

**Amendments to the 2011 City Budget**  
**Approved Unanimously by the City Council on December 14, 2010**

**Added Expenditures:**                    **\$74,000**

Celebrations Overtime                    \$27,000

Events such as the July 4<sup>th</sup> Fireworks, the Memorial Day Parade and the Thanksgiving Parade, although non-essential, are enjoyed by thousands of residents every year and have become much beloved community traditions that enlist scores of volunteers. A public-private partnership is needed to preserve all three events. The Council's budget amendment establishes a logical division of labor, with the City covering the overtime expenses for Police, Fire and Parks staff and outside contributions covering the remainder of costs. This entailed the allocation of an additional \$38,000 to overtime, partially offset by an \$11,000 reduction for outside expenses, for a net increase of \$27,000. A total of \$55,000 in donations must now be raised – an amount that is challenging, but achievable. (Note: John & Charles Valenti have agreed to renew their annual contribution to the Thanksgiving Parade for 2011, reducing the remaining fund-raising target to \$45,000.)

Hudson Park Beach                        \$27,000

The City Manager's budget proposal had suggested the closure of the Hudson Park beach on Mondays and Tuesday during the summer. In response to considerable community objection, the Council opted to restore funding for this service. During the course of the year, our Parks & Recreation Department will also explore means of enhancing beach usage, possibly through day passes or other alternatives to the present omni-card framework. These steps could raise sufficient revenue to offset costs, but this hope is still too speculative for the purposes of setting a budget.

Day Laborers Site                         \$20,000

The City subsidizes a day laborer hiring site on Union Avenue in the parking area of St. Gabriel's Church. The program has received strong support in the community and has helped address some persistent quality-of-life concerns in New Rochelle's West End. The City Manager had proposed elimination of the annual \$25,000 expense, in the expectation of raising private contributions or utilizing grants to preserve the program. The Council, while sharing the goal of raising outside funding, opted to cut the City's share by only \$5,000 in order to provide better assurance of the program's preservation.

**Reduced Expenditures:**                    **\$1,100,000**

Certioraris                                 \$700,000

The Council opted to finance 2011's projected \$700,000 in certiorari costs, instead of funding these payments with cash. Under ordinary circumstances, cash payments would be preferable to the issuance of additional debt, but the City has often financed these costs during times of fiscal pressure (including last year), interest rates are exceptionally low, and the City's overall bonded debt has declined significantly during the past decade.

Cut New Roc Garage Subsidy            \$400,000

The City's general fund currently subsidizes the parking enterprise fund. Raising hourly rates at the New Roc City parking garage from \$0.75/hour to \$1/hour will generate an estimated \$400,000 per year, with an equivalent reduction in the general fund subsidy.

While the new rate would be very slightly higher than that of the White Plains City Center (\$0.25/15 minutes vs. \$0.25/20 minutes), the two facilities would remain roughly commensurate. (Note: A straight-line revenue projection would yield increased parking income of \$533,000. We reduce this figure to \$400,000 to conservatively account for both a marginal reduction in demand and for a phase-in period for meter re-programming.) Barring unexpected impacts on demand, this action would also provide recurring savings for the general fund in 2012 and beyond.

**Increased Revenue:                      \$25,000**

Marina PILOT Increase                      \$25,000

The Council opted to increase the Municipal Marina PILOT from the current level of \$75,000 to \$100,000. As a general matter, transfers from enterprise funds to the general fund should be viewed skeptically. In this case, however, the Marina fund is currently operating at a roughly \$30,000 surplus and a PILOT structure is already in place.

**NET CHANGE:                              \$1,051,000**

**Allocated To:**

Fund Balance                                  +\$550,000

Tax Levy                                        -\$501,000

**TAX RATE IMPACT                        -1.09% (2.81%)**