

Real Property Taxes

New York State authorized the City of Yonkers to levy property taxes on the value of the property and the tax rate determines the amount of real estate taxes paid by a property owner. Taxes are billed annually, however, can be paid in three equal installments (July, October and January). The City is restricted by the State Constitution to the amount of taxes that can be levied for operating purposes. The limitation is 2% of the average full value assessment for the past 5 years. The first step in determining the maximum amount of tax levy is to calculate the City average full assessment. The State supplies the special assessment rate percentage used in calculating the full assessment. These figures are based on real estate market conditions over the past five years. The total estimated maximum amount for operating purposes is \$284,255,060 for FY 2014.

The City is using \$267,223,635 of the tax margin leaving \$17,031,425 available in taxing power. The City is allowed to levy property taxes for certain items above the 2% tax margin. Some of these items are debt services payments, tax certiorari payments, judgment and claims against the municipalities and operating capital.

The City has experienced a continuing decline on assessed values over the past several years due to tax certiorari brought against the municipalities. This problem is not only in Yonkers but is in Westchester County and New York State.

The following is a summary of City of Yonkers taxable assessed value and each year decrease and loss of tax power since 1989.

Real Property Taxes

Year	City Assessed Value	Decrease from Prior Year	Loss of Taxing Power since 1989
2014	\$ 475,363,309	3,659,756	\$ 141,834,095
2013	479,023,065	(2,925,331)	136,910,455
2012	476,097,734	7,749,094	134,330,373
2011	483,846,828	5,236,062	123,330,342
2010	489,082,890	13,769,445	115,445,100
2009	502,852,335	5,846,753	101,344,815
2008	508,699,088	1,985,125	91,181,701
2007	510,684,213	6,094,734	85,859,999
2006	516,778,947	3,948,244	80,380,869
2005	520,727,191	4,064,351	74,895,677
2004	524,791,542	7,656,898	63,494,450
2003	532,448,440	3,223,608	56,671,523
2002	535,672,048	4,396,567	52,475,454
2001	540,068,615	350,334	48,933,877
2000	540,418,949	2,649,480	44,515,660
1999	543,068,429	3,333,158	42,078,029
1998	546,401,587	5,606,589	40,059,768
1997	552,008,176	13,245,809	38,394,219
1996	565,253,985	24,568,385	31,483,958
1995	589,822,370	26,797,548	23,917,776
1994	616,619,918	19,267,087	15,771,967
1993	635,887,005	9,874,939	10,453,267
1992	645,761,944	14,012,474	7,519,459
1991	659,774,418	8,646,225	4,297,715
1990	668,420,643	12,830,536	2,404,658
1989	681,251,179	-	-
Totals	NA	\$ 205,887,870	\$ 1,567,985,206

* Prior to 1989 taxable value was increasing.

The loss of assessed value in the past is due mainly to commercial and utilities companies receiving tax assessment reductions over this period of time. In addition, the City has not done a reassessment since 1954. The loss of taxing power is based on tax rate in effect for the year multiplied by the loss in assessment value since 1989.

The tax rate for FY 2014 is \$688.89 per thousand dollar of assessed value. The tax rate is divided between the City and the school district. The school rate is \$479.67 per thousand dollars of assessed value, and the City is \$209.22 per thousand dollars. The total levy for FY 2014 is \$330,920,260, an increase of \$3.1 million over FY 2013, or less than one percent. The City is at the 2% property tax cap imposed by the State Legislature.

City of Yonkers Assessed Valuation Comparison

	FY 2013 Adopted	FY 2014 Executive	Dollar Change	% Change
<u>City</u>				
Real Estate	\$ 728,531,391	\$ 726,841,911	\$ (1,689,480)	-0.23%
Special Franchise	24,324,201	25,117,088	792,887	3.26%
Subtotal	\$ 752,855,592	\$ 751,958,999	\$ (896,593)	-0.12%
<u>Less:</u>				
Wholly and Partially Exempt Properties	\$ 266,306,917	\$ 269,402,331	\$ 3,095,414	1.16%
Veteran Exemption	7,525,610	7,193,359	(332,251)	-4.41%
Subtotal	\$ 273,832,527	\$ 276,595,690	\$ 2,763,163	1.01%
Total Taxable Assessed Value - City	\$ 479,023,065	\$ 475,363,309	\$ (3,659,756)	-0.76%
<u>School District</u>				
Taxable Assessed Value - City	\$ 479,023,065	\$ 475,363,309	\$ (3,659,756)	-0.76%
<u>Plus:</u>				
Veterans' Exemptions Taxable for School Purposes	7,525,610	7,193,359	(332,251)	-4.41%
Total Taxable Assessed Value - Education	\$ 486,548,675	\$ 482,556,668	\$ (3,992,007)	-0.82%

City Of Yonkers Property Tax Calculation

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<u>Board of Education</u>					
Operating Expenditures	\$ 462,386,612	\$ 460,767,103	\$ 477,726,938	\$ 490,365,425	\$ 507,750,047
Debt Service	21,759,729	20,675,394	20,477,527	23,027,936	22,195,111
Total Expenditures	\$ 484,146,341	\$ 481,442,497	\$ 498,204,465	\$ 513,393,361	\$ 529,945,158
Less B.O.E. Revenue	266,297,101	263,593,257	273,455,225	286,093,712	298,478,334
Tax Levy	\$ 217,849,240	\$ 217,849,240	\$ 224,749,240	\$ 227,299,649	\$ 231,466,824
Assessed Valuation	\$ 496,779,775	\$ 491,547,227	\$ 484,253,264	\$ 486,548,675	\$ 482,556,668
Tax Rate per \$1000 A.V.	\$ 438.52	\$ 443.19	\$ 464.12	\$ 467.17	\$ 479.67
\$ Change vs. Prior Year	\$ 9.78	\$ 4.67	\$ 20.93	\$ 3.05	\$ 12.50
% Change vs. Prior Year	2.28%	1.06%	4.72%	0.66%	2.68%
<u>City</u>					
Total Tax Levy	\$ 297,192,534	\$ 305,699,826	\$ 315,524,266	\$ 327,820,814	\$ 330,920,260
Less B.O.E. Levy	217,849,240	217,849,240	224,749,240	227,299,649	231,466,824
City Tax Levy	\$ 79,343,294	\$ 87,850,586	\$ 90,775,026	\$ 100,521,165	\$ 99,453,436
Assessed Valuation	\$ 489,082,890	\$ 483,846,828	\$ 476,097,734	\$ 479,023,065	\$ 475,363,309
Tax Rate per \$1000 A.V.	\$ 162.23	\$ 181.57	\$ 190.66	\$ 209.85	\$ 209.22
\$ Change vs. Prior Year	\$ 22.90	\$ 19.34	\$ 9.09	\$ 19.19	\$ (0.63)
% Change vs. Prior Year	16.43%	11.92%	5.01%	10.07%	-0.30%
<u>Total Tax Rate</u>					
Tax Rate per \$1000 A.V.	\$ 600.75	\$ 624.76	\$ 654.78	\$ 677.02	\$ 688.89
\$ Change vs. Prior Year	\$ 32.68	\$ 24.01	\$ 30.02	\$ 22.24	\$ 11.87
% Change vs. Prior Year	5.75%	4.00%	4.81%	3.40%	1.75%

City of Yonkers Combined Property Tax Levy Components

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
2% Tax Constitutional Limit	\$ 244,197,658	\$ 250,744,880	\$ 261,461,671	\$ 262,875,093	\$ 267,223,635
Debt Service Exclusion	50,605,989	52,413,185	51,468,816	62,638,536	61,386,682
City Operating Capital	393,605	372,769	414,787	114,787	114,787
City Capital Labor	495,282	668,992	678,992	692,398	695,156
Tax Certiorari Payments	500,000	500,000	500,000	500,000	500,000
Judgment & Claims	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Property Tax Levy	\$ 297,192,534	\$ 305,699,826	\$ 315,524,266	\$ 327,820,814	\$ 330,920,260
2% Constitutional Limit	\$ 486,396,253	\$ 453,265,053	\$ 384,621,093	\$ 325,655,512	\$ 284,255,060
Expend. Subject to 2% Limit	\$ 244,197,658	\$ 250,744,880	\$ 261,461,671	\$ 262,875,093	\$ 267,223,635
Constitutional Tax Margin	\$ 242,198,595	\$ 202,520,173	\$ 123,159,422	\$ 62,780,419	\$ 17,031,425

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

Fiscal Year	Property	Franchise	City Charitable 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	\$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 Avg.							\$ 284,255,060

City of Yonkers Comparison of Taxing Power and Its Use

	FY 2013 Adopted	FY 2014 Executive	FY 2014 Exec - FY 2013 Adopted	% Change
Five Year Average - Full Valuation	\$ 16,282,775,602	\$ 14,212,753,010	\$ (2,070,022,592)	-12.7%
2% of Five Year Average	\$ 325,655,512	\$ 284,255,060	\$ (41,400,452)	-12.7%
Total Debt & Capital Exclusion	64,945,721	63,696,625	(1,249,096)	-1.9%
Maximum Taxing Power	\$ 390,601,233	\$ 347,951,685	\$ (42,649,548)	-10.9%
<u>City Tax Levy</u>				
Operating	\$ 56,294,848	\$ 56,090,499	\$ (204,349)	-0.4%
Total Debt & Capital Exclusions	44,226,317	43,362,937	(863,380)	-2.0%
Total City Expenditures	\$ 100,521,165	\$ 99,453,436	\$ (1,067,729)	-1.1%
<u>School District Tax Levy</u>				
Operating	\$ 206,580,245	\$ 211,133,136	\$ 4,552,891	2.2%
Total Debt & Capital Exclusions	20,719,404	20,333,688	(385,716)	-1.9%
Total School District Expenditures	\$ 227,299,649	\$ 231,466,824	\$ 4,167,175	1.8%
<u>Combined Tax Levy</u>				
Operating	\$ 262,875,093	\$ 267,223,635	\$ 4,348,542	1.7%
Total Debt & Capital Exclusion	64,945,721	63,696,625	(1,249,096)	-1.9%
Total Tax Levy Expenditures	\$ 327,820,814	\$ 330,920,260	\$ 3,099,446	0.9%
Constitutional Tax Margins	\$ 62,780,419	\$ 17,031,425	\$ (45,748,994)	-72.9%

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