

POOLING RESOURCES FOR DEEP END RESULTS

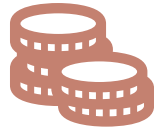


**CITY OF ANN ARBOR
CITY ADMINISTRATOR'S PROPOSED FY27 BUDGET
MILTON DOHONEY JR., CITY ADMINISTRATOR**

FY2027 Proposed Budget



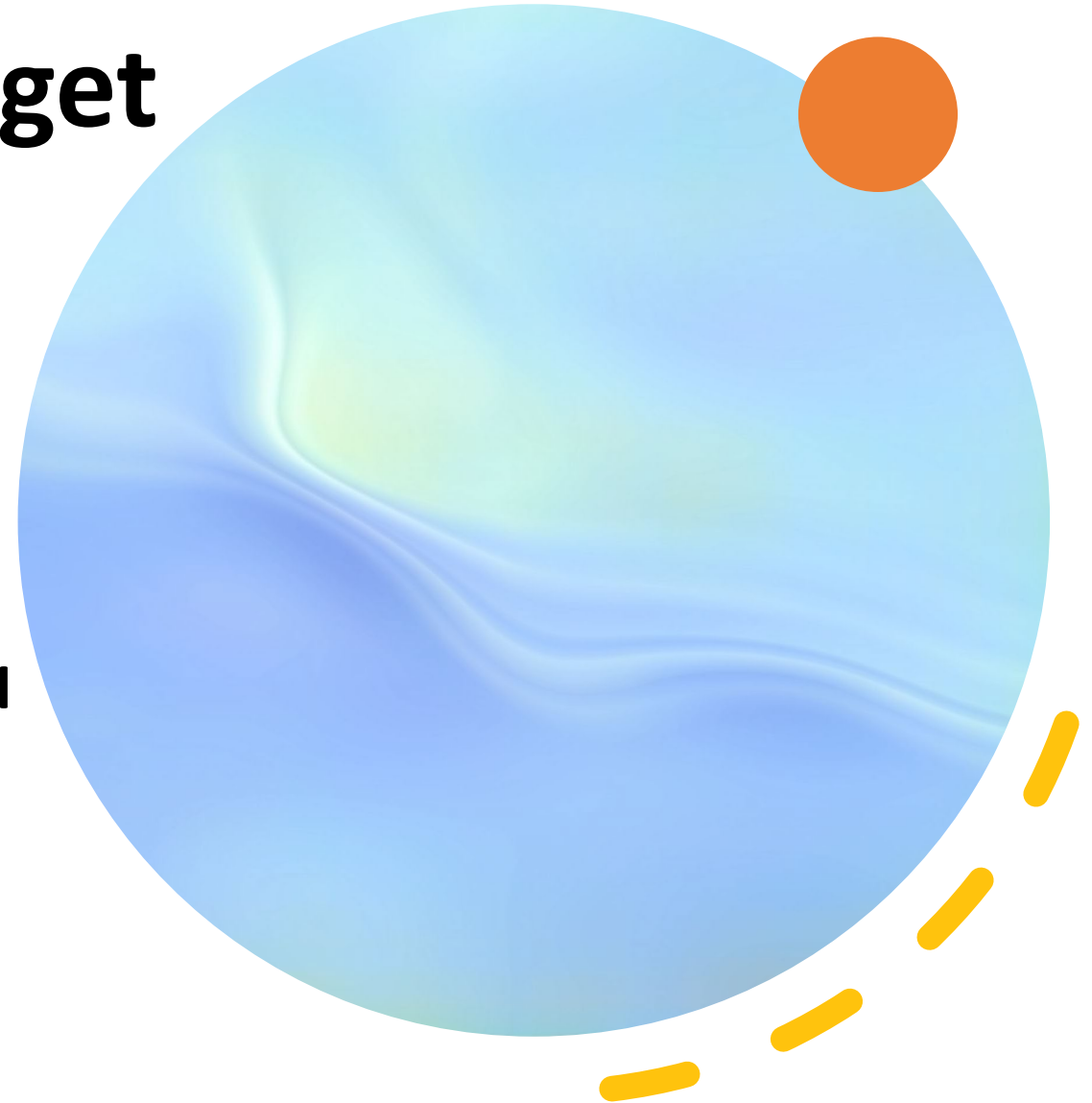
All Funds
\$649,830,579



General Fund
\$170,079,631



Balanced
w/No
Structural
Deficit



Grant Pursuits

- **State:** Aerial ladder truck \$2M
- Fire Station No. 3 \$4M
- Clinton Park Improvements \$1.5M
- **Federal:** Aerial ladder truck \$2M
- Barton Dam Concrete \$2M
- Police Records Management System (RMS) \$1M
- Geothermal City Hall \$5M
- Treeline Trail \$1.2M



Most Pressing Priority

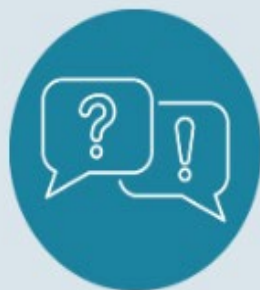
SEU Going Live in 2026

The future of energy lives here.

Most Pressing Priority: SEU



How does SEU work?



What is renewable energy?



Who is eligible?



Why join?



Sample rates
(coming soon)



Municipal Investment Fund

\$250k in startup funds, supporting foundational planning work (through April 2026)



MICHIGAN DEPARTMENT OF
LABOR & ECONOMIC
OPPORTUNITY

\$5M for solar and storage “virtual power plant” (grid support/integration) in Bryant neighborhood (through October 2026)

- **Two of Three Current Grants Expiring Soon**
- **Cannot Function with 100% Debt**

Most Pressing Priority: SEU



Transfer of Solar Assets

Transfer of \$3M from Office of Sustainability & Innovations (OSI) Climate Action Millage

Recurring \$1M from General Fund

Transfer of \$2M from Kline's Lot Closing Proceeds

City Clerk's Office

- 1 FTE
- Equipment Maintenance



Planning



Comprehensive Land Use
Plan Implementation:
PAYGO Approach \$325K

A2 for All

FY27 Budget



Change in State Policy
Brings More Resources for
Roads \$4.5M

Vision Zero

Developed Speed Management Program



ANN ARBOR
MOVING
TOGETHER

TOWARDS VISION ZERO

**Deliver Safety Improvements
Quicker**

**Achieve Adopted Vision Zero &
Sustainability Goals**

**Creating Data Driven Pipeline
Project ID → Construction**

Projects

**\$1.35M /
4 Project Areas:**



Quick Build

Design Funding

Construction Funding

Ad-hoc Projects

Roads

Remaining \$3.15M

Road Capital Maintenance & Resurfacing



Fleet & Equipment

- **Fleet & Equipment Market Factors:**
 - Inflation
 - Lag Time
 - EV Differential
 - Tariffs
 - Replacement Costs



Fleet & Equipment

- Fleet \$5,689,418
 - Equipment \$2,038,000
- Total: \$7,727,418**





Supporting Community Needs

SPROUT

- **Supportive Resources & Outreach Team Pilot**
- **\$1.35M**



Supporting Community Needs

Alpha House \$250K New Family Shelter

New Delonis Center Shelter \$500K
(County Match Requested)

Ann Arbor Housing Commission (AAHC) \$2.5M

Source: Kline's Lot Proceeds



Supporting Community Needs

Philosophy & Resources Not Yet Aligned

Hmm,
great!

Supporting Community Needs

Police Requested Bodies

- **1 Officer**
- **\$2M Records Management System (RMS)**
- **Business case made, stronger response coming!**



Supporting Community Needs

Fire Requested Bodies

- Adding 1 Firefighter with intent to add 2 more when feasible.
- Horizon = Adding additional unit, 12, as future growth unfolds.





Supporting Economic Development

**Housing
Development**

**Expanding
Tax Base**

Placemaking

**Facilitating
Development
Review**

**Business
Attraction**

Supporting Economic Development

- City Hall Office Space
- Development Review Consultant \$65K
- Due Diligence Activities \$500K



Supporting Economic Development



Strategic Acquisition Fund

\$4.6M

MUST GROW IT!

Bolstering Staff Support

**1 Assistant to City Administrator:
Ordinance Enforcement**

Converting 4 Part-Time to 4 FTE: Parks

1 Facilities Maintenance Technician

**1 Conversion of Fire Inspector to
Assistant Fire Marshall**

2 Engineers for Private Development

1 Engineer for Capital Projects

**1 Civil Engineering Specialist for Private
Development**



Marijuana Excise Tax

Sales are Softening and
the New State Policy
has Not Taken Effect

Uncertain Future!



Marijuana Excise Tax

Catherine Street \$75K

Shelter Association \$150K

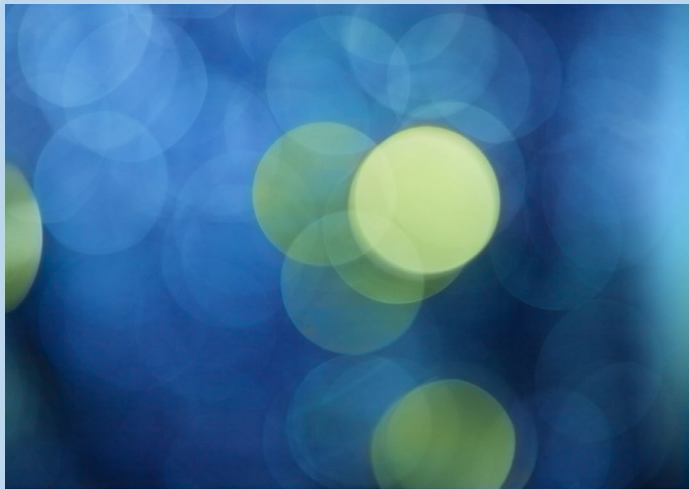
City Deflection \$673,490

City Diversion \$131,118


City Expungement \$58,155

Unarmed Response \$154,630

One-Time \$300K Available



Opioid Settlement



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- **Opioid Settlement \$400K**
 - **Unprogrammed**
 - **Council Discretion**



Pooling Resources for Deep End Results

THANK YOU!



Customer Satisfaction Survey



Budget Public Process Website:

<https://www.a2gov.org/finance-and-administrative-services/guide-to-finance-and-budget/budget-public-process/>

Special Thanks to CFO Marti Praschan, Finance Manager Kimberly Buselmeier, Director of Operations Sara Higgins, Executive Team and A2 Staff.

Please send any FY27 budget questions through our established process to shiggins@a2gov.org, mdohoney@a2gov.org; mpraschan@a2gov.org & kbuselmeier@a2gov.org.