



TO: Mayor and Council

FROM: Tom Crawford, CFO
Matt Kulhanek, Fleet and Facilities Manager

CC: Steven D. Powers, City Administrator

SUBJECT: Council Chambers

DATE: March 27, 2015

Question: Can you share the drawings of proposed renovations to Council Chambers.
(Councilmember Kunselman)

Response: The drawing proposal is attached.

OFFICE

CLOSET

REMOVABLE
WALL SECTION

SWING
GATE

STORAGE

COLUMNS

INDIVIDUAL CHAIRS (TR.)

PODIUM

SEATING FOR 15

COLUMNS

AUDIO
CABINET

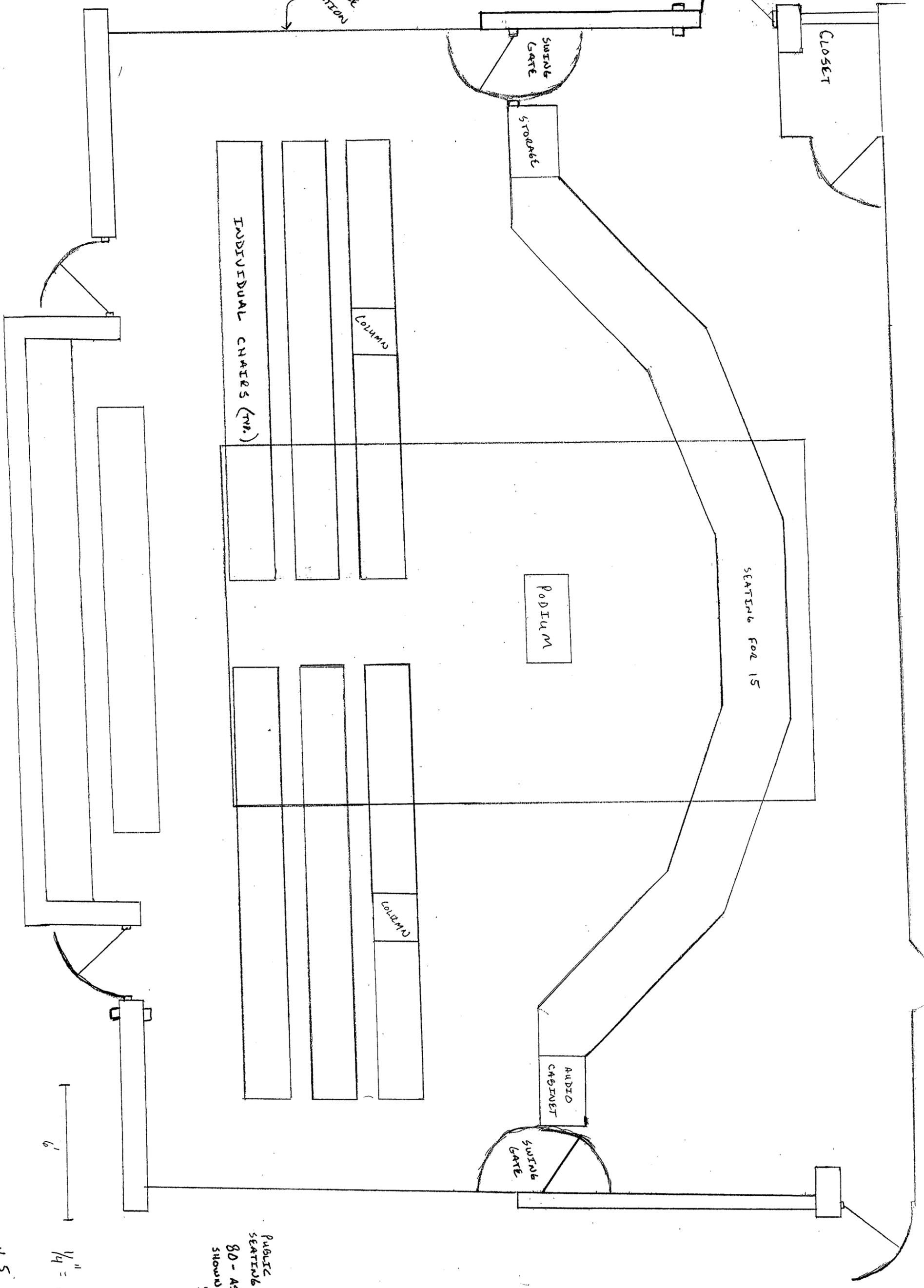
SWING
GATE

6'

1/4" = 1'

PUBLIC
SEATING
80 - AS
SHOWN.

V.5





TO: Mayor and Council

FROM: Tom Crawford, CFO
Jennifer Hall, Executive Director, Ann Arbor Housing Commission

CC: Steven D. Powers, City Administrator

SUBJECT: Ann Arbor Housing Commission

DATE: March 27, 2015

Question: Is the Housing Commission an Enterprise Fund of the City? (Staff question)

Response: The Housing Commission is not an Enterprise Fund of the City. The Housing Commission was required to be established so the community could receive HUD funding for public housing. The Housing Commission is a separate legal entity from the City and is accounted for as an enterprise fund within its own financial structure. It is incorporated into the City's financial statements as a "component unit" because the City appoints its Board members. Enterprise funds of the City contain City activities that could otherwise be accounted for within its General Fund but instead are typically supported by rate payers for services. The Housing Commission maintains its own bank accounts, accounting records, and has its own auditors. Housing Commissions have historically been funded by HUD. In recent years, HUD has significantly reduced funding for housing commissions.



TO: Mayor and Council

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

CC: Steven D. Powers, City Administrator

SUBJECT: DDA

DATE: March 27, 2015

Question: I understand you indicated the DDA TIF revenue is one of the last items finalized in budget development, but when you have it, please provide the DDA TIF tax revenues for FY16 and FY17 as well as the LDFA. (Councilmember Lumm)

Response: The present assumptions are in the below chart. The final estimates will be available mid-April.

Budget Year	DDA	Smart Zone
FY2016	\$5,071,059	\$2,538,288
FY2017	\$5,223,190	\$2,747,093

Question: Why are “repairs and maintenance,” presumably of parking assets as they are paid for out of the “parking maintenance’ fund, not a “parking expense”? (Mayor Taylor)

Response: The DDA combined budget page we provided shows expenses for all four DDA funds (TIF, Housing, Parking, Parking Maintenance). The repairs and maintenance amount shown under TIF in 2016 (\$313,160) would be used for things like sidewalk and brick repairs, replacement new trees, etc. The repairs and maintenance amount shown under Parking in 2016 (\$250,000) would be used for things like parking lot repairs and other minor parking-related repairs.



TO: Mayor and Council

FROM: Larry Collins, Fire Chief
Tom Crawford, CFO
John Seto, Police Chief

CC: Steven D. Powers, City Administrator

SUBJECT: Safety Services

DATE: March 27, 2015

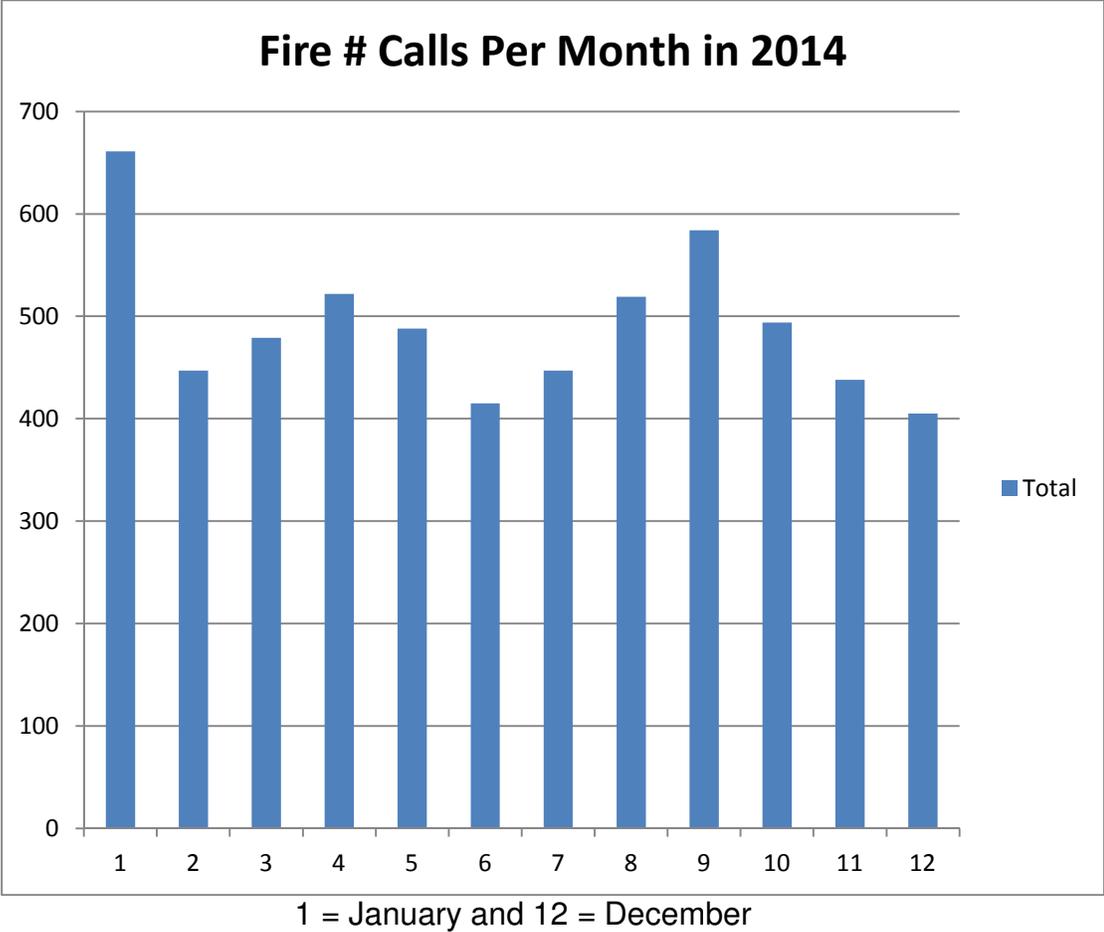
Question: Public Safety, when will the official final crime stats for CY2014 be available? Also, at the work session, Fire Chief Collins suggested in response to a question I had on response times (AA vs. Nat'l Standards) that the city doesn't track that regularly. Is that correct? If so, how much effort is required to get updated metrics and if not, can you please share the data? (Councilmember Lumm)

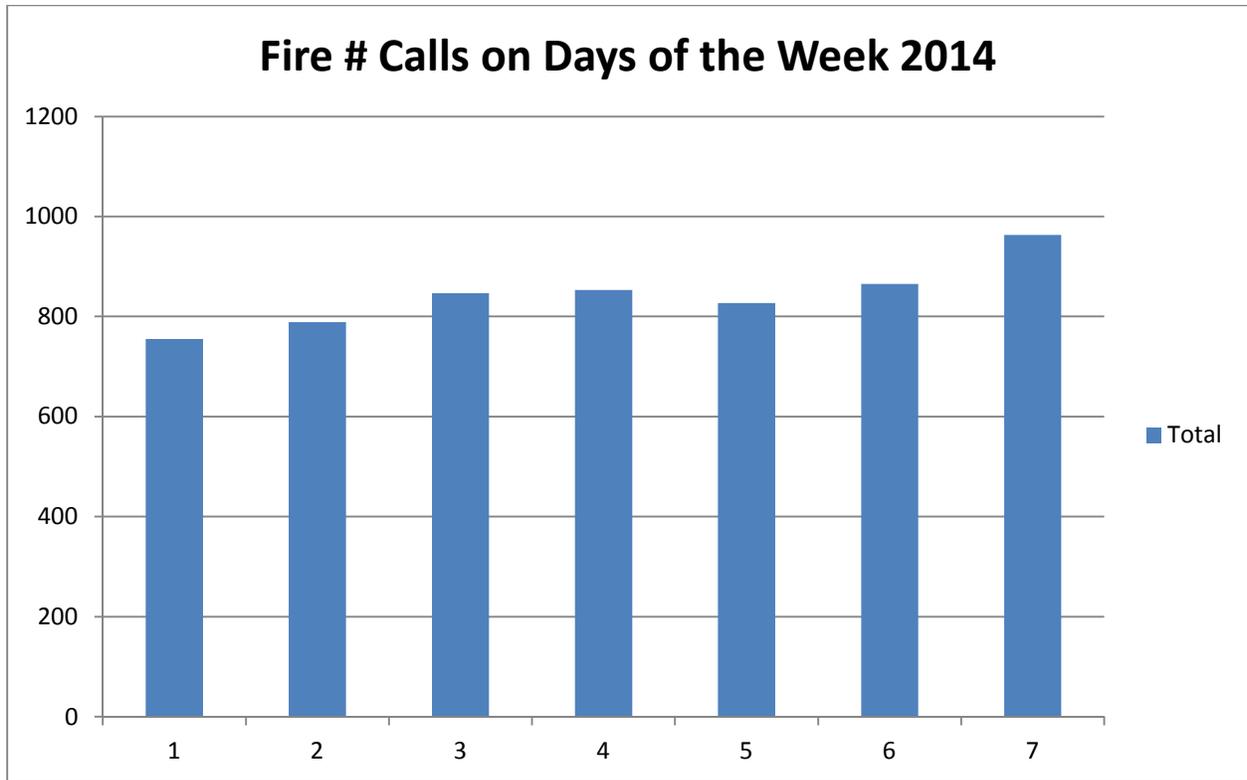
Response: The official final crime statistics for CY2014 are usually released by the F.B.I. around September.

The CY 2014 fire data is in the charts below.

Fire Response Time CY 2014

TYPE of Call	# Calls	Avg Dispatch	Avg Turnout Time	Avg DriveTime	Avg Total Response Time
Fire Alarms	742	0:00:58	0:02:20	0:03:46	0:07:04
Fires	560	0:00:53	0:03:14	0:03:35	0:07:42
Good Intent	591	0:00:49	0:02:23	0:03:26	0:06:38
Hazardous Calls	447	0:01:21	0:02:50	0:04:18	0:08:29
Medicals	3468	0:00:15	0:02:08	0:03:29	0:05:52
TOTALS	5808	0:00:51	0:02:35	0:03:43	0:07:09





1 = Sunday and 7 = Saturday

Question: Chief Seto's recommendation is to convert one police officer (and upgrade to Lt.) to manage the city's CALEA accreditation. What is the specific plan (e.g, where would that resource come from, and what other police work will not be done as a result)? (Councilmember Lumm)

Response: The Lieutenant assigned as the CALEA Manager would be a promotion from the list of eligible Sergeants. A Sergeant promotion to fill this vacancy would then occur from the list of eligible Officers. There is no other police work that will not be done as a result of this plan, there would just be one less Officer assigned to Patrol. There will be no material impact from this plan because daily staffing levels are affected by many other factors.

Question: Regarding Chief Collins' recommendation to provide vehicles (or stipend) to the Assistant Fire Chiefs, do you know what other communities do in this regard, and if not, can you please do a bit of benchmarking? (Councilmember Lumm)

Response: Please see chart below.

Take Home Vehicles Findings-Similar Cities

Lansing FD	yes	2 AC's
Detroit	Yes	3 Division Chief's
Grand Rapids	Yes	2 Deputy Chief's
Toledo	Yes	4 Deputy Chief's, 1 Operations Battalion Chief, 1 Training Battalion Chief, 1 Fire Prevention Battalion Chief
Dayton	Yes	1 Deputy Chief, 2 Assistant Chief's, 1 Fire Marshal

Question: In terms of downtown police patrols, can you please provide available data on the hours AAPD officers have spent on patrols downtown the last couple of years. Also, if the DDA Ambassador program is implemented, how would that impact (if at all) AAPD activities in the downtown area including what the respective roles and responsibilities would be for the AAPFD officers and these Ambassadors. (Councilmember Lumm)

Response: The number of hours AAPD Officers has spent on foot patrols downtown for the last two calendar years:

- 2013 – 1097 hours
- 2014 – 873 hours

These hours do not include time spent by officers in the Community Engagement Unit, which were added in 2014 and which spend considerable time downtown.

If the DDA Ambassador Program is implemented, there would be no impact to the policing philosophy or the amount of time AAPD Officers spend in the downtown area. The roles and responsibilities of the AAPD would not change.

Question: Also on the DDA, when the DDA Board approved the budget and decided to pass on the Ambassadors program for now, was there any conversation about using any portion of the \$300K that would have been spent on the Ambassador program (or other DDA grant dollars for that matter) to fund the 3 downtown beat cops as council had requested two years ago? (Councilmember Lumm)

Response: No.



TO: Mayor and Council
FROM: Tom Crawford, CFO
CC: Steven D. Powers, City Administrator
SUBJECT: General Fund
DATE: March 27, 2015

Question: For property tax revenues, what are you now forecasting for FY15 and what will the proposed budget be assuming (dollars, percent growth) for FY16 and FY17? (Councilmember Lumm)

Response: The General Fund estimate for FY2015 operating and benefits tax revenue is \$39,217,595. The proposed budget has \$40,283,650 (2.72% growth) for FY2016 and \$41,186,004 (2.24% growth) for FY2017.

Question: How much will the taxable value be growing and how much of the increase is for the inflation impact on existing properties and how much is for the net added/lost property? (Councilmember Lumm)

Response: Taxable values will grow by 1.6% due to inflation. Growth is projected to add an additional 1.1%, which gets the total taxable value growth to 2.7%.

Question: How much more will Ann Arbor taxpayers be paying in FY16 for the AAATA millage rate increase and the County-Wide road tax? (Councilmember Lumm)

Response: The County Road millage was 0.50 mills and the AAATA millage was 0.70 mills for 2015 FY. The average Taxable value of residential property for FY 2016 is 117,500 which would equate to an estimated average tax of:
County Roads \$58.75
AAATA \$82.25

Question: . Can you please provide the FY15 forecast and FY16 and FY17 assumptions for state shared revenue by the three elements (statutory, EVIP, fire protection reimbursement)? (Councilmember Lumm)

Fiscal Year	Constitutional	EVIP/CVTRS	Fire Protection
FY2015	\$8,700,838	\$1,607,089	\$942,655
FY2016	\$9,101,323	\$1,615,067	\$942,655
FY2017	\$9,192,336	\$1,616,272	\$942,655

Question: For FY16, how those assumptions compare with Governor Snyder's proposed budget? (Councilmember Lumm)

	City Target	Reasoning	Governor's Proposal
Constitutional	+4.6%	Revenue Estimating Conference	+3%
EVIP/CVTRS	0%		0%
Fire Protection Grant	0%	Staff estimate / historical	0%

Question: What are you assuming for growth in the other GF revenue items – charges for services (fines, planning fees, park & rec fees etc.) (Councilmember Lumm)

Response: Charges for services and fines and forfeits is expected to remain relatively flat.

Question: In terms of expenditures, what are the assumptions for FY16 and FY17 for pay increases for non-union, health care costs, and pension/VEBA contributions? (Councilmember Lumm)

Response: Pay increases are consistent with existing collective bargaining agreements. Pension/VEBA contributions are projected to increase 2% in accordance with the City funding policies. Active employee health care costs were adjusted in FY2016 to reflect recent positive claims experience so a one-time decrease of 7.9% was realized. In FY2017, the City returns to normal medical inflation assumption of 7.9%.

Question: For the city's bargaining units, can you please provide a list of when contracts are expiring for each of the units. (Councilmember Lumm)

Response: The chart below is a summary of the start/end dates for all of our collective bargaining units.

	Start date	End date
AFSCME	3/25/2013	12/31/2017
AAPOA	1/1/2015	12/31/2015
COAM	1/1/2015	12/31/2017
DC	1/1/2015	12/31/2016
FIRE	in negotiations	in negotiations
TEAMSTER CIV SUP	1/1/2015	12/31/2017
TEAMSTER PPA	1/1/2015	12/31/2017
AAPOA - PSS	1/1/2013	12/31/2017

Question: What is your latest forecast for the General Fund in FY15 (revenues, expenses and resulting fund balance) and what are the major variances to budget? Any significant variances to budget in other funds? (Councilmember Lumm)

Response: Staff is preparing the forecast now and will incorporate it into into the City Administrator’s recommended budget presentation on 4/20/15.

Question: What are the significant accounting rule/GASB changes (if any) that will be impacting FY16 and FY17? (Councilmember Lumm)

Response: None at this time.

Question: Regarding the Municipal Service Charge, when was this last updated and when would you plan to look at it again? (Councilmember Lumm)

Response: The plan was updated for this budget cycle and will be updated again in two years.

Question: In the street funding options report that was provided to Council, one potential action that was identified that I think we should consider is to lower the targeted fund balance in the Street Millage fund. I’m not sure why we need a full 12 month balance in the street millage fund and you indicated that reducing the full year to 1/3 of a year would free-up on one-time basis over \$6M for road repairs. Are those number still directionally accurate and what would Council need to do to make this happen? (Councilmember Lumm)

Response: At the 3/23/15 Working Session, staff included a recommendation to reduce to minimum fund balance from 1 year to ½ year of annual revenues.