multiplied by 1.45%, for Medicare.

Workers' Compensation increases 10% per year based off trend.

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.

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BOE Operating Expenses increases 4.5%, 3.1% and 4% per year for 2016 through 2018 based on their projection. The City may opt to only fund the BOE at the MOE level, given the City's current financial distress.

Debt Service increases 1.7% in 2016, 4.6% in 2017, and .7% in 2018; with the increase of debt service for possible deficit refinancing being the major driver. Debt service projections specifically include costs of \$1.4 million in 2016, \$4.9 million in 2017, and \$4.9 million in 2018, for possible deficit refinancing of \$35 million.

Operating Revenue and Expenditure Plan

Section B

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**City of Yonkers
Analysis of Projected
Budget Deficits
FY 2015 - FY 2018**

	FY 2015	FY 2016	FY 2017	FY 2018
City Budget	\$ 498,980,971	\$ 503,970,434	\$ 515,085,294	\$ 529,903,071
B.O.E. Budget	\$ 522,853,968	\$ 546,837,995	\$ 566,579,891	\$ 588,050,067
Total Budget	\$ 1,021,834,939	\$ 1,050,808,429	\$ 1,081,665,185	\$ 1,117,953,138
Budget Gap (before Gap Closing measures)	\$ -	\$ (69,647,986)	\$ (79,152,987)	\$ (93,756,982)
			3 Year Total	\$ (242,557,955)

**Breakdown of City-Side Budget
FY 2015 - FY 2018**

	FY 2015	FY 2016	FY 2017	FY 2018
City Expenditures	\$ 498,980,971	\$ 503,970,434	\$ 515,085,294	\$ 529,903,071
City Revenues	\$ 498,980,971	\$ 479,942,783	\$ 494,549,449	\$ 509,837,364
City Budget Gap (before Gap Closing measures)	\$ -	\$ (24,027,651)	\$ (20,535,845)	\$ (20,065,707)
			3 Year Total	\$ (64,629,204)

**Breakdown of BOE Budget
FY 2015 - FY 2018**

	FY 2015	FY 2016	FY 2017	FY 2018
BOE Expenditures	\$ 522,853,968	\$ 546,837,995	\$ 566,579,891	\$ 588,050,067
B.O.E. Revenues	\$ 288,680,380	\$ 267,044,072	\$ 273,789,161	\$ 280,185,204
City Contribution to Education	\$ 234,173,588	\$ 234,173,588	\$ 234,173,588	\$ 234,173,588
BOE Budget Gap (before Gap Closing measures)	\$ -	\$ (45,620,335)	\$ (58,617,142)	\$ (73,691,275)
			3 Year Total	\$ (177,928,752)

City of Yonkers Revenue and Expenditure Summary

	FY 2015 Executive	FY 2016 Projection	FY 2017 Projection	FY 2018 Projection
Revenues				
Property Taxes	\$ 335,448,551	\$ 342,157,522	\$ 349,000,672	\$ 355,980,686
Special Taxes	140,627,913	143,858,114	147,183,498	150,606,595
State & Federal Funding	108,807,979	108,807,979	108,807,979	108,807,979
City Departments	31,831,640	32,060,517	32,259,082	32,492,275
Other Revenues	42,449,066	41,154,871	41,315,992	41,481,312
Appropriated Fund Balance	30,979,830	-	-	-
Total Revenues - General Fund	\$ 690,144,979	\$ 668,039,003	\$ 678,567,223	\$ 689,368,847
Library Fund	165,070	165,070	165,070	165,070
Water Fund	36,150,968	38,567,201	41,928,938	45,626,848
Sewer Fund	6,693,542	7,345,096	8,061,806	8,850,186
Total City Revenue	\$ 733,154,559	\$ 714,116,371	\$ 728,723,037	\$ 744,010,952
Board of Education	288,680,380	267,044,072	273,789,161	280,185,204
Total Revenues - All Funds	\$ 1,021,834,939	\$ 981,160,443	\$ 1,002,512,198	\$ 1,024,196,156
Expenditures				
City Departments	\$ 275,765,297	\$ 283,025,674	\$ 289,200,946	\$ 296,549,064
Fringe Benefits	132,991,121	138,834,309	144,569,582	152,289,472
Special Items	40,701,107	32,587,005	31,791,320	31,541,089
Board of Education	498,952,093	521,688,132	537,994,065	559,408,312
Subtotal	\$ 948,409,618	\$ 976,135,120	\$ 1,003,555,913	\$ 1,039,787,937
Debt Service	73,425,321	74,673,309	78,109,272	78,165,201
Total Expenditures	\$ 1,021,834,939	\$ 1,050,808,429	\$ 1,081,665,185	\$ 1,117,953,138
Revenues vs. Expenditures	\$ -	\$ (69,647,986)	\$ (79,152,987)	\$ (93,756,982)

City of Yonkers Revenue Summary

	FY 2015 Adopted	FY 2016 Projection	FY 2017 Projection	FY 2018 Projection
Property Taxes	\$ 335,448,551	\$ 342,157,522	\$ 349,000,672	\$ 355,980,686
Special Taxes				
Sale and Use Tax	\$ 73,650,000	\$ 75,859,500	\$ 78,135,285	\$ 80,479,344
Raceway Admissions	32,000	32,000	32,000	32,000
Utilities Gross Receipts	7,200,000	7,056,000	6,914,880	6,776,582
Supplemental Real Estate Tax	601,500	619,545	638,131	657,275
Real Estate Transfer Tax	8,473,738	8,727,950	8,989,789	9,259,482
O.T.B. Surcharge	253,000	253,000	253,000	253,000
Multiple Unit Dwelling Tax	144,900	144,900	144,900	144,900
E.T.P.A. Adm. Charge	210,600	210,600	210,600	210,600
City & State Mortgage Tax	5,439,958	5,439,958	5,439,958	5,439,958
Income Tax Surcharge	44,622,217	45,514,661	46,424,955	47,353,454
Total - Special Taxes	\$ 140,627,913	\$ 143,858,114	\$ 147,183,498	\$ 150,606,595
State & Federal Funding				
AIM Funding	\$ 108,215,479	\$ 108,215,479	\$ 108,215,479	\$ 108,215,479
Veterans Services	12,500	12,500	12,500	12,500
Court Facilities	440,000	440,000	440,000	440,000
County of West. - CMHB	140,000	140,000	140,000	140,000
Total - State and Federal Funding	\$ 108,807,979	\$ 108,807,979	\$ 108,807,979	\$ 108,807,979
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	91,000	91,000	91,000	91,000
Parking Violations Bureau	16,075,000	16,075,000	16,075,000	16,075,000
Consumer Protection	659,600	659,600	659,600	659,600
Civil Service	30,000	30,000	30,000	30,000
Planning and Development	68,000	68,000	68,000	68,000
Police	2,755,621	2,878,028	2,966,929	3,087,168
Fire	3,538,000	3,538,000	3,538,000	3,538,000
Public Works	543,200	543,200	543,200	543,200
Engineering	486,000	486,000	486,000	486,000
Parks	2,552,669	2,552,669	2,552,669	2,552,669
Housing and Buildings	3,549,000	3,655,470	3,765,134	3,878,088
Courts Fines	1,200,000	1,200,000	1,200,000	1,200,000
Total - City Departments	\$ 31,831,640	\$ 32,060,517	\$ 32,259,082	\$ 32,492,275
Other Revenues				
Prior Year Tax Payments	\$ 9,844,258	\$ 10,041,143	\$ 10,241,966	\$ 10,446,805
Interest on Investment	225,190	225,190	225,190	225,190
Interest on Taxes	3,756,341	3,756,341	3,756,341	3,756,341
Cable Television Fees	4,194,266	4,194,266	4,194,266	4,194,266
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

City of Yonkers Revenue Summary

	FY 2015 Adopted	FY 2016 Projection	FY 2017 Projection	FY 2018 Projection
Payments in Lieu of Taxes	18,356,834	18,356,834	18,356,834	18,356,834
Yonkers Raceway Impact Fees	2,500,000	1,000,000	1,000,000	1,000,000
County Prisoner Processing	365,540	365,540	365,540	365,540
Sale of Property	300,000	300,000	300,000	300,000
Miscellaneous	1,376,157	1,376,157	1,376,157	1,376,157
QSCB Interest	610,000	610,000	561,200	512,400
Subtotal	\$ 42,449,066	\$ 41,154,871	\$ 41,315,992	\$ 41,481,312
Appropriated Fund Balance	30,979,830	-	-	-
Total - Other Revenues	\$ 73,428,896	\$ 41,154,871	\$ 41,315,992	\$ 41,481,312
 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	30,561,242	33,617,366	36,979,103	40,677,013
Sundries and Interest	854,540	854,540	854,540	854,540
Subtotal	\$ 35,511,077	\$ 38,567,201	\$ 41,928,938	\$ 45,626,848
Appropriated Fund Balance	639,891	-	-	-
Total - Water Fund	\$ 36,150,968	\$ 38,567,201	\$ 41,928,938	\$ 45,626,848
 Sewer Fund				
Sewer Rents	\$ 6,515,542	7,167,096	7,883,806	8,672,186
Other	178,000	178,000	178,000	178,000
Subtotal	\$ 6,693,542	\$ 7,345,096	\$ 8,061,806	\$ 8,850,186
Appropriated Fund Balance	-	-	-	-
Total - Sewer Fund	\$ 6,693,542	\$ 7,345,096	\$ 8,061,806	\$ 8,850,186
 Board of Education				
State Funding - Basic	\$ 232,837,370	\$ 239,475,802	\$ 246,190,659	\$ 252,553,307
State Additional Chapter 1 Accrual	-	-	-	-
State Funding - Categorical	5,434,755	5,434,755	5,434,755	5,434,755
State Funding for VLTs	19,600,000	19,600,000	19,600,000	19,600,000
State Funding - Additional Aid	28,000,000	-	-	-
Federal Aid	375,000	375,912	376,866	377,863
Department	450,850	489,714	510,219	533,203
Interfund Rev./Indirect Cost	666,105	666,105	666,105	666,105
Misc. Departmental /Fines	1,314,800	1,000,482	1,009,375	1,018,862
Saunders Trust Fund	1,000	1,000	1,000	1,000
Interest for Debt Service	500	302	182	110
Subtotal	\$ 288,680,380	\$ 267,044,072	\$ 273,789,161	\$ 280,185,204

City of Yonkers Revenue Summary

	FY 2015 Adopted	FY 2016 Projection	FY 2017 Projection	FY 2018 Projection
Appr. Fund Balance - G./F.	-	-	-	-
Appr. Fund Balance - D/S	-	-	-	-
Total - Board of Education	\$ 288,680,380	\$ 267,044,072	\$ 273,789,161	\$ 280,185,204
 Total Revenues	 \$ 1,021,834,939	 \$ 981,160,443	 \$ 1,002,512,198	 \$ 1,024,196,156

City of Yonkers Expenditure Summary

	FY 2015 Adopted	FY 2016 Projection	FY 2017 Projection	FY 2018 Projection
City Departments				
Executive	\$ 2,085,031	\$ 2,092,630	\$ 2,100,267	\$ 2,107,942
Legislative	2,678,791	2,706,019	2,738,392	2,776,249
Corporation Counsel	2,836,957	2,856,476	2,878,014	2,901,699
Finance and Mgt. Services	13,818,053	13,934,158	14,067,769	14,220,031
Human Resources	4,286,210	4,322,365	4,364,001	4,411,476
Information Technology	6,062,019	6,135,491	6,224,869	6,331,203
Planning and Development	1,942,744	1,960,134	1,980,375	2,003,654
Police	92,906,931	96,961,989	99,939,409	103,957,195
Fire	56,809,340	57,112,988	57,425,265	57,746,657
Public Works	66,067,438	68,471,332	70,784,238	73,140,712
Engineering	2,437,865	2,452,665	2,468,478	2,485,368
Parks	10,729,439	10,803,904	10,886,260	10,977,019
Housing and Buildings	2,770,539	2,786,174	2,802,530	2,819,649
Constituent Services	928,930	938,550	950,010	963,430
Inspector General	474,669	478,297	482,395	486,993
Veterans Services	416,874	419,581	422,525	425,722
Human Rights	115,000	116,475	118,281	120,441
Library	8,202,467	8,276,525	8,362,951	8,462,556
Museum	196,000	199,920	204,918	211,066
Total - Departmental Expenditures	\$ 275,765,297	\$ 283,025,674	\$ 289,200,946	\$ 296,549,064
Fringes Benefits				
Employees' Retirement	\$ 12,307,910	\$ 12,166,273	\$ 12,324,069	\$ 12,965,398
Police & Fire Retirement	36,404,982	37,730,161	38,086,276	39,293,029
Social Security	15,371,085	15,220,924	15,264,045	15,560,024
Workers' Compensation	11,279,205	12,407,126	13,647,838	15,012,622
Life/Health/Dental Insurance	52,100,861	55,747,921	59,650,276	63,825,795
Trust & Welfare Payments	3,482,578	3,517,404	3,552,578	3,588,104
Local Pension Plan	79,500	79,500	79,500	79,500
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
Total - Fringe Benefits	\$ 132,991,121	\$ 138,834,309	\$ 144,569,582	\$ 152,289,472
Special Items				
Taxes on City Property	\$ 2,901,677	\$ 2,959,711	\$ 3,018,905	\$ 3,079,283
Tax Remission	1,395,032	2,000,000	1,000,000	500,000
Senior Citizens Tax Exempt	360,000	360,000	360,000	360,000
Res. for Uncollected Taxes	15,788,422	16,104,190	16,426,274	16,754,800
YMCA-SNUG Grant	200,000	200,000	200,000	200,000
Tax Advertising	60,000	60,000	60,000	60,000
Paying Agent Expense	126,000	126,000	126,000	126,000
Municipal Dues	20,000	20,000	20,000	20,000
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	500,000	500,000	500,000
Termination Payments	3,579,714	3,060,796	2,851,195	2,675,179

City of Yonkers Expenditure Summary

	FY 2015 Adopted	FY 2016 Projection	FY 2017 Projection	FY 2018 Projection
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	2,065,000	2,065,000	2,065,000	2,065,000
Administrative Income Tax	380,000	380,000	380,000	380,000
Yonkers Historical Society	10,000	10,000	10,000	10,000
MTA Payroll Tax	731,983	766,190	777,489	792,390
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	1,100,000	1,100,000	1,100,000	1,100,000
Buena Vista Parking Garage	300,000	300,000	300,000	300,000
Annual City Audit	690,600	711,318	732,658	754,637
Contingent Reserve	8,628,879	-	-	-
Total - Special Items	\$ 40,701,107	\$ 32,587,005	\$ 31,791,320	\$ 31,541,089
Board of Education				
Basic Operating Expenditures	\$ 498,952,093	\$ 521,688,132	\$ 537,994,065	\$ 559,408,312
Debt Service				
General Fund	\$ 40,055,714	\$ 40,055,714	\$ 40,055,714	\$ 40,055,714
Education Fund	23,901,875	23,749,863	23,685,826	23,741,755
Deficit Financing	-	1,400,000	4,900,000	4,900,000
Library Fund	1,074,034	1,074,034	1,074,034	1,074,034
Museum Fund	660,793	660,793	660,793	660,793
Water Fund	3,565,311	3,565,311	3,565,311	3,565,311
Sewer Fund	4,167,594	4,167,594	4,167,594	4,167,594
Total - Debt Service	\$ 73,425,321	\$ 74,673,309	\$ 78,109,272	\$ 78,165,201
Total Expenditures	\$ 1,021,834,939	\$ 1,050,808,429	\$ 1,081,665,185	\$ 1,117,953,138

City of Yonkers
Departmental Projected Operating Expenditures
FY 2015 - FY 2018

Department	Account Class	FY 2015 Adopted	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast
Executive	100's	\$ 1,519,821	\$ 1,527,420	\$ 1,535,057	\$ 1,542,732
	200's	-	-	-	-
	300's	61,536	61,536	61,536	61,536
	400's	503,674	503,674	503,674	503,674
	Total	\$ 2,085,031	\$ 2,092,630	\$ 2,100,267	\$ 2,107,942
Legislative	100's	\$ 1,735,201	\$ 1,743,877	\$ 1,752,596	\$ 1,761,359
	200's	16,000	16,000	16,000	16,000
	300's	23,250	23,715	24,308	25,037
	400's	904,340	922,427	945,487	973,852
	Total	\$ 2,678,791	\$ 2,706,019	\$ 2,738,392	\$ 2,776,249
Corporation Counsel	100's	\$ 2,481,324	\$ 2,493,731	\$ 2,506,199	\$ 2,518,730
	200's	-	-	-	-
	300's	15,816	16,132	16,536	17,032
	400's	339,817	346,613	355,279	365,937
	Total	\$ 2,836,957	\$ 2,856,476	\$ 2,878,014	\$ 2,901,699
Finance	100's	\$ 10,683,731	\$ 10,737,150	\$ 10,790,835	\$ 10,844,790
	200's	-	-	-	-
	300's	65,545	66,856	68,527	70,583
	400's	3,068,777	3,130,153	3,208,406	3,304,659
	Total	\$ 13,818,053	\$ 13,934,158	\$ 14,067,769	\$ 14,220,031
Human Resources	100's	\$ 3,304,638	\$ 3,321,161	\$ 3,337,767	\$ 3,354,456
	200's	-	-	-	-
	300's	18,900	19,278	19,760	20,353
	400's	962,672	981,925	1,006,474	1,036,668
	Total	\$ 4,286,210	\$ 4,322,365	\$ 4,364,001	\$ 4,411,476
Information Technology	100's	\$ 3,184,548	\$ 3,200,471	\$ 3,216,473	\$ 3,232,555
	200's	-	-	-	-
	300's	105,917	108,035	110,736	114,058
	400's	2,771,554	2,826,985	2,897,660	2,984,589
	Total	\$ 6,062,019	\$ 6,135,491	\$ 6,224,869	\$ 6,331,203

City of Yonkers
Departmental Projected Operating Expenditures
FY 2015 - FY 2018

Department	Account Class	FY 2015 Adopted	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast
Development	100's	\$ 1,430,969	\$ 1,438,124	\$ 1,445,314	\$ 1,452,541
	200's	-	-	-	-
	300's	5,000	5,100	5,228	5,384
	400's	506,775	516,911	529,833	545,728
	Total	\$ 1,942,744	\$ 1,960,134	\$ 1,980,375	\$ 2,003,654
Police Department	100's	\$ 89,961,292	\$ 93,957,437	\$ 96,859,744	\$ 100,785,140
	200's	-	-	-	-
	300's	659,000	672,180	688,985	709,654
	400's	2,286,639	2,332,372	2,390,681	2,462,402
	Total	\$ 92,906,931	\$ 96,961,989	\$ 99,939,409	\$ 103,957,195
Fire Department	100's	\$ 55,462,590	\$ 55,739,903	\$ 56,018,602	\$ 56,298,695
	200's	30,000	30,000	30,000	30,000
	300's	594,600	606,492	621,654	640,304
	400's	722,150	736,593	755,008	777,658
	Total	\$ 56,809,340	\$ 57,112,988	\$ 57,425,265	\$ 57,746,657
Public Works	100's	\$ 27,691,641	\$ 27,830,099	\$ 27,969,250	\$ 28,109,096
	200's	95,000	95,000	95,000	95,000
	300's	8,195,784	8,416,670	8,685,766	9,007,072
	400's	30,085,013	32,129,563	34,034,222	35,929,544
	Total	\$ 66,067,438	\$ 68,471,332	\$ 70,784,238	\$ 73,140,712
Engineering	100's	\$ 2,263,851	\$ 2,275,170	\$ 2,286,546	\$ 2,297,979
	200's	-	-	-	-
	300's	128,800	131,376	134,660	138,700
	400's	45,214	46,118	47,271	48,689
	Total	\$ 2,437,865	\$ 2,452,665	\$ 2,468,478	\$ 2,485,368
Parks Department	100's	\$ 9,322,550	\$ 9,369,163	\$ 9,416,009	\$ 9,463,089
	200's	14,300	14,300	14,300	14,300
	300's	386,862	394,599	404,464	416,598
	400's	1,005,727	1,025,842	1,051,488	1,083,032
	Total	\$ 10,729,439	\$ 10,803,904	\$ 10,886,260	\$ 10,977,019

City of Yonkers
Departmental Projected Operating Expenditures
FY 2015 - FY 2018

Department	Account Class	FY 2015 Adopted	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast
Housing and Building	100's	\$ 2,651,689	\$ 2,664,947	\$ 2,678,272	\$ 2,691,664
	200's	-	-	-	-
	300's	8,650	8,823	9,044	9,315
	400's	110,200	112,404	115,214	118,671
	Total	\$ 2,770,539	\$ 2,786,174	\$ 2,802,530	\$ 2,819,649
Constituent Services	100's	\$ 597,214	\$ 600,200	\$ 603,201	\$ 606,217
	200's	-	-	-	-
	300's	5,300	5,406	5,541	5,707
	400's	326,416	332,944	341,268	351,506
	Total	\$ 928,930	\$ 938,550	\$ 950,010	\$ 963,430
Inspector General	100's	\$ 391,023	\$ 392,978	\$ 394,943	\$ 396,918
	200's	-	-	-	-
	300's	1,296	1,322	1,355	1,396
	400's	82,350	83,997	86,097	88,680
	Total	\$ 474,669	\$ 478,297	\$ 482,395	\$ 486,993
Veteran's Service Agency	100's	\$ 375,384	\$ 377,261	\$ 379,147	\$ 381,043
	200's	-	-	-	-
	300's	8,600	8,772	8,991	9,261
	400's	32,890	33,548	34,386	35,418
	Total	\$ 416,874	\$ 419,581	\$ 422,525	\$ 425,722
Human Rights	100's	\$ 55,000	\$ 55,275	\$ 55,551	\$ 55,829
	200's	-	-	-	-
	300's	-	-	-	-
	400's	60,000	61,200	62,730	64,612
	Total	\$ 115,000	\$ 116,475	\$ 118,281	\$ 120,441
Library	100's	\$ 5,924,764	\$ 5,954,388	\$ 5,984,160	\$ 6,014,081
	200's	55,987	55,987	55,987	55,987
	300's	194,509	198,399	203,359	209,460
	400's	2,027,207	2,067,751	2,119,445	2,183,028
	Total	\$ 8,202,467	\$ 8,276,525	\$ 8,362,951	\$ 8,462,556

City of Yonkers
Departmental Projected Operating Expenditures
FY 2015 - FY 2018

Department	Account Class	FY 2015 Adopted	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast
Museum	100's	\$ -	\$ -	\$ -	\$ -
	200's	-	-	-	-
	300's	-	-	-	-
	400's	196,000	199,920	204,918	211,066
	Total	\$ 196,000	\$ 199,920	\$ 204,918	\$ 211,066
Total	100's	\$ 219,037,230	\$ 223,678,755	\$ 227,229,668	\$ 231,806,914
	200's	\$ 211,287	\$ 211,287	\$ 211,287	\$ 211,287
	300's	\$ 10,479,365	\$ 10,744,692	\$ 11,070,450	\$ 11,461,451
	400's	\$ 46,037,415	\$ 48,390,940	\$ 50,689,541	\$ 53,069,413
	Total	\$ 275,765,297	\$ 283,025,674	\$ 289,200,946	\$ 296,549,064

City of Yonkers
Projected Consolidated Operating Expenses
FY 2014/15 - 2017/18

	ADOPTED FY 2014/15	PROJECTED FY 2015/16	PROJECTED FY 2016/17	PROJECTED FY 2017/18
Salaries	\$ 267,348,800	\$ 272,802,716	\$ 278,367,891	\$ 284,046,596
Employee Benefits - Civil Service Retirement (ERS)	6,784,257	7,205,335	7,640,537	8,090,274
Employee Benefits -Teachers Retirement	29,510,001	34,288,939	34,988,433	40,040,518
Employee Benefits - FICA	19,113,849	19,503,772	19,901,649	20,307,643
Employee Benefits - MTA Tax	-	-	-	-
Employee Benefits - Life	55,278	56,091	56,916	57,753
Employee Benefits - Unemployment	200,000	200,000	200,000	200,000
Employee Benefits - Health Benefits	70,186,730	75,099,801	80,356,787	85,981,762
Employee Benefits - Teachers Welfare Fund	3,717,704	3,792,058	3,867,899	3,945,257
Employee Benefits - OMNI 403B	3,732	3,993	4,273	4,572
Equipment/Library Books	-	2,470,560	2,543,194	2,617,964
Textbooks	-	2,527,177	2,601,476	2,677,959
Material/Supplies	3,502,332	3,607,402	3,715,624	3,827,093
Tuition	26,337,206	26,600,578	26,866,584	27,135,250
Charter Schools	8,812,224	9,658,198	10,585,385	11,601,582
Transportation	32,311,097	32,957,319	33,616,465	34,288,794
Fuel Oil	5,824,850	6,500,533	7,254,595	8,096,128
Travel	74,600	76,838	79,143	81,517
Other Utilities	4,595,500	4,917,185	5,261,388	5,629,685
Building Repairs	2,125,000	2,245,488	2,372,807	2,507,345
Postage	300,000	326,550	355,450	386,907
Contractual	14,188,574	14,605,718	15,035,126	15,477,159
Insurance	808,694	852,687	899,073	947,983
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
	\$ 497,156,442	\$ 521,688,132	\$ 537,994,065	\$ 559,408,312
Debt service	25,697,526	23,749,863	23,685,826	23,741,755
	\$ 522,853,968	\$ 545,437,995	\$ 561,679,891	\$ 583,150,067

City of Yonkers Property Tax Calculation

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast
Board of Education					
Operating Expenditures	\$ 507,750,047	\$ 498,952,093	\$ 521,688,132	\$ 537,994,065	\$ 559,408,312
Debt Service	22,203,741	23,901,875	23,749,863	23,685,826	23,741,755
Total Expenditures	\$ 529,953,788	\$ 522,853,968	\$ 545,437,995	\$ 561,679,891	\$ 583,150,067
Less B.O.E. Revenue	298,478,334	288,680,380	267,044,072	273,789,161	280,185,204
Less City Revenue to B.O.E	-	-	44,220,335	53,717,142	68,791,275
Tax Levy	\$ 231,475,454	\$ 234,173,588	\$ 234,173,588	\$ 234,173,588	\$ 234,173,588
Assessed Valuation	\$ 482,518,425	\$ 480,460,703	\$ 478,411,756	\$ 476,371,547	\$ 474,340,039
Tax Rate per \$1000 A.V.	\$ 479.72	\$ 487.39	\$ 489.48	\$ 491.58	\$ 493.68
\$ Change vs. Prior Year	\$ 12.55	\$ 7.67	\$ 2.09	\$ 2.10	\$ 2.10
% Change vs. Prior Year	2.69%	1.60%	0.43%	0.43%	0.43%
City					
Total Tax Levy	330,920,260	335,448,551	342,157,522	349,000,672	355,980,686
Less B.O.E. Levy	231,475,454	234,173,588	234,173,588	234,173,588	234,173,588
City Tax Levy	\$ 99,444,806	\$ 101,274,963	\$ 107,983,934	\$ 114,827,084	\$ 121,807,098
Assessed Valuation	\$ 475,325,705	\$ 472,802,879	\$ 470,786,589	\$ 468,778,898	\$ 466,779,769
Tax Rate per \$1000 A.V.	\$ 209.21	\$ 214.20	\$ 229.37	\$ 244.95	\$ 260.95
\$ Change vs. Prior Year	\$ (0.64)	\$ 4.99	\$ 15.17	\$ 15.58	\$ 16.00
% Change vs. Prior Year	-3.00%	2.39%	7.08%	6.79%	6.53%
Total Tax Rate					
Tax Rate per \$1000 A.V.	\$ 688.93	\$ 701.59	\$ 718.85	\$ 736.53	\$ 754.63
\$ Change vs. Prior Year	\$ 11.91	\$ 12.66	\$ 17.26	\$ 17.68	\$ 18.10
% Change vs. Prior Year	1.76%	1.84%	2.46%	2.46%	2.46%
City Contribution to BOE	\$ 231,475,454	\$ 234,173,588	\$ 234,173,588	\$ 234,173,588	\$ 234,173,588

City of Yonkers Combined Property Tax Levy Components

	FY 2015 Adopted	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast
2% Tax Constit. Limit	\$ 268,836,810	\$ 263,642,158	\$ 270,481,667	\$ 284,458,021
Debt Service Exclusion	64,270,844	65,670,844	69,170,844	69,170,844
City Operating Capital	116,287	116,287	116,287	116,287
City Capital Labor	724,610	728,233	731,874	735,534
Tax Certiorari Payments	500,000	11,000,000	7,500,000	500,000
Judgment & Claims	1,000,000	1,000,000	1,000,000	1,000,000
Total Property Tax Levy	\$ 335,448,551	\$ 342,157,522	\$ 349,000,672	\$ 355,980,686
Total Exclusions	66,611,741	78,515,364	78,519,005	71,522,665
2% Constit. Limit	\$ 308,467,790	\$ 306,972,666	\$ 308,854,532	\$ 309,056,682
Expend. Subject to 2% Limit	\$ 268,836,810	\$ 263,642,158	\$ 270,481,667	\$ 284,458,021
Constit. Tax Margin	\$ 39,630,980	\$ 43,330,508	\$ 38,372,865	\$ 24,598,661

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	3.10%	\$ 15,856,362,161
FY 2012	\$ 457,275,235	\$ 18,822,499	\$ 476,097,734	\$ 8,155,530	\$ 484,253,264	3.24%	\$ 14,946,088,395
FY 2013	\$ 454,698,864	\$ 24,324,201	\$ 479,023,065	\$ 7,525,610	\$ 486,548,675	3.18%	\$ 15,300,272,799
FY 2014	\$ 450,208,617	\$ 25,117,088	\$ 475,325,705	\$ 7,192,720	\$ 482,518,425	3.12%	\$ 15,465,334,135
FY 2015 Adopted	\$ 447,625,791	\$ 25,177,088	\$ 472,802,879	\$ 7,657,824	\$ 480,460,703	3.09%	\$ 15,548,890,065
Five Year Total							\$ 77,116,947,554
Five Year Average							\$ 15,423,389,511
2% of Five Year Ave.							\$ 308,467,790

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	3.24%	\$ 14,946,088,395
FY 2013	\$ 454,698,864	\$ 24,324,201	\$ 479,023,065	\$ 7,525,610	\$ 486,548,675	3.18%	\$ 15,300,272,799
FY 2014	\$ 450,208,617	\$ 25,117,088	\$ 475,325,705	\$ 7,192,720	\$ 482,518,425	3.12%	\$ 15,465,334,135
FY 2015 Adopted	\$ 447,625,791	\$ 25,177,088	\$ 472,802,879	\$ 7,657,824	\$ 480,460,703	3.09%	\$ 15,548,890,065
FY 2016 Projection	\$ 445,609,501	\$ 25,177,088	\$ 470,786,589	\$ 7,625,167	\$ 478,411,756	3.09%	\$ 15,482,581,108
Five Year Total							\$ 76,743,166,502
Five Year Average							\$ 15,348,633,300
2% of Five Year Ave.							\$ 306,972,666

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	3.18%	\$ 15,300,272,799
FY 2014	\$ 450,208,617	\$ 25,117,088	\$ 475,325,705	\$ 7,192,720	\$ 482,518,425	3.12%	\$ 15,465,334,135
FY 2015 Adopted	\$ 447,625,791	\$ 25,177,088	\$ 472,802,879	\$ 7,657,824	\$ 480,460,703	3.09%	\$ 15,548,890,065
FY 2016 Projection	\$ 445,609,501	\$ 25,177,088	\$ 470,786,589	\$ 7,625,167	\$ 478,411,756	3.09%	\$ 15,482,581,108
FY 2017 Projection	\$ 443,601,810	\$ 25,177,088	\$ 468,778,898	\$ 7,625,167	\$ 476,371,547	3.09%	\$ 15,416,554,930
Five Year Total							\$ 77,213,633,036
Five Year Average							\$ 15,442,726,607
2% of Five Year Ave.							\$ 308,854,532

City of Yonkers

FY 2018 - 2% Constitutional Tax Limit Calculation

Fiscal Year	Property	Franchise	City Taxable A. V.	Vet. Exempt.	School Taxable A. V.	Special Ratio%	Full Value
FY 2014	\$ 450,208,617	\$ 25,117,088	\$ 475,325,705	\$ 7,192,720	\$ 482,518,425	3.12%	\$ 15,465,334,135
FY 2015 Adopted	\$ 447,625,791	\$ 25,177,088	\$ 472,802,879	\$ 7,657,824	\$ 480,460,703	3.09%	\$ 15,548,890,065
FY 2016 Projection	\$ 445,609,501	\$ 25,177,088	\$ 470,786,589	\$ 7,625,167	\$ 478,411,756	3.09%	\$ 15,482,581,108
FY 2017 Projection	\$ 443,601,810	\$ 25,177,088	\$ 468,778,898	\$ 7,625,167	\$ 476,371,547	3.09%	\$ 15,416,554,930
FY 2018 Projection	\$ 441,602,681	\$ 25,177,088	\$ 466,779,769	\$ 7,625,167	\$ 474,340,039	3.09%	\$ 15,350,810,323
Five Year Total							\$ 77,264,170,560
Five Year Average							\$ 15,452,834,112
2% of Five Year Ave.							\$ 309,056,682