

# Ann Arbor DDA

FY26 and FY27 Budget Work Session –  
**Parking Funds**

- Budget Basics
- Budget Highlights
- Budget Summary
- Next Steps

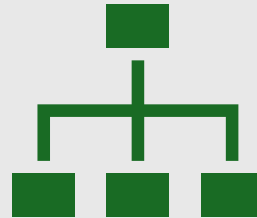
# Budget Basics

## Overview



### **Basis & Authority**

Our budget process is informed by statute, City ordinance, the development plan, etc.



### **Organizational Structure**

Our financial statements are presented by system, but our budgets are approved by fund –

*Parking Fund & Parking CIP Fund.*

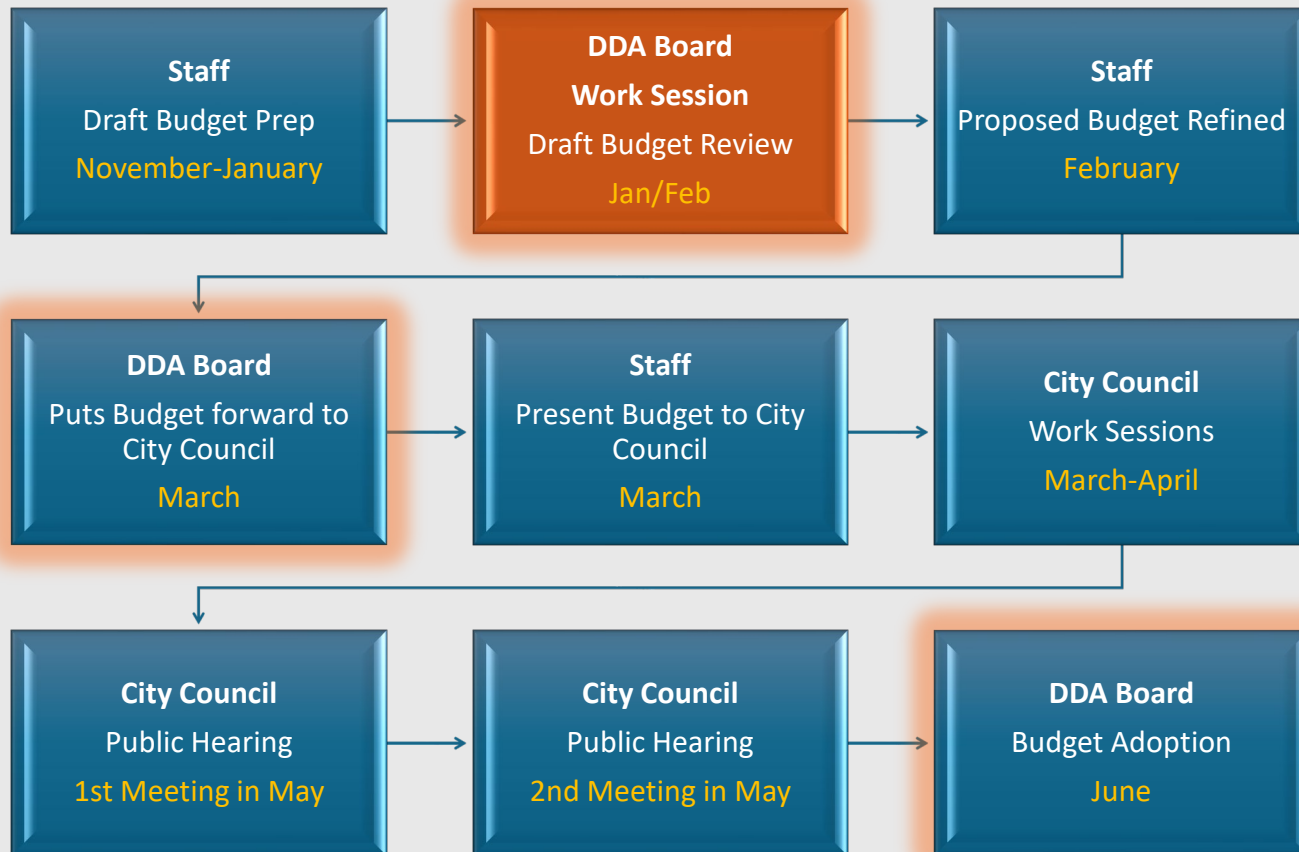


### **Bi-Annual Process**

FY26 is the first year of the two-year cycle when we budget for year one and plan for year two.

# Budget Basics

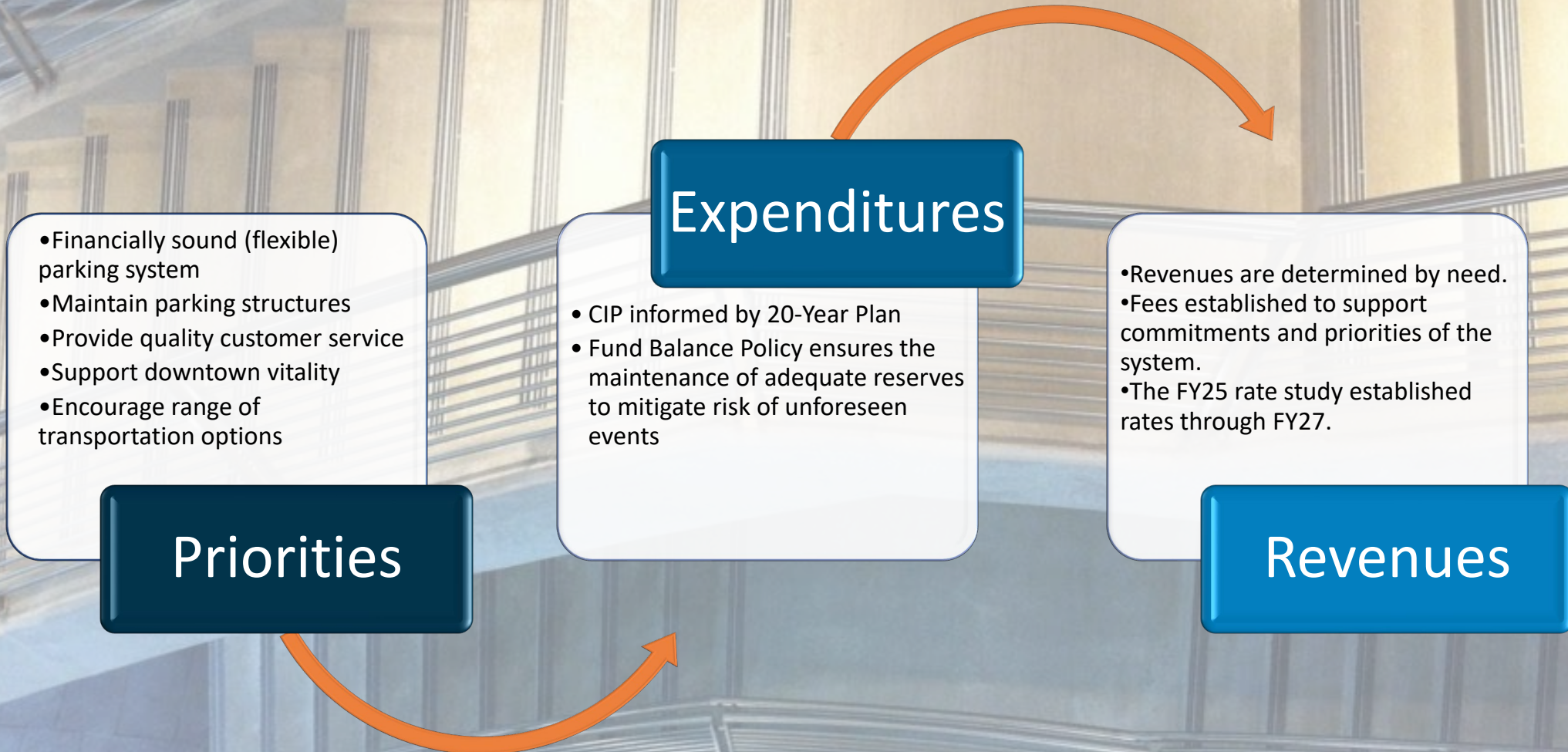
## Timeline



- **Budget year** - July 1 thru June 30 (FY26)
- DDA Budget must be adopted before July 1.
- City Budget includes DDA Budget as **component unit**
- DDA Budget goes thru City public hearing process
- DDA Budget is adopted by DDA Board after approval by City per statute

# Budget Basics

## Parking Budget Overview





Project Name	2026	2027	2028	2029	2030	2031
Parking Facilities General	200,000	200,000	200,000	200,000	200,000	200,000
Parking Equipment	325,000	325,000	325,000	325,000	325,000	200,000
Structure Restoration	3,202,000	3,318,000	3,196,000	3,183,000	3,200,000	3,200,000
Parking Structure Elevators	750,000	800,000	425,000	200,000	200,000	200,000
Ann (First St to Fifth) Resurfacing	27,000	109,000	-	-		-
DDA Elevate Program	50,000	50,000	50,000	50,000	50,000	50,000
Bridge Inspection	5,000	5,000	5,000	5,000	5,000	5,000
<b>Total Parking</b>	<b>4,559,000</b>	<b>4,807,000</b>	<b>4,201,000</b>	<b>3,963,000</b>	<b>3,980,000</b>	<b>3,855,000</b>

## Budget Highlights

### Capital Improvement Plan

### Parking CIP Fund & Parking Fund

- The DDA participates in the City's Capital Improvement Plan (CIP) process as required by City Ordinance.
- The Parking CIP amounts are informed by the DDA's **Twenty-Year Plan**
- CIP values are approved without regard to year and can 'rollover' from year to year.

# Budget Highlights

CIP – Structure Restoration (\$3.2M/\$3.3M)

## Parking CIP Fund

**Annual restoration package-Concrete repairs, sealants, waterproofing, railing repairs, striping, and painting**

- FY26- 4<sup>th</sup> & Washington, Maynard, Forest, and Ann Ashley
- FY27- 1<sup>st</sup> & Washington, Library Lane, and Ann Ashley

### **Additional projects**

- FY26- Completion of lighting project at Forest and 4<sup>th</sup> & Washington, generator at 4<sup>th</sup> & Washington
- FY26- Liberty Square Stairs- replacement of treads and landings in both stairwells (possible additional scope to include replacement of windows, ventilation upgrades, and painting)
- FY27- Lighting project at Maynard





# Budget Highlights

## Other CIP Items

### Parking CIP Fund

#### **CIP Elevator (\$750K/\$800K)**

- FY26- Modernization projects at 4<sup>th</sup> & Washington and Maynard, deposit on modernization for both cars at Ann Ashley
- FY26- Completion of modernization project at Ann Ashley, deposit on modernization for both cars at Forest

#### **CIP Equipment (\$325K/\$325K)**

- FY26- Replace/upgrade equipment at 4<sup>th</sup> & William and Maynard
- FY27- Replace/upgrade equipment at Liberty Square

#### **CIP General (\$200K/\$200K)**

- Mechanical systems and on-street ADA spaces





# Budget Highlights

## Operations

### Parking Fund

- On-street mobile app- annual increase, or possible new provider.
- T2- replace credit card readers for enhanced encryption (265 on-street kiosks)
- ASSA- install electronic key system for additional access control (265 on-street kiosks)
- TIBA- transition to cloud based back-office system (98 devices)



Park Management

Analytics

Park History

Park Planning

Search Device


🔍

Select Devices

Clear All


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Exit PIL Left Lane Test




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
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Global Occupancy

Remaining Place

6,531

Open Gates

0

Open Gate-Entry

0

Total Occupancy

7,603

Open Tickets

0

Open Gate-Exit

0

Monthlies

481

Transient

11,812

Pending eVoucher

0

Category Occupancy

My Category 1

0

My Category 2

1,261

My Category 3

1,054

Entries

12

1,210

1,083

Exits

28

1,149

49

Global Revenue

Current Z:

301

Start Time:

03/22/20 00:00:00

Cash

1180.50

Credit

180,000.50

Validations

180.50

Cancelled Cash

180.50

Cancelled Credit

180.50

Cancelled Validations

180.50



Issue	Actual FY 2024	Projected FY 2025	Budget FY 2026	Budget FY 2027	Estimated FY 2028	Estimated FY 2029	Estimated FY 2030	Estimated FY 2031	Estimated FY 2032	Estimated FY 2033
<b>DDA General (TIF) Fund</b>										
City PD/Court	508,608	366,200								
1st & Washington	295,895	295,360								
5th & Division (R)	325,889	327,659	325,432	328,182	330,642	332,277	334,711	337,374	339,717	342,054
Prk. Structure Ped Imp. (R)	493,992	497,660								
Library Ln Future Dev. (R)	302,221	303,957								
First & Ashley, William & Huron	1,342,050	1,342,650	1,342,350	1,346,150	1,343,900	1,345,750	1,432,325	1,346,300	1,345,000	1,305,200
Fees	7,185	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
<b>Total Gen/TIF Fund Debt</b>	<b>3,275,840</b>	<b>3,134,800</b>	<b>1,669,100</b>	<b>1,675,700</b>	<b>1,675,900</b>	<b>1,679,400</b>	<b>1,768,400</b>	<b>1,685,000</b>	<b>1,686,100</b>	<b>1,648,600</b>
<b>Parking Fund</b>										
4th & William Addition										
4th & William Addition (R)	308,600	307,900	312,100	311,100						
1st & Washington	295,895	295,360	598,713	600,475	600,050	598,550	596,550	598,438	604,650	
Prk. Structure Ped Imp. (R)			493,917	498,090	501,824	504,305	507,998	512,041	515,596	519,143
Library Ln Future Dev. (R)			303,271	305,834	308,127	309,650	311,918	314,400	316,583	318,761
Library Ln Underground (R)	1,912,247	1,924,473	1,913,130	1,929,294	1,943,757	1,953,368	1,967,673	1,983,334	1,997,104	2,010,842
Fees	1,315	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
<b>Total Parking Fund</b>	<b>2,518,057</b>	<b>2,529,100</b>	<b>3,622,500</b>	<b>3,646,100</b>	<b>3,355,100</b>	<b>3,367,200</b>	<b>3,385,500</b>	<b>3,409,600</b>	<b>3,435,300</b>	<b>2,850,100</b>
<b>Total All Funds</b>	<b>5,793,897</b>	<b>5,663,900</b>	<b>5,291,600</b>	<b>5,321,800</b>	<b>5,031,000</b>	<b>5,046,600</b>	<b>5,153,900</b>	<b>5,094,600</b>	<b>5,121,400</b>	<b>4,498,700</b>

# Budget Highlights

## Debt Allocation

### Parking Fund

- A debt reallocation is proposed beginning in FY26.
- It will shift \$1.1M of annual debt payments from the TIF system to the Parking system.
- The new distribution better aligns with our current model for debt allocation.

# Budget Summary

## FY25 Budget vs Projected

### Parking Fund

		FY24	FY25	FY25	FY25	FY25	FY25
		Activity	Budget	Activity	Projected	Variance	% Var
Revenues	Parking Fees	20,623,170	22,332,000	12,553,613	23,632,000	1,300,000	6%
	Interest	693,950	20,000	307,565	20,000	-	0%
	Other	139,509	120,000	510,503	540,500	420,500	350%
	<b>Total Revenues</b>	<b>21,456,629</b>	<b>22,472,000</b>	<b>13,371,681</b>	<b>24,192,500</b>	<b>1,720,500</b>	<b>8%</b>
Expenditures	Administration	839,184	1,682,400	288,050	993,200	(689,200)	-41%
	Operations	8,825,513	12,220,300	3,615,305	11,847,300	(373,000)	-3%
	Grants	355,374	800,000	102,159	600,000	(200,000)	-25%
	City 20%	4,125,880	5,105,000	1,286,857	5,105,000	-	0%
	Debt	2,518,057	2,529,100	342,157	2,529,100	-	0%
	Contingency				250,000	250,000	
	Transfer to Pking CIP Fund	6,337,500	2,068,500	2,068,500	2,068,500	-	0%
	Transfer to Art Fund						
	<b>Total Expenditures</b>	<b>23,001,508</b>	<b>24,405,300</b>	<b>7,703,028</b>	<b>23,393,100</b>	<b>(1,012,200)</b>	<b>-4%</b>
Fund Balance	Beginning	12,317,342	10,772,463	10,772,463	10,772,463	-	
	Net Rev/Exp	(1,544,877)	(1,933,300)	5,668,653	799,400	2,732,700	
	<b>Ending Fund Balance</b>	<b>10,772,463</b>	<b>8,839,163</b>	<b>16,441,116</b>	<b>11,571,863</b>		
Target Range 22-30%		52%	40%		49%		

# Budget Summary

## FY26 and FY27 Requested Budget

### Parking Fund

		FY25 Projected	FY26 Requested	FY27 Requested	2 Yr Variance	2 Yr % Var
Revenues	Parking Fees	23,632,000	24,053,800	25,487,900	1,855,900	8%
	Interest	20,000	20,000	20,000	-	0%
	Other	540,500	123,600	127,400	(413,100)	-76%
	<b>Total Revenues</b>	<b>24,192,500</b>	<b>24,197,400</b>	<b>25,635,300</b>	<b>1,442,800</b>	<b>6%</b>
Expenditures	Administration	993,200	1,230,700	1,152,100	158,900	13%
	Operations	11,847,300	12,445,300	12,919,200	1,071,900	9%
	Grants	600,000	800,000	800,000	200,000	25%
	City 20%	5,105,000	5,140,000	5,066,500	(38,500)	-1%
	Debt	2,529,100	3,622,500	3,646,100	1,117,000	31%
	Contingency	250,000	500,000		(250,000)	-50%
	Transfer to Pking CIP Fund	2,068,500	5,500,000	2,400,000	331,500	6%
	Transfer to Art Fund	-	50,000	50,000	50,000	100%
	<b>Total Expenditures</b>	<b>23,393,100</b>	<b>29,288,500</b>	<b>26,033,900</b>	<b>2,640,800</b>	<b>9%</b>
Fund Balance	Beginning	10,772,463	11,571,863	6,480,763		
	Net Rev/Exp	799,400	(5,091,100)	(398,600)		
	<b>Ending Fund Balance</b>	<b>11,571,863</b>	<b>6,480,763</b>	<b>6,082,163</b>		
Target Range 22-30%		49%	27%	24%		



# Budget Summary

## FY25 Budget vs Projected

### Parking CIP Fund

		FY24 Activity	FY25 Budget	FY25 Activity	FY25 Projected	FY25 Variance	FY25 % Var
Revenues	Transfer from Pking Fund	6,337,500	2,068,500	2,068,500	2,068,500	-	0%
	Interest	302,403	10,000	219,659	10,000	-	0%
	Other	20	-	-	-	-	
	<b>Total Revenues</b>	<b>6,639,923</b>	<b>2,078,500</b>	<b>2,288,159</b>	<b>2,078,500</b>	<b>-</b>	<b>0%</b>
Expenditures	Administration	13,076	16,000	9,077	16,000	-	0%
	CIP	1,489,703	6,888,600	1,078,362	4,888,600	(2,000,000)	-29%
	<b>Total Expenditures</b>	<b>1,502,779</b>	<b>6,904,600</b>	<b>1,087,439</b>	<b>4,904,600</b>	<b>(2,000,000)</b>	<b>-29%</b>
Fund Balance	Beginning	4,224,490	9,361,634	9,361,634	9,361,634	-	
	Net Rev/Exp	5,137,144	(4,826,100)	1,200,720	(2,826,100)	2,000,000	
	<b>Ending Fund Balance</b>	<b>9,361,634</b>	<b>4,535,534</b>	<b>10,562,354</b>	<b>6,535,534</b>	<b>2,000,000</b>	
Target Range 50-200%		234%	113%		163%		



# Budget Summary

## FY26 and FY27 Requested Budget

### Parking CIP Fund

		FY25 Projected	FY26 Requested	FY27 Requested	FY25 Variance	FY25 % Var
Revenues	Transfer from Pking Fund	2,068,500	5,500,000	2,400,000	(3,100,000)	-56%
	Interest	10,000	10,000	10,000	-	0%
	Other	-	-	-	-	
	<b>Total Revenues</b>	<b>2,078,500</b>	<b>5,510,000</b>	<b>2,410,000</b>	<b>(3,100,000)</b>	<b>-56%</b>
Expenditures	Administration	16,000	16,600	17,200	600	4%
	CIP	4,888,600	4,509,000	4,757,000	248,000	6%
	<b>Total Expenditures</b>	<b>4,904,600</b>	<b>4,525,600</b>	<b>4,774,200</b>	<b>248,600</b>	<b>5%</b>
Fund Balance	Beginning	9,361,634	6,535,534	7,519,934		
	Net Rev/Exp	(2,826,100)	984,400	(2,364,200)		
	<b>Ending Fund Balance</b>	<b>6,535,534</b>	<b>7,519,934</b>	<b>5,155,734</b>		
Target Range 50-200%		163%	188%	129%		

# Parking System Budget Next Steps

- **February 19 DDA Board Worksession-** The TIF System Budget will be reviewed.
- **March 5 DDA Board Meeting –** FY26 & FY27 Budget Presentation in context of 10-Year Plan will be reviewed. A resolution to put the budget forward to City Council will be considered.
- **June 4 DDA Board Meeting –** Formal adoption of the budget will be considered.



