

Budget Amendments

Amendment 1 –

Increase the General Fund Revenue Budget and Expenditure Budgets for Police and Fire, and reinstate 15 Police and 15 Fire FTEs.

Whereas, The DDA Board has authorized a transfer \$2,000,000 to the City's General Fund for FY 2011 with the understanding a more definitive agreement on the allocation of parking activities will be completed with the City to be effective July 1, 2011; and

Whereas, The Michigan State Treasurer presently projects State Shared Revenue for municipalities will remain at existing levels, which is \$952,000 greater than what the City Administrator's recommended budget has included; and

Whereas, City Council has approved changes in parking fine rates, which is estimated to generate an additional \$625,000 in FY 2011; and

Whereas, Fire Services has revised its capital equipment plan, which would generate an annual savings of \$62,000; and

Whereas, The City Administrator's recommended budget included a reduction in Police Services of 15 positions totaling \$1,585,783, and Council desires not to reduce these positions; and

Whereas, The City Administrator's recommended budget included a reduction of 20 positions in Fire Services totaling \$1,946,815; and Council desires to restore 15 of those positions totaling \$1,509,620; and

Whereas, The above changes would result in a net recurring surplus of \$543,597.

RESOLVED, That the DDA budget reflect a transfer of \$2,000,000 to the City's General Fund, and the General Fund increase its revenue budget to include the DDA transfer;

RESOLVED, That the General Fund revenue budget reflect an increase of \$952,000 in State Shared Revenue;

RESOLVED, That the General Fund revenue budget reflect an increase of \$652,000 in parking fines;

RESOLVED, That Fire Services reduce its expenditure budget for capital purchases by \$62,000, in the General Fund;

RESOLVED, That 15 positions are restored in Police Services, increasing the General Fund expenditure budget for Police totaling \$1,585,783;

RESOLVED, That 15 positions are restored in Fire Services, increasing the General Fund expenditure budget for Fire totaling \$1,509,620;

RESOLVED, That the General Fund's revenue budget line, Use of Fund Balance, be decreased by \$543,597 to balance this amendment, reflecting the recurring surplus created by this amendment.

Sponsored by: Mayor Hieftje, Council Members Teall, Higgins and Hohnke

**Amendment 2 –
Increase the General Fund Expenditure Budget for Human Services funding.**

Whereas, a recurring surplus was approved in Amendment 1; and

Whereas, The City Administrator's recommended budget included a reduction of \$260,000 for Human Services.

RESOLVED, That the \$260,000 for Human Services funding in the General Fund be restored increasing the expenditure budget, with a funding source of Prior Year Fund Balance increasing the revenue budget, and thereby reducing the recurring surplus.

Sponsored by: Mayor Hieftje, Council Members Teall, Rapundalo, Briere and Smith

**Amendment 3 –
Increase the General Fund Expenditure Budget for park mowing and trimming and eliminate football parking at Allmendinger and Frisinger parks.**

Whereas, a recurring surplus was approved in Amendment 1; and

Whereas, The City Administrator's recommended budget included a reduction for park mowing cycle changes and park trimming cycle changes, and the cost of restoring those to the 19 day cycle would be \$138,000 for mowing and \$120,000 for trimming;

Whereas, The City Administrator's recommended budget included revenues of \$25,000 for parking at Allmendinger Park and Frisinger Park during U of M football games.

RESOLVED, That the park mowing and trimming cycles be restored to the 19 day cycle, to be funded by an increase of \$138,000 for mowing and \$120,000 for trimming in the General Fund Public Services Field Operations expenditure budget;

RESOLVED, That the parking at Allmendinger Park and Frisinger Park during U of M football games be eliminated, and reflected in the General Fund budget as a revenue reduction of \$25,000.

RESOLVED, That the General Fund Prior Years Fund Balance revenue budget be increased by \$283,000 to balance this amendment, thereby reducing the recurring surplus.

Sponsored by: Council Members Teall, Higgins, Rapundalo, and Mayor Hieftje

**Amendment 4 –
Eliminate the proposed increase in Contractor Registration Fees in the Construction Code Fund budget.**

Whereas, The Construction Code Fund has a projected fund balance of \$880,000 at the end of FY 2010; and

Whereas, The Council desires to encourage continued employment in construction and renovation; and

Whereas, The recommended budget included an increase in Contractor Registration Fees, which would raise \$20,000 in revenues.

RESOLVED, That the fee increase of \$20,000 be removed from the Construction Code Fund revenue budget and "Use of Prior Years Fund Balance" be used as the source of funds to offset this change in the Construction Code fund budget.

Sponsored by: Council Members Briere and Kunselman

**Amendment 5 –
Eliminate General Fund Planning and Development budgeted fee increases of \$75,000 for rental housing inspection fees and planning fees.**

Whereas, Planning fee increases of \$25,000 were included in the proposed FY 2011 General Fund Planning & Development revenue budget, and these fees were increased two years ago; and

Whereas, Rental Housing Inspections fee increases of \$50,000 were included in the proposed FY 2011 General Fund Planning & Development revenue budget, and these fees were increased last year; and

Whereas, Both planning and inspection fees increase the cost of construction and renovation projects in Ann Arbor;

RESOLVED, That these fee increases of \$75,000 be eliminated in the General Fund Planning & Development budget, and this reduction of revenues be offset by Use of Prior Year Fund Balance.

Sponsored by: Council Members Briere and Kunselman

**Amendment 6 –
Decrease Tax Administration Fee Revenue**

Whereas, The Tax Administration Fee is a fee imposed to offset costs incurred by a collecting unit in assessing property values, collecting the property tax levy, and the review and appeal processes; and

Whereas, The General Fund Tax Administration Fee revenue prior to the adoption of the 2007-2008 budget was approximately equal to .81% of the projected tax collections; and

Whereas, R-200-5-07 Approved as amended (RESOLUTION TO ADOPT ANN ARBOR CITY BUDGET AND RELATED PROPERTY TAX MILLAGE RATES FOR FISCAL YEAR 2008) increased the General Fund Tax Administration Fee to the maximum percent allowed by State law, 1.0%; and

Whereas, Such increase to the General Fund Tax Administration Fee was not requested by the Administrator's proposed Fiscal Year 2008 budget submitted to Council; and

Whereas, The property owners of Ann Arbor would benefit from a reduction in the General Fund Tax Administration Fee to the level of .81% of the projected tax collections, the rate prior to Fiscal Year 2008 adopted budget.

RESOLVED, That the Tax Administration Fee be reduced to the .81% of tax collections;

RESOLVED, That the General Fund Finance and Administrative Services revenue budget be decreased by \$453,000, to reflect the change in the Tax Administration Fee, and this recurring revenue decrease be offset for FY 2011 by Use of Prior Years Fund Balance from the General Fund.

Sponsored by: Council Member Kunselman

**Amendment 7 –
Eliminate Loading Zone Permit Fees and increase Fines for parking in loading zones.**

Whereas, The Loading Zone Permit program was established in FY 2010 and resulted in complaints to the DDA and Council; and

Whereas, The City and DDA have a vested interest in encouraging downtown business activity; and

Whereas, The Council desires to eliminate the Loading Zone Permit program; and

Whereas, \$20,000 was budgeted for Loading Zone Permit Fees in the General Fund revenue budget; and

Whereas, An approved increase to the fine for parking in a loading zone from \$25 to \$45 would raise an estimated additional revenue of \$25,700.

RESOLVED, That Council directs staff to pursue the elimination of the Loading Zone Permitting program;

RESOLVED, That the General Fund revenue budget be amended to reflect the elimination of the \$20,000 Loading Zone Permit Fees, and the Parking Fines revenue budget line be increased by the \$25,700 estimate.

Sponsored by: Council Members Smith and Hohnke

As Amended, May 17, 2010