



Legislation Text

File #: 09-0375, Version: 1

Resolution to Adopt the Proposed Ann Arbor City Budget and Related Property Tax Millage Rates for Fiscal Year 2010

Attached for your review and action is the proposed fiscal year FY 2010 City Budget that totals \$351.8M and is in compliance with the City Charter. This budget resolution reflects the recommended budget delivered to you on April 13, 2009.

**General Fund Activities**

This budget proposal holds expenditure levels in line with the projected revenue levels.

	<u>FY 2010</u>
Recurring Revenues	\$ 84,495,264
Recurring Expenditures	81,220,056
Non-recurring Revenue	744,625
Non-recurring Expenditures	<u>3,637,821</u>
 Net Surplus/(Deficit)	 \$ 382,012

General Fund recurring expenditures decrease by \$(2,570,655) (3.1%) compared to FY 2009, and recurring revenues decrease by \$(1,716,438) (2.0%). Below is a summary of non-recurring expenditures:

	<u>FY 2010</u>
<u>General Fund Expenditures</u>	
<i>Non-recurring Items:</i>	
Reserve for Pfizer Tax Appeal	\$ 722,000
Golf Operations Subsidy	689,583
VEBA/Pension Contribution to Match ARC	510,758
Continuation of Supplemental Parks Funding	287,586
Integrated Human Services Funding	250,000
Foreclosure Revolving Trust	100,000
Housing Commission - Supplemental Needs	175,000
Master Plan & Corridor Design Standards	155,000
Code Clean-up (Zoning & Pension)	200,000
Various Capital Imprvmts (Fire/Hydro/Larcom Roof/333 Huron/IT)	<u>547,894</u>

Total General Fund Non-recurring Expenditures \$ 3,637,821

**FTEs**

The City's FTEs are proposed to decrease from 800 to 766 in FY 2010:

- 27 FTE's within the Police Services:
  - 8 Community Standards (3 vacant),
  - 6 Command Officers (1 vacant),
  - 10 Patrol (2 vacant),
  - 1 vacant Dispatch and
  - 2 vacant Clerical positions.
- 7 FTE reductions are affected in other operations:
  - 2 vacant Court positions,
  - 1 vacant Community Services Planning and Development-GIS support,
  - 1 Community Services Recreation Facilities staffing,
  - 1 vacant Treasury,
  - 1 Human Resources and
  - 1 Community Services Office of Community Development staff re-allocation to Washtenaw County.

**Millage Rates**

The following millages are the maximum allowable levy after the Headlee rollback multiplier is applied (for FY 10 the Headlee rollback multiplier is anticipated to be 1.00):

	<b>PROPOSED FY 2010</b>	<b>ACTUAL 2009</b>	<b>FY DIFFERENCE</b>
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 & CAPITAL IMPROVEMENTS	1.0969	1.0969	0.0000
OPEN SPACE & PARKLAND PRESERVATION	0.4779	0.4779	0.0000
DEBT SERVICE	<u>0.4806</u>	<u>0.4643</u>	<u>0.0163</u>
TOTAL	16.7970	16.7807	0.0163

Prepared by: Tom Crawford, Chief Financial Officer  
 Approved by: Roger W. Fraser, City Administrator

Whereas, City Council has reviewed the City Administrator's proposed budget for FY 2010 for the City of Ann Arbor; and

Whereas, A public hearing and various public meetings have been held to obtain citizen input on the proposed budget.

RESOLVED, That Council adopts the General Fund Allocations as listed in the FY 2010 Consolidated Plan, to be funded out of the Community Development Budget;

RESOLVED, That the unexpended grant entitlement for the Community Development Block Grant and the HOME Funds be re-appropriated at the end of the fiscal year until such time as all grant funds have been expended;

RESOLVED, That any Community Development Program Income be appropriated upon receipt of the funds for the purpose of Community Development Project Activities;

RESOLVED, That any contributions to the Special Assistance Fund and the Housing Trust fund in excess of the budgeted amount, shall be appropriated at the time of receipt and for the purpose of the Ann Arbor Assistance Fund and the Housing Trust Fund, respectively;

RESOLVED, That the proposed list of Capital Improvement projects in the amount of \$500,400,664.00 are approved; and that \$68,734,374.00 be appropriated in FY 2010 for these or similar projects, within the respective funds, as determined by the Service Area, and may be carried forward without regard to fiscal year;

RESOLVED, That Art in Public Places Fund budget be appropriated without regard to fiscal year;

RESOLVED, That the Technology Improvement projects in the amount of \$2,054,841.00 be appropriated without regard to fiscal year;

RESOLVED, That a total 766 full-time equivalent positions be adopted in the FY 2010 budget;

RESOLVED, That the City Administrator be authorized to transfer funds between service units within the designated service areas;

RESOLVED, That any funds contributed to the Parks Memorials and Contributions fund in excess of the budgeted amount, shall be appropriated at the time of receipt for the purpose of park memorials without regard to fiscal year;

RESOLVED, That the City Council approve the proposed FY 2010 Ann Arbor-Ypsilanti SmartZone LDFA budget, as a component unit of the City of Ann Arbor in Fiscal Year 2010 in a dedicated Fund containing \$1,330,000.00 in revenues and \$1,255,000.00 in expenditures.

RESOLVED, That the following appropriations constitute the General Fund budget for FY 2010;

**REVENUES**

CITY ATTORNEY \$ 288,000

CITY ADMINISTRATOR	
Clerk Services	180,400
COMMUNITY SERVICES	
Planning & Development Services	1,192,970
Office of Community Development	258,686
Parks and Recreation Services	2,195,328
FINANCIAL SERVICES	
Financial and Budget Planning	20,984,680
Procurement	40,000
Treasury	39,158,094
PUBLIC SERVICES	
Field Operations	108,734
Public Services Administration	678,556
Systems Planning	5,200
Water Treatment	388,790
SAFETY SERVICES	
Police	4,027,200
Fire	97,100
DISTRICT COURT	2,945,100
NON-DEPARTMENTAL	12,653,550
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$85,202,388</b>

**EXPENDITURES**

MAYOR AND CITY COUNCIL	\$348,917
CITY ATTORNEY	2,041,949
CITY ADMINISTRATOR	
City Administrator	634,034
Human Resources	1,337,628
Clerk Services	885,960
COMMUNITY SERVICES	
Planning & Development Services	2,526,699
Office of Community Development	2,428,699
Parks and Recreation	3,723,138
FINANCIAL SERVICES	
Accounting	809,762
Assessor	934,376
Financial and Budget Planning	1,170,999
Procurement	435,472

Treasury	605,505
<b>PUBLIC SERVICES</b>	
Customer Services	199,425
Field Operations	4,132,898
Fleet & Facilities	1,316,428
Public Services Administration	2,105,899
Systems Planning	116,724
Water Treatment Services	477,156
<b>SAFETY SERVICES</b>	
Police	26,057,095
Fire	14,176,119
DISTRICT COURT	4,226,107
NON-DEPARTMENTAL	14,044,387
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$84,735,376</b>

RESOLVED, That the following other funds revenue and expenditure appropriations are adopted for FY 2010 budget; and

**REVENUES**

<u>Fund</u>	<u>Fund Name</u>	<u>Amount</u>
0042	WATER SUPPLY S	\$ 23,472,015
0043	SEWAGE DISPOS.	22,945,271
0048	AIRPORT	859,991
0069	STORMWATER SE	5,570,509
0011	CENTRAL STORE!	1,564,194
0012	FLEET SERVICES	8,037,132
0014	INFORMATION TE	7,509,952
0015	PARKS SERVICE I	20,657
0056	ART IN PUBLIC PL	441,612
0049	PROJECT MANAG	3,673,638
0057	RISK	27,801,411
0058	WHEELER CENTE	843,355
0055	ELIZABETH R DE	95,060
0071	PARKS MAINT. &	5,315,526
0006	PARKS REPAIR A	147,629
0017	HOMELAND SECU	500
0021	MAJOR STREET	6,890,124
0022	LOCAL STREET	1,768,889
0036	METRO EXPANSI	720,000

0054	CEMETERY PERP	6,200
0062	STREET REPAIR M	12,105,968
0072	SOLID WASTE FU	16,398,352
0002	ENERGY PROJEC	550,434
0070	AFFORDABLE HOI	204,008
0024	OPEN SPACE & P	2,299,057
0025	BANDEMER PROF	22,500
0026	CONSTRUCTION C	3,115,680
0029	OPEN SPACE ANI	200,000
0041	OPEN SPACE ENI	1,000
0046	MARKET	150,775
0038	ANN ARBOR ASSI	8,000
0045	ECONOMIC DEVE	625,000
0047	GOLF ENTERPRIS	1,751,189
0016	COMMUNITY TELE	1,585,045
0018	PARKS REHAB & I	56,207
0034	PARKS MEMORIAI	64,000
0083	SENIOR CENTER	5,000
0027	DRUG ENFORCEM	31,200
0028	FEDERAL EQUITA	178,995
0053	POLICE AND FIRE	25,000
0064	MICHIGAN JUSTIC	78,000
0073	LOCAL FORFEITU	48,058
0023	COURT FACILITIE	302,800
0035	GENERAL DEBT S	7,409,605
0060	GENERAL DEBT /S	151,820
0061	ALTERNATIVE TR	275,523
0008	ANN ARBOR MUN	2,000,000
0082	STORMWATER BC	12,222,030
0088	SEWER BOND	28,261,759
0089	WATER BOND	12,670,795
0091	SIDEWALK IMPRC	20,809
0052	VEBA TRUST	5,542,841
0059	EMPLOYEES RETI	27,755,000
0009	SMARTZONE LDF	1,330,000
0001	DDA/HOUSING FU	255,000
0003	DOWNTOWN DEV	4,912,198
0033	DDA PARKING MA	2,148,690
0063	DDA PARKING SY	21,789,647
	TOTAL ALL OTHEI	\$ 284,235,650
	GENERAL (PAGE	85,202,388

**TOTAL ALL FUND \$ 369,438,038**

**EXPENDITURES**

<u>Fund</u>	<u>Fund Name</u>	<u>Amount</u>
0042	WATER SUPPLY SYSTE	\$ 21,857,182
0043	SEWAGE DISPOSAL SY	18,080,017
0048	AIRPORT	837,374
0069	STORMWATER SEWER	5,253,621
0011	CENTRAL STORES	1,564,194
0012	FLEET SERVICES	8,037,582
0014	INFORMATION TECHNO	7,227,885
0015	PARKS SERVICE HEAD	20,657
0056	ART IN PUBLIC PLAC	441,612
0049	PROJECT MANAGEMEN	3,673,638
0057	RISK	27,801,411
0058	WHEELER CENTER	843,355
0055	ELIZABETH R DEAN TR	95,060
0071	PARKS MAINT. & CAP	5,312,590
0006	PARKS REPAIR AND RE	147,629
0021	MAJOR STREET	6,890,124
0022	LOCAL STREET	1,768,852
0036	METRO EXPANSION	700,484
0054	CEMETERY PERPETUA	15,000
0062	STREET REPAIR MILL	12,105,968
0072	SOLID WASTE FUND	15,866,646
0002	ENERGY PROJECTS	550,434
0070	AFFORDABLE HOUSING	204,008
0024	OPEN SPACE & PARK	2,299,057
0025	BANDEMER PROPERTY	22,500
0026	CONSTRUCTION CODE	2,795,649
0046	MARKET	150,775
0038	ANN ARBOR ASSISTAN	8,000
0045	ECONOMIC DEVELOPM	625,000
0047	GOLF ENTERPRISE	1,719,047
0016	COMMUNITY TELEVISI	1,585,045
0018	PARKS REHAB & DEVEL	56,203
0034	PARKS MEMORIALS & C	64,000
0027	DRUG ENFORCEMENT	30,000
0028	FEDERAL EQUITABLE S	174,995
0064	MICHIGAN JUSTICE TR	75,000

0073	LOCAL FORFEITURE	46,858
0023	COURT FACILITIES	302,800
0035	GENERAL DEBT SERVIC	7,335,191
0060	GENERAL DEBT/SPECIA	151,820
0061	ALTERNATIVE TRANSPC	275,523
0008	ANN ARBOR MUNICIPAL	14,300
0082	STORMWATER BOND	12,222,030
0088	SEWER BOND	28,261,759
0089	WATER BOND	12,670,795
0091	SIDEWALK IMPROVEME	20,809
0052	VEBA TRUST	194,285
0059	EMPLOYEES RETIREME	27,345,526
0009	SMARTZONE LDFA	1,255,000
0001	DDA/HOUSING FUND	255,000
0003	DOWNTOWN DEVELOPI	4,912,198
0033	DDA PARKING MAINTEN	1,001,227
0063	DDA PARKING SYSTEM	21,789,647
	TOTAL ALL OTHER FUN \$	266,945,362
0010	GENERAL (PAGE 5)	84,735,376
	<b>TOTAL ALL FUNDS' EXI</b>	<b>\$ 351,680,738</b>

RESOLVED, That the following millages shall be levied for the City of Ann Arbor for FY 2010:

	<b>PROPOSED</b>
GENERAL OPERATING	6.1682
EMPLOYEE BENEFITS	2.0560
REFUSE COLLECTION	2.4670
AATA	2.0560
STREET REPAIR	1.9944
PARKS MAINTENANCE & CAPITAL IMPROVEMENTS	1.0969
OPEN SPACE & PARKLAND PRESERVATION	0.4779
DEBT SERVICE	<u>0.4806</u>
TOTAL	16.7970

**Budget Amendments:**

**Amendment 1 -**

**Decrease the General Fund Community Services Area Administration Budget by \$85,000.00 to Remove the Funding for the Capital and Operating Needs Assessment for the Housing**



**Commission.**

Whereas, Council provided funds for the Capital and Operating Needs Assessment for the Housing Commission in FY 2009;

Resolved, The General Fund Community Services Area Administration expenditure budget be decreased by \$85,000.00 to remove the funding in FY 2010.

**Amendment 2-**

**Decrease the General Fund Planning and Development Budget for Historic District Consultant Work by \$24,000.00 and Transfer the Funding to the Parks and Recreation Budget to Support the Leslie Science and Nature Center.**

Whereas, \$24,000.00 in funding for the Historic District consultant is included in the proposed FY 2010 General Fund Planning & Development Budget;

Whereas, The proposed FY 2010 General Fund Parks and Recreation Budget does not contain any allocation for Leslie Science and Nature Center;

Whereas, A critical funding source for the Leslie Science and Nature Center is the City's funds;

Resolved, That the \$24,000.00 in the General Fund Planning & Development Budget identified for the Historic District be eliminated and be reallocated to the Parks & Recreation Budget to support the Leslie Science and Nature Center.

**Amendment 3 -**

**Increase the General Fund Parks and Recreation Budget by \$4,350.00 to Provide Additional Funding for the Leslie Science and Nature Center.**

Whereas, The proposed FY 2010 General Fund Parks and Recreation Budget does not contain any allocation for Leslie Science and Nature Center;

Whereas, A critical funding source for the Leslie Science and Nature Center is the City's funds;

Whereas, The City desires the total amount of the support to the Leslie Science and Nature Center for FY 2010 to be \$28,350.00;

Resolved, That the General Fund Parks and Recreation budget be increased by \$4,350 to fund Leslie Science and Nature Center, with a revenue source of General Fund Prior Year Fund Balance.

**Amendment 4 -**

**Decrease the SmartZone LDFA Budget by \$25,000.00 to Remove the Funding for the Angel Investment Group Support.**

Whereas, There is no other information from other Local Development Financing Authorities

providing this type of support to other SmartZones;

Whereas, It is not in the best interest to utilize public assistance in support of private investors;

Resolved, The SmartZone LDFA expenditure budget be decreased by \$25,000.00 to remove the funding for Angel Investment Group Support.

**Amendment 5 -**

**Decrease the SmartZone LDFA Budget by \$50,000.00 to Remove the Funding for the Indirect Services-LDFA Staff.**

Whereas, There is incomplete justification provided by the LDFA for the proposed staffing needs;

Resolved, The SmartZone LDFA expenditure budget be decreased by \$50,000 to remove the funding for the Indirect Services-LDFA Staff.

**Amendment 6 -**

**Increase the Economic Development Fund Budget by \$25,000.00 to Provide Funding to Ann Arbor SPARK for Economic Development Activities.**

Whereas, The City Council authorized the establishment of an Economic Development Fund in FY 2007 for the purpose of funding economic development incentives within the Ann Arbor community;

Whereas, The City would like to provide funding to Ann Arbor SPARK to enhance local development efforts, create new entrepreneurial businesses, expand existing business growth and increase job opportunities;

Resolved, That the Economic Development Fund budget be increased by \$25,000 for fiscal year 2010 to provide Ann Arbor SPARK with discretionary funding to promote economic development in the Ann Arbor area, with a revenue source of Economic Development Prior Year Fund Balance.

**As Amended by Ann Arbor City Council on May 18, 2009**