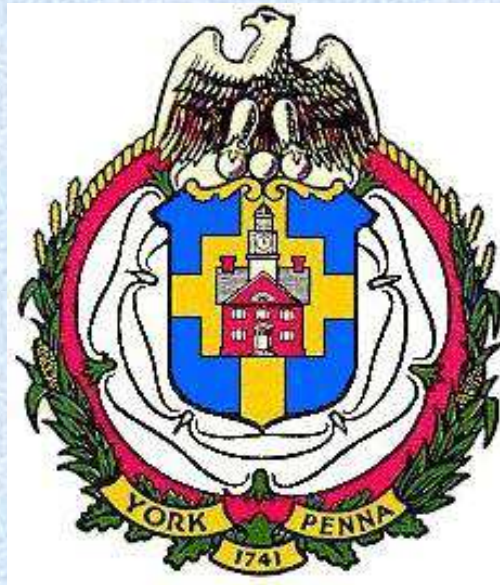


City of York Pennsylvania



**Financial Stress In Government
January 27, 2012**

York Is A Third Class City

- A Political Subdivision of the Commonwealth of Pennsylvania
- Mayor-Council Plan A
- Subject to the 3rd Class City Code, The 3rd Class City Optional Charter Law- And Other Laws that Prescribe What the City Can and Cannot do.

- 5.2 square miles
- Fully Developed – Under Developed
- 3rd Class County Assessment Law
- Act 511
- Five Bargaining Units
- Act 95 – Public Sector Labor Law
- Act 111- Public Safety Labor Law
- Act 47 – Fiscal Distress Law

Demographics

- Population 43,718
- City Per Capita Income \$14,600
- State Per Capita Income \$26,600
- City Median HH Income \$29,223
- State Median HH Income \$49,737
- City White Population= 51.2%
- State White Population = 81.9%

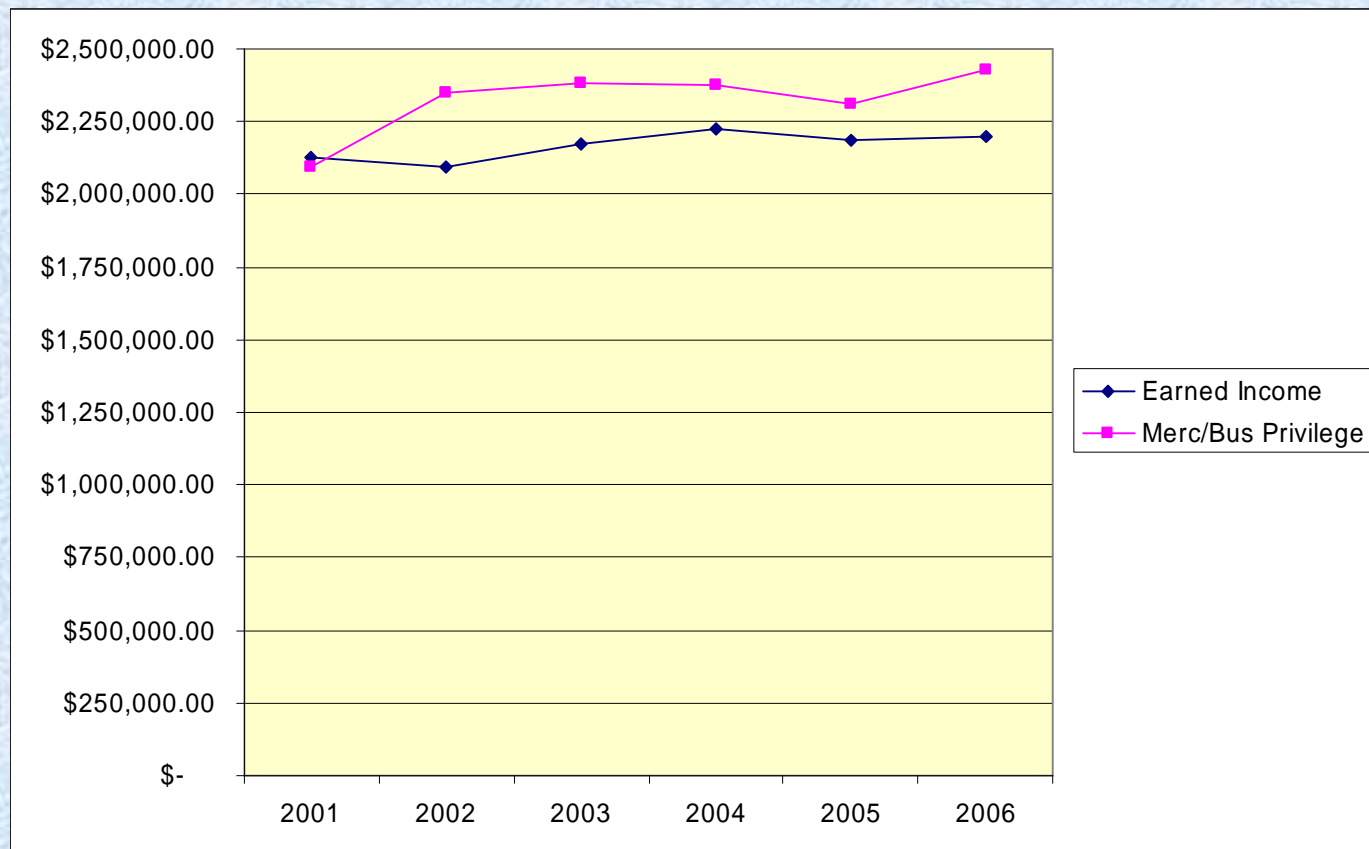
Demographics

- City Under 18 = 28.7%
- State Under 18 = 22%
- City Over 65 = 8.9%
- State Over 65 = 15.4%
- Per Capita Retail Sales City = \$8,159
- Per Capita Retail Sales State +\$13,323

Demographics

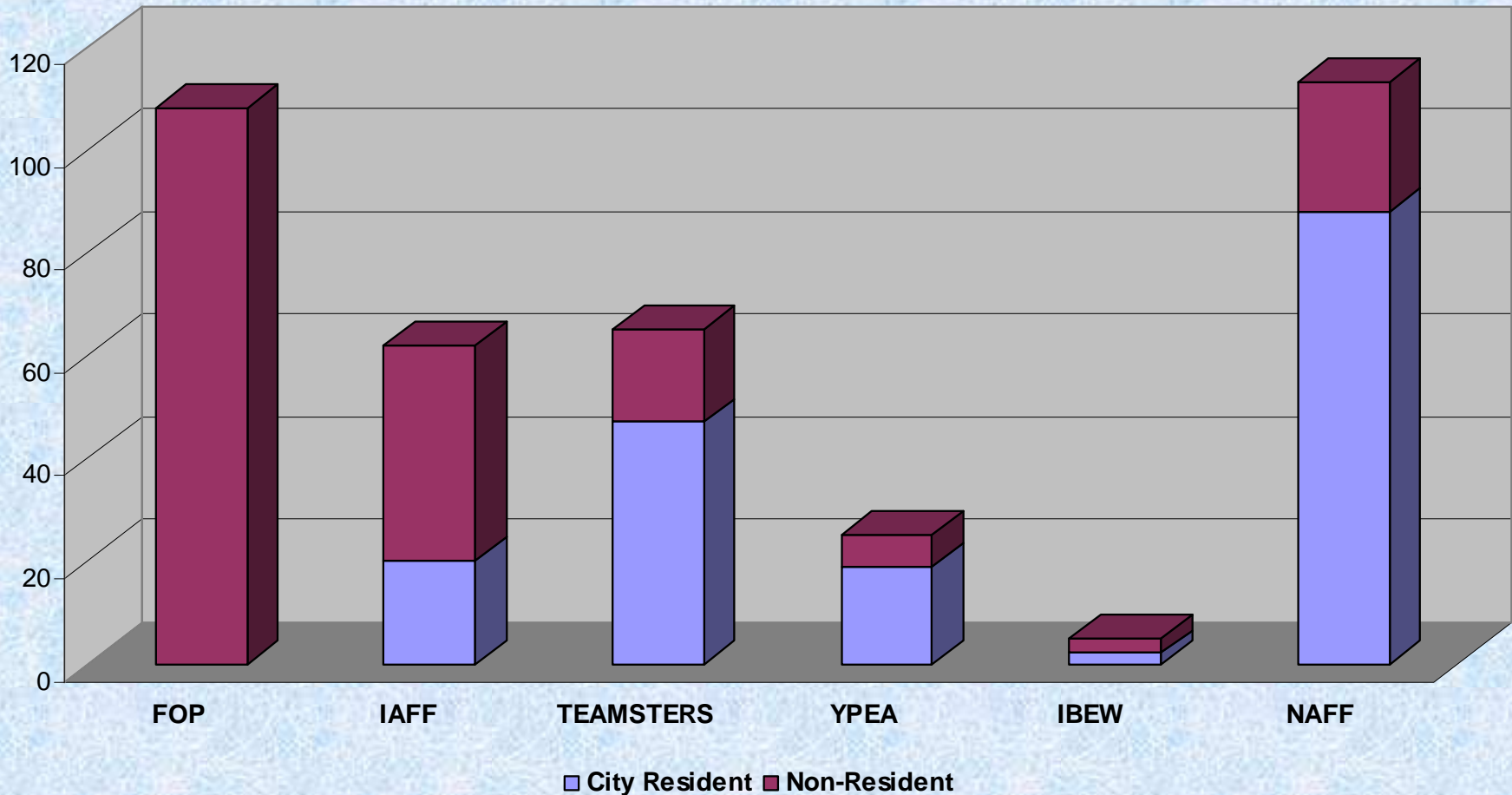
- 2008 Earned Income
 - City Resident City Taxed:
\$450,000,000
 - Commuter Not City Taxed :
\$1,100,000,000
 - City Poverty Rate = 32.3%
 - State Poverty Rate = 12.1%

Earned Income/Business Privilege Tax



Residency by Union

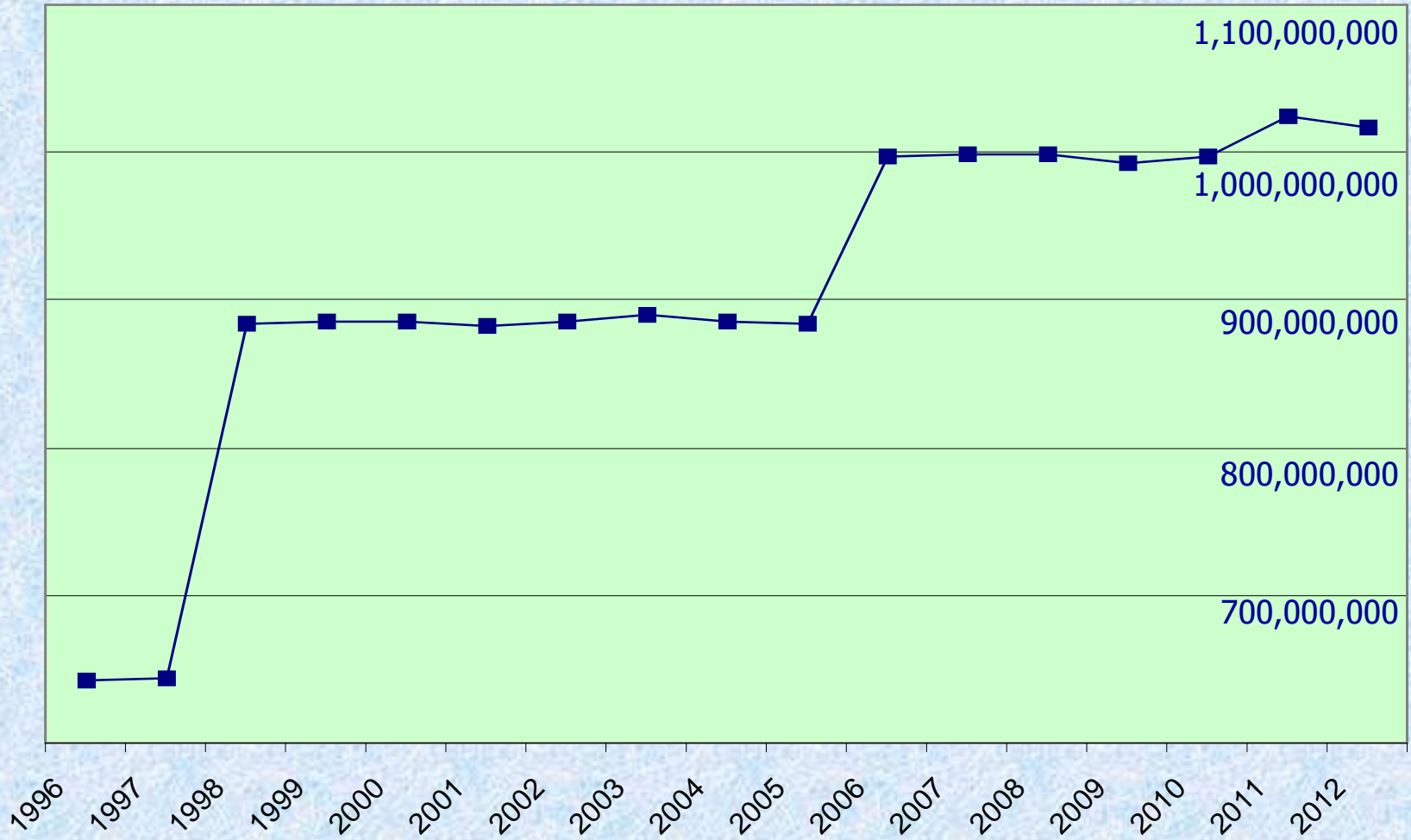
	FOP	IAFF	TEAMSTERS	YPEA	IBEW	NAFF
Full Time Employees	108	62	65	25	5	113
City Resident	0	20	47	19	2	88
Non-Resident	108	42	18	6	3	25



Real Estate Tax Base

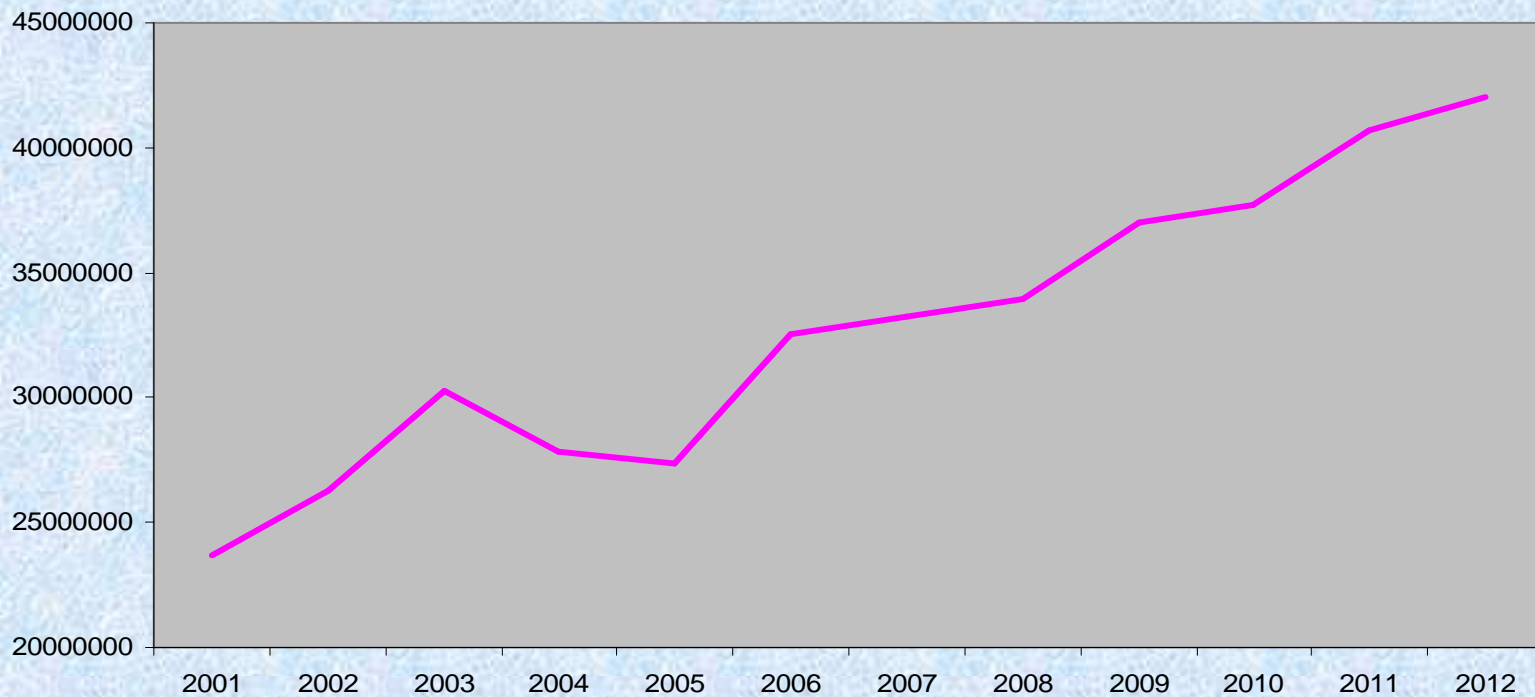
- City Home Ownership = 45.3%
- State Home Ownership = 71.5%
- City Owner Occupied Value = \$73,300
- State OO Value = \$152,300

Real Estate Tax Base Value 1996 - 2012



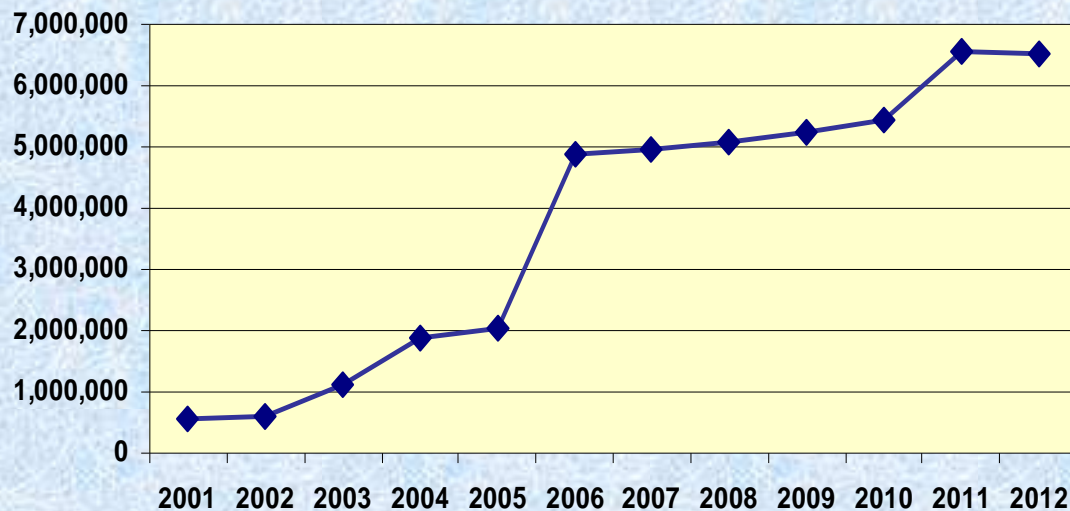
General Fund Expenditure Budget

2001	23,704,130		2007	32,947,535
2002	26,292,307		2008	34,569,252
2003	30,233,542		2009	36,982,091
2004	27,684,061		2010	37,685,449
2005	33,722,536	Projected	2011	40,623,135
2006	32,558,962	Requested	2012	42,042,792



Minimum Municipal Obligation

	Police		Fire		O&E		Total	
	Obligation	Increase from Prior Year	Obligation	Increase from Prior Year	Obligation	Increase from Prior Year	Obligation	Increase from Prior Year
2001	479,208		66,834		0		546,042	
2002	527,335	48,127	68,211	1,377	18,601	18,601	614,147	68,105
2003	719,845	192,510	293,896	225,685	86,651	68,050	1,100,392	486,245
2004	1,087,478	367,633	509,242	215,346	295,282	208,631	1,892,002	791,610
2005	1,172,257	84,779	545,584	36,342	316,290	21,008	2,034,131	142,129
2006	2,949,964	1,777,707	1,621,527	1,075,943	291,572	-24,718	4,863,063	2,828,932
2007	2,988,309	38,345	1,641,164	19,637	331,360	39,788	4,960,833	97,770
2008	3,052,400	64,091	1,681,386	40,222	335,270	3,910	5,069,056	108,223
2009	3,120,389	67,989	1,785,031	103,645	344,088	8,818	5,249,508	180,452
2010	3,244,829	124,440	1,805,385	20,354	376,684	32,596	5,426,898	177,390
2011	3,842,987	598,158	1,972,854	167,469	759,447	382,763	6,575,288	1,148,390
2012	3,828,655	-14,332	1,933,875	-38,979	762,020	2,573	6,524,550	-50,738

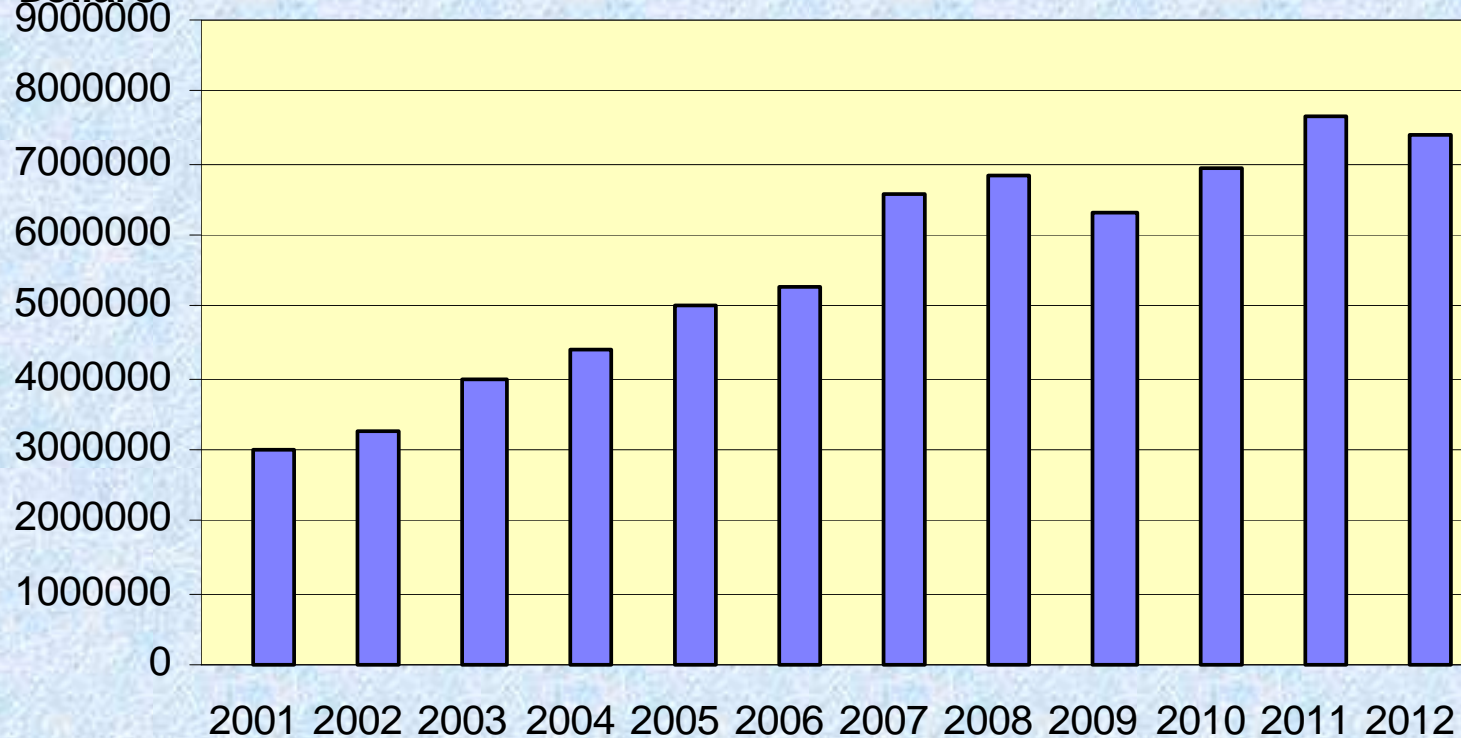


Paid Health Claims & Prescriptions

Actual	2010	6,907,052	9.4%
Projected	2011	7,658,540	10.9%
Proposed	2012	7,400,000	-3.4%

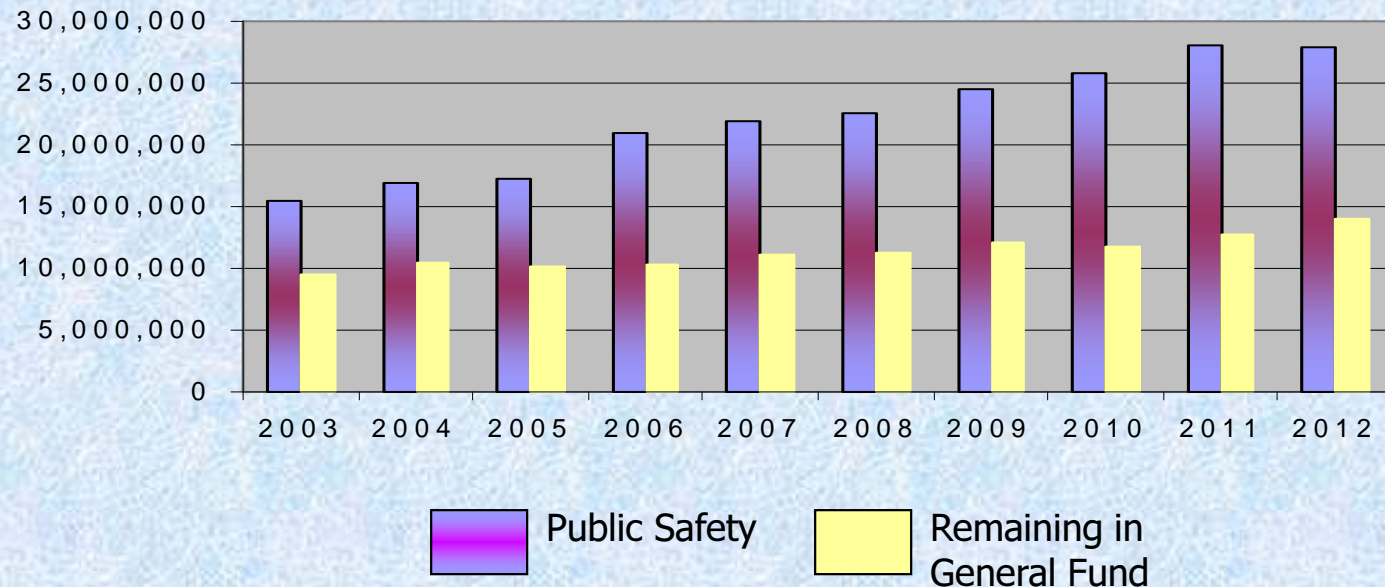
Cost in
Dollars

Paid Health Claims and Prescriptions



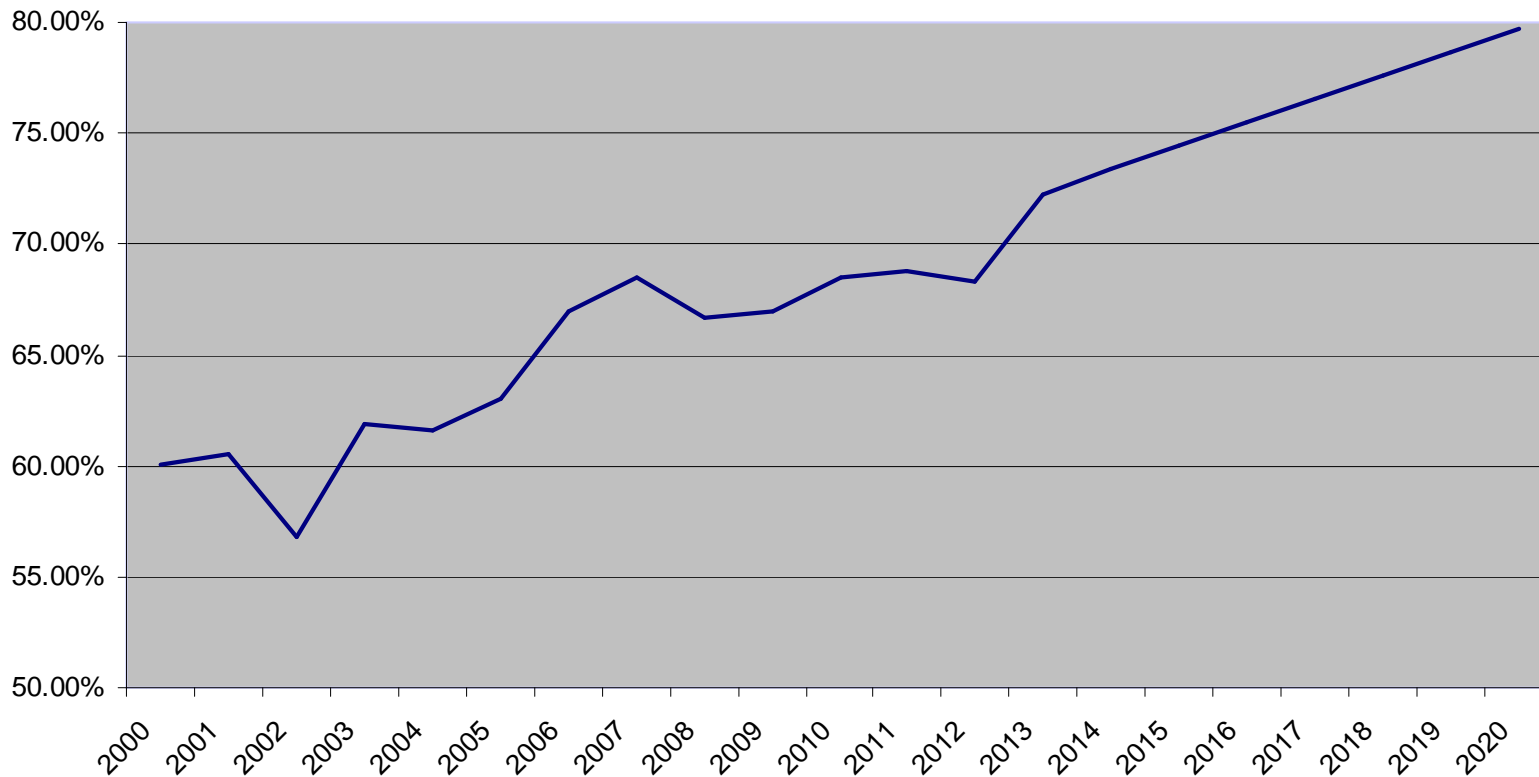
Public Safety and Remaining General Fund

	Public Safety	% of GF	Remaining in General Fund
2003	15,545,267	61.86%	9,585,768
2004	16,925,434	61.60%	10,551,116
2005	17,239,965	63.07%	10,095,546
2006	20,991,404	66.93%	10,371,643
2007	21,925,483	66.17%	11,207,285
2008	22,633,600	66.67%	11,314,904
2009	24,514,713	66.93%	12,113,729
2010	25,728,384	68.47%	11,847,673
2011	27,990,963	68.80%	12,693,830
2012	27,965,596	66.52%	14,077,196



Public Safety Trend

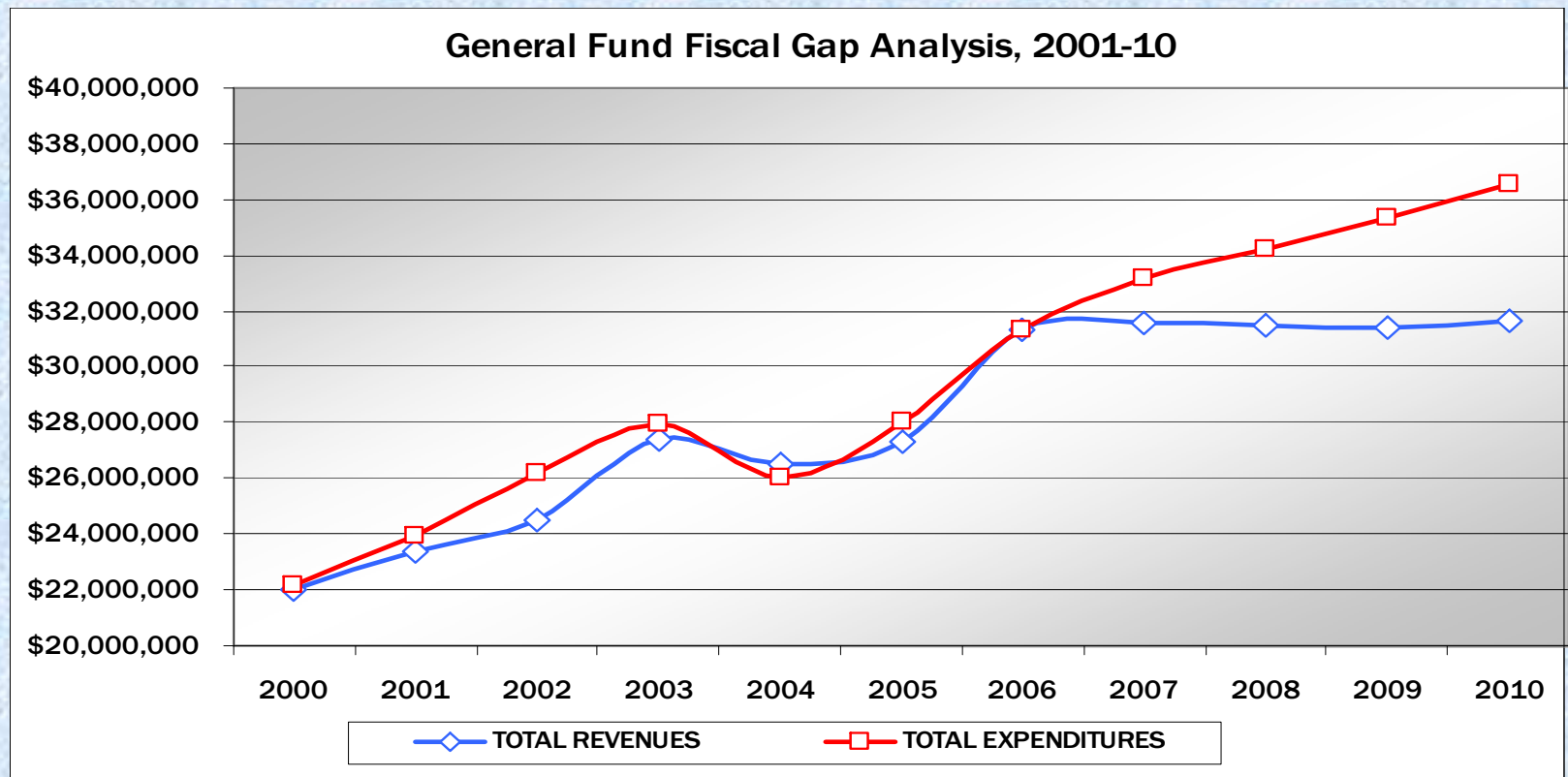
If the cost of Public Safety continues to rise at the current rate it will consume **79.7%** of the General Fund budget by 2020



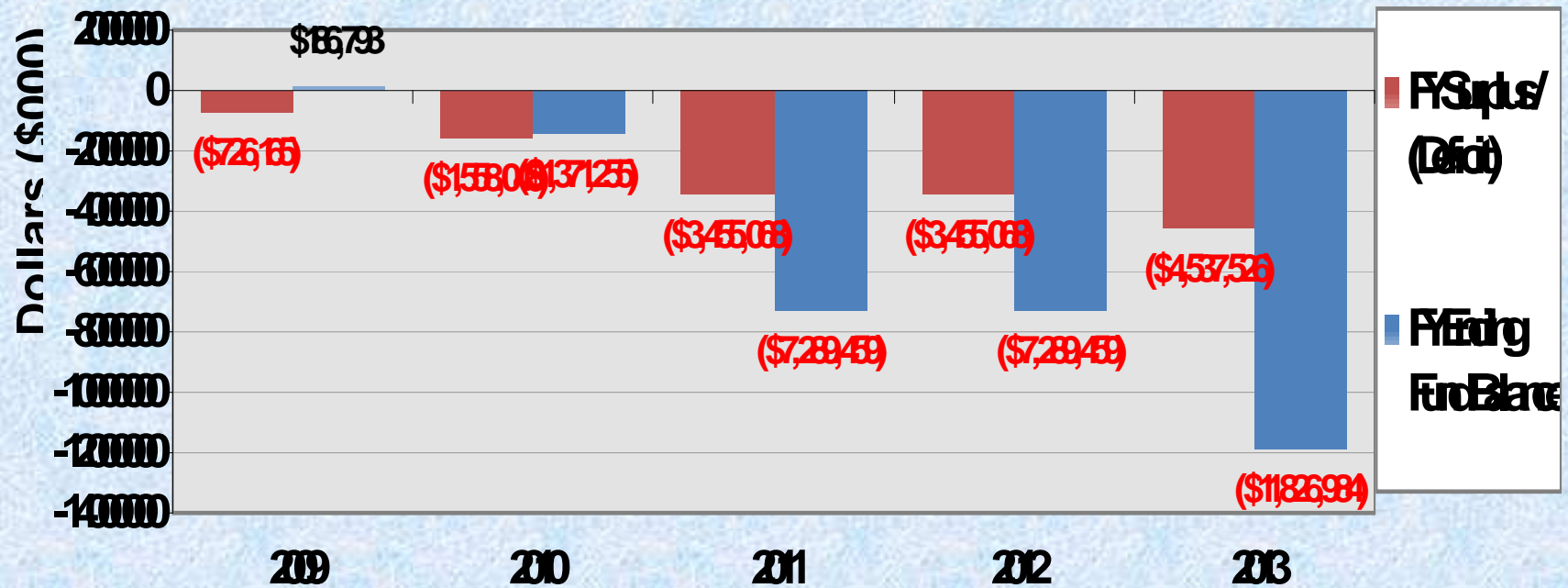
Other Financial Stressors

- Unfunded Liability in Pension Fund
 - \$27,000,000
- Unfunded OPEB Liability:
 - \$60,000,000
- '12 Public Safety Budget \$28,000,000
- '12 Total Tax Revenue \$23,800,000

Gap Analysis 2006 Budget Base

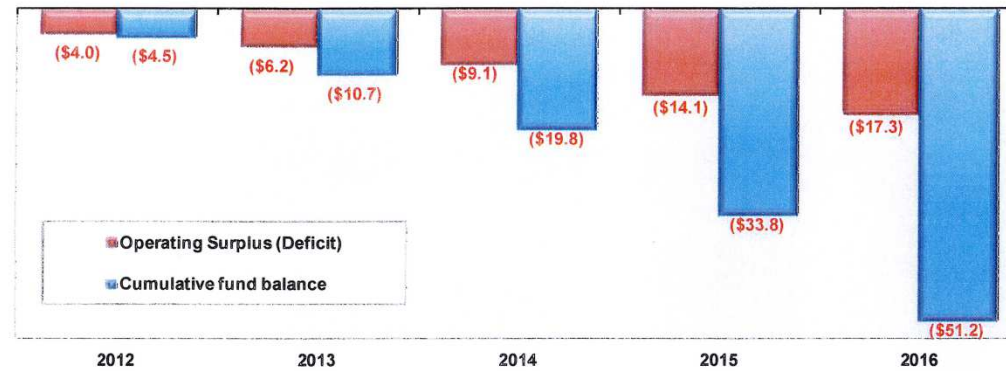


Projected Deficit 2013



Projected Deficit 2016

Baseline Financial Projection – Major Funds (Millions)



	2009 Actual	2010 Estimated	2011 Budgeted	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected
Revenues		51,948,920	83,757,220	58,808,714	58,977,746	58,893,723	59,149,875	59,410,520
Expenditures		54,586,970	80,735,701	62,584,097	65,347,900	68,264,027	73,503,310	77,035,267
Operating surplus (deficit)		(2,638,049)	3,021,518	(3,996,973)	(6,184,921)	(9,062,548)	(14,060,529)	(17,325,431)
Cumulative fund balance	(915,997)	(3,554,046)	(532,528)	(4,529,501)	(10,714,422)	(19,776,970)	(33,837,499)	(51,162,931)