



Legislation Details (With Text)

**File #:** 15-0497      **Version:** 1      **Name:** 5/4/15 Resolution to Adopt FY 2016 City Budget  
**Type:** Resolution      **Status:** Passed  
**File created:** 5/4/2015      **In control:** City Council  
**On agenda:** 5/18/2015      **Final action:** 5/18/2015  
**Enactment date:** 5/18/2015      **Enactment #:** R-15-169

**Title:** Resolution to Adopt Ann Arbor City Budget and Related Property Tax Millage Rates for Fiscal Year 2016 (7 Votes Required)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. FY16 Budget Amendments as Approved by Ann Arbor City Council on 051815, 2. Draft Budget Amendments for FY16, 3. List of FY16-17 Budget Questions - Final 5-18-15 REVISED, 4. Budget Responses 3-6-15, 5. Budget Responses 3-20-15, 6. Budget Responses 3-27-15, 7. Budget Responses 4-10-15, 8. Budget Responses 4-24-15, 9. Budget Responses 5-1-15, 10. Budget Responses 5-8-15, 11. Budget Responses 5-13-15, 12. Budget Responses 5-14-15, 13. Budget Responses 5-15-15 NEW, 14. Budget Response -5-18-15 NEW

| Date      | Ver. | Action By    | Action  | Result |
|-----------|------|--------------|---------|--------|
| 5/18/2015 | 1    | City Council |         |        |
| 5/18/2015 | 1    | City Council | Amended | Pass   |
| 5/18/2015 | 1    | City Council | Amended | Pass   |
| 5/18/2015 | 1    | City Council | Amended | Pass   |
| 5/18/2015 | 1    | City Council | Amended | Fail   |
| 5/18/2015 | 1    | City Council | Amended |        |
| 5/18/2015 | 1    | City Council | Amended |        |
| 5/18/2015 | 1    | City Council | Amended | Pass   |
| 5/18/2015 | 1    | City Council |         |        |
| 5/18/2015 | 1    | City Council | Amended | Pass   |
| 5/18/2015 | 1    | City Council | Amended | Fail   |
| 5/18/2015 | 1    | City Council | Amended | Pass   |
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| 5/18/2015 | 1    | City Council | Amended | Pass   |
| 5/18/2015 | 1    | City Council | Amended | Fail   |
| 5/18/2015 | 1    | City Council | Amended | Fail   |
| 5/18/2015 | 1    | City Council |         |        |
| 5/18/2015 | 1    | City Council | Amended | Pass   |

|           |   |              |                     |      |
|-----------|---|--------------|---------------------|------|
| 5/18/2015 | 1 | City Council | Approved as Amended | Pass |
| 5/4/2015  | 1 | City Council | Held and Closed     |      |

**Resolution to Adopt Ann Arbor City Budget and Related Property Tax Millage Rates for Fiscal Year 2016 (7 Votes Required)**

Attached for your review and action is the proposed FY 2016 City Budget that totals \$381 million and is in compliance with the City Charter. This budget resolution reflects the recommended budget delivered to you on April 20, 2015.

**General Fund Activities**

This recommended budget holds recurring expenditure levels in line with the projected revenue levels.

|                            | <u>FY 2016</u>      |
|----------------------------|---------------------|
| Recurring Revenues         | \$ 97,673,446.00    |
| Non-recurring Revenues     | <u>3,185,778.00</u> |
|                            | \$100,859,224.00    |
| Recurring Expenditures     | \$ 96,472,626.00    |
| Non-recurring Expenditures | <u>2,306,848.00</u> |
| Total Expenditures         | \$ 98,779,474.00    |

General Fund recurring expenditures increased by \$1,135,948 (+1.2%) compared to FY 2015's adopted budget, and recurring revenues increased by \$2,336,768 (+2.5%). Below is a summary of non-recurring expenditures:

| General Fund Non-recurring Expenditures                                 | FY 2016       |
|---|---------------|
| City Administrator-Strategic Management Assistance                      | \$ 50,000 .00 |
| City Administrator-Citizen survey                                       | 30,000 .00    |
| City Clerk-presidential primary election                                | 110,000 .00   |
| City Attorney-upgrade CityLaw software                                  | 15,000 .00    |
| Housing Commission One-time support                                     | 180,000 .00   |
| Community Services-Affordable Housing Workgroup                         | 25,000 .00    |
| Community Services-training on International Property Maintenance Code  | 10,000 .00    |
| Community Services-Deer Management                                      | 40,000 .00    |
| Community Services-hire consultants for zoning amendments               | 75,000 .00    |
| Community Services-hire consultant for Allen Creek Greenway Master Plan | 200,000 .00   |
| Public Services-Geddes sidewalk   | 364,285 .00   |
| Public Services-Barton and Superior Dam work                            | 120,000 .00   |
| Public Services-Guy C. Larcom Building Environmental Controls           | 90,000 .00    |
| Public Services-Council Chambers renovations Phase 2                    | 140,000 .00   |
| Public Services-Fire Station generators (CIP item)                      | 230,000 .00   |
| Public Services-415 West Washington Site Stabilization                  | 133,000 .00   |
| District Court-Document Imaging Project                                 | 50,300 .00    |
| Safety Services-Police-CALEA accreditation                              | 39,297 .00    |

|   |                  |
|---|------------------|
| Safety Services-Police-Body Armor, AEDs for patrol cars, and tasers | 108,800 .00      |
| Safety Services-Police-Promotional Process Costs                    | 35,000 .00       |
| Safety Services-Fire-CPSE Accreditation                             | 86,000 .00       |
| Safety Services-Fire-One year support for Fire Dashboard            | 26,510 .000      |
| Safety Services-Fire-Equipment : KnoxBox, SCBA, thermal imaging     | 40,656 .00       |
| Safety Services-Fire-Two passenger vehicles for department pool     | 48,000 .00       |
| Non-departmental-Pedestrian Safety - sidewalk gaps & enforcement    | 60,000 .00       |
| Total General Fund Non-recurring Expenditures                       | \$ 2,306,848 .00 |

**FTEs**

The City's FTEs are proposed to increase from 720 to 722 in FY 2016 (excluding transfers between Service Areas):

- 1 FTE increase in Community Services, Planning and Development
- 1 FTE increase in Community Services, Housing Commission

**Millage Rates**

The following millages are the maximum allowable levy after the Headlee rollback multiplier is applied (for FY 2016 the Headlee rollback multiplier is anticipated to be 0.9996):

|  | <b>PROPOSED<br/>FY 2016</b> | <b>ACTUAL<br/>2015</b> | <b>FY DIFFERENCE</b> |
|--|-----------------------------|------------------------|----------------------|
| GENERAL OPERATING                          | 6.1657                      | 6.1682                 | 0.0025               |
| EMPLOYEE BENEFITS                          | 2.0552                      | 2.0560                 | 0.0008               |
| AAATA                                      | 2.0552                      | 2.0560                 | 0.0008               |
| REFUSE COLLECTION                          | 2.4660                      | 2.4670                 | 0.0010               |
| STREET & SIDEWALK<br>RECONSTRUCTION        | 2.1242                      | 2.1250                 | 0.0008               |
| PARK MAINTENANCE & CAPITAL<br>IMPROVEMENTS | 1.0996                      | 1.1000                 | 0.0004               |
| OPEN SPACE & PARKLAND<br>PRESERVATION      | <u>0.4777</u>               | <u>0.4779</u>          | <u>0.0002</u>        |
| TOTAL                                      | 16.4436                     | 16.4501                | 0.0065               |

Prepared by: Tom Crawford, Chief Financial Officer

Approved by: Steven D. Powers, City Administrator

Whereas, City Council has reviewed the City Administrator's proposed budget for FY 2016 for the City of Ann Arbor; and

Whereas, A public hearing and various public meetings have been held to obtain citizen input on the proposed budget;

RESOLVED, That Council adopts the General Fund Allocations as listed in the FY 2016 Consolidated Plan, to be funded out of the Community Development Budget;

RESOLVED, That any contributions to the Special Assistance Fund in excess of the budgeted amount, shall be appropriated at the time of receipt and for the purpose of the Ann Arbor Assistance Fund;

RESOLVED, That any funds contributed to the Parks Memorials and Contributions fund in excess of the budgeted amount shall be appropriated at the time of receipt for the purpose of that fund without regard to fiscal year;

RESOLVED, That any contributions to the Drug Enforcement Fund, the Federal Equitable Sharing Forfeiture Fund and the Michigan Justice Training Fund in excess of the budgeted amount, shall be appropriated at the time of receipt, without regard to fiscal year, and for the purpose of the Drug Enforcement Fund, the Federal Equitable Sharing Forfeiture Fund and the Michigan Justice Training Fund, respectively;

RESOLVED, That the proposed list of Capital Improvement projects in the amount of \$195,448,931.00 be approved; and that \$48,488,344.00 be appropriated in FY 2016 for these or similar projects, within the respective funds, as determined by the Service Area, and may be carried forward without regard to fiscal year;

RESOLVED, That the dangerous building funding previously appropriated and budgeted in the General Fund (R-12-055) move to the Capital Projects fund (00CP) and costs recovered be appropriated to the 00CP budget at the time of receipt without regard to fiscal year;

RESOLVED, That the Technology Improvement projects in the amount of \$608,768.00 be appropriated without regard to fiscal year;

RESOLVED, That a total 722 full-time equivalent positions be adopted in the FY 2016 budget;

RESOLVED, That the City Administrator be authorized to transfer funds between service units within the designated service areas or from Non-Departmental within the same fund;

RESOLVED, That the City Council approve the proposed FY 2016 Ann Arbor-Ypsilanti SmartZone LDFA budget, as a component unit of the City of Ann Arbor in Fiscal Year 2016 in a dedicated fund containing \$2,852,929.00 in revenues and \$2,852,929.00 in expenditures;

RESOLVED, That the following appropriations constitute the General Fund budget for FY 2016;

**REVENUES**

|                                 |               |
|---------------------------------|---------------|
| CITY ATTORNEY                   | \$ 194,105.00 |
| CITY ADMINISTRATOR              |               |
| Clerk Services                  | 302,500.00    |
| COMMUNITY SERVICES              |               |
| Planning & Development Services | 1,726,200.00  |

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|                                    |                          |
|------------------------------------|--------------------------|
| Planning                           | 264,000.00               |
| Parks and Recreation Services      | 4,317,920.00             |
| FINANCIAL SERVICES                 |                          |
| Financial and Budget Planning      | 27,320,440.00            |
| Treasury                           | 43,582,327.00            |
| Customer Service                   | 80,000.00                |
| PUBLIC SERVICES                    |                          |
| Field Operations                   | 90,900.00                |
| Water Treatment                    | 372,847.00               |
| SAFETY SERVICES                    |                          |
| Police                             | 2,888,989.00             |
| Fire                               | 445,000.00               |
| DISTRICT COURT                     | 2,072,557.00             |
| NON-DEPARTMENTAL                   | <u>17,201,439.00</u>     |
| <b>TOTAL GENERAL FUND REVENUES</b> | <b>\$ 100,859,224.00</b> |

**EXPENDITURES**

|                                 |               |
|---------------------------------|---------------|
| MAYOR AND CITY COUNCIL          | \$ 376,077.00 |
| CITY ATTORNEY                   | 2,025,833 .00 |
| CITY ADMINISTRATOR              |               |
| City Administrator              | 702,474.00    |
| Human Resources                 | 1,866,526.00  |
| Clerk Services                  | 1,117,502.00  |
| Safety                          | 286,772.00    |
| COMMUNITY SERVICES              |               |
| Planning & Development Services | 1,474,069.00  |
| Planning                        | 1,323,082.00  |
| Community Development           | 4,046,288.00  |
| Parks and Recreation            | 5,696,568.00  |
| FINANCIAL SERVICES              |               |
| Accounting                      | 789,672.00    |
| Assessor                        | 1,080,906.00  |
| Customer Service                | 220,766.00    |
| Financial and Budget Planning   | 1,021,056.00  |
| Information Technology          | 3,273,808.00  |
| Procurement                     | 269,106.00    |
| Risk Management                 | 80,728.00     |
| Treasury                        | 656,332.00    |
| PUBLIC SERVICES                 |               |
| Field Operations                | 4,773,850.00  |
| Fleet & Facilities              | 3,943,647.00  |
| Project Management              | 3,740,023.00  |

|  |                         |
|--|-------------------------|
| Public Services Administration         | 155,151.00              |
| Systems Planning                       | 64,191.00               |
| Water Treatment Services               | 339,519.00              |
| SAFETY SERVICES                        |                         |
| Police                                 | 25,542,873.00           |
| Fire                                   | 15,053,613.00           |
| DISTRICT COURT                         | 4,454,819.00            |
| NON-DEPARTMENTAL                       | <u>14,404,223.00</u>    |
| <b>TOTAL GENERAL FUND EXPENDITURES</b> | <b>\$ 98,779,474.00</b> |

RESOLVED, That the following other funds revenue and expenditure appropriations are adopted for FY 2016 budget; and

**REVENUES**

| <b>Fund #</b> | <b>Fund Name</b>                   | <b>Amount</b>  |
|---------------|------------------------------------|----------------|
| 0001          | DDA/HOUSING FUND                   | \$ 302,080.00  |
| 0002          | ENERGY PROJECTS                    | 260,796.00     |
| 0003          | DOWNTOWN DEVELOPMENT AUTHORITY     | 5,174,559.00   |
| 0009          | SMART ZONE LDFA                    | 2,852,929.00   |
| 0010          | GENERAL                            | 100,859,224.00 |
| 0011          | CENTRAL STORES                     | 1,390,727.00   |
| 0012          | FLEET SERVICES                     | 9,589,075.00   |
| 0014          | INFORMATION TECHNOLOGY             | 7,143,914.00   |
| 0016          | COMMUNITY TELEVISION NETWORK       | 4,592,736.00   |
| 0021          | MAJOR STREET                       | 7,779,981.00   |
| 0022          | LOCAL STREET                       | 2,061,952.00   |
| 0023          | COURT FACILITIES                   | 225,000.00     |
| 0024          | OPEN SPACE & PARKLAND PRESERVATION | 2,445,064.00   |
| 0025          | BANDEMER PROPERTY                  | 8,129.00       |
| 0026          | CONSTRUCTION CODE FUND             | 2,928,846.00   |
| 0027          | DRUG ENFORCEMENT                   | 130,450.00     |
| 0028          | FEDERAL EQUITABLE SHARING          | 57,500.00      |
| 0033          | DDA PARKING MAINTENANCE            | 5,534,942.00   |
| 0034          | PARKS MEMORIALS & CONTRIBUTIONS    | 39,982.00      |
| 0035          | GENERAL DEBT SERVICE               | 8,933,683.00   |
| 0036          | METRO EXPANSION                    | 359,211.00     |
| 0038          | ANN ARBOR ASSISTANCE               | 4,000.00       |
| 0041          | OPEN SPACE ENDOWMENT               | 4,500.00       |
| 0042          | WATER SUPPLY SYSTEM                | 28,606,888.00  |
| 0043          | SEWAGE DISPOSAL SYSTEM             | 26,329,708.00  |
| 0048          | AIRPORT                            | 951,609.00     |

|      |   |                                 |
|------|---|---------------------------------|
| 0049 | PROJECT MANAGEMENT                      | 9,336,107.00                    |
| 0052 | VEBA TRUST                              | 11,453,203.00                   |
| 0053 | POLICE AND FIRE RELIEF                  | 3,000.00                        |
| 0054 | CEMETERY PERPETUAL CARE                 | 800.00                          |
| 0055 | ELIZABETH R DEAN TRUST                  | 55,136.00                       |
| 0057 | RISK FUND                               | 33,308,932.00                   |
| 0058 | WHEELER CENTER                          | 455,927.00                      |
| 0059 | EMPLOYEES RETIREMENT SYSTEM             | 38,305,411.00                   |
| 0060 | GENERAL DEBT /SPECIAL ASSESSMENTS       | 49,475.00                       |
| 0061 | ALTERNATIVE TRANSPORTATION              | 314,539.00                      |
| 0062 | STREET REPAIR MILLAGE                   | 14,012,804.00                   |
| 0063 | DDA PARKING SYSTEM                      | 22,443,368.00                   |
| 0064 | MICHIGAN JUSTICE TRAINING               | 20,000.00                       |
| 0069 | STORMWATER SEWER SYSTEM                 | 7,714,526.00                    |
| 0070 | AFFORDABLE HOUSING                      | 13,666.00                       |
| 0071 | PARK MAINTENANCE & CAPITAL IMPROVEMENTS | 5,722,642.00                    |
| 0072 | SOLID WASTE FUND                        | 19,649,060.00                   |
| 0082 | STORMWATER BOND                         | 5,169,000.00                    |
| 0088 | SEWER BOND                              | 7,895,000.00                    |
| 0089 | WATER BOND                              | 12,737,000.00                   |
| 00CP | GENERAL CAPITAL FUND                    | 3,417,365.00                    |
|      |   | <b><u>\$ 410,644,446.00</u></b> |

**EXPENDITURES**

| <b>Fund #</b> | <b>Fund Name</b>                   | <b>Amount</b> |
|---------------|------------------------------------|---------------|
| 0001          | DDA/HOUSING FUND                   | \$ 302,080.00 |
| 0002          | ENERGY PROJECTS                    | 260,796.00    |
| 0003          | DOWNTOWN DEVELOPMENT AUTHORITY     | 5,174,559.00  |
| 0009          | SMART ZONE LDFA                    | 2,852,929.00  |
| 0010          | GENERAL                            | 98,779,474.00 |
| 0011          | CENTRAL STORES                     | 1,388,655.00  |
| 0012          | FLEET SERVICES                     | 9,589,075.00  |
| 0014          | INFORMATION TECHNOLOGY             | 6,922,805.00  |
| 0016          | COMMUNITY TELEVISION NETWORK       | 4,504,507.00  |
| 0021          | MAJOR STREET                       | 7,596,502.00  |
| 0022          | LOCAL STREET                       | 2,018,178.00  |
| 0023          | COURT FACILITIES                   | 225,000.00    |
| 0024          | OPEN SPACE & PARKLAND PRESERVATION | 1,408,875.00  |
| 0025          | BANDEMER PROPERTY                  | 716.00        |
| 0026          | CONSTRUCTION CODE FUND             | 2,744,674.00  |
| 0027          | DRUG ENFORCEMENT                   | 130,450.00    |

|      |   |                          |
|------|---|--------------------------|
| 0028 | FEDERAL EQUITABLE SHARING               | 57,500.00                |
| 0033 | DDA PARKING MAINTENANCE                 | 5,534,942.00             |
| 0034 | PARKS MEMORIALS & CONTRIBUTIONS         | 30,000.00                |
| 0035 | GENERAL DEBT SERVICE                    | 8,933,683.00             |
| 0036 | METRO EXPANSION                         | 353,724.00               |
| 0038 | ANN ARBOR ASSISTANCE                    | 4,000.00                 |
| 0042 | WATER SUPPLY SYSTEM                     | 20,913,309.00            |
| 0043 | SEWAGE DISPOSAL SYSTEM                  | 21,640,962.00            |
| 0048 | AIRPORT                                 | 927,098.00               |
| 0049 | PROJECT MANAGEMENT                      | 9,336,107.00             |
| 0052 | VEBA TRUST                              | 660,569.00               |
| 0055 | ELIZABETH R DEAN TRUST                  | 55,136.00                |
| 0057 | RISK FUND                               | 33,308,932.00            |
| 0058 | WHEELER CENTER                          | 452,182.00               |
| 0059 | EMPLOYEES RETIREMENT SYSTEM             | 36,778,463.00            |
| 0060 | GENERAL DEBT /SPECIAL ASSESSMENTS       | 49,475.00                |
| 0061 | ALTERNATIVE TRANSPORTATION              | 307,093.00               |
| 0062 | STREET REPAIR MILLAGE                   | 14,012,804.00            |
| 0063 | DDA PARKING SYSTEM                      | 22,443,368.00            |
| 0064 | MICHIGAN JUSTICE TRAINING               | 20,000.00                |
| 0069 | STORMWATER SEWER SYSTEM                 | 6,426,860.00             |
| 0071 | PARK MAINTENANCE & CAPITAL IMPROVEMENTS | 5,642,230.00             |
| 0072 | SOLID WASTE FUND                        | 19,649,060.00            |
| 0082 | STORMWATER BOND                         | 5,169,000.00             |
| 0088 | SEWER BOND                              | 7,895,000.00             |
| 0089 | WATER BOND                              | 12,737,000.00            |
| 00CP | GENERAL CAPITAL FUND                    | 3,417,365.00             |
|      |   | <u>\$ 380,655,137.00</u> |

RESOLVED, That the following millages shall be levied for the City of Ann Arbor for FY 2016:

|   | <b>PROPOSED</b> |
|---|-----------------|
| GENERAL OPERATING                       | 6.1657          |
| EMPLOYEE BENEFITS                       | 2.0552          |
| AAATA                                   | 2.0552          |
| REFUSE COLLECTION                       | 2.4660          |
| STREET & SIDEWALK RECONSTRUCTION        | 2.1242          |
| PARK MAINTENANCE & CAPITAL IMPROVEMENTS | 1.0996          |
| OPEN SPACE & PARKLAND PRESERVATION      | <u>0.4777</u>   |
| TOTAL                                   | <u>16.4436</u>  |

**See Attached Amendments as Approved by Ann Arbor City Council on May 18, 2015**