

To the Residents of the Town of Yorktown:

The following is my tentative budget for the fiscal year 2015. As you may know, over the past two fiscal years, we have aggressively sought to minimize the tax burden.

As a result of efficiencies in day to day operations, we successfully decreased the tax levy two years in a row during 2013 and 2014 with the 2014 tax levy significantly less than the levy for 2012. Much of our success is attributable to our department heads and staff who have adapted to doing more with less. In preparing the 2015 budget we hoped for our third year of consecutive tax cuts buoyed by the additions to our fund balance at the close of fiscal year 2013.

The 2015 budget I am proud to say follows suit as we have successfully held the line on taxes. Although the 2015 levy has slightly increased over 2014, the difference for the average home with utilities, assessed at \$10,000 is less than the price of a cup of coffee.

It was no easy task to keep taxes in check given the increased costs for employee benefits, e.g. medical, dental, and insurance, workers compensation insurance, retirement, payroll and MTA taxes. In particular, projected retirement payouts have added considerably to the expected 2015 expenditures.

Further adding to expenditures is a marked increase in the cost of utilities and budgeting for snow removal. Hopefully a mild winter and the recent downward trend in energy costs will continue, thereby returning some of what has been budgeted back to the taxpayers.

Nevertheless, with the adoption of this budget it is hoped that we will also approve a capital budget and begin to finance long neglected projects which must be undertaken to provide for the long term fiscal stability of the Town.

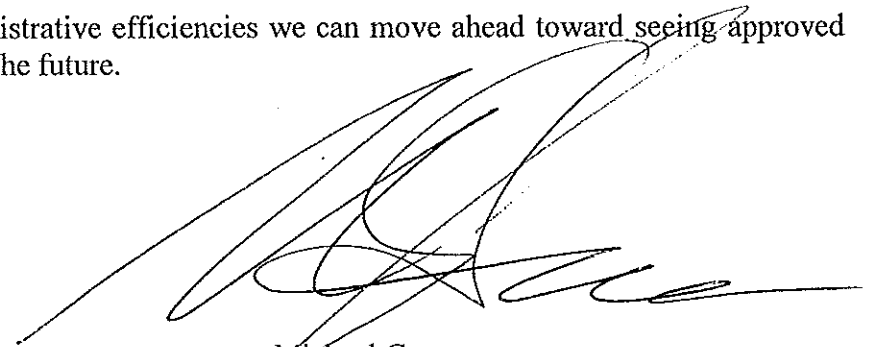
While we have moved forward and accomplished a lot over the past few years, much remains to be done. We hopefully will begin to update our highway trucks and police vehicles, refurbish the Sparkle Lake dam, fix the leaking roofs of our Town buildings, digitize the Town records and upgrade our aged phone system; the latter two projects are projected to save the Town significant operating costs into the future.

In the next year we will continue to explore other opportunities for savings and increased non-real estate tax revenue.

We look forward to moving ahead with several revitalization projects including the highway garage relocation (Depot Square project) that we anticipate will both increase revenues and efficiency in the long term; the rehabilitation of the Jefferson Valley Mall and Costco breaking ground which would stimulate the 202 corridor.

Lastly, it is our hope that in 2015 the Town will obtain a revised State Pollution Elimination Discharge permit from NYS DEC and approved by DEP to allow for the issuance of sewer permits for connections to the Greenwood Street sewer plant. The Town will be pursuing a schedule of pump station rehabilitations to allow for additional flows to the sewer plant opening the way toward the release of new sewer permits and sewer district extensions. Hopefully, after 25 years, we will see the Town issue new sewer permits in 2015. This in turn will allow for additional ratables and the development of already approved projects adding much needed assessable value to the Town tax base.

It is our hope that as we continue to make improvements in administrative efficiencies we can move ahead toward seeing approved projects built in 2015 and continue the trend of holding the line on taxes in the future.

A large, stylized handwritten signature in black ink, appearing to read 'Michael Grace', is written over the typed name and title.

Michael Grace
Town Supervisor
October 30, 2014