



Legislation Text

File #: 08-0502, Version: 1

Resolution to Adopt Ann Arbor City Budget and Related Property Tax Millage Rates for Fiscal Year 2009

Attached for your review and action is the proposed fiscal year FY 2009 City Budget that totals \$391.6M and is in compliance with the City Charter. The balanced budget resolution reflects the recommended budget delivered to you on April 11, 2008. Specifically, it includes the following changes:

General Fund Activities

This budget proposal holds expenditure increases to a rate slightly higher than inflation. General Fund recurring expenditures increase by \$3,234,409 (4.0% increase), and recurring revenues increase by \$2,596,020 (3.2% increase), resulting in a net deficit of \$(638,389). The FY 2008 two-year fiscal plan projected a \$(669,458) shortfall in FY 2009, and the City expects to remain within the budgeted levels of the fiscal plan.

The following actions are planned for the use of General Fund balance reserves if this budget is approved.

New Facility

- A 4.8 million dollar investment in the Courthouse/Police facility, including \$3.0 million of proceeds from the sale of First & Washington Streets land (City-owned property), to improve services to our citizens and address long-standing and serious concerns with the housing and safety of the Courts as well as the Police services.

Golf Courses:

- Write-off \$1.6 million dollars accumulated cash deficit in the Golf Fund.
 1. Includes support for additional funds to evaluate alternative uses for the Huron Hills golf course.
 2. Includes additional capital investments and operating subsidies for the courses as recommended by staff.

Community Services:

- Provision to fund \$250,000 for Integrated Human Services as part of a new county initiative to eliminate homelessness and improve services.
- Provision for supplemental Parks funding - Parks & Recreation Services of \$95,700, approved by Council in FY 2008 and recommended for the FY 2009 budget.

Public Services:

- Provision for supplemental Parks funding - Field Operations of \$191,820, approved by Council in FY 2008 and recommended for the FY 2009 budget.

Fire Services:

- Capital investment of \$90,515 in technology for ADASHI software, ID entry cards and onsite ERT.

FTEs

The City's FTEs are proposed to decrease from 803 to 800:

- 2 FTEs reductions in Office of Community Development unit, due to the sharing of personnel costs with Washtenaw County.
- 1 FTE planned civilian position reduction in the Police Services unit.
- .17 FTE reductions in the Police Services unit from re-organization efforts.
- .50 FTE reductions in Parks and Recreation unit facilities staffing.
- 1 FTE increase in Parks and Recreation unit for golf staffing.
- .25 FTE planned increase in the City Clerk unit for election personnel.

Millage Rates

The following millages are the maximum allowable levy after the Headlee rollback multiplier is applied (for FY 09 the Headlee rollback multiplier is anticipated to be 1.00):

	PROPOSED FY 2009	ACTUAL FY 2008	DIFFERENCE
GENERAL OPERATING	6.1682	6.1682	(0.0000)
EMPLOYEE BENEFITS	2.0560	2.0560	(0.0000)
REFUSE COLLECTION	2.4670	2.4670	(0.0000)
AATA	2.0560	2.0560	(0.0000)
STREET REPAIR	1.9944	1.9944	(0.0000)
PARK MAINTENANCE	1.0969	1.0969	(0.0000)
PARK ACQUISITION	0.4779	0.4779	(0.0000)
DEBT SERVICE	<u>0.4643</u>	<u>0.4661</u>	<u>(0.0018)</u>
TOTAL	16.7807	16.7825	(0.0018)

The above proposal presents to you a balanced budget for the fiscal year 2009. At your direction, staff is able to revise the attached resolutions to reflect Council's budget decisions.

Prepared by: Tom Crawford, Chief Financial Officer

Approved by: Roger W. Fraser, City Administrator

(See Attachment as Amended by City Council on May 19, 2008.)