



Legislation Text

File #: 16-0841, **Version:** 1

Resolution to Amend Ann Arbor City Budget for Fiscal Year 2016 (**8 Votes Required**)

Attached for your review and approval, please find a resolution to amend the Ann Arbor City Budget for Fiscal Year 2016.

The Michigan Public Act 621 of 1978, as amended, provides that the City shall not incur expenditures in excess of the amounts appropriated. In order to comply with PA 621, the City monitors expenditures against the adopted budget on a monthly basis and appropriates budget amendments be adopted by Council as needed.

Management of the City has monitored the revenue and expenditure activity against the adopted budget for the various funds throughout the year. In addition, management has attempted to periodically forecast the remainder of the fiscal year's revenue and expenditures.

In monitoring the various funds, management has forecasted certain variances versus budget that require budget amendments to remain in compliance with PA 621 as indicated above. These variances and the reasons for the variances are listed on the attachment.

The total requested General Fund budget amendment is \$490,000. The budget amendment for all other funds totals \$18,190,163. A detail of the requested appropriations is attached.

Passage of this Resolution and approval of the fiscal year 2016 budget amendments as prepared is recommended.

Prepared by: Kenneth J. Bogan, Senior Finance Specialist

Reviewed by: Matthew Horning, Interim Chief Financial Officer

Approved by: Tom Crawford, Interim City Administrator

Whereas, On May 18, 2015, City Council adopted the annual operating budget for FY 2016 for the City of Ann Arbor;

Whereas, The Michigan Public Act 621 of 1978, as amended, provides that the City shall not incur expenditures in excess of the amounts appropriated;

Whereas, The City's management have monitored revenues and expenditures and have forecasted revenues and expenditures against the adopted budget; and

Whereas, The forecasted expenditures are in excess of the City's adopted budget for some units in the General Fund, and certain other funds in total as listed below;

RESOLVED, That City Council amend the General Fund expenditure budget by \$490,000 as follows, with the source of funding for the City Clerk's office \$75,000 a refund/reimbursement of expenditures; for Community Development an Intragovernmental transfer from the AAHC of \$150,000; for Parks & Recreation services \$100,000 increased Livery revenues; and the remaining \$165,000 from use of

fund balance:

GENERAL FUND EXPENDITURES

CITY ADMINISTRATOR - City Administrator \$90,000
CITY ADMINISTRATOR - Clerk Services 75,000
CITY ATTORNEY 45,000
COMMUNITY SERVICES - Community Dev 150,000
COMMUNITY SERVICES - Parks & Recreational 100,000
COMMUNITY SERVICES - Planning & Development 30,000

TOTAL GENERAL FUND EXPENDITURES \$490,000

RESOLVED, That Council amend the following other funds' revenue and expenditure budgets for FY 2016, with the source of funding as indicated:

REVENUES

<u>Fund</u>	<u>Fund Name</u>	<u>Amount</u>
0026	CONSTRUCTION CODE FUI	\$ 64,000
0035	GENERAL DEBT SERVICE F18,126,163 proceeds	

EXPENDITURES

<u>Fund</u>	<u>Fund Name</u>	<u>Amount</u>
0026	CONSTRUCTION CODE FUI	\$ 64,000
0035	GENERAL DEBT SERVICE F18,126,163	

ATTACHMENT

**City of Ann Arbor
Proposed Fiscal Year 2016 Budgeted Amendments**

General Fund Expenditures

<u>Service Area/Unit</u>	<u>Reasons</u>	<u>Impact</u>
City Administrator:		
City Administrator	City Administrator severance, recruiting and hiring costs for new City Administrator	\$ 90,000
City Clerk Services	Cost of May special election, to be reimbursed	75,000

City Attorney:	Payout of extra vacation for City Attorney, and increased salaries for attorneys	45,000
Community Services:		
Community Development	Housing commission unbudgeted overtime and temporary employee pay, to be reimbursed by the AAHC	150,000
Parks & Recreation	Higher than anticipated activity levels at the liveries	100,000
Planning & Development	Recruiting and hiring costs for new Community Services Area Administrator	30,000
Total		\$ 490,000

Non-General Funds Expenditures

<u>Fund</u>	<u>Reasons</u>	<u>Impact</u>
Construction Code Fund	Unplanned severances	\$ 64,000
General Debt Service Fund	Bond refunding for the Maintenance Facility bonds	18,126,163
Total Non-General Funds		\$ 18,190,163