



TO: Mayor and Council

FROM: Craig Hupy, Public Services Area Administrator
Marti Praschan, Financial Manager – Public Services

CC: Tom Crawford, Interim City Administrator
Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: Public Services

DATE: May 13, 2016

Question #72: Page 151: Why is the alternative transportation expenditure for FY16 projected to be so much below budget? (Councilmember Warpehoski)

Response: The FY 16 Alternative Transportation Capital Budget of \$343,205 is comprised of capital projects that although maybe underway will not be fully expensed until FY 17 resulting in a FY16 estimate of \$114,081

Question #75: Fire Station Generators and station 3 and 4 rehabilitation: As I understand, part of the fire dept. accreditation will include a review to determine if our stations are properly cited. Is that correct? If so, what is the justification for capital expenditures on these building? (Councilmember Warpehoski)

Response: The Fires Station Generator projects have long been included in the Capital Improvements Plan in order to ensure that the Stations have power during a power outage or emergency situation. The projects were not as a result of the accreditation process.

Question #77: Is the Fuller/Maiden Lane/E Medical intersection still planned for FY17?? (Councilmember Warpehoski)

Response: The Fuller/Maiden Lane/E Medical intersection project is planned for FY 2020.

Question #100: Can you please provide a dollar breakdown of ALT fund uses for FY 2017? (Councilmember Kailasapathy)

Response: Attached is the financial plan for the Alternative Transportation Fund (0061) that provides the fund detail of revenue and expenditures.

**City of Ann Arbor
Alternative Transportation Financial Plan**

	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	
Rev. 02/01/2016	Actual	Actual	Actual	Plan	Plan	Plan	Plan	Plan	Total To Date
Revenues									
Investment Income	\$ 1,249	\$ 4,616	\$ 3,662	\$ 2,505	\$ 2,738	\$ 2,765	\$ 2,793	\$ 2,821	39,000
Special Assessment-Sidewalk	\$ 7,917	\$ 16,017	\$ 4,424						61,876
Interest and Penalties	\$ 69	\$ 240							309
Operating Transfer-0021	132,708	141,079	282,158	146,125	356,597	394,020	419,079	450,284	2,826,056
Operating Transfer-0022	37,164	39,631	79,262	41,500	100,579	111,134	118,202	127,003	795,572
Operating Transfer-0049				116,963					116,963
Operating Transfer-0057				7,446					7,446
US Dept of Trans-Grant		21,861							21,861
Other Income		28,659							29,135
Prior Year Fund Balance									-
Total Revenues	179,107	252,102	369,506	314,539	459,914	507,919	540,074	580,108	3,898,217
Expenditures									
1000 Systems Planning-Administration	106,213	121,167	122,515	128,608	131,206	135,142	139,196	143,372	1,378,067
9037 Huron Pedestrian Island		2,966							4,908
9038 Safe Routes-Thurston Elementary	(8,585)								-
9061 Washtenaw Non-Motorized Path	49,826	5,917							680,051
9062 Non-motorized Corridor Imprv Proj			298						
9070 06/07 Alternative Transportation	2,025								22,396
9071 Non-Motorized Stimulus/STPU	13,854	1,505							100,765
9072 Non-Motorized Transp Plan Review	6,273	744							9,534
9075 2010 Alt Trans	(723)								2,000
9077 Thurston Elem Safe Routes	38,864	11,478							50,342
9078 Alt Transp Annual Impr	10,324	2,357	3,957						16,638
9132 Bike Share Program		57,062	54,428	38,510					150,000
9139 Pedestrian Safety		22,524	52,643	128,068					203,234
9837 2010 Bike Lane Repaving-Variou Loc									37,600
9842 Clague school Safe Routes	23,713	5,091	44,828	22,173					95,804
9851 Fuller Intermodal Tran Station	50,959								173,303
9852 Non-Motorized Safety Ed & Outreach	5,246	2,025	4,653	10,000	10,000	10,000	10,000	10,000	73,409
9854 FY Non-Motorized Ed & Outreach									17,601
6100-4147 Pavement Marking		8,852	35,530	45,000	25,000	25,750	26,523	27,318	193,972
0061-050 Planning	18,562	18,931	19,897	19,404	19,599	20,187	20,793	21,416	222,793
Non-Motorized Corridor - Liberty				27,081					27,081
Non-Motorized Corridor - State St.									-
RRFB Installations-STPU Matching Funds				50,000					50,000
Non-Motorized Corridor Impr					6,056		16,717		22,773
Allen Creek Berm Opening-Ped Culvert					300,000	200,000	493,153		993,153
									-
									-
									-
									-
Total Expenditures (including transfers out)	316,551	260,619	338,747	468,844	491,861	391,079	706,382	202,107	4,525,425
Fund Balance, Beginning of the Year	\$ 350,921	\$ 213,477	\$ 204,960	\$ 235,719	\$ 81,414	\$ 49,467	\$ 166,307	\$ 0	
Fund Balance, End of the Year	\$ 213,477	\$ 204,960	\$ 235,719	\$ 81,414	\$ 49,467	\$ 166,307	\$ 0	\$ 378,001	



TO: Mayor and Council

FROM: Tom Crawford, Interim City Administrator
Robyn Wilkerson, Human Resources Director

CC: Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: Workforce Planning

DATE: May 13, 2016

Question #78: Why are the gender recruiting numbers so far from parity? (Councilmember Warpehoski)

Response: The types of jobs that we currently have and have recently had available are occurring in typically male occupations. Many of these jobs do not attract female candidates.

Question: #79: Does the “% of Employee diversity mix” number reflect the workforce as a whole, or just new hires? (Councilmember Warpehoski)

Response: The Employee numbers represent the workforce as a whole. The candidate numbers represent all applicants.



TO: Mayor and Council

FROM: Tom Crawford, Interim City Administrator

CC: Matt Horning, Interim CFO/Treasurer
Karen Lancaster, Finance Director

SUBJECT: LDFA

DATE: May 13, 2016

Question #99: As per the LDFA TIF Plan, the administrative expenses are not to exceed 20% of revenues. Would you kindly provide me with the administrative expenses? Also provide details of salaries and benefits of the management? If the managements salaries are part of cost-sharing method of calculation, please provide the costs allocated to TIF revenue? (Councilmember Kailasapathy)

Response: The administrative costs of the LDFA and the portion included in payments to SPARK are for:

Accounting/Reporting (SPARK)	\$104k
Administrative (SPARK)	\$175k
Legal/Audit	\$ 20k
City admin. (including MSC)	\$ 54k
Total	\$353k
TIF revenue	\$3,300k
Admin/TIF Rev.	11%

Attached is a worksheet showing the portion of each position allocated to the LDFA.

L DFA salary allocation-2016/2017*

L DFA %			2016 request
Staff Accountant	32%	Accounting	
Director of Admin and Finance	25%	Accounting	
Client Research and Knowledge Manag	100%	Accounting	
Total Accounting Services			\$104,338.00
CEO	10%	Accelerator Direct Staffing	
Senior Vice President	10%	Accelerator Direct Staffing	
Overhead			
Total Admin and Accountin Services			\$175,246.00
			Administration
			\$279,584.00
VP Marketing	50%	Accelerator Direct Staffing	
Mkt Manager	34%	Accelerator Direct Staffing	
Mkt Coordinator	66%	Accelerator Direct Staffing	
Marketing Intern	20%	Accelerator Direct Staffing	
Event Mgr	70%	Accelerator Direct Staffing	
VP Entrepreneur Svcs.	100%	Accelerator Direct Staffing	
Director Entrepreneur Svcs.	100%	Accelerator Direct Staffing	
			Direct
SPARK Business Accelerator Direct Staffing			\$499,622.00
			\$565,622.00
Total Direct Salaries			\$674,868.00

SPARK Central Incubator Operating Exp

Incubator Coordinator (Admin)	100%	Admin - Incubator Operating	\$66,000.00
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7.2 FTE equivalent

\$845,206.00 \$ 845,206.00



TO: Mayor and Council

FROM: Nancy Walker, Executive Director, Retirement System

CC: Tom Crawford, Interim City Administrator
Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: Retirement System

DATE: May 13, 2016

Question #101: The investment income in FY 2015 was \$23 million where as in 2014 it was \$77 million. What was the impact of this dramatic decrease in the unfunded pension liability? Please let me know what the unfunded liabilities were end of both years? (Councilmember Kailasapathy)

Response: The unfunded actuarial accrued liabilities for the Pension plan and the VEBA *decreased* from fiscal year end 2014 to fiscal year end 2015, and were as follows:

Retirement System:

June 30, 2014	\$89,607,000
June 30, 2015	\$73,718,000

VEBA:

June 30, 2014	\$147,598,000
June 30, 2015	\$143,750,000

The investment income for the plans is only one of several drivers of unfunded actuarial liability; a decrease in investment income does not necessarily fall to the “bottom line” of

the unfunded liability. Other factors also contribute to the funded level of the plan, and the unfunded liability.

For the pension plan, in order to reduce the plan sponsor contribution volatility that investment gains and losses can have on the plan's actuarially required contribution and funded status, the Board of Trustees has adopted a five year smoothing method for recognizing investment returns, to determine the actuarial value of plan assets used for funding purposes. This approach complies with Actuarial Standards of Practice No. 44, and the smoothing technique is common among both public and private sector plans. Also, employer contributions were more than the absolute minimum required, per the City policy. The total liability drivers also include demographic experience factors such as termination and retirement experience, and salary experience of active employees. Salary increases, which add to projections of the possible pension benefits in the future, were about half of the assumed increases. The plan experienced an actuarial gain due to demographics during the year ended June 30, 2015.

For the VEBA, while the market value returns were lower, contributions were higher than the pay-as-you-go cash cost, per city policy. As a result, the net unfunded VEBA liability still decreased.

For all Council members, thank you for your request to the System. We are pleased to provide any additional information that may be of help to Council. A presentation by the System's actuaries can be scheduled if desired.



TO: Mayor and Council

FROM: Derek Delacourt, Community Services Area Administrator

CC: Tom Crawford, Interim City Administrator
Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: Community Services

DATE: May 13, 2016

Question #102: Can you please provide us with the information pertaining to cumulatively how much the City has spent on parks and open spaces acquisitions outside the City limits versus inside the city since its inception? Cumulative dollar values and percentages would be helpful. (Councilmember Kailasapathy)

Response: Acquisition expenses as of March 31, 2016 for inside vs. outside city limits are:

Outside City:	\$ 29,133,491	77%
Inside City:	\$ 8,738,525	23%
TOTAL:	\$ 37,872,016	

These are the direct project-related expenses (purchase price, due diligence, closing costs, endowment) that are tracked by individual acquisitions.



TO: Mayor and Council

FROM: Larry Collins, Fire Chief

CC: Tom Crawford, Interim City Administrator
Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: Fire

DATE: May 13, 2016

Question #103: Does our "response time" metric equal CPSE's "travel time" metric? I assume that the end time is the same -- arrival on scene, but is the beginning time the same for both? (Mayor Taylor)

Response: No. CPSE's travel time metric is 4 minutes or less for EMS emergencies and 4 minutes or less for the first fire apparatus to arrive on scene at a fire or similar emergencies.

AAFD travel time for EMS responses is 5 minutes & 18 seconds on average (we did not include turnout* time in the numbers we provided).

AAFD travel time for first unit arriving on scene of a fire or similar emergency (i.e., haz/mat or technical rescue incident) is 6 minutes and 40 seconds (again we did not include turnout* time in these numbers, just travel time).

Yes, the start time is the same.



TO: Mayor and Council

FROM: Jim Baird, Police Chief

CC: Tom Crawford, Interim City Administrator
Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: Human Rights Committee

DATE: May 13, 2016

Question #104: Regarding anti-bias training, the HRC would like to know how many police officers will be trained and information on what kinds of training are involved? (Councilmember Kailasapathy)

Response: The amount requested should be sufficient to train all sworn staff. The training is designed to educate officers on implicit bias and the role it can play in decision making.



TO: Mayor and Council

FROM: Stephen K. Postema, City Attorney

CC: Tom Crawford, Interim City Administrator
Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: City Attorney's Office

DATE: May 13, 2016

Question #105: Can you confirm that the salaries for the Chief Assistant City Attorney, Senior Assistant City Attorneys, and Assistant City Attorneys contained in the FY 2017 Proposed Budget at p. 10 are within the salary ranges contained in the 2016-2017 City of Ann Arbor Compensation Plan established by the Human Resources Department? (Councilmember Briere)

Response: All of the salaries of these positions are within these salary ranges, except for the most recent position created which is below the minimum established salary for the applicable range.

The following salaries are included in the expenses/personnel services listed on p. 10:

Chief Assistant City Attorney	Level 2	Job Class 403750
	128,083.78	44.30% in range
Senior Assistant City Attorneys (5)	Level 4	Job Class 40330
	117,858.88	66.80% in range
	108,939.35	50.10% in range
	108,000.00	48.30% in range
	104,291.25	41.40% in range
	99,269.80	32% in range

Assistant City Attorneys(2)

Level 6

85,695.94

60,000.00

Job Class 403210

23% in range

this is below minimum salary for this Level.

For your convenience, the salary ranges for these positions are as follows:

Chief Assistant City Attorney	Level 2				
Minimum	99,435	Midpoint	131,752	Maximum	164,068
Senior Assistant City Attorney	Level 4				
Minimum	82,174	Midpoint	108,882	Maximum	135,589
Assistant City Attorney	Level 6				
Minimum	74,532	Midpoint	98,756	Maximum	122,979



TO: Mayor and Council

FROM: Tom Crawford, Interim City Administrator

CC: Matt Horning, Interim CFO
Karen Lancaster, Finance Director

SUBJECT: Deer Management

DATE: May 13, 2016

Question #106: What is staff's view of a reasonable amount of funding for this year's lethal cull since Council just recently learned last year's cost was \$108,000?
(Councilmember Lumm)

Response: After staff sent out the cost summary, it was pointed out that it included \$19,860 for professional facilitation services that were incurred in FY14. As Council is aware, staff has not yet developed a recommended implementation plan for this winter, so any budget amount is still just a provision. At this point, it's reasonable to assume that costs would not exceed the first year's amounts.