



TO: Mayor and Council
 FROM: Tom Crawford, CFO
 CC: Steven D. Powers, City Administrator
 SUBJECT: Non-Departmental
 DATE: May 14, 2015

Question #143: Regarding non-departmental, thanks for the response/data on contingency (question #121), but I'm still a bit confused. Can you please provide a spreadsheet with the line item detail for the FY15 budget and FY16 and FY17 proposals for Other Services (FY15 = \$432K; FY16 = \$165K; FY17 = \$165K) and Other Charges (FY15 = \$10.48M; FY16 = \$10.99M; FY17 = \$12.62M). (Councilmember Lumm)

Response: Please see chart below.

Non-Departmental (Include Gen Fund & Debt Serv. Fund)

Description	FY2015 Amended Budget	FY2016 Proposed Budget	FY2017 Plan	Comments
Other Services				
Telecommunications	\$ 48,561	\$ 48,561	\$ 48,561	
Retirement System Contrib. to Achieve Required Contr.	83,518	-	-	
Training	53,500	43,500	43,500	
Downtown Employee Parking Benefit (55%)	49,830	71,610	71,610	FY15 budget had not been updated in years. FY16/17 reflect present costs.
Dangerous Buildings Demolition (revolving)	132,982	-	-	These items were approved without regard to fiscal year.
Carryforward of in process items at year-end	63,473	-	-	These items were approved without regard to fiscal year.
Bad Debt	1,000	1,000	1,000	
Total Other Services	\$ 432,864	\$ 164,671	\$ 164,671	
Other Charges				
Dues & Licenses	\$ 127,135	\$ 127,135	\$ 127,135	Includes SPARK services (\$75k) plus city-wide dues/memberships.
AAATA Fee	97,977	100,707	102,963	Fee is deducted from tax distrib.
Tax Refunds	217,000	215,000	210,000	Primarily Michigan Tax Tribunal estimated refund on prior year levies
Labor & Contract Settlement contingencies	769,484	1,306,169	2,879,099	Based on Labor Committee input.
City Admin. Operating contingency	89,974	250,000	250,000	FY15 Adopted budgeted \$182,974.
Pedestrian Safety contingency	-	60,000	100,000	
Debt Service	9,183,042	8,939,558	8,951,506	
Total Other Charges	\$10,484,612	\$10,998,569	\$12,620,703	



TO: Mayor and Council

FROM: Tom Crawford, CFO
Craig Hupy, Public Services Area Administrator

CC: Steven D. Powers, City Administrator

SUBJECT: Public Services

DATE: May 14, 2015

Question #129: In order for me to understand what the “systems planning and administration” user charge is, as well as how much of it is related to MSC and Insurance costs, can you please provide any spreadsheets you may have showing the line item detail gross amounts that make up the “systems planning and administration” user charges of 23 cents in FY15 and 37 cents in FY16. (Councilmember Lumm)

Response: Please see the charts for FY15 and FY16 below:

FY 16					
	FIELD	WWTP	ADMN	CAPITAL	
	2,561,559	13,063,699	5,308,766	177,788	
Int			(3,834,012)	4,212,881	
Depr		(4,212,881)		3,834,012	
Systems			490,641		
Cust Serv			38,509		
	2,561,559	8,850,818	2,003,904	8,224,681	21,640,962.00
			Bucket	7,895,000	
				16,119,681	29,535,962.00
				\$ 4.05	
	FIELD	2,561,559	12%	\$ 0.48	
	WWTP	8,850,818	41%	\$ 1.66	
	ADMN	2,003,904	9%	\$ 0.38	
	CAPITAL	8,224,681	38%	\$ 1.54	
		21,640,962.00	100%	\$ 4.05	

FY 15					
	FIELD	WWTP	ADMN	CAPITAL	
	2,270,222	8,945,178	9,411,744	196,427	
Int			(4,581,837)	4,078,655	
Depr			(4,078,655)	4,581,837	
Systems			546,534		
Cust Serv			38,856		
	2,270,222	8,945,178	1,336,642	8,856,919	21,408,961
				\$ 3.85	
	FIELD	2,270,222	11%	\$ 0.41	
	WWTP	8,945,178	42%	\$ 1.61	
	ADMN	1,336,642	6%	\$ 0.24	
	CAPITAL	8,856,919	41%	\$ 1.59	
		21,408,961	100%	\$ 3.85	

Question #131: In terms of the reduction in the portion of the fee applied to capital (from \$1.59 per 100 cubic feet to \$1.54), the response Monday indicated that portion had been increased previously and that FY16 reflected a return to a more normal level.

Can you please provide the rate history (say the last five years) on that specific portion of the charge and information on how it is computed. (Councilmember Lumm)

Response: Please see charts referenced above for FY15-16 calculations and charts with FY12-14 calculations below:

FY 14					
	FIELD	WWTP	ADMN	CAPITAL	
	2,183,871	8,713,604	9,439,007	402,581	
Int			(4,660,369)	4,660,369	
Depr			(3,959,474)	3,959,474	
Systems			526,692		
	2,183,871	8,713,604	1,345,856	9,022,424	21,265,755
				\$ 3.65	
	FIELD	2,183,871	10%	\$ 0.37	
	WWTP	8,713,604	41%	\$ 1.50	
	ADMN	1,345,856	6%	\$ 0.23	
	CAPITAL	<u>9,022,424</u>	<u>42%</u>	<u>\$ 1.55</u>	
		21,265,755	100%	\$ 3.65	

FY 13					
	FIELD	WWTP	ADMN	CAPITAL	
	1,936,841	8,706,170	8,414,417	271,874	
Int			(3,297,032)	2,897,032	
Depr			(3,988,460)	3,988,460	
Systems			494,673		
	1,936,841	8,706,170	1,623,598	7,157,366	19,423,975
				\$ 3.48	
	FIELD	1,936,841	10%	\$ 0.35	
	WWTP	8,706,170	45%	\$ 1.56	
	ADMN	1,623,598	8%	\$ 0.29	
	CAPITAL	<u>7,157,366</u>	<u>37%</u>	<u>\$ 1.28</u>	
		19,423,975	100%	\$ 3.48	

FY 12					
	FIELD	WWTP	ADMN	CAPITAL	
	2,084,193	8,312,793	8,710,550	244,559	
Int			(3,837,860)	3,837,860	
Depr			(3,801,122)	3,132,933	
Systems			448,790		
	2,084,193	8,312,793	1,520,358	7,215,352	19,132,696
				\$ 3.34	
	FIELD	2,084,193	11%	\$ 0.36	
	WWTP	8,312,793	42%	\$ 1.40	
	ADMN	1,520,358	5%	\$ 0.17	
	CAPITAL	<u>7,215,352</u>	<u>42%</u>	<u>\$ 1.40</u>	
		19,132,696	100%	\$ 3.34	

The development of rates is complex and includes a number of interdependencies. Staff can be available for a more in-depth conversation about this topic after the budget process.



TO: Mayor and Council

FROM: Susan Pollay, Executive Director, DDA
Tom Crawford, CFO

CC: Steven D. Powers, City Administrator

SUBJECT: DDA

DATE: May 14, 2015

Question #144: As a follow-up to question #111 on the DDA Parking Fund, the DDA's parking fund revenue in the FY15 budget was \$19.3M and the FY16 budget is \$21.5M which at 17% (although I know it's not this simple), translates into about a \$375K increase in revenue to the City. Can you please tell me where in the city budget (fund, dept, account) that DDA transfer revenue shows up and provide the city revenue numbers for FY15 (budget and forecast), FY16 budget, and FY17 plan? (Councilmember Lumm)

Response: The chart below shows the budgeted City revenue receipts from the DDA and where they are recognized within the City budget.

	FY2015 Budget	FY2016 Budget	FY2017 Budget
General Fund-Non-Departmental	2,338,842	\$2,527,805	\$2,600,173
General Fund-Parks (Market)	12,000	\$12,000	\$12,000
Major Streets	656,265	\$666,575	\$686,572
Local Streets	193,651	\$196,694	\$202,595
	\$ 3,200,758	\$ 3,403,074	\$ 3,501,340

The City's budgeted revenue assumption was made prior to the DDA final budget, which included higher revenue estimates. The latest revenue estimates are: FY2015 = \$3.513 mil., FY2016 = \$3.562 mil., and FY2017 = \$3.560 mil.

These projections mean there is incremental revenue of FY2015 = \$312k, FY2016 = \$159k, and FY2017 = \$59k. From a policy perspective this means there is \$100k (\$159k - \$59k) non-recurring funds available in FY2016 and \$59k recurring funds

available in FY2016/FY2017. Since the above are revenue projections which are not certain, these funds could flow to fund balance or be utilized for other purposes.