



## Legislation Text

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**File #:** 07-0280, **Version:** 1

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Resolution Amending the Fiscal Year 2008 Budget and Amending the Fiscal Year 2009 Fiscal Plan to Adjust Funding For the General Fund Budget Supporting the Parks System

Whereas, In the spring of 2007, while developing the City's Budget for fiscal years 2008 and 2009, City Financial staff used approved budgeting methods consistent with practices from previous years which resulted in a decrease in the General Fund allocation to the overall budget supporting the City's Parks System;

Whereas, On Oct. 3, 2006, City Council passed a resolution that, upon approval of the November 2006 Parks Millage ballot initiative, the General Fund portion of the overall budget supporting the City's Park System Budget would not be reduced more than the average of other General Fund operations of the City in the next 6 years of the millage;

Whereas, This resolution lacked specific information on the accounting methods that would be utilized; the resolution could not anticipate the fact that park revenues could fall short of estimates, and these oversights led some residents and even some Council Members to believe the City had not lived up to its Oct. 3, 2006 promise in regard to the Parks System Budget;

Whereas, The approved FY2007 General Fund allocation to the Parks System was \$6,711,562 and the approved FY08 allocation was \$6,175,976, which is a difference of \$535,586;

Whereas, When compared to FY 2007 there was a \$426,739 drop in estimated revenues to the General Fund Parks System in the FY08 budget;

Whereas, This drop in Park System budgeted FY 08 revenues reflected the fact that certain FY 07 fee revenue in the amount of \$248,000 did not materialize and could not be expected in the new fiscal year;

Whereas, It is the desire of the Ann Arbor City Council to increase the FY 08 Parks System General Fund allocation by \$287,586 to \$6,463,562 and therefore, the difference between the FY 07 and FY 08 General Fund allocations is \$248,000 rather than \$535,586;

Whereas, Sufficient funds exist in the General Fund Reserve to adjust the approved FY08 General Fund Parks System Budget without negatively impacting other City operations or the City's bond rating; and

Whereas, This adjustment should be reflected in the second year of the two-year fiscal plan and reconciled when the FY 09 Budget is reviewed in May 2008;

RESOLVED, That \$287,586 be transferred from the General Fund Balance to the FY 08 General Fund Budget and be allocated as follows: Public Services Park Operations Maintenance expenditures be increased by \$191,820 (two-thirds 2/3 of the adjustment) and Community Services

Parks and Recreation Services expenditures be increased by \$95,766 (one-third 1/3 of the adjustment) thus restoring the overall Parks System Budget allocation to its adjusted FY 07 level and increasing the General Fund Subsidy to the Parks System by 4.3% over FY 07; and

RESOLVED, That the FY 09 Fiscal Plan is amended to increase expenditures by \$287,586, prorated to Public Services Park Operations Maintenance \$191,820 (two-thirds (2/3) of the adjustment) and to Community Services Parks and Recreation Services \$95,766 (one-third (1/3) of the adjustment) thus amending the FY09 Fiscal Plan to reflect increases in overall Parks System funding by 3.2% over the adjusted FY07 budget and the General Fund Subsidy to the Parks System by 8.7% over FY07.