

City of Yonkers Capital Budget Fiscal Year 2014

The Capital Expense budget finances the construction or the reconstruction of facilities and services, the acquisition and replacement of vehicles and equipment, and certain other projects and improvements that provide benefits over a multi-year period. To be included in the budget, a project or item must be consistent with the definition of "capital object or purpose" included in Section 11 of New York State Local Finance Law.

Financing of capital projects occurs through two means. First, a direct appropriation may be made; this type of appropriation is included in equipment section of the 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 is called debt service. Appropriations for debt service are shown in the Debt Service section of the budget.

The City Council must adopt the Capital Budget after a public hearing. It takes a two-thirds majority vote of the Council to pass the Capital Budget. In order to fund the Capital Budget, the City Council must adopt a bond ordinance also by a two-thirds majority vote.

**City of Yonkers
Capital Budget
Fiscal Year 2014**

Department / Project Name	FY12 Appropriated	FY13 Appropriated ¹	FY13 Bonded ¹	FY14 Executive
Engineering				
Pavement Marking Line Eraser	\$ -	\$ 8,000	\$ -	\$ -
Auto Traffic Counters	-	8,000	-	-
Equipment	-	450,000	450,000	-
Bridge Rehabilitation ²	-	-	-	200,000
Resurfacing ²	-	-	-	1,000,000
Sanitary/Storm Sewer Improvements ²	-	-	-	1,700,000
Grassy Sprain Dam Remediation	-	-	-	1,000,000
Saw Mill/Bronx River Outflow Remediation ²	-	-	-	1,200,000
Traffic Signal Replacement	-	-	-	620,000
Engineering Total	\$ -	\$ 466,000	\$ 450,000	\$ 5,720,000
Finance and Management Services				
Assessment Revaluation	\$ -	\$ 3,000,000	\$ 1,000,000	\$ -
PVB Vehicles	-	100,000	100,000	-
PVB Software	-	500,000	500,000	-
Finance and Management Services Total	\$ -	\$ 3,600,000	\$ 1,600,000	\$ -
Fire Department				
Rehab Firehouses	\$ -	\$ 800,000	\$ 800,000	\$ -
Paint Firehouses	-	200,000	200,000	-
SCBA's and SCBA Bottles	-	500,000	500,000	75,000
Equipment Replacement	-	-	-	1,663,000
Vehicles	-	2,000,000	2,000,000	2,000,000
Fire Department Total		\$ 3,500,000	\$ 3,500,000	\$ 3,738,000
Department of Housing and Buildings				
Demolition	\$ -	\$ -	\$ -	\$ 150,000
Department of Housing and Buildings Total	\$ -	\$ -	\$ -	\$ 150,000
Department of Information Technology				
MIS Hardware and Software	\$ -	\$ 1,000,000	\$ -	\$ 2,710,000
Communications	-	-	-	1,715,000
Department of Information Technology Total	\$ -	\$ 1,000,000	\$ -	\$ 4,425,000

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Department / Project Name	FY12 Appropriated	FY13 Appropriated ¹	FY13 Bonded ¹	FY14 Executive
Library				
Library Materials	\$ -	\$ 900,000	\$ 900,000	\$ 450,000
Exterior panel replacement	-	1,000,000	300,000	1,000,000
Boiler Repair	-	460,000	-	70,000
12 Computers	-	15,000	15,000	-
12 Computer Workstation Carrels	-	10,000	10,000	-
Computer Equipment	-	-	-	50,000
Closed Circuit TV System	-	80,000	80,000	-
Library Total	\$ -	\$ 2,465,000	\$ 1,305,000	\$ 1,570,000
Museum				
Museum Construction	\$ -	\$ 750,000	\$ -	\$ -
Museum Total	\$ -	\$ 750,000	\$ -	\$ -
Office for the Aging				
Vehicles	\$ -	\$ -	\$ -	\$ 27,000
Office for the Aging Total	\$ -	\$ -	\$ -	\$ 27,000
Parks Department				
Animal Shelter Additions	\$ 200,000	\$ -	\$ -	\$ -
Air Conditioning Units Community Center	-	12,000	12,000	-
Ballfield Backstops Replacements - Various Locations.	-	40,000	40,000	75,000
Boiler - Murray Skating Rink	-	100,000	100,000	-
General Rehabilitation - Clay and Top Soil	-	30,000	30,000	100,000
Playground Rubber Matting - Various Locations	-	60,000	60,000	60,000
Roof Replacement - Rifle Range/Trevor Park	-	100,000	100,000	-
Vehicles	-	200,000	200,000	225,000
General Park Rehabilitation	-	1,000,000	1,000,000	3,600,000
Shade Tree	-	1,000,000	1,000,000	-
Park Fencing	-	-	-	40,000
Tree Planting	-	-	-	50,000
Parks Department Total	\$ 200,000	\$ 2,542,000	\$ 2,542,000	\$ 4,150,000

**City of Yonkers
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Department / Project Name	FY12 Appropriated	FY13 Appropriated ¹	FY13 Bonded ¹	FY14 Executive
Planning and Development				
Austin Avenue Remediation	\$ 775,000	\$ -	\$ -	\$ -
Larkin Plaza Parking Garage	-	2,500,000	2,500,000	-
Streetscapes	-	500,000	500,000	750,000
JFK Marina Stabilization	-	300,000	300,000	-
Building Remediation/Redevelopment	-	-	-	3,000,000
Saw Mill River Daylighting	-	-	-	2,500,000
Planning and Development Total	\$ 775,000	\$ 3,300,000	\$ 3,300,000	\$ 6,250,000
Police Department				
Vehicles	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Building Renovations	-	-	-	250,000
Equipment Replacement	-	-	-	195,000
Police Department Total	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,445,000
Department of Public Works				
Sanitary/Storm Sewer Improvements ²	\$ -	\$ 2,000,000	\$ 1,500,000	\$ -
Sidewalks/Steps Replacements	-	300,000	300,000	-
Hydrant Replacement/Upgrades	-	500,000	-	300,000
Resurfacing ²	-	3,000,000	1,500,000	-
Repairs to City Government Garage	-	500,000	500,000	-
City Building Rehabilitation	-	2,140,000	2,140,000	1,500,000
Remediation of Petroleum Spill at DPW Serv	-	200,000	-	-
Retaining Wall	-	200,000	200,000	-
Bathroom Renovations	-	120,000	120,000	-
Saw Mill and Hudson River Outflow Remediation	-	-	-	-
Saw Mill and Bronx River Outflow Remediation ²	-	2,500,000	1,700,000	-
Major Sewer Projects	-	1,000,000	-	-
Bridge Inspection and Repair ²	-	500,000	500,000	-
Curb and Sidewalk Repair	-	500,000	500,000	350,000
Public Stair Repair and Demolition	-	200,000	200,000	500,000
Oil Storage Tank Remediation	-	200,000	200,000	550,000
Wall Maintenance	-	100,000	100,000	500,000
Remote Meter Reading	-	10,000,000	3,400,000	-
Water Works Improvements	-	750,000	750,000	1,310,000
Water System Improvements	-	150,000	150,000	-
Digitalizing Water Distribution System	-	100,000	100,000	-
Leak Detection Survey	-	50,000	50,000	-
Equipment Replacement	-	135,000	135,000	-

**City of Yonkers
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Department / Project Name	FY12 Appropriated	FY13 Appropriated ¹	FY13 Bonded ¹	FY14 Executive
Vehicle Replacement Citywide	-	2,000,000	2,000,000	3,000,000
Equipment Replacement	-	100,000	-	420,000
LED Streetlights ³	-	12,000,000	-	-
Energy Efficiency Improvements to City Hall Windows ⁴	-	1,500,000	-	-
Energy Efficiency Improvements to Buildings ⁴	-	2,500,000	-	-
Emergency Generators	-	-	-	225,000
Fence/Guardrail Replacement	-	-	-	100,000
Fuel Management System Replacement	-	-	-	250,000
Push Wall Renovation	-	-	-	150,000
City Hall Renovations	-	-	-	120,000
Department of Public Works Total	\$ -	\$ 43,245,000	\$ 16,045,000	\$ 9,275,000

City Total	\$ 975,000	\$ 62,868,000	\$ 30,742,000	\$ 37,750,000
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Board of Education				
Yonkers Montessori Academy (YMA) PCBs	\$ -	\$ 2,300,000	\$ 2,300,000	\$ -
Acquisitions of Textbooks and Equipment	-	1,577,250	1,577,250	-
Planning for Future Capital Projects	-	5,000,000	5,000,000	-
Construction and Improvement to various School Buildings and the sites thereof	-	-	18,750,000	37,750,000
Board of Education Total	\$ -	\$ 8,877,250	\$ 27,627,250	\$ 37,750,000

Grand Total	\$ 975,000	\$ 71,745,250	\$ 58,369,250	\$ 75,500,000
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¹ FY13 Authorized as amended by Special Ordinance No. 77-2012. FY13 Bonded per Special Ordinances No. 74-2012 (BOE) and 75-2012 (City).

² Projects shown under DPW in prior-year authorizations are shown under Engineering in FY14 Exec to better reflect the department overseeing the projects.

³ Bonding not required: project awarded to Lumen Light Solutions by the City of Yonkers Board of Contract and Supply on September 27, 2012.

⁴ Bonding not required: project funded by the New York Power Authority (NYPA) as approved by the City Council via Resolution 67-2012.

City Indebtedness

In general, the State legislature has authorized the power and procedure for the City to borrow and incur capital indebtedness by the enactment of the State Local Finance Law, subject to certain constitutional provisions. The City generally authorizes construction and financing of facilities that are of service to the citizens on a City-wide basis. Certain capital projects are subject to regulation and approval of applicable commissions and agencies.

Each bond ordinance requires approval by at least a two-thirds vote of the City Council. The Local Finance Law also provides a twenty-day statute of limitations after publication of an adopted bond ordinance together with a statutory form of notice which, in effect, stops legal challenges to the validity of obligations authorized by such bond ordinance except for alleged constitutional violations.

The City is authorized by the State Constitution to contract debt for objects or purposes that the State Legislature has determined to have a "period of probable usefulness," and the maximum maturity of such debt may not exceed the period of probable usefulness of the object or purpose for which it has been issued. Serial bonds must mature in annual installments and may be issued to finance any object or purpose for which a "period of probable usefulness" has been determined by the State Legislature.

Each bond ordinance usually authorizes the construction, acquisition or installation of the object or purpose to be financed (or identifies the bonds to be refunded), sets for the plan of financing or refinancing, and specifies the maximum maturity of the bonds subject to the legal (constitutional, Local Finance Law and case law) restrictions relating to the applicable periods of probable usefulness.

Debt Service Schedule

The following table shows the debt service requirements to maturity on the City's outstanding general obligation bonded indebtedness.

Annual Debt Service Requirements

Maturing During Fiscal Year End June 30th	Principal		Interest		Total
2013	\$	42,590,000	\$	23,031,973	\$ 65,621,973
2014		43,365,001		21,795,112	65,160,113
2015		48,784,999		19,652,436	68,437,435
2016		49,064,999		17,597,070	66,662,069
2017		49,345,000		15,396,934	64,741,934
2018		46,194,998		13,406,379	59,601,377
2019		46,345,000		11,605,006	57,950,006
2020		33,712,000		10,016,766	43,728,766
2021		27,945,002		8,685,358	36,630,360
2022		21,480,001		7,481,630	28,961,631
2023		22,360,001		6,493,507	28,853,508
2024		23,260,001		5,468,299	28,728,300
2025		23,554,998		4,418,808	27,973,806
2026		14,380,000		3,580,313	17,960,313
2027		12,260,000		2,997,441	15,257,441
2028		8,940,000		2,494,476	11,434,476
2029		7,120,000		2,066,228	9,186,228
2030		7,480,000		1,708,889	9,188,889
2031		7,860,000		1,327,620	9,187,620
2032		6,970,000		1,081,001	8,051,001
2033		4,200,000		801,750	5,001,750
2034		4,415,000		586,375	5,001,375
2035		4,640,000		360,000	5,000,000
2036		4,880,000		122,000	5,002,000
Totals	\$	561,147,000	\$	182,175,371	\$ 743,322,371

Debt Limit

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the City may incur. The State Constitution provides that the City may not contract indebtedness in an amount greater than nine percent of the average full value of taxable real property in the City for the most recent five years. Certain indebtedness is excluded in ascertaining the City's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the City's authority to issue debt subject to the limit. Such exclusions are authorized by the Constitution and include the following:

(a) tax anticipation notes, revenue anticipation notes and budget notes, to the extent such obligations are retired within five years of their original issuance;

(b) indebtedness (commonly referred to as "self-sustaining debt") contracted for public improvement or service, which provides sufficient annual revenue after paying annual operating expenses of the improvement or service, to pay at least 25% of the annual interest and principal installments due on such indebtedness. The indebtedness is excluded, after approval by the State Comptroller, in a proportion equal to the proportion of annual debt service covered by net revenues of the improvement or service for which it was contracted. Under State law, the revenues from such improvement or service, for the period of the exclusions, must be used solely for debt service on the excluded indebtedness and operating and other costs of the improvement or service or deposited in a serial account to be used for such purposes; and

(c) indebtedness contracted for supply of water.

The following table shows the debt-contracting power within the debt limit as of July 1, 2014.

Statement of Debt Contracting Power

	Projected as of July 1, 2014
Debt-Contracting Limitation	
Nine Per Centum of five year average full valuation of taxable real property	\$ 1,279,147,771
 Outstanding Indebtedness	
Anticipation Notes	\$ -
Serial Bonds	\$ 561,147,000
Total Indebtedness	\$ 561,147,000
 Less Exclusions	
(Debts created after January 1, 1980 to provide for water supply improvements)	
Bonds	\$ 28,574,469
Appropriations (FY 2014)	\$ 41,649,684
Total Exclusions	\$ 70,224,153
 Net Indebtedness	\$ 490,922,847
 Margin of Debt-Contracting Capacity	\$ 788,224,924
 Percentage of Debt-Contracting Capacity Remaining	61.62%

City of Yonkers FY 2014 Debt Service

	General Fund	Education Fund	Sewer Fund	Water Fund	Library Fund	Museum Fund	Total Funds
Capital Bond - Principal	\$ 23,510,736	\$ 14,675,000	\$ 2,432,719	\$ 2,000,318	\$ 561,044	\$ 470,185	\$ 43,650,002
BAN/RAN - Principal	-	-	-	-	-	-	-
Capital Note - Principal	-	-	-	-	-	-	-
PASNY Loan	489,105	-	-	-	-	-	489,105
Parking Authority Refinancing	-	-	-	-	-	-	-
ERS Amortization - Principal	-	-	-	-	-	-	-
ESCO Loan - Principal	-	1,038,439	-	-	-	-	1,038,439
State Loan Repayment	-	200,000	-	-	-	-	200,000
Total	\$ 23,999,841	\$ 15,913,439	\$ 2,432,719	\$ 2,000,318	\$ 561,044	\$ 470,185	\$ 45,377,546
Capital Bond - Interest	\$ 13,011,639	\$ 5,658,688	\$ 1,342,033	\$ 1,127,921	\$ 194,492	\$ 176,659	\$ 21,511,432
BAN/RAN - Interest	1,500,000	-	-	-	-	-	1,500,000
Capital Note - Interest	-	-	-	-	-	-	-
Parking Authority Guarantee	-	-	-	-	-	-	-
ERS Amortization - Interest	-	-	-	-	-	-	-
ESCO Loan - Interest	-	622,984	-	-	-	-	622,984
Total	\$ 14,511,639	\$ 6,281,672	\$ 1,342,033	\$ 1,127,921	\$ 194,492	\$ 176,659	\$ 23,634,416
Total Capital - Notes	\$ 36,522,375	\$ 20,333,688	\$ 3,774,752	\$ 3,128,238	\$ 755,536	\$ 646,844	\$ 65,161,433
Total BAN/RAN	1,500,000	-	-	-	-	-	1,500,000
Total Capital Notes	-	-	-	-	-	-	-
PASNY Loan	489,105	-	-	-	-	-	489,105
Parking Authority Refinancing	-	-	-	-	-	-	-
Amortization of Pension Costs	-	-	-	-	-	-	-
ESCO Loan	-	1,661,423	-	-	-	-	1,661,423
Total State Loan Repayment	-	200,000	-	-	-	-	200,000
Total	\$ 38,511,480	\$ 22,195,111	\$ 3,774,752	\$ 3,128,238	\$ 755,536	\$ 646,844	\$ 69,011,961
<u>Exclusion Calculation - Credits</u>							
Premium/Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Court Security Aid	-	-	-	-	-	-	-
Unused Authorizations	-	-	-	-	-	-	-
Premium on Securities	-	-	-	-	-	-	-
Interest on Debt Service	-	-	-	-	-	-	-
Earnings on State Deposits	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment of State Loan	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Amortization of Pension Costs	-	-	-	-	-	-	-
ESCO Loan	-	1,661,423	-	-	-	-	1,661,423
Capital Note - Principal/Int.	-	-	-	-	-	-	-
PASNY Loan	489,105	-	-	-	-	-	489,105
Reserve for Debt Service	-	-	-	-	-	-	-
Repayment BAN/RAN	1,500,000	-	-	-	-	-	1,500,000
Sewer Revenue	-	-	3,774,752	-	-	-	3,774,752
Appropriated Fund Balance	-	-	-	-	-	-	-
Total	\$ 1,989,105	\$ 1,861,423	\$ 3,774,752	\$ -	\$ -	\$ -	\$ 7,625,280
Grand Total - Exclusion	\$ 1,989,105	\$ 1,861,423	\$ 3,774,752	\$ -	\$ -	\$ -	\$ 7,625,280
Limit Exclusion Calculation	\$ 36,522,375	\$ 20,333,688	\$ -	\$ 3,128,238	\$ 755,536	\$ 646,844	\$ 61,386,681

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