

**ANN ARBOR CITY COUNCIL MINUTES
BUDGET WORKING SESSION - APRIL 27, 1998**

The budget working session of the Ann Arbor City Council was called to order at 7:12 p.m. in the City Hall Council Chamber by Mayor Ingrid B. Sheldon.

ROLL CALL OF COUNCIL

PRESENT : Councilmembers Patricia Vereen-Dixon, Jane Lumm, David Kwan, Jean Carlberg, Heidi Cowing Herrell, Patrick A. Putman, Christopher Kolb, Elisabeth L. Daley, Mayor Ingrid B. Sheldon, 9.

ABSENT : Councilmembers Tobi Hanna-Davies, Stephen C. Hartwell, 2.

1998-99 BUDGET REVIEW

The following department/division heads and staff members presented highlights of their proposed budgets for the 1998-99 fiscal year and answered questions from Council. Also available for questions were City Administrator Neal Berlin and Budget Director Alan Burns.

PLANNING

Total Recommended Budget: \$572,315

Planning Director Karen Hart reviewed the budget for the Planning Department. She reported that the major programs for 1998-99 budget fall into three categories: 1) Implementation of the city master plan, 2) Provision of information to the public, and 3) Maintenance and update of the city master plan. Ms. Hart explained that implementation of the city master plan will involve coordinating the development review process, preparing the Capital Improvements Program (C.I.P.), and revising ordinances and regulations. She stated that the estimated budget for 1998-99 is about \$32,000 more than the estimated 1997-98 expenditures, and explained that no new permanent staff are being requested and no fees are being raised.

FIRE

Total Recommended Budget: \$9,427,365

Fire Chief George Markus presented an overview that the Fire Department's 1998-99 budget. He indicated that the proposed budget is \$72,703 more than the current 1997-98 fiscal year budget due to an accounting change that brought insurance benefits back into the General Fund funded department. Chief Markus explained that several major projects have begun and will be continued in 1998-99. Major programs such as the public education activities, Haz-Mat (both

internal and external), urban search and rescue development, EMS development, and instruction and retention of basic fire skills. He reported that a Fire Department accreditation program will also be implemented in the upcoming year.

15th DISTRICT COURT

Total Recommended Budget: \$2,605,692

Court Administrator Robert Randolph presented an overview of the proposed budget for the 15th District Court and stated that the 1998-99 projected revenue is \$2,578, which is a 1% increase from 1997-98. He explained that the major continuing programs include commitment to the Washtenaw County Trial Court=s integrated justice information system, and commitment to providing funding for appointment of counsel for indigent defendants. Mr. Randolph highlighted that the Fifteenth District Court is committed to working with the City of Ann Arbor to facilitate implementation of an approved collections plan for judgments naming the city, and to providing improved services to internal and external users of the court process through the use of technology.

POLICE

Total Recommended Budget: \$17,420,348

Chief Carl Ent presented the proposed 1998-99 budget for the Police Department. He noted that significant line item changes are due to severance pay, professional services, equipment maintenance, radio maintenance, software purchase, and transfers to other funds. Chief Ent reported that included in the budget is funding that will allow all marked police cars to be equipped with video capability in order to aid in resolving questions and disputes that arise out of law enforcement activities. New activities include a program in the Crime Prevention section called ALock It Up= will be initiated to educate citizens about the importance of securing their property, and a POWER bus that will travel from neighborhood to neighborhood bringing educational and recreational activities to young people. Deputy Chief Jack Ceo, and Staff Sergeant Don Terry were present to answer questions.

MAYOR

Total Recommended Budget: \$223,321

Mayor Ingrid Sheldon presented the 1998-99 budget for the Mayor=s Office and stated that there are no significant changes from the 1997-98 fiscal year budget.

ADMINISTRATOR

Total Recommended Budget: \$674,907

City Administrator Neal Berlin gave a brief overview of the 1998-99 budget. He

indicated that the only significant change reflected in the budget is the transfer of the Assistant to the City Administrator-Labor Relations and support staff, a Clerk Stenographer III, from the Human Resources Department.

DEBT. SERVICE

Total Recommended Budget: \$5,376,004

Budget Director Alan Burns presented an overview of the Debt. Service for the fiscal year 1998-99. The City of Ann Arbor maintains a very conscientious approach to the incurrance of debt. The level of outstanding debt is relatively low. State law does not allow the City to issue general obligation dept in excess of 10% of Taxable Value (TV), and as of June 30, 1997 the debt subject to that limit was \$37.9 million, or 1.4% of the total TV. Other indebtedness is financed through dedicated millages, and direct charges to individual taxpayers. The total City debt as of June 10, 1997 was \$111.9 million.

NON-DEPARTMENTAL

Total Recommended Budget: \$19,675,302

City Administrator Neal Berlin and Budget Director Alan Burns reported on the recommended 1998-99 non-departmental budget. The transfer of the cost of General Fund insurances and fringe benefits to the departments budget is the reason for the significant decrease. \$1.1 million has been proposed for the first phase of the Information and Technology Strategic Plan. The Employee Benefits Levy has been raised to the Headlee limit of 2.1505 mills which will provide an additional \$949,147 in revenues more than the amount necessary to fully fund the current year costs for General Fund employee pension and social security costs, and the costs of General Fund retiree life and health insurance. The increase will be set aside to start the process of pre-funding employee=s retiree life and health insurance cost in the future. \$200,000 has been set aside for a comprehensive community visioning study based upon the concept of sustainable development in the community.

ADJOURNMENT

There being no further business to come before Council, the Mayor declared the meeting adjourned at 9:56 p.m.

W. Northcross
Clerk of the Council

Frances M. McMullan
Recording Secretary