
City of Ann Arbor, Michigan



Adopted 2006/2007 Budget



2006-2007
Approved Budget

John Hieftje
Mayor

Council Members

John P. Roberts
Joan Lowenstein
Jean Carlberg
Margie Teall
Wendy Woods

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Stephen Rapundalo
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Roger Fraser
City Administrator



Special Thanks to the
2006-2007
Budget Staff
for their hard work and dedication
in preparing the budget:

Kenneth Bogan
Tom Crawford

Karen Lancaster
Sandi Bird

Also, special thanks to all of the service area budget representatives who contributed to their service area and unit budgets – Great Job!

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Ann Arbor
Michigan**

For the Fiscal Year Beginning

July 1, 2005

President

Executive Director



Office of City Administrator

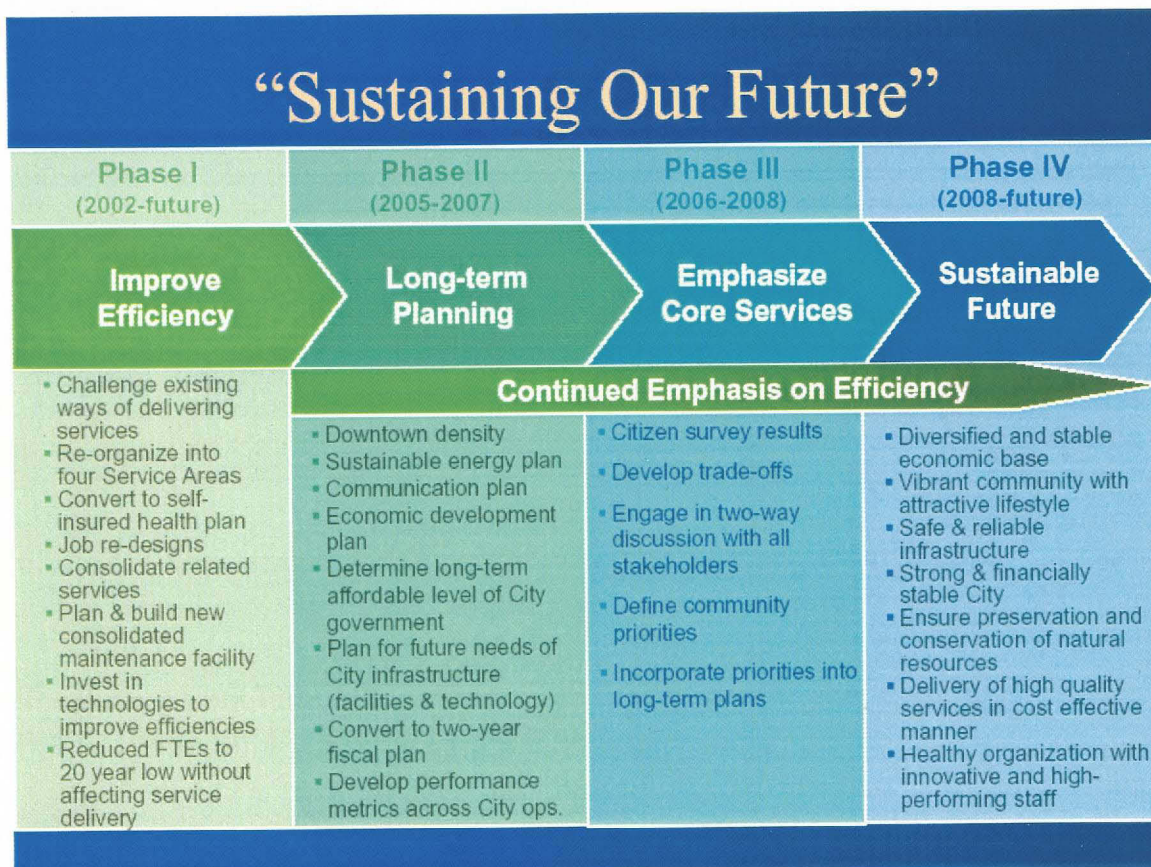
July 1, 2006

To Mayor Hieftje and Members of City Council:

I am pleased to provide the adopted budget for fiscal year 2006/07. Unlike prior years, this budget is based on the two-year fiscal plan you approved last year, with some adjustments to reflect newer information. Because last year's budget was all about "tough choices" and expenditure reductions, this year can be characterized more as sustaining or maintaining the status quo.

All the work that went into the development of our current, two-year budget plan allowed the organization more time this year for future planning. Below is a visual depiction of the City's present strategy, "Sustaining Our Future."

While it is likely that this strategy will evolve further, this version was shared with our citizens in recent Town Hall meetings.



We're moving solidly into Phase II of the plan. A further indication of this progress is the relatively few reductions required in this year's budget. On the expenditure side, some of the highlights follow:

- 823 Full Time Equivalent Employees.
- Maintain existing Police and Fire services and spending.
- Elimination of a day camp at Senior Center.
- Addition of a Raptor program at Leslie Science Center.
- Addition of Safety Coordinator to oversee citywide safety program.
- Containment of increased fuel costs.

A summary of the City's total budget is as follows:

	<u>Fiscal Year Budget</u>	
	<u>2006</u>	<u>2007</u>
<u>General Fund</u>		
Police	\$ 24,404,522	\$ 25,738,079
Fire	11,615,681	12,600,302
Parks & Recreation	3,543,220	3,812,794
Parks Forestry & Operations	6,559,507	3,801,451
Courts	3,686,653	3,770,427
Planning & Development	2,334,911	2,032,252
AATA/Debt Service/Transfers/Other *	<u>24,821,244</u>	<u>25,936,430</u>
 Subtotal General Fund	 \$ <u>76,965,738</u>	 \$ <u>77,691,735</u>
<u>Non-General Funds</u>		
Water	24,242,750	21,729,907
Waste Water	21,000,940	19,857,245
Stormwater	5,026,190	5,095,398
Solid Waste	11,841,375	11,202,105
Park Repair & Restoration	1,887,200	1,928,880
Parks Rehabilitation & Development	1,662,163	1,807,548
Street Repair Millage	8,392,251	9,417,156
Dedicated & Internal Service Funds **	<u>162,777,056</u>	<u>143,788,523</u>
Subtotal Non-General Fund	\$ 236,829,925	\$ 214,826,762
 Total	 \$ <u><u>313,795,663</u></u>	 \$ <u><u>292,518,497</u></u>

* Includes AATA, Finance, Community Development, Public Services, Attorney's Office, HR, Fleet & Facilities & other minor areas.

** Includes Retirement System, Insurance, DDA Parking, Major Streets, Open Space, IT, Fleet, Debt Service, Capital Projects, & other minor funds.

As illustrated in the above table, General Fund expenditures are expected to increase from \$77.0 million to \$77.6 million – only a 0.8% increase. Total City expenditures are expected to decline from \$313.8 million to \$292.5 million – primarily reflecting lower capital expenditures.

Organizationally the City is stable except for one change– the movement of the Communications Office (CTN) and the Clerk Services Unit from the Community Services Area to the City Administrator Service Area.

Despite our efforts to contain and reduce expenditures, the City is still facing a challenging environment for revenues. Although revenue projections are largely in line with forecasts made last year, there are significant areas of concern for future years.


We anticipate receiving \$2 million per year for several more years from the Downtown Development Authority, but that agreement is planned to expire in three more years. Although the level of State-shared revenue was greater this past year than planned, the State is showing indications that it will continue to balance its budget, in part, by not allocating the full revenue it had previously promised. Furthermore, the statutory portion of state shared revenue expires next year if the State doesn't renew it.

The City is also facing the expiration of three millages next year. The millages for Parks Repair and Restoration, Parks Rehabilitation and Development, and Street Repair all expire at the end of June 2007. If any of them are not renewed, significant financial impact to the City would result.

As we look forward to this new fiscal year, I expect it to be a pivotal time for the City. With the expiring state shared revenue, the expiring millages and the collective bargaining agreements that need to be completed, 2006/07 will set the stage for our financial future through 2010. Be assured, whatever situation we face on revenues, staff will continue to strive to deliver the number and quality of services our citizens require in a cost efficient manner.

I look forward to working with you and our citizenry through these challenging times. I thank all the members of the staff and City Council for their hard work in preparation of this budget.

Respectfully submitted,



Roger Fraser
City Administrator

Summary of Changes – Recommended to Approved Budget

REVENUES

SERVICE AREA	FUND	AMOUNT	DESCRIPTION
NON-DEPARTMENTAL	GENERAL	\$55,000	Added use of fund balance to fund the Communications Service Unit Manager position.

Summary of Changes – Recommended to Approved Budget

EXPENDITURES

SERVICE AREA	FUND	AMOUNT	DESCRIPTION
CITY ADMINISTRATOR	GENERAL	\$55,000	Increased City Administrator budget to fund a portion of the Communications Service Unit Manager personnel costs
COMMUNITY TELEVISION NETWORK	CTN FUND (0016)	(\$55,000)	Decreased CTN budget to re-allocate personnel costs to City Administrator budget

RESOLUTION TO ADOPT ANN ARBOR CITY BUDGET
AND RELATED PROPERTY TAX MILLAGE RATES
FOR FISCAL YEAR 2006/2007

Whereas, City Council has reviewed the City Administrator's proposed budget for FY 2006-07 for the City of Ann Arbor; and

Whereas, A public hearing and numerous 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 2006-07 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 contributions for the Youth Program be appropriated upon receipt of the funds for the purpose of the Youth Program;

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 Capital Improvement projects in the amount of \$375,948,191 are approved with \$36,933,286 to be appropriated in 2006-07 and may be carried forward without regard to fiscal year;

RESOLVED, That the Technology Improvement projects in the amount of \$2,085,188 may be appropriated without regard to fiscal year;

RESOLVED, That a total 823 full-time equivalent positions be adopted in the FY2006-07 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 following appropriations constitute the General Fund budget for 2006-07;

REVENUES

CITY ATTORNEY	\$ 118,000
CITY ADMINISTRATOR	
City Administrator	3,966,057
Clerk Services	162,217
COMMUNITY SERVICES	
Planning & Development Services	1,063,482
Parks and Recreation Services	2,613,482
FINANCIAL SERVICES	
Assessor	1,000
Financial and Budget Planning	59,969,654
Procurement	30,000
Treasury	206,339
PUBLIC SERVICES	
Field Operations	52,500
Fleet & Facility	170,737
Water Treatment	370,000
SAFETY SERVICES	
Police	4,471,521
Fire	110,600
DISTRICT COURT	2,655,300
NON-DEPARTMENTAL	1,730,846
TOTAL GENERAL FUND REVENUES	\$77,691,735

EXPENDITURES

MAYOR AND CITY COUNCIL	\$266,898
CITY ATTORNEY	1,744,254
CITY ADMINISTRATOR	
City Administrator	681,336
Human Resources	1,312,297
Clerk Services	772,795
COMMUNITY SERVICES	
Planning & Development Services	2,032,252
Office of Community Development	2,080,987
Parks and Recreation	3,812,794
FINANCIAL SERVICES	
Accounting	728,814
Assessor	811,364
Financial and Budget Planning	1,034,327
Procurement	577,444
Treasury	543,791
PUBLIC SERVICES	
Customer Services	240,699
Field Operations	5,494,507
Fleet & Facilities	1,323,608
Public Services Administration	374,145
Systems Planning	185,957
Water Treatment Services	178,135
SAFETY SERVICES	
Police	25,738,079
Fire	12,600,302
DISTRICT COURT	3,770,427
NON-DEPARTMENTAL	11,386,523
TOTAL GENERAL FUND EXPENDITURES	\$77,691,735

RESOLVED, That the following other funds revenue and expenditure appropriations are adopted for FY2006-2007 budget; and

REVENUES

Fund	Fund Name	Amount
0042	WATER SUPPLY SYSTEM	\$ 22,299,499
0043	SEWAGE DISPOSAL SYSTEM	21,139,595
0048	AIRPORT	862,573
0069	STORMWATER SEWER SYSTEM	5,161,307
0011	CENTRAL STORES	1,344,816
0012	FLEET SERVICES	5,965,015
0015	PARKS SERVICE HEADQUARTERS	145,398
0049	PROJECT MANAGEMENT	3,071,228
0057	INSURANCE	19,862,109
0055	ELIZABETH R DEAN TRUST	89,821
0005	PARKS MAINTENANCE & REPAIR MILLAGE	68,000
0006	PARKS REPAIR AND RESTORATION MILLAGE	2,032,219
0021	MAJOR STREET	7,716,275
0022	LOCAL STREET	1,891,208
0079	TREE REMOVAL AND DISPOSAL	409,956
0036	METRO EXPANSION	350,000
0054	CEMETERY PERPETUAL CARE	4,500
0062	STREET REPAIR MILLAGE	9,417,156
0072	SOLID WASTE FUND	12,472,662
0002	ENERGY PROJECTS	160,127
0070	AFFORDABLE HOUSING	811,759
0024	OPEN SPACE & PARKLAND PRESERVATION	2,107,434
0025	BANDEMER PROPERTY	8,380
0026	CONSTRUCTION CODE FUND	2,419,819
0046	MARKET	138,396
0038	ANN ARBOR ASSISTANCE	5,650
0047	GOLF ENTERPRISE	1,324,243
0016	COMMUNITY TELEVISION NETWORK	1,439,959
0018	PARKS REHAB & DEVELOPMENT MILLAGE	2,044,721
0034	PARKS MEMORIALS & CONTRIBUTIONS	70,000
0078	COMMUNITY DEVELOPMENT BLOCK GRANT	2,121,906
0090	HOME PROGRAM	2,313,674
0014	INFORMATION TECHNOLOGY	6,631,318
00MG	MAJOR GRANT PROGRAMS FUND	112,100
0027	DRUG ENFORCEMENT	12,000

0053	POLICE AND FIRE RELIEF	10,000
0064	MICHIGAN JUSTICE TRAINING	46,000
0023	COURT FACILITIES	975,000
0035	GENERAL DEBT SERVICE	7,057,086
0060	GENERAL DEBT /SPECIAL ASSESSMENTS	413,369
0061	ALTERNATIVE TRANSPORTATION	1,559,523
0031	SPECIAL ASSESSMENTS	150,000
0074	2005-06 SEWER BOND	2,398,316
0076	SEWER BOND SERIES XIX 2004	7,119,832
0082	2005-06 STORMWATER BOND	2,226,639
0092	2005-06 WATER BOND	8,773,853
0095	WATER BOND SERIES Z 2004	562,437
0097	ENVIRONMENTAL BOND ISSUE	1,501,000
0052	VEBA TRUST	7,895,020
0059	EMPLOYEES RETIREMENT SYSTEM	33,506,146
0001	DDA/HOUSING FUND	230,469
0003	DOWNTOWN DEVELOPMENT AUTHORITY	4,063,861
0030	DDA-SIDEWALK & STREETSCAPES	431,460
0033	DDA PARKING MAINTENANCE	1,375,000
0063	DDA PARKING SYSTEM	12,903,740
	TOTAL ALL OTHER FUNDS	\$229,223,574
	GENERAL (PAGE 2)	77,691,735
	TOTAL ALL FUNDS' REVENUES	\$ 306,915,309

EXPENDITURES

Fund	Fund Name	Amount
0042	WATER SUPPLY SYSTEM	\$ 21,729,907
0043	SEWAGE DISPOSAL SYSTEM	19,857,245
0048	AIRPORT	862,573
0069	STORMWATER SEWER SYSTEM	5,095,398
0011	CENTRAL STORES	1,344,816
0012	FLEET SERVICES	4,503,801
0015	PARKS SERVICE HEADQUARTERS	145,398
0049	PROJECT MANAGEMENT	3,071,228
0057	INSURANCE	19,862,109
0055	ELIZABETH R DEAN TRUST	89,821
0005	PARKS MAINTENANCE & REPAIR MILLAGE	68,000
0006	PARKS REPAIR AND RESTORATION MILLAGE	1,928,880
0021	MAJOR STREET	7,716,275
0022	LOCAL STREET	1,891,208
0079	TREE REMOVAL AND DISPOSAL	409,956
0036	METRO EXPANSION	350,000
0062	STREET REPAIR MILLAGE	9,417,156
0072	SOLID WASTE FUND	11,202,105
0002	ENERGY PROJECTS	160,127
0070	AFFORDABLE HOUSING	811,759
0024	OPEN SPACE & PARKLAND PRESERVATION	2,107,434
0025	BANDEMER PROPERTY	1,295
0026	CONSTRUCTION CODE FUND	2,278,592
0046	MARKET	137,163
0038	ANN ARBOR ASSISTANCE	5,650
0047	GOLF ENTERPRISE	1,324,243
0016	COMMUNITY TELEVISION NETWORK	1,384,959
0018	PARKS REHAB & DEVELOPMENT MILLAGE	1,807,548
0034	PARKS MEMORIALS & CONTRIBUTIONS	70,000
0078	COMMUNITY DEVELOPMENT BLOCK GRANT	2,121,906
0090	HOME PROGRAM	2,313,674
0014	INFORMATION TECHNOLOGY	6,631,318
0027	DRUG ENFORCEMENT	12,000
0064	MICHIGAN JUSTICE TRAINING	40,000
0023	COURT FACILITIES	6,000
0035	GENERAL DEBT SERVICE	6,982,668
0060	GENERAL DEBT/SPECIAL ASSESSMENTS	413,369
0061	ALTERNATIVE TRANSPORTATION	1,554,951

0031	SPECIAL ASSESSMENTS	150,000
0074	2005-06 SEWER BOND	2,398,316
0076	SEWER BOND SERIES XIX 2004	7,119,832
0082	2005-06 STORMWATER BOND	2,226,639
0092	2005-06 WATER BOND	8,773,853
0095	WATER BOND SERIES Z 2004	562,437
0097	ENVIRONMENTAL BOND ISSUE	1,501,000
0052	VEBA TRUST	154,580
0059	EMPLOYEES RETIREMENT SYSTEM	33,506,146
0001	DDA/HOUSING FUND	175,826
0003	DOWNTOWN DEVELOPMENT AUTHORITY	4,063,861
0030	DDA-SIDEWALK & STREETSCAPES	205,000
0033	DDA PARKING MAINTENANCE	1,375,000
0063	DDA PARKING SYSTEM	12,903,740
	TOTAL ALL OTHER FUNDS	\$ 214,826,762
0010	GENERAL	77,691,735
	TOTAL ALL FUNDS' EXPENDITURES	\$ 292,518,497

RESOLVED, That the following millages shall be levied for the City of Ann Arbor for FY2006-07:

	PROPOSED
GENERAL OPERATING	6.1856
EMPLOYEE BENEFITS	2.0618
REFUSE COLLECTION	2.4740
AATA	2.0618
STREET REPAIR	1.9382
PARKS REPAIR AND RESTORATION	0.4616
PARK REHAB AND DEVELOPMENT	0.4528
PARK ACQUISITION	0.4793
DEBT SERVICE	<u>0.5454</u>
TOTAL	<u>16.6605</u>

Budget Amendment

Whereas, The CTN fund includes the total personnel costs for the Communications Service Unit Manager;

Whereas, Some of the functions performed by this position support activities outside of the CTN fund;

RESOLVED, That the General Fund City Administrator expenditure budget be increased by \$55,000 to fund a portion of the Communications Service Unit Manager personnel costs;

RESOLVED, That the CTN expenditure budget be reduced by \$55,000;

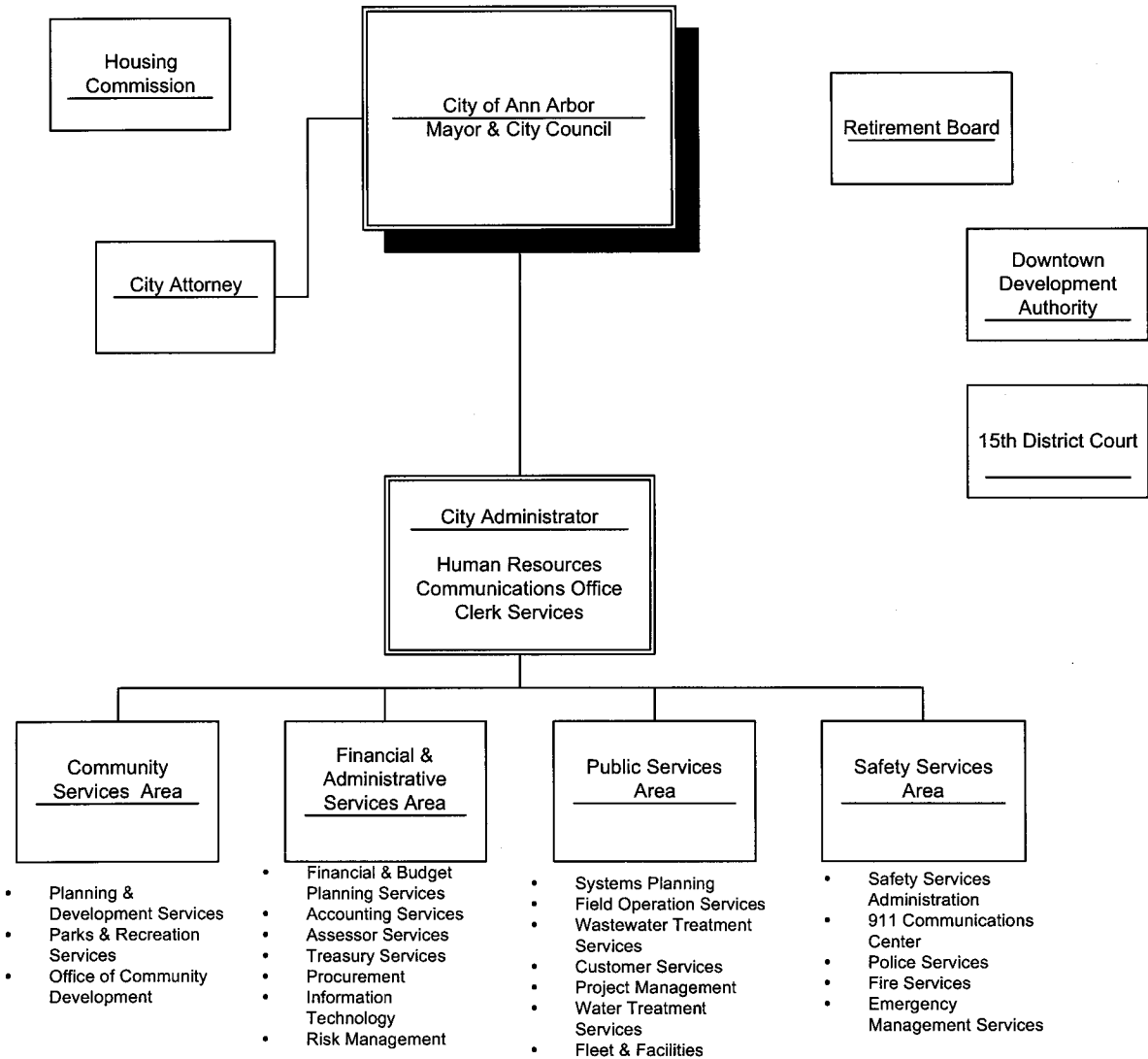
RESOLVED, That Council appropriate \$55,000 from the General Fund fund balance to balance the 06-07 budget;

As Amended, May 15, 2006

**APPROVED
BY ANN ARBOR CITY COUNCIL**

May 15, 2006

**CITY CLERK
ANN ARBOR, MI**



The Mayor and the City Council appoint the City Attorney and the City Administrator. The City is organized into four service areas including Community Services, Financial & Administrative Services, Public Services and Safety Services. Detailed organizational functions and activities for these service areas may be found in the budget in each service area section.

City of Ann Arbor - Fiscal Year 2006/07

Information Pages: The Budget Process

The Annual Operating Budget is the City's plan for providing services to the community during the fiscal year. The budget process involves determining the nature and level of services provided to the public according to the priorities established by the City Council and City Administrator.

The actual budget process begins in late fall with the City Administrator formulating a series of goals in cooperation with the City Council that are to be accomplished in the next budget year. These goals are then used to guide the individual service areas in preparing their budgets. The City Council also establishes citywide goals and objectives that identify areas in need of service improvement(s) or other areas of special concentration by the service unit.

Individual service units begin the budget process essentially the same way the City Administrator does – by formulating service unit goals and objectives that support those of the City Administrator. Once the goals and objectives have been developed, the service units prepare the financial budget requests, which are submitted in late January.

In recent years, the City has used the “Target Based” budgeting technique because of limited revenue growth. This technique has proven to be successful for the short-term resolution of challenges created by the structural deficit. Under this system, the City Council decides which services will receive the highest priority. The City Administrator then determines funding levels for each service unit by working with the service area administrators to match funding needs with available revenue. Budget targets are established based on anticipated revenues and growth in expenditures while incorporating the strategic goals and objectives identified earlier in the budget process. The goals and objectives assist in determining where more resources are needed. After the budget has been adopted, the service units then determine the best way to allocate funds among expenses to remain within the target while meeting the assigned goals. By allowing the service units to determine how funds are spent within the unit, the operating units have a greater ownership in how they provide services.

In accordance with the City Charter, the City Administrator's Recommended Budget is submitted to City Council on or before April 15th. The City Council, with at least seven affirmative votes, must adopt the budget no later than the end of its second meeting in May. According to the City Charter, should the City Council not adopt an amended Budget, the City Administrator's Recommended Budget will automatically take effect as submitted. After the budget has been adopted, City Council may amend the budget by a concurring vote of not fewer than eight members of City Council.

For the 2005/06 budget the Council adopted a two-year fiscal plan. The first year was adopted as the budget and the second year as a projection. For the 2006/07 budget year, the second year of the two-year fiscal plan, the projection was modified for key assumption changes and adopted as the budget. The two-year plan required only minor changes for the second year and provided the organization time to examine strategic planning in greater detail.

Information Pages: The Budget Process-Financial Calendar

Fiscal Year 2006/07

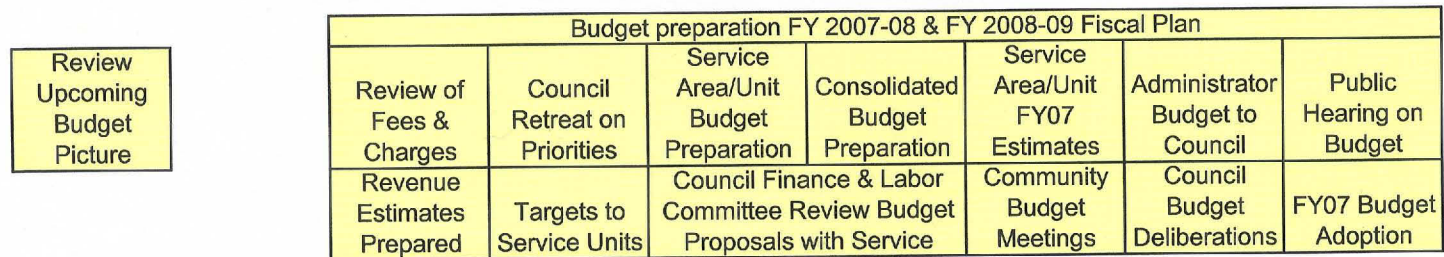
July August September October November December January February March April May June



Planning



Budgeting



Financial & Performance Reporting



Information Pages: Long Term Financial Plan

Mission

The City of Ann Arbor is committed to providing excellent municipal services that enhance the quality of life for all through the intelligent use of our resources while valuing an open environment that fosters fair, sensitive and respectful treatment of all employees and the community we serve.

Introduction

The chart in the City Administrator's budget message includes a depiction of the long-term financial plan management has been following to achieve financial stability.

The past few years have focused on re-sizing the organization to create an affordable cost structure. Although the City's cost structure is still not at a sustainable level given present forecasts, this budget proposal which includes no further reduction in FTEs represents managements belief that staffing levels are appropriate unless there is further loss of revenue.

During the next year, performance based goal setting and objectives are being deployed by the organization to build on the efforts already started. Then core versus non-core operations will be evaluated in light of the available sources of funding. The outcome of core and related services along with performance metrics should be incorporated in next year's planning documents. Five and ten year projections are made based on available information.

A summary of the long-term financial plan is included in the sections below. These activities will guide the City's fiscal activities over the course of the 2006/07 fiscal year and beyond. This financial planning provides a process for continuing discussion, analysis, policy change and re-analysis with a focus on the City's financial future.

Assessment of condition

It is very important to monitor financial trends and indicators to assess the City's financial condition. The assessment makes observations covering four areas of financial planning: (1) the City's financial health, (2) financial independence and flexibility, (3) municipal productivity, and (4) financial management practices.

General Observations - Financial Health

- The City received an AA bond rating on its most recent general obligation debt issuance and an AA bond rating on its most recent revenue bond issuance.
- Per capita property value slightly leads inflation for the past five years.
- The City's population remains stable.
- Per capita income adjusted for inflation is trending upward.
- Property Tax revenue increases slightly exceeded inflation rates for the past four years.

Information Pages: Long Term Financial Plan

- Tax base growth from additions has led inflation rates for the past six years
- A millage to fund the removal of ash trees related to the infestation of the Emerald Ash Borer failed. The City will continue to fund this initiative by spending fund balance, delaying expenditures, and eliminating or reducing some services.

Financial Independence and Flexibility

- The percent of total expenditures funded by grants and state-shared revenues for fiscal years 2000 to 2006 ranges from 20% to 30%.
- The ratio of debt to valuation is low (1.13%) compared to other cities our size.
- Net direct and indirect debt per capita is \$398; this is low relative to the national average for cities of similar size.
- Debt service payments as a percentage of general governmental expenditures are stable at 3.4%.
- Retiree health care costs are projected to continue rising. In addition to paying health care costs, the City has been pre-funding a VEBA Trust; however current trends suggest the City will not be able to fully fund it.
- Voters have a mixed willingness to support specific tax levies.
- The City's pension liability is adequately funded at 103.7% as of June 30, 2005.

Municipal Productivity

- The number of employees per thousand residents has decreased from 8.8 in 1999-2000 to 7.2 in 2005-06.
- Enterprise funds have had positive operating income in a majority of the past ten years.
- Water fund debt coverage ratios have been below 1.25 in four of ten years. Bond rating agencies recommend debt coverage ratios of 1.25 to insure bondholders there are adequate revenues to pay debt service.

Financial Management Practices

- The General Fund undesignated fund balance on June 30, 2005 was at 14.2% of operating expenditures.
- Delinquent taxes have not exceeded 1% for the past ten years.
- The City has set aside \$10.8 million for future capital improvements as of June 30, 2005.

Information Pages: Long Term Financial Plan

Conclusions

Revenue growth has kept pace with inflation and the local economy is healthy. There has been some growth of expenditures over time. Revenues from grants and state shared revenues are carefully monitored and are decreasing due to decreasing State-shared revenues (sales and income taxes). The City's low debt ratio gives it the flexibility to provide financing for capital needs that may be required in coming years. Municipal productivity as measured by the number of employees and expenditures per capita has decreased. The City's long-term pension liabilities are adequately funded but retiree health cost increases continue to pose a financial burden.

The City of Ann Arbor enjoys a strong economy reflected in a low tax delinquency rate and a General Fund undesignated fund balance, which has grown to a level of 14.2% of expenditures by June 30, 2005. The City maintains an AA General Obligation bond rating on its uninsured bonds, reflecting well on the City's financial strength and financial health.

Information Pages: Long Term Financial Plan

Financial Management Goals

Immediate Goals (FY 2006-2007)

1. **Improve Cost Efficiency.** On an annual basis, FTE vacancies are monitored to determine if the position is needed for the remainder of the fiscal year and to ensure that the related funds are not spent on non-personnel activities unless approved by the City Administrator and/or the City Council.
2. **Implement New Performance Metrics** approach and related benchmarking to assist service units in providing quality service at the lowest reasonable cost.
3. **Improve Service Delivery Efficiency** through job redesigns, consolidation of services, investment in technologies and challenging existing ways of delivering services.
4. **Develop an Economic Development Plan** and related details to integrate and coordinate various existing efforts.

Short-term Goals (FY 2006-2007)

1. **Revise the City's strategic business plan and related goals, objectives, activities, and performance metrics.** The strategic business planning process will continue throughout 2006/07 with an emphasis in defining core versus non-core activities. Changes and updates to the 2005/06 plan will be made as needed and as appropriate.
2. **Review Municipal Service Charge/cost allocation.** A third year study of a cost allocation plan used for calculating the Municipal Service Charge was completed and recommendations were implemented by the City Administrator in the 2006-2007 budget.
3. **Maintain a balance of revenues and expenditures to avoid deficit spending.** Decisions concerning the provision of services should always be within this framework of maintaining this balance.
4. **Maintain an undesignated General Fund fund balance within a range of 8% to 12%;** provided that when necessary use of these funds occurs, subsequent budgets will be planned for additions to fund balance to maintain a rolling 5 year average fund balance level of 10%.

Information Pages: Long Term Financial Plan

5. **Continue the development of a long-term financial operating and capital financial plan.** The financial plan will integrate the Capital Improvements Program (CIP). Capital improvements were integrated with the 2006-07 annual budgets.
6. **Continue development of strategies to contain escalating health care and pension costs.** The City will continually study the pension system and related expenditures including the escalating cost of retiree health care. All union contracts expire on June 30, 2006, which will permit management to raise the issue during negotiations.
7. **Funding investments for capital and infrastructure needs including equipment costs.** The City is in the final planning stages of constructing a maintenance facility as well as a joint dispatch center. The City is also in the preliminary stages of examining options for refurbishing the Civic Center and replacing its antiquated phone system.
8. **Continue building an information technology unit, which improves operating efficiency and service to our customers.** The City established an internal service fund structure for the Information Technology function in order to better allocate the costs of the services and improve efficiencies.

Long-term Goals (FY 2008 and beyond)

1. **Maintain a balance of revenues and expenditures to avoid deficit spending.**
2. **Maintain an undesignated General Fund fund balance within a range of 8% to 12% provided that when necessary use of these funds occur, subsequent budgets will be planned for additions to fund balance to maintain a rolling 5 year average fund balance level of 10%.**
3. **Develop strategies for VEBA and pension funding.**
4. **Develop strategies to contain increased active and retiree health care costs.**
5. **Implement technology upgrades for the City's enterprise-wide financial systems.**
6. **Develop a policy for the long-term funding of infrastructure for City facilities.**

Information Pages: Long Term Financial Plan

Financial Health Policy Objectives

I. Financial Health

- a. Maintain a balance of revenues and expenditures.
- b. Strive to accommodate an appropriate and sustainable level of new construction activities and preserve market value of existing real property.
- c. Strive to maintain services and infrastructure to accommodate, encourage and support an appropriate and sustainable level of commercial activities.
- d. Strive to maintain population levels.
- e. Strive to improve economic conditions for residents of the City.
- f. Evaluate potential revenue sources.

II. Financial Independence and Flexibility

- a. Strive to retain financial independence by monitoring grant-funded programs to insure the City does not become dependent on grants for long term operating costs.
- b. Incur additional debt only as necessary after exhausting other available sources.
- c. Fund a vehicle for post-retirement health care liabilities.
- d. Manage capital improvement projects within the funding identified in the fiscal plans.
- e. Budget a consistent level of capital outlay sufficient to maintain infrastructure.
- f. Maintain actuarially recommended funding levels of pension liabilities.

III. Municipal Productivity

- a. Provide desired services in an efficient manner.
- b. Maintain a number of employees per thousand residents consistent with the level of services demanded or delivered.
- c. Strive to maintain stable expenditures per capita.
- d. Strive for sufficient positive operating income in Enterprise funds to provide for necessary operating and capital infrastructure needs while maintaining sufficient debt service coverage ratios.
- e. Limit rate increases in Enterprise funds to the minimum needed to satisfy system costs so as not to burden rate payers.

IV. Financial Management Practices

- a. Maintain an undesignated General Fund fund balance ranging from 8% to 12% of operating expenditures (total expenditures less transfers).
- b. Maintain a strong tax collection policy and monitor tax delinquency.
- c. Perform periodic internal audits to ensure policies and procedures are being followed.
- d. Respond to audit comments so deficiencies found do not impede prudent financial management.

Information Pages: Debt Management Policy

The following debt management policy should be used to provide the general framework for planning and reviewing debt proposals. City Council recognizes there are no absolute rules or easy formulas that can substitute for a thorough review of all information affecting the City's debt position. Debt decisions should be the result of deliberative consideration of all factors involved.

1. General Debt Policy

- 1.1 The City shall seek to maintain and, if possible, to improve its current Aa/AA bond rating so borrowing costs are minimized and access to credit is preserved. It is imperative that the City demonstrates to rating agencies, investment bankers, creditors, and taxpayers that City officials are following a prescribed financial plan. The City will follow a policy of full disclosure by communicating with bond rating agencies to inform them of the City's financial condition.
- 1.2 Every future bond issue proposal will be accompanied by an analysis provided by the proposing service area, demonstrating conformity to the debt policies adopted by City Council. The Financial Services Area Administrator will review and comment on each bond issue proposal regarding conformance with existing debt and financial policies, and specific aspects of the proposed financing package and its impact on the City's creditworthiness.
- 1.3 The City recognizes that it is of the utmost importance that elected and appointed City officials, and all others associated with the issuance of City debt, not only avoid the reality of a conflict of interest, but the appearance thereof as well. City officials must conduct themselves in a manner consistent with the best interests of the City and taxpayers. Elected and appointed City officials should avoid even the appearance of linkages between politics and public finance that can erode the confidence of taxpayers, ratepayers, and voters. This includes avoiding gratuities, and political contributions of more than nominal value from service providers and the disclosure of all possible conflicts of interest shall be provided in writing and filed with the City Clerk.
- 1.4 Bonds will be sold on a competitive basis unless it is in the best interest of the City to conduct a negotiated sale. Competitive sales will be the preferred method. Negotiated sales may occur when selling bonds for a defeasance of existing debt, for current or advanced refunding of debt, or for other appropriate reasons.

2. Taxpayer Equity

- 2.1 Ann Arbor's property taxpayers and citizens who benefit from projects financed by bonds should be the source of the related debt service funding. This principle of taxpayer equity should be a primary consideration in determining the type of projects selected for financing through bonds. Furthermore, the principle of taxpayer equity shall be applied for setting rates in determining net revenues for bond coverage ratios.

Information Pages: Debt Management Policy

3. Uses

- 3.1 Bond proceeds should be limited to financing the costs of planning, design, land acquisition, buildings, permanent structures, attached fixtures or equipment, and movable pieces of equipment, such as fire engines, or other costs as permitted by law. Utility revenue bond proceeds may be used to establish a debt service reserve as allowed by State law. Acceptable uses of bond proceeds can be viewed as items, which can be capitalized. Non-capital furnishings and supplies will not be financed from bond proceeds. Refunding bond issues designed to restructure currently outstanding debt are an acceptable use of bonds proceeds.
- 3.2 The City will not use short-term borrowing to finance operating needs except in the case of an extreme financial emergency, which is beyond its control or reasonable ability to forecast. Recognizing that bond issuance costs add to the total interest costs of financing, bond financing should not be used if the aggregate cost of projects to be financed by the bond issue does not exceed \$1,000,000.

4. Decision Analysis

4.1 Whenever the City is contemplating a possible bond issue, information will be developed concerning the following four categories commonly used by rating agencies assessing the City's creditworthiness. The subcategories are representative of the types of items to be considered. This information will be presented by the Chief Financial Officer to the Council Finance and Labor Committee for its review and recommendation to the City Administrator.

4.1.a Debt Analysis

- Debt capacity analysis
- Purpose for which debt is issued
- Debt structure
- Debt burden
- Debt history and trends
- Adequacy of debt and capital planning
- Obsolescence of capital plant

4.1.b Financial Analysis

- Stability, diversity, and growth rates of tax or other revenue sources
- Trend in assessed valuation and collections
- Current budget trends
- Appraisal of past revenue and expenditure trends
- History and long-term trends of revenues and expenditures
- Evidences of financial planning
- Adherence to generally accepted accounting principles
- Audit results
- Fund balance status and trends in operating and debt funds
- Financial monitoring systems and capabilities
- Cash flow projections

Information Pages: Debt Management Policy

4.1.c Governmental and Administrative Analysis

- Government organization structure
- Location of financial responsibilities and degree of control
- Adequacy of basic service provision
- Intergovernmental cooperation/conflict and extent of duplication
- Overall city planning efforts

4.1.d Economic Analysis

- Geographic and location advantages
- Population and demographic characteristics
- Wealth indicators
- Housing characteristics
- Level of new construction
- Types of employment, industry, and occupation
- Evidences of industrial decline
- Trend of the economy

4.2 The City may use the services of qualified internal staff and outside advisors to assist in the analysis, evaluation, and decision process, including bond counsel and financial advisors. Recognizing the importance and value to the City's creditworthiness and marketability of the City's bonds, this policy is intended to insure that potential debt complies with all laws and regulations, as well as sound financial principles.

5. **Debt Planning**

- 5.1 Unlimited-tax general obligation bond borrowing should be planned and the details of the plan must be incorporated in the Ann Arbor Capital Improvement Plan.
- 5.2 Unlimited-tax general obligation bond issues should be included in at least two Capital Improvement Plans preceding the year of the bond sale. The first inclusion should contain a general description of the project, its timing, and financial limits; subsequent inclusions should become increasingly specific.

6. **Communication and Disclosure**

- 6.1 Significant financial reports affecting or commenting on the City will be forwarded to the rating agencies. Each bond prospectus will follow the disclosure guidelines of the Government Finance Officers Association of the U.S. & Canada.
- 6.2 The City should attempt to develop coordinated communication processes with all other jurisdictions with which it shares a common property tax base concerning collective plans for future debt issues. Reciprocally, shared information on debt plans including amounts, purposes, timing, and types of debt would aid each jurisdiction in its debt planning decisions.

Information Pages: Debt Management Policy

7. General Obligation Bonds

- 7.1 Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project.
- 7.2 Generally, bonds cannot be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed. The City will attempt to keep the average maturity of general obligation bonds at or below 20 years. The City will limit the total of its general obligation debt to 8% of the City's assessed value.
- 7.3 Whenever possible, the City will finance capital projects by using self-supporting revenue bonds. Revenue bonds assure the greatest degree of equity because those who benefit from a project and those who pay for a project are most closely matched.

8. Limited Tax General Obligation Debt

- 8.1 Limited tax general obligation bonds should be considered only when constraints preclude the preferred practice of voter approved general obligation bonds. As a precondition to the issuance of limited tax general obligation bonds, all alternative methods of financing should have been investigated. Consideration should always be given to provide a pledge of facility revenue to accompany the basic pledge of limited tax revenues.
- 8.2 Limited tax general obligation bonds should only be issued under certain conditions:
 - 8.2.a A project to be financed will generate positive net revenues, i.e., additional revenues generated by the project will be greater than the debt service requirements. The net revenues should be positive over the life of the bonds, and be positive each year if possible. The City recognizes that net revenues may not be positive in the early years of certain projects, but should be positive within a reasonable time period of five to seven years. These calculations will be made on a conservative basis so that the potential for a long-term net decrease in general fund revenues is minimized.
 - 8.2.b Matching fund monies are available which may be lost if not applied for in a timely manner.
 - 8.2.c Catastrophic conditions.

Information Pages: Debt Management Policy

9. Revenue Bonded Debt

- 9.1 It will be a long-term goal that each utility or enterprise will ensure future capital financing needs are met by using a combination of current operating revenues and revenue bond financing. Therefore a goal is established that 15% of total project costs should come from operating funds of the utility or enterprise.
- 9.2 It is City policy that each utility or enterprise should provide adequate debt service coverage. A specific factor is established by City Council that projected operating revenues in excess of operating expenses less capital expenditures, depreciation and amortization in the operating fund should be at least 1.25 times the annual debt service costs. An example of the debt coverage calculation is below.

Debt Coverage Example:

Operating Revenues	\$13,903,166
Operating Investment Income	<u>751,270</u>
Total Operating Revenue	\$14,654,436
Operating Expenses	\$11,644,355
Less: Depreciation and Amortization	<u>1,155,004</u>
Net Expenses	\$10,489,351
Net Revenue Available for Debt Service	\$ 4,165,085 (1*)
Principal	\$ 1,520,000
Interest	<u>1,963,116</u>
Total Debt Service	\$ 3,483,116 (2*)
Debt Coverage Ratio (1* divided by 2*)	1.19

10. Short Term Financing/Capital Lease Debt

- 10.1 Short-term financing or capital lease debt will be considered to finance certain equipment and rolling stock purchases when the aggregate cost of equipment to be purchased exceeds \$25,000. Adequate funds for the repayment of principal and interest must be included in the requesting service area's approved budget.
- 10.2 The term of short-term financing will be limited to the usual useful life period of the vehicle or equipment, but in no case will exceed ten years.

Information Pages: Debt Management Policy

- 10.3 Service areas requesting capital financing must have an approved budget appropriation. Service areas shall submit documentation for approved purchases to the Financial Services area each year within sixty days after the annual budget is adopted. The Financial Services area will consolidate all requests and may solicit competitive or negotiated proposals for capital financing to insure the lowest possible interest costs.

Information Pages: Capital Improvement Program Policies

Explicit policies are necessary to guide capital programming because: 1) they provide a better understanding of the basis for a CIP; 2) they raise issues that should be discussed; and 3) they provide more specific guidance to the City Administrator as well as to the operating service areas that propose capital improvements. These policies are intended to be the basis for deliberation and debate. Both policies and priorities change over time as new components of the master plan are adopted.

- 1) The Capital Improvements Plan plays an increasingly significant role in the implementation of the master plan, providing the link between planning and budgeting for capital projects. Nearly all of the capital improvement project requests will evolve, over time, from a component of the master plan. All City service areas will be asked to take a more active role in the planning process so that master plan components more consistently contain objectives and policies for capital improvements.
- 2) The capital improvements program will continue to develop by adding features each year to gradually improve its quality and sophistication. Greater attention will be devoted to more detailed information about individual project requests, program planning, fiscal analysis, fiscal policies, and developing debt strategy.
- 3) Projects first will be evaluated in relation to each other before consideration is given to available financing. Projects will be prioritized as a matter of implementing the goals and objectives of adopted plans and policies, not as a matter of available funds.
- 4) Capital projects, which encourage private economic investment in the City will be considered in components of the master plan.
- 5) Projects, which maintain the existing infrastructure normally will take precedence over projects which create or expand facilities.
- 6) The City must develop sources of revenue to pay for capital expenditures that do not use, or compete for, resources from the General Fund.
- 7) A successful capital improvements program cannot be achieved without the understanding and support of the taxpayers and voters. A more comprehensive effort to involve the public in the process will evolve to ensure that their concerns, preferences, and priorities are considered.

Information Pages: Capital Improvement Program Policies

- 8) The City may not automatically be able to provide infrastructure to serve private development, as it once did. There are pros and cons of shifting the costs of new infrastructure and public facilities from the public sector to developers and new home buyers. For instance, shifting the allocation of costs too much on the developer may raise the cost of new housing to a point at which it may have exclusionary effects. In approving development sites and plans the City needs to assess the economic impacts of developments more carefully.
- 9) The City needs to take a more active role in inter-jurisdictional planning to formulate coherent infrastructure policies in the area. Many of the systems developed through capital investment (water, sewer, parks, etc.) have the potential to extend beyond the City limits. The City must make every effort to avoid service delivery fragmentation among the City, townships, special districts, and the private sector.
- 10) The capital improvements program must strive to provide for services equally among all residents of the City and to focus on those projects, which provide the most benefit to the entire community. Likewise, careful evaluation must be made as to which projects more appropriately should be paid for in greater measure by those who benefit from them, and which are better spread among all residents.
- 11) Projects, which are necessary to protect against a clear and immediate risk to public health or public safety should be regarded as highest priority.
- 12) Unlimited-tax general obligation bond issues should be included in at least two Capital Improvement Plans preceding the year of the bond sale. The first inclusion should contain a general description of the project, its timing, and financial limits; subsequent inclusions should become increasingly specific.

Information Pages: Community Profile

The City of Ann Arbor is located in the approximate center of Washtenaw County in the southeastern section of Michigan's lower peninsula. The City is approximately 28 square miles in area and serves as the county seat. It is the home of the University of Michigan, which currently employs over 23,044 people.

Ann Arbor offers a unique blend of business, education and recreational opportunities. Through the efforts of local builders, contractors, and retailers, the City has not only grown at its outer boundaries, but the central City remains a vibrant dining, service, and entertainment location. The area is serviced by prominent legal counsel, excellent account and brokerage houses, several advertising agencies, employment services, insurance companies, realtors, data processing centers, travel agencies, and testing facilities, as well as consultants and engineering firms for all needs. Additionally, the City has attracted high technology research industries in the computer, engineering, and energy fields, which are expected to aid in the future economic growth of the area.

Among the cultural and recreational attractions available to Ann Arbor residents are the Professional Theater Program at the University of Michigan, Ann Arbor Civic Theater, Ann Arbor Symphony Orchestra, University Musical Society presentations, and a number of museums and galleries. There are several public and private golf courses, and the City park system encompasses 2,055.5 acres, which includes 156 park sites, 1200 acres of natural areas and 55 miles of pathways. The collegiate sports spectator can see first-class sporting events throughout the year at the University, including football, basketball, baseball, and hockey.

EMPLOYMENT

Residents of the City are well educated; at the 2000 U. S. Census, 69% of its residents over 25 years of age had completed four or more years of college. Forty-two percent of the total work force is engaged in managerial and professional occupations, with the largest portions in the health service, education and research, retail and manufacturing industries.

HOUSING

A varied housing supply exists in Ann Arbor to meet the wide range of needs of local residents. The housing stock includes single-family homes, duplexes, condominiums, multiple family apartments, and rooms in houses and dormitories. The housing market generally follows the University of Michigan's schedule (more housing is available in the spring and less at the start of each semester). In addition to several newer subdivisions in and around the City, Ann Arbor's older housing is, for the most part, in excellent condition and in considerable demand. The City's west side and downtown have been designated historical districts, where the homes retain the charm, character and unique architecture of days past.

Information Pages: Community Profile

Rental housing is available throughout the City in a wide range of styles, sizes, and prices, furnished and unfurnished. The following statistics further identify Ann Arbor's housing characteristics:

	1980 <u>U. S.</u> <u>Census</u>	1990 <u>U. S.</u> <u>Census</u>	2000 <u>U. S.</u> <u>Census</u>
Total year round housing units	40,139	44,010	47,218
Total occupied housing units	38,945	41,657	45,693
Median value owner occupied, single-family housing unit	\$69,600	\$116,400	\$181,400

POPULATION CHARACTERISTICS

The residents of the City have an above average education and enjoy a stable, fairly high income. The following comparative statistics were taken from 1980, 1990, and 2000 U.S. Census reports.

	1980 <u>U. S.</u> <u>Census</u>	1990 <u>U. S.</u> <u>Census</u>	2000 <u>U. S.</u> <u>Census</u>
Age Distribution			
Percent of persons 17 years & under	19.1%	17.3%	25.2%*
Percent of persons 18-64 years old	75.0	75.5	67.0**
Percent of persons 65 years and over	5.9	7.2	7.9

* Persons 19 years and under

** Persons 20-64 years old

Education Levels

Percent of persons who completed 4 years of high school or more	90.6%	93.9% ¹	95.7%
Percent of persons who completed 4 years of college or more	56.2%	64.2%	69.3%
Median Family Income	\$25,202	\$50,192	\$71,293

¹Persons 25 years and older

Information Pages: Community Profile

HIGHER EDUCATION

The University of Michigan has a reputation for academic excellence and is one of Ann Arbor's greatest assets. Rated among the top ten universities by the American Council of Education, the University enrolls over 39,000 students in 19 schools and colleges. The school is well equipped to provide instruction and research opportunities in a wide variety of fields.

There are six other institutions of higher learning located within a ten-mile radius of downtown Ann Arbor. They are: Washtenaw Community College, Cleary College, Eastern Michigan University, Concordia College, Ave Maria College and Ave Maria School of Law.

MEDICAL FACILITIES

Students and residents of Ann Arbor are served by the nationally acclaimed University of Michigan Medical Center, which houses seven hospitals and an eight-story patient tower with over 800 beds and outpatient clinics in 15 major clinical areas. Ann Arbor area residents are also served by these medical institutions: Veterans Administration Hospital and St. Joseph's Mercy Health System.

TRANSPORTATION

A major expressway network surrounds Ann Arbor including Interstate 94, the major east-west artery across Michigan connecting Detroit and Chicago, and U. S. 23, which links Ann Arbor to northern Michigan and to Ohio to the south. M-14 is a major eastbound connector to I-275 and I-96, which supplies access to the northern metropolitan areas of Wayne, Oakland and Macomb Counties.

A variety of local transportation services are provided by the Ann Arbor Transportation Authority. Greyhound Bus Lines, Overland Travel, and Indian Trails Motor Coach provide bus service to and from Ann Arbor.

Passenger rail service is available to the east through Detroit and to the west through Chicago from the Amtrak Passenger Station in Ann Arbor. Rail freight service is provided by Conrail and Norfolk & Western Rail Road Companies.

Corporate and flight training service is provided by the Ann Arbor Municipal Airport, located on the south side of Ann Arbor. Willow Run Airport, 11 miles from Ann Arbor, is a cargo transportation center; and airline service is available on major commercial carriers from Detroit Wayne County Metropolitan Airport, 23 miles east of the City.

UTILITIES

Ann Arbor residents are supplied with electric power and natural gas by DTE Energy Company. Local telephone service is provided by SBC. Water and sewage disposal is provided by the City of Ann Arbor Water Utilities Service Unit.

Information Pages: Community Profile

DEVELOPMENT

During the 2005-2006 fiscal year, several residential projects were approved, including a three-story, seven-unit apartment building consisting of 23 bedrooms at 1315 Hill Street and the Heron Landing proposal for 64 single-family attached dwelling units on the west side of Platt Road north of I-94. Several mixed-use developments were approved, including the Plymouth Green Crossings proposal at the northwest corner of Plymouth and Green Roads for retail, restaurant, bank, and residential uses; the Upland Green proposal at 1771 Plymouth Road for commercial, office and residential uses; the Kingsley Lane proposal at the southeast corner of Kingsley and Ashley Streets for retail, office and residential uses; and the William Street Station proposal at 200 East William Street for an AATA bus station and retail, commercial, office and residential uses. Non-residential projects that were approved included the Dakota Office Building at 1811 West Stadium Boulevard, which involved the demolition of the existing structure; an adult convalescent facility at 3200 Eisenhower Parkway; an auxiliary building for church and office uses on the Second Baptist Church site at 850 Red Oak Road; a new office building at 530 South Maple Road (West Arbor Office Center); a Dick's Sporting Goods store on Briarwood Circle; and a new Big George's Home Appliance Mart at 2023 West Stadium Boulevard.

Information Pages: Miscellaneous Community Statistics

Date of incorporation	1851
Form of government	Council - Administrator
Miles of streets	299
Number of street lights	8,786
Fire protection:	
Number of stations	5
Number of fire hydrants	3,961
Municipal water department:	
Average daily consumption	15.27 Million Gallons per Day
Miles of water mains	480
Sewers:	
Miles of sanitary sewers	399
Miles of storm sewers	319
Culture and recreation:	
Number of parks	156 with 2,055.5 acres 2 18-hole golf courses 1 enclosed ice arena, 1 with roof 3 outdoor pools, 1 indoor pool 3 historic sites 1 art center, 1 senior center 2 canoe liveries 2 community centers 1 science center
Permanent employees:	823

Area and Population Data:

<u>Year</u>	<u>Population</u>	<u>Area in Square Miles</u>
1950	48,251	7.3
1960	67,340	15.0
1970	100,035	23.3
1980	107,969	23.5
1990	109,592	27.0
2000	109,472	28.5
2005	114,061	28.6

Information Pages: Deciphering the Budget Format

The format used by this budget document is intended to provide clarity through consistency. Every service area will follow the same basic format, with minor variation for some service areas that require additional information.

Each service area budget consists of:

- 1) A Service Area summary page;
- 2) The Service Area's organizational structure;
- 3) Summary of Revenues and Expenditures by Service Unit within Service Area;
- 4) An FTE count by Service Unit within Service Area;
- 5) A Service Unit summary page;
- 6) Summaries of Revenues and Expenditures by Category by Service Unit;
- 7) Significant Notes and Adjustments;
- 8) Goals and Objectives for the Service Area by Service Unit;
- 9) A Position Summary.

Each page layout is discussed in depth below.

SERVICE AREA SUMMARY PAGE

The summary page shows the name of the service area and a description of the service area.

SERVICE AREA ORGANIZATIONAL STRUCTURE

This depicts a graphical layout of the service area's organization. The organization chart depicts the service area and its various service units. All service units are presumed to be on the same "line" organizationally, i.e., all service units are equal in status within the service area.

Information Pages: Deciphering the Budget Format

SUMMARY OF REVENUES AND EXPENDITURES BY SERVICE UNIT WITHIN SERVICE AREA

The summary page for the service area outlines revenues and expenditures by service unit and by fund. FTE's are also detailed by service unit. Service unit summary pages follow in order for each service unit listed on the service area summary page. They outline revenues and expenditures by category.

FTE COUNT

The FTE Count shows the number of permanent, authorized positions by Full Time Equivalents, or FTEs. The FTE figure represents the number of work years "funded" for a particular position. For example, a permanent half-time position would be shown as .50 FTE.

Additionally, one position may be charged against several service units or cost centers. Each service unit or cost center charged shows a fraction of the total position. For example, a full-time position charging 60% of its time to the Administration Service Unit and 40% of its time to the Maintenance Service Unit would be shown as:

	<u>FTE</u>
Administration	.60
Maintenance	<u>.40</u>
Total	1.00

SERVICE UNIT SUMMARY PAGE

The summary page shows the name of the service unit and a description of the service unit.

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY BY SERVICE UNIT

Revenues

Service unit revenues are listed by category with a three-year history. The new fiscal year information is found in the second column from the right. For planning purposes estimates are included for an additional fiscal year. Below the revenue by category, is the service unit's revenue by fund. Detailed revenue information by fund and descriptions of revenue categories can be found in the Revenue section of this document.

Information Pages: Deciphering the Budget Format

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY BY SERVICE UNIT (continued)

Expenditures

Service area expenditures by category are listed by service unit with a three-year history. The new fiscal year information is found in the second column from the right. For planning purposes estimates are included for an additional fiscal year. Detailed expenditure information by fund and descriptions of expenditure categories can be found in the Expenditure section of this document.

SIGNIFICANT NOTES AND ADJUSTMENTS

Significant Notes and Adjustments are used to explain notable items in the Service Unit's revenues and expenditures, which are significantly higher or lower than the prior fiscal year budget.

GOALS AND OBJECTIVES FOR THE SERVICE AREA BY SERVICE UNIT

The service units' goals and objectives are listed following the Significant Notes and Adjustments. They represent specific initiatives that a service unit will accomplish during the fiscal year. These may represent improvements to the operations of the service unit or other specific objectives that are not typically done on an annual basis. The City's goals are included in order to show how the units' initiatives are tied to the overall entity's goals.

POSITION SUMMARY

This summary provides a list of all funded positions within the service area, along with the positions' corresponding FTE status for the budget year.

Information Pages: The Basis of Accounting for the Budget

The City of Ann Arbor uses the modified-accrual basis of accounting for all governmental fund types, including the General Fund, Special Revenue Funds, Trust Funds, and General Debt Service Funds. For Enterprise and Internal Service Funds, the City uses the full accrual basis of accounting. The City adopts budgets for all funds according to the basis of accounting of their fund type.

The basis of accounting for the budget includes the following policies:

- a. Property taxes and other revenues that are both measurable and available for use are budgeted as revenue on the basis of when they are earned. Other revenues such as fines and forfeitures, admissions, contributions, etc. are recorded when received.

Properties are assessed as of December 31st of each year and the related property taxes are assessed and recorded as earned on the following July 1st. These taxes are due on July 31st, with those taxes that are still unpaid as of the following February 28th being placed on the county tax rolls, the county then advances the amounts due at that time.

- b. Revenues from special assessments are budgeted on the basis of when the assessments are due.
- c. Principal and interest payments on outstanding debt are budgeted on the basis of when they are due and payable. Principal is not budgeted for Enterprise and Internal Service Funds.
- d. Payments for the acquisition of materials and supplies inventories and fixed assets are budgeted on the basis of when the obligation is incurred.
- e. Depreciation is budgeted for Enterprise Funds.
- f. All other expenditures are budgeted on the basis of when the expenditure is incurred and payable.

Information Pages: Fund Descriptions

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in another fund.

INTERNAL SERVICE FUNDS

To account for the costs of the various services below, which are billed to the various other funds on the basis of services used. The costs include, but are not limited to, administrative, operation, maintenance and financing costs.

Central Stores - to account for various inventories of road repair materials, repair parts, and other miscellaneous items, which are inventoried by the City.

Fleet Services - to account for the operation and maintenance of the City's motor vehicle fleet and other equipment.

Information Technology - to account for the operation and maintenance of the City's Information Technology equipment and software.

Insurance - to account for the City's self-insurance program along with all other coverage necessary.

Park Service Headquarters - to account for the operation and maintenance of the Headquarters building.

Project Management - to account for the centralized project management and engineering services provided for the City's various capital improvement projects.

ENTERPRISE FUNDS

Includes all revenue and expenses necessary to operate the funds including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection.

Airport - to account for the operation of the City's airport including the rental of hangars and tie-down space.

Golf Enterprise - to account for two 18-hole golf courses.

Hydro Power System - to account for sale of power from two City power generation dams. This activity was consolidated within the General Fund for 2004-05.

Information Pages: Fund Descriptions

Market - to account for the costs of operating the City's Farmers' Market.

Parking System - to account for the City's parking structures.

Sewage Disposal System - to account for the collection and treatment of the sewage of the City and some township residents.

Sewer Bond Series XIX 2004 - to account for the proceeds of bonds and construction of infrastructure related to the City's Sewage Disposal System.

Sewer Bond Series 2006 Series - to account for the proceeds of 2006 Series bonds and construction of infrastructure related to the City's Sewage Disposal System.

Solid Waste - to account for the collection of solid waste and material recovery activities and processing of solid waste, recovered materials, and composting activities.

Stormwater Sewer System - to account for the collection and disposal of the City's stormwater.

Stormwater Bond 2006 Series - to account for the proceeds of 2006 Series bonds and construction of infrastructure related to the City's Stormwater Sewer System.

Water Supply System - to account for the provision of treated water of the City and some township residents.

Water Bonds Series Z - to account for the proceeds of Series Z bonds and construction of infrastructure related to the City's Water Supply System.

Water Bonds 2006 Series - to account for the proceeds of 2006 Series bonds and construction of infrastructure related to the City's Water Supply System.

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than those from expendable trusts or for major capital projects), which are restricted legally to expenditure for specified purposes.

1995 Parks Rehab. & Development - to account for the proceeds of a special millage to rehabilitate and develop various parks.

2003 Parks Repair & Restoration - to account for the proceeds of a special millage to provide for certain maintenance and repair costs of the Parks System.

Information Pages: Fund Descriptions

2004 Open Space and Parkland Preservation - to account for the proceeds of a special millage to preserve and protect open space, natural habitats, parkland and the City's source water inside and outside the City limits.

Affordable Housing - to account for funding of selected affordable housing projects with the General Fund and federal funds.

Ann Arbor Assistance - to account for funds provided by a utility bill check-off and provides assistance to needy citizens.

Alternative Transportation – to account for Act 51 monies segregated for the purpose of maintaining and extending non-motorized pathways.

Bandemer Property - to account for rental income used to maintain and operate Bandemer Park.

Cemetery Perpetual Care - to account for the receipt and expenditures of fees paid for the perpetual care of gravesites at the City-owned Fairview Cemetery.

Community Office (CTN) - to account for the costs of running the City's community access channels on the local cable television system. Revenues are derived primarily from franchise fees.

Community Development Block Grant - to account for funds received from the federal government for the City's Community Development Block Grant programs.

Construction Code Fund - to account for revenues and expenditures related to permits, inspections, appeals and plan reviews for construction projects.

Court Facilities - to account for a court fee to pay for facility improvements for the court.

Drug Enforcement - to account for confiscated property and money related to drug law enforcement activity and provide funds for future enforcement activity.

Energy Projects - to account for funds used to finance energy improvements and the related energy savings, which will be used for future projects.

Federal Equitable Sharing Forfeitures - to account for monies received as a result of joint operations with federal law enforcement.

HOME Program - to account for funds received from the federal government for the City's HOME grant program.

Information Pages: Fund Descriptions

Local Law Enforcement Block Grant - to account for federal grant monies received for fingerprinting equipment and other law enforcement items.

Local Streets - to account for repairs, maintenance and construction on the City's local streets. The revenues consist primarily of State-shared gasoline and weight tax collections.

Major Grant Programs - to account for various grant monies other than community development.

Major Streets - to account for repairs, maintenance and construction on the City's major streets. The revenues consist primarily of State Shared gasoline and weight tax collections.

Metro Expansion – to account for the monies passed through from telecom companies for the purpose of maintaining roadway (above, below and adjacent to) right of ways.

Michigan Economic Development SMART Zone Grant - to account for the monies passed through to establish a technology zone in the City limits.

Michigan Justice Training - to account for State funds used for law enforcement training.

Parks Maintenance and Repair Millage - to account for the proceeds of a special millage to provide for certain maintenance and repair costs of the Parks System.

Parks Memorials & Contributions - to account for the proceeds of various contributions to the Parks System to erect memorials or finance special parks improvement projects.

Police and Fire Relief - to account for the receipt of investment earnings on previously transferred General Fund monies. These earnings are used to subsidize the incomes of certain beneficiaries of deceased police officers and firefighters.

Street Repair Millage - to account for the proceeds of a special millage to repair streets.

Tree Removal and Disposal Fund – to account for the funds set aside for removal of Emerald Ash Borer damaged trees.

TRUST FUNDS

To account for the assets held by the City in a trustee capacity and the expenditures of such funds.

Information Pages: Fund Descriptions

Elizabeth R. Dean - a permanent fund used to account for monies provided by a private bequest to finance tree planting and maintenance. The principal amount of the bequest is to remain intact and invested. Investment earnings are used for the above stated purposes.

Employees' Retirement System - a pension trust fund to account for the accumulation of resources to be used for retirement pension and annuity payments. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

VEBA Trust - a pension trust fund, which provides funds for post retirement medical and life insurance for the retirees of the City.

DEBT SERVICE FUNDS

To account for the accumulation of resources for, and the payment of general long-term debt principal and interest.

General Debt Service - to accumulate operating transfers for payment of principal and interest on general obligation bonds sold to finance various capital projects.

Special Assessment General Debt - to accumulate operating transfers for payment of principal and interest on general obligation bonds sold to finance the City's share of special assessment projects.

CAPITAL PROJECTS FUNDS

To account for funds related to the purchase and construction of City assets.

Alternative Transportation - to account for projects related to the City's alternative transportation plan.

Civic Center - to account for revenues expended for the construction of new City Hall, police and district court facilities.

Environmental Bonds - to account for bond proceeds and related revenues expended for improvements to the City's landfill.

General Capital Improvements - to account for capital project expenditures for various non-bonded improvements to certain City-owned facilities.

Maintenance Facility Construction - to account for revenues expended for the construction of a new vehicle maintenance facility.

Information Pages: Fund Descriptions

Special Assessments - to account for capital project expenditures financed through various special assessments.

2003 Michigan Transportation - to account for the related expenditures for the replacement of the existing two Broadway Bridges.

COMPONENT UNITS

Legally separate organizations for which the elected officials of the primary government are financially accountable.

Downtown Development Authority - to account for the tax increment revenue that is derived from new construction in the Downtown Development District, which is used to finance various parking structures and street improvements in the downtown area.

DDA Housing - to account for the funds that the Downtown Development Authority has set aside for housing in the downtown area.

DDA Parking Maintenance - to account for the maintenance of 6 parking structures and 4 parking lots by the Downtown Development Authority.

DDA Parking System - to account for the operation of 6 parking structures and 4 parking lots by the Downtown Development Authority.

DDA Sidewalk & Streetscapes - to account for the construction of various sidewalk and street improvements made in the downtown area by the Downtown Development Authority.

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Budget Summaries

CITY GUIDING PRINCIPLES, GOALS & OBJECTIVES

In fiscal year 2005/06, the City started rolling out a new approach to objective setting using performance metrics. This builds on work already being done in some areas, such as Public Services. The Police and Fire Service Units will be the first to fully implement this new approach. The performance metrics will be used to track the progress of various programs and services, as well as a basis for future resource allocation. While drafting the Service Area goals and objectives, which are published in the Service Area sections of the budget, the following overall City Guiding Principles and Goals were used as a guide:

City Guiding Principles

- Open and honest communication
- Integrity
- Partnership with community
- Trust
- Community and employee engagement
- Accountability
- Employee growth and enjoyment
- Teamwork
- Employee development opportunity

City Goals

- Ensure the long-term financial health and stability of the City.
- Support a safe and reliable municipal infrastructure.
- Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.
- Foster a community with respect for diversity and the open exchange of ideas.
- Deliver high quality City services in a cost effective manner.

Citywide Budget Communications

As a part of the budget development process, the City Council's Budget/Labor Committee held a public meeting to hear the projections and recommendations from each of the Service Areas within the City. The City Administrator then prepared his budget and presented it in three "Town Hall" meetings with the community.

Budget Summaries

OVERVIEW OF CITY BUDGET

The City offers many services and utilizes separate funds for large areas or specialized purposes. The funds fall into three broad categories: General Fund, Enterprise Funds, and other funds dedicated for various purposes. For fiscal year 2006/07, the City's total expenditure budget is \$292.5 million. The following chart illustrates how this budget is divided by fund type. A complete summary of funds is included in the "Revenues" and "Expenditures" tabs of the proposed budget.

2006/07 BUDGETED EXPENDITURES BY FUND TYPE (\$ Millions)

Although General Fund money may be used to supplement the needs of other funds, the reverse is usually not true. For example, money collected for park acquisition and green space may not be used for recreation programs or to pave streets. Even when money is available in other funds, it typically cannot be used for General Fund services or programs.

■ General Fund

■ Enterprise Funds

■ Internal Service Funds

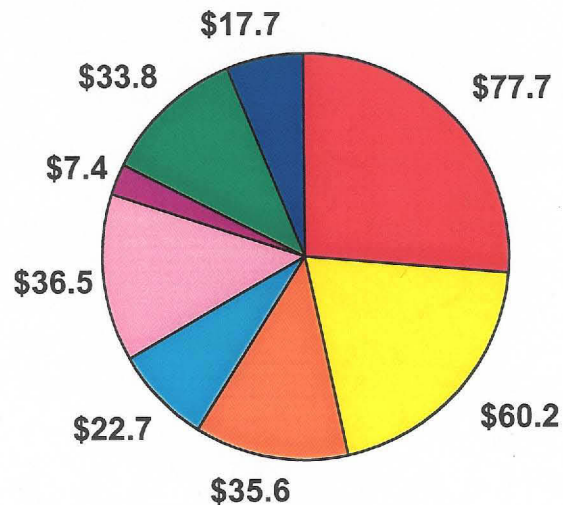
■ Capital Project Funds

■ Special Revenue Funds

■ Debt Service Funds

■ Trust Funds-Pension/Other

■ Component Unit - DDA



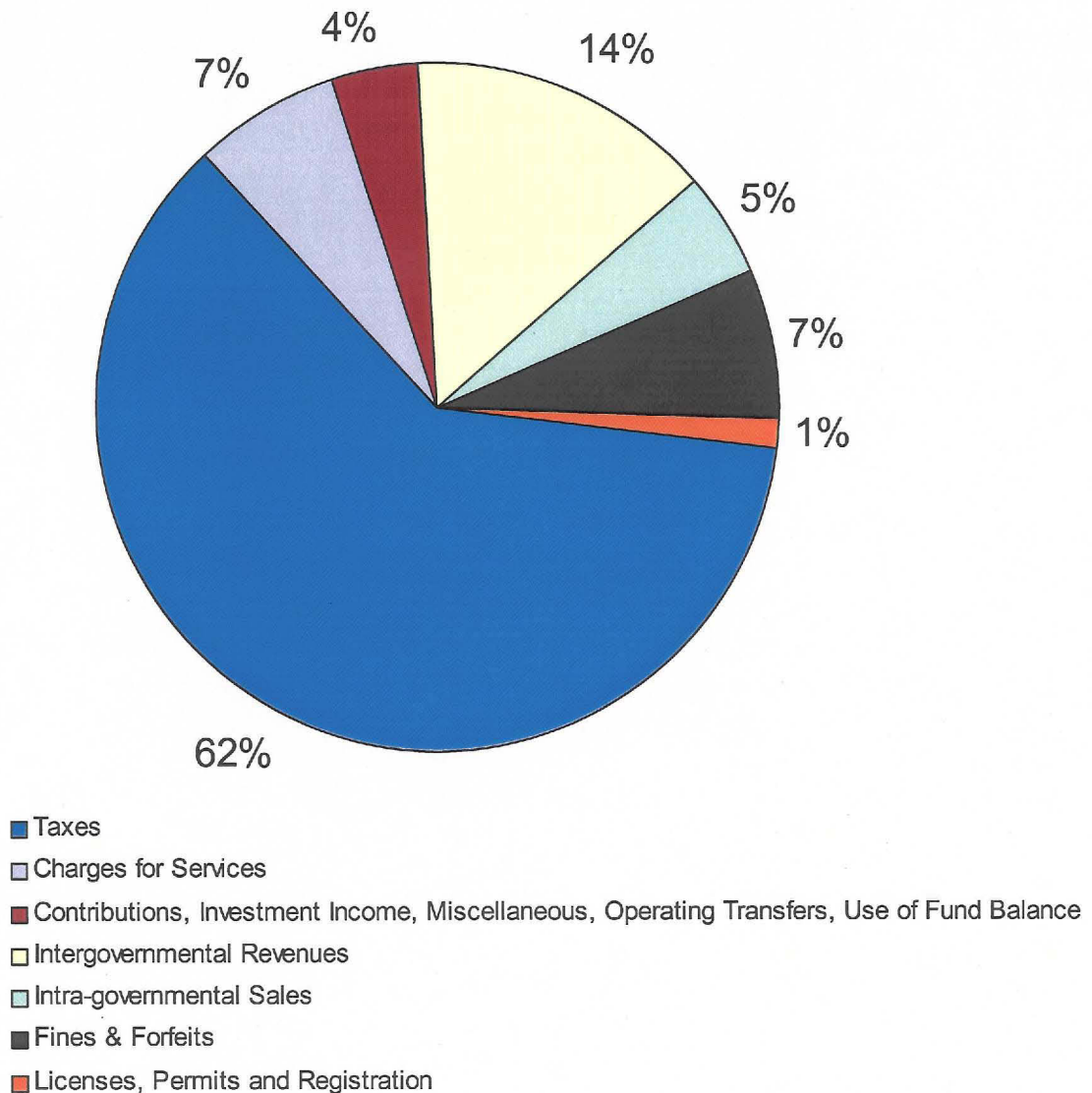
Budget Summaries

GENERAL FUND OVERVIEW

The City has been concentrating their efforts on financial planning to resolve projected revenue shortfalls in the upcoming fiscal years. The proposed fiscal year 2006/07 budget is balanced. As the budget is reviewed, it is important to note that the shortfall the City has been addressing is in the City's General Fund.

The City's General Fund is the largest and most visible of the City's 56 budgeted funds established for the financial administration of the City. Monies going into the General Fund come from a variety of sources such as the City's share of the property tax, intergovernmental revenues (primarily revenues from the State of Michigan), charges for services, and various other sources as indicated in the chart below:

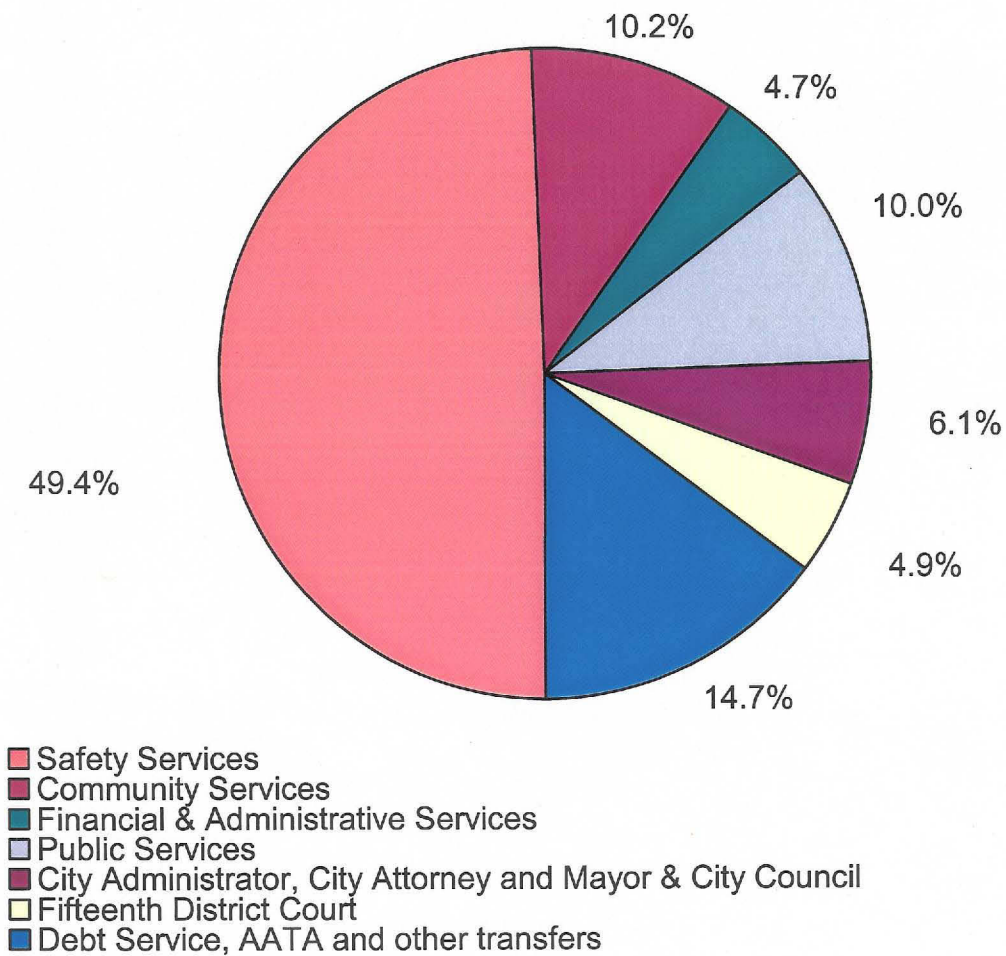
2006/07 GENERAL FUND REVENUES



Budget Summaries

Expenditures from the General Fund go to services such as public safety (police, fire, and emergency management); recreation programs; development and planning; community development services; the City's legal and general government administration; housing and human services programs; Fifteenth District Court; and a variety of other services and programs provided by the four main Service Areas.

2006/07 GENERAL FUND EXPENDITURES

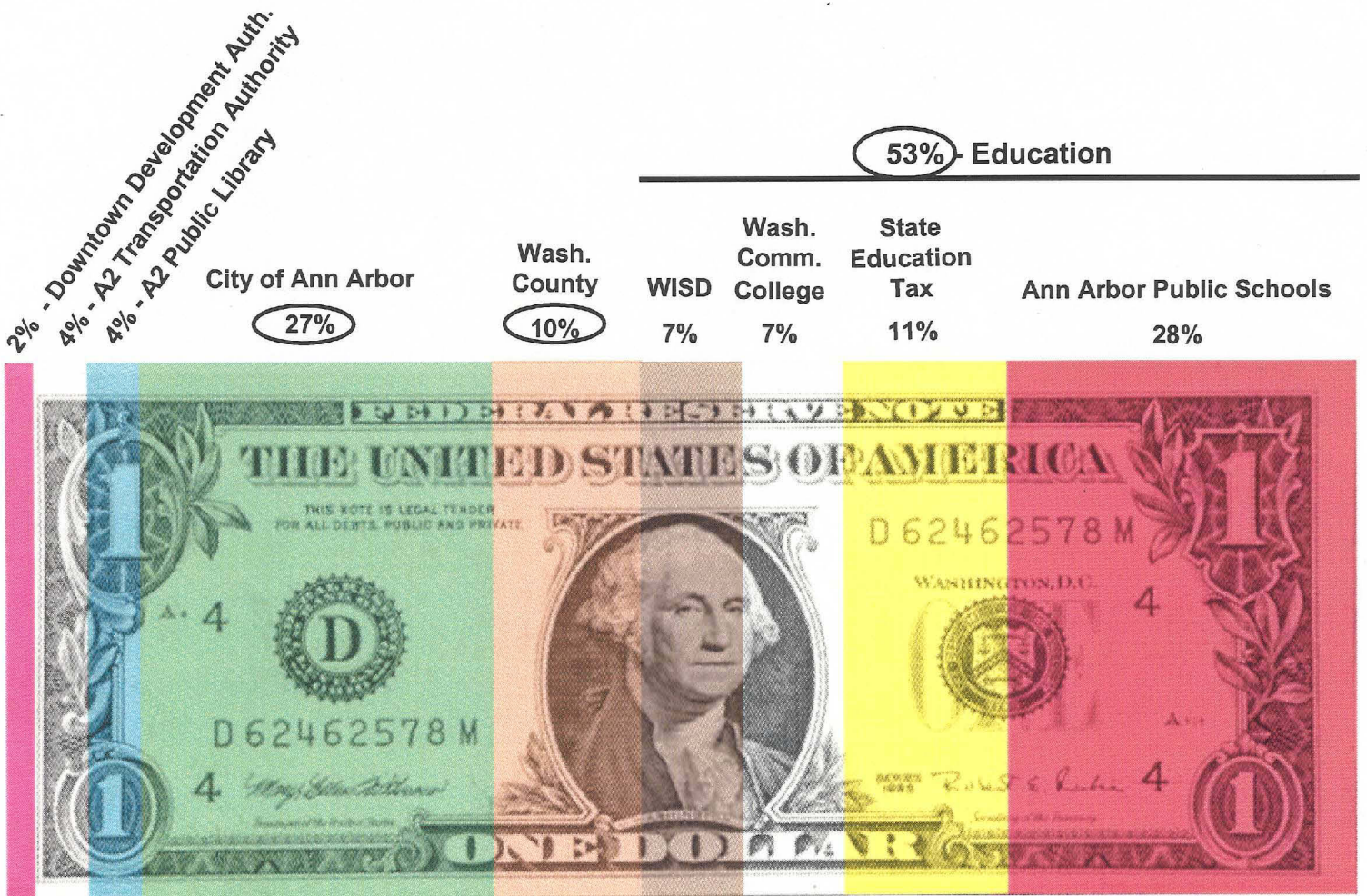


Budget Summaries

PROPERTY TAXES

The largest share of our General Fund revenues comes from the property taxes. Many Ann Arbor taxpayers are surprised to learn that only about \$ 0.27 of every dollar paid in property taxes goes to the City of Ann Arbor to fund vital services such as public safety. Most of the receipts from property taxes are distributed to various education agencies including the Ann Arbor Public Schools, Washtenaw Intermediate Schools, the State of Michigan, and the Washtenaw Community College – about \$ 0.53 of every dollar paid. The following chart shows where the City’s property tax dollars go:

WHERE ANN ARBOR PROPERTY TAX DOLLARS GO

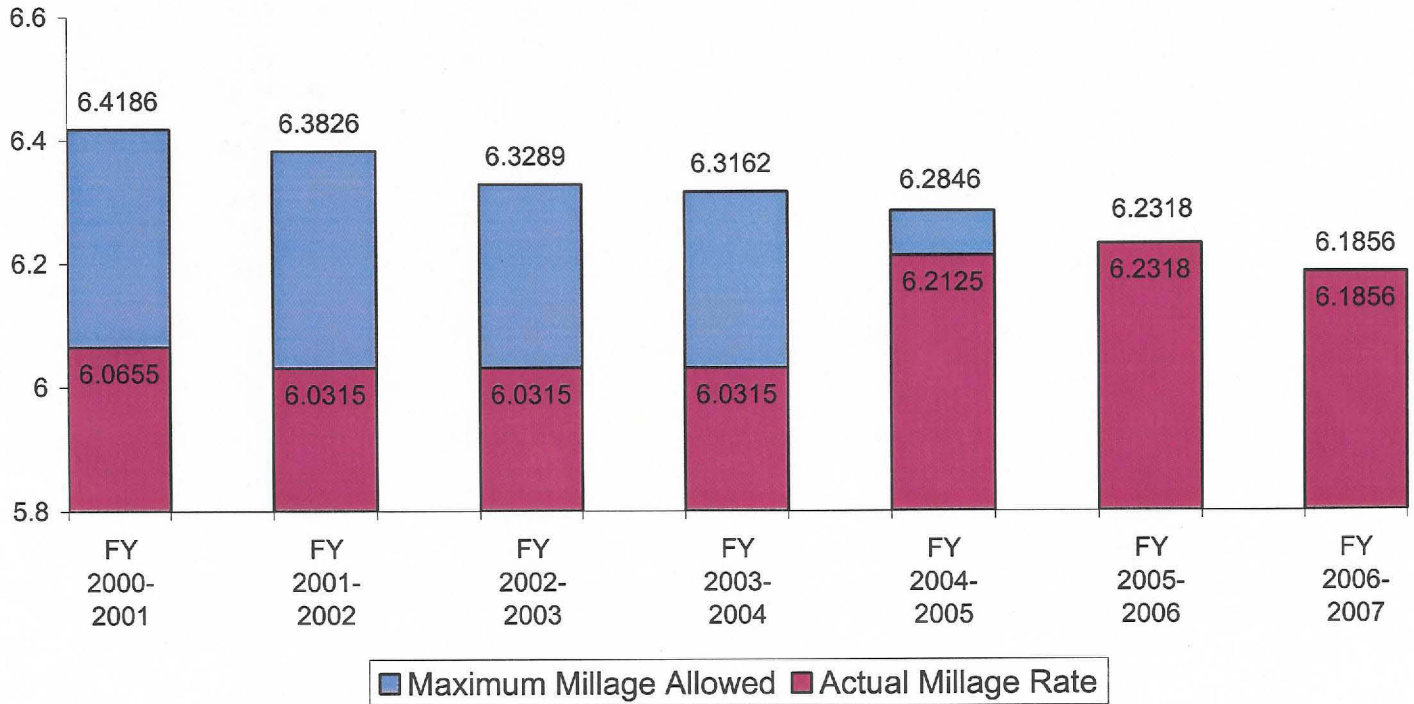


Budget Summaries

TAX REVENUES

Property taxes are a critical source of revenue for the City of Ann Arbor, as well as neighboring communities. Over the last 27 years, there have been two State of Michigan constitutional amendments – the Headlee Amendment and Public Act 415 of 1994 (commonly known as Proposal A) – and other related statutory changes that have impacted property tax revenue for local governments. During 2005/06, the Headlee rollback started reducing the levy. The following charts and tables give a historical view of the General Levy, as well as City millage trends.

CITY MILLAGE HISTORY MAXIMUM MILLAGE ALLOWED - ACTUAL MILLAGE RATE



Budget Summaries

In addition to the General Operating millage, the City's General Fund collects money from the Employee Benefits and Ann Arbor Transportation Authority (AATA) millage. The remaining millages are assessed for dedicated purposes and are used to finance the activities of other funds. The chart below showing declining millages over the past seven years demonstrates the impact of Headlee/Proposal A on the City's property tax millages.

CITY MILLAGE TRENDS

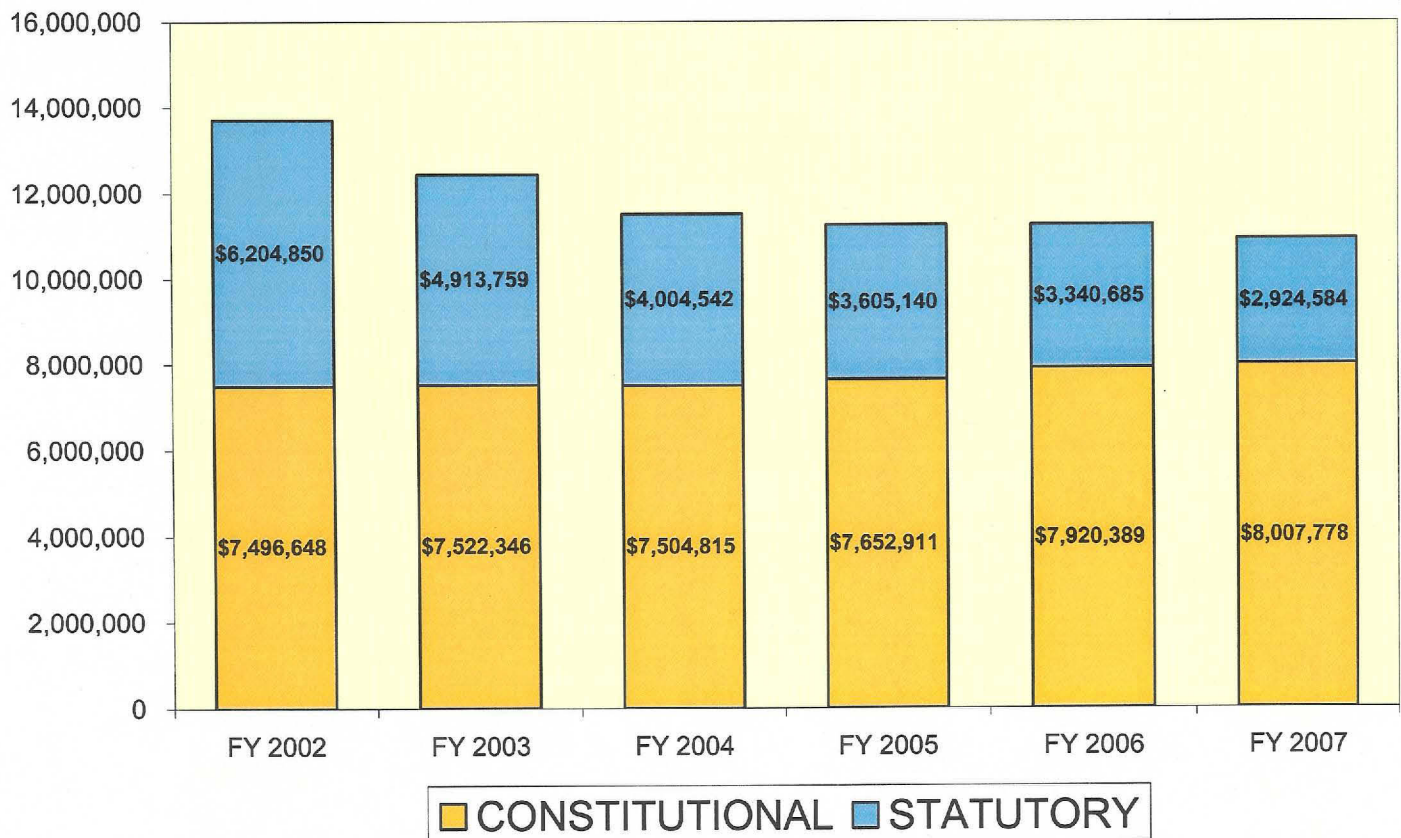
Type	FY 2000/01	FY 2001/02	FY 2002/03	FY 2003/04	FY 2004/05	FY 2005/06	FY 2006/07	Change from Previous Year
General Operating-Actual	6.0655	6.0315	6.0315	6.0315	6.2125	6.2318	6.1856	(0.0462)
Employee Benefits	2.1395	2.1275	2.1085	2.1054	2.0948	2.0772	2.0618	(0.0154)
AATA	2.1395	2.1275	2.1085	2.1054	2.0948	2.0772	2.0618	(0.0154)
Total General Fund	10.3445	10.2865	10.2485	10.2423	10.4021	10.3862	10.3092	(0.0770)
Street Repair	1.9898	1.9786	1.9822	1.9792	1.9693	1.9527	1.9382	(0.0145)
Refuse Collection	2.5674	2.5530	2.5302	2.5264	2.5137	2.4925	2.4740	(0.0185)
Parks (combined)	1.4377	1.4295	1.4259	1.4235	1.4162	1.4042	1.3937	(0.0105)
Debt Service	0.7901	0.7549	0.6916	0.7300	0.6000	0.5800	0.5454	(0.0346)
Total City Millage	17.1295	17.0025	16.8784	16.9014	16.9013	16.8156	16.6605	(0.1551)

Budget Summaries

STATE SHARED REVENUES

Another major source of revenue for the City's General Fund is State shared revenue. This revenue sharing arrangement was created when the aforementioned Headlee Amendment removed the ability of municipalities to institute certain taxes on its residents (i.e. sales tax). To compensate communities for this loss in ability to tax, State shared revenue was established, which is generated from a State sales tax and apportioned to communities. The chart shows the City's recent experience with State shared revenue. In 2007, the statutory portion of State shared revenue is due to expire. It is unknown at this time whether the State will extend or renew this portion.

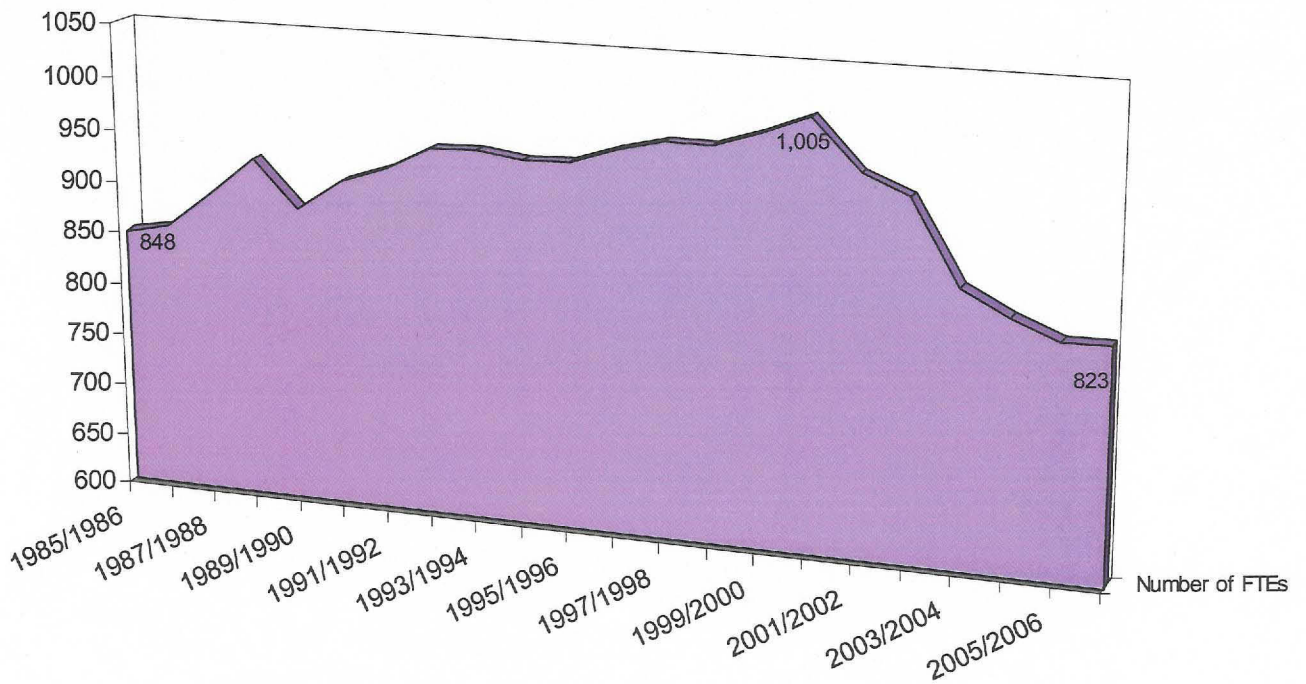
STATE SHARED REVENUE HISTORY AND PROJECTIONS



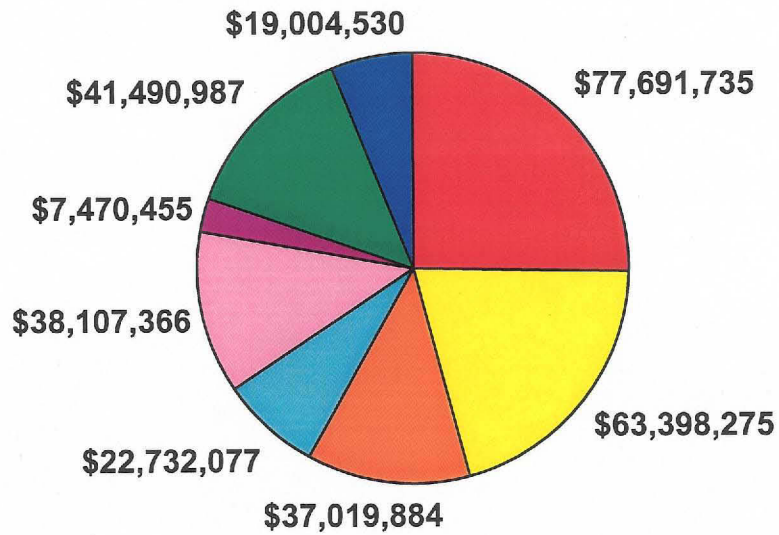
Budget Summaries

EMPLOYEE SUMMARY

Since employees and related expenditures represent the majority of the General Fund's expenditures, the City began taking steps in fiscal year 2000/01 to reduce its full-time equivalent (FTE) employee staffing. Without impacting the level of service provided, the City has been able to achieve the reductions; through a combination of not filling vacancies, strategically deploying existing personnel, and an early retirement program offered in fiscal year 2001 and fiscal year 2002. As the graph below illustrates, the City staffing is down to its lowest level in twenty years. It is unlikely additional reductions can be made without additional significant reductions in services.

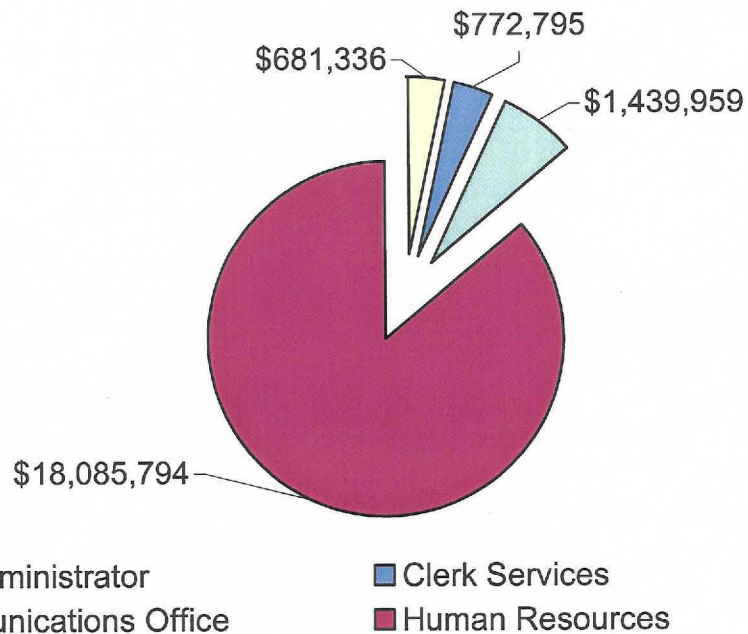


2006-07 Budgeted Revenues by Fund Type

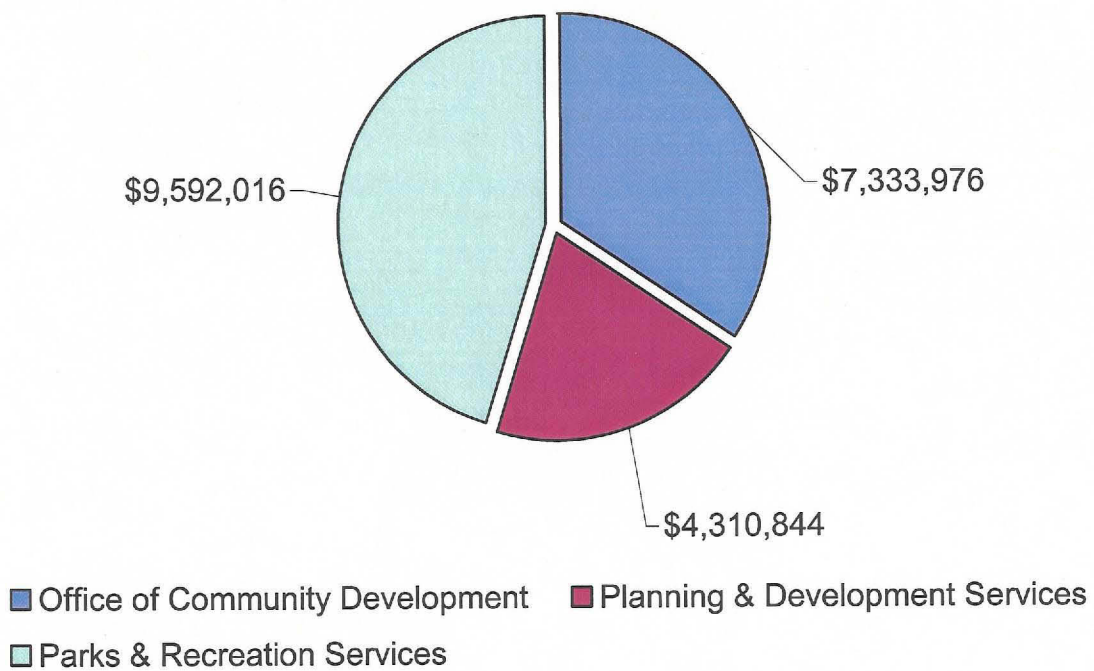


- | | |
|--|---|
| ■ General Fund | ■ Enterprise Funds |
| ■ Internal Service Funds | ■ Capital Project Funds |
| ■ Special Revenue Funds | ■ Debt Service Funds |
| ■ Trust Funds-Pension/Other | ■ Component Unit - DDA |

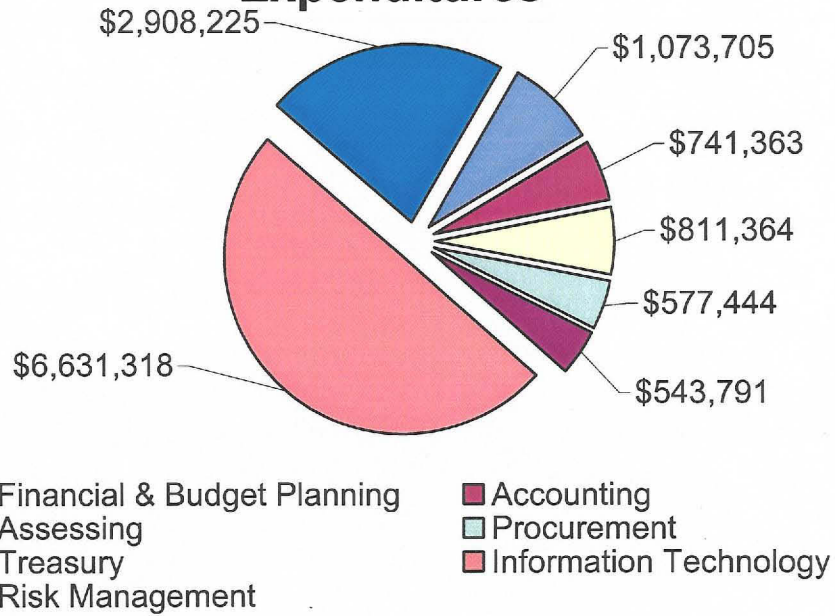
2006-07 City Administrator Expenditures



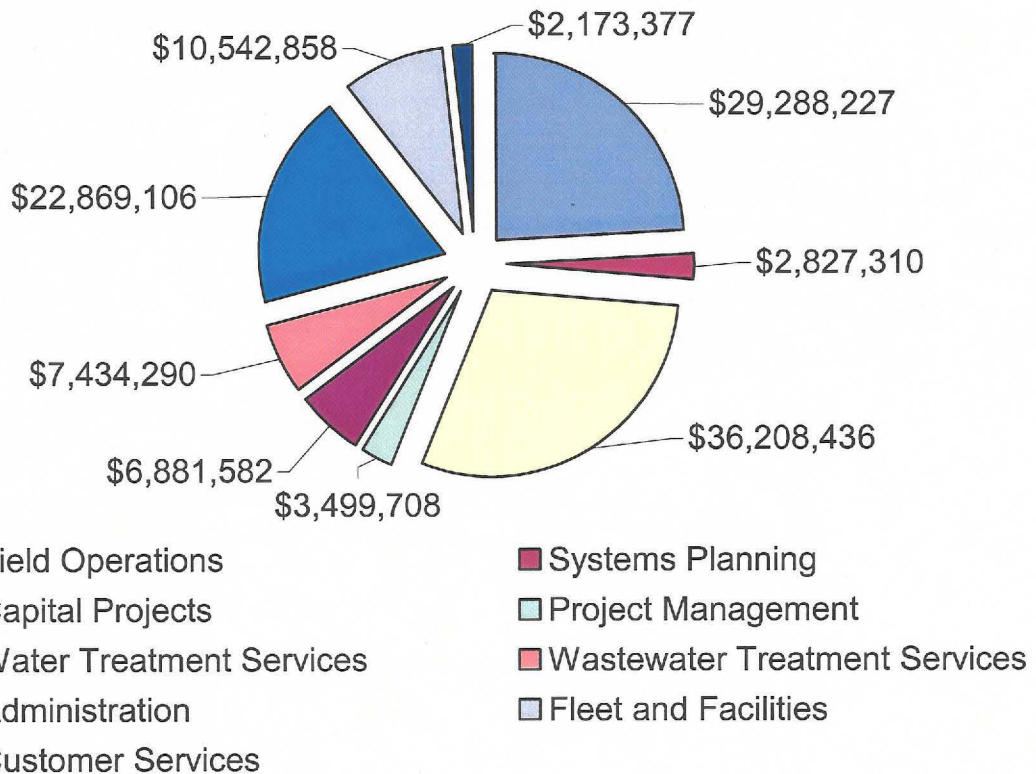
2006-07 Community Services Expenditures



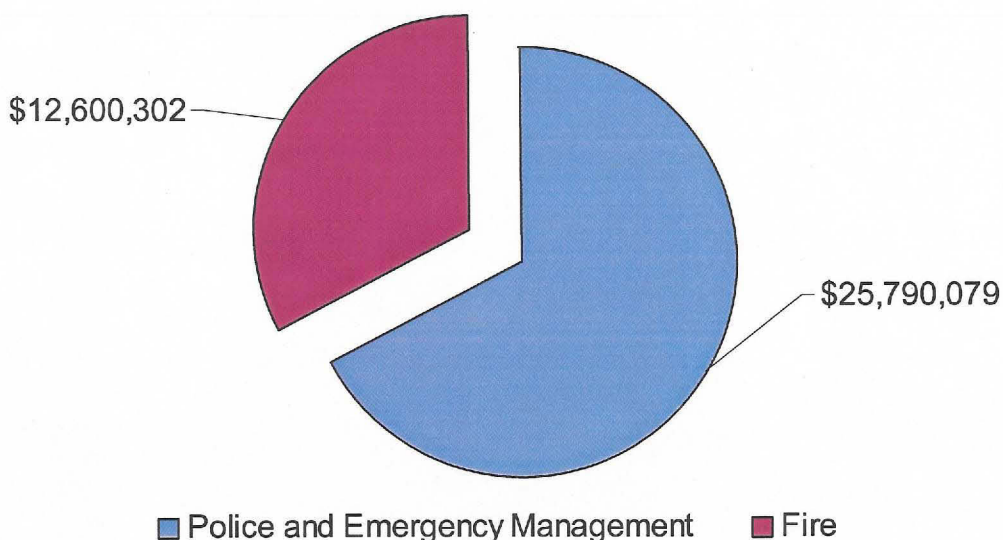
2006-07 Financial & Administrative Services Expenditures



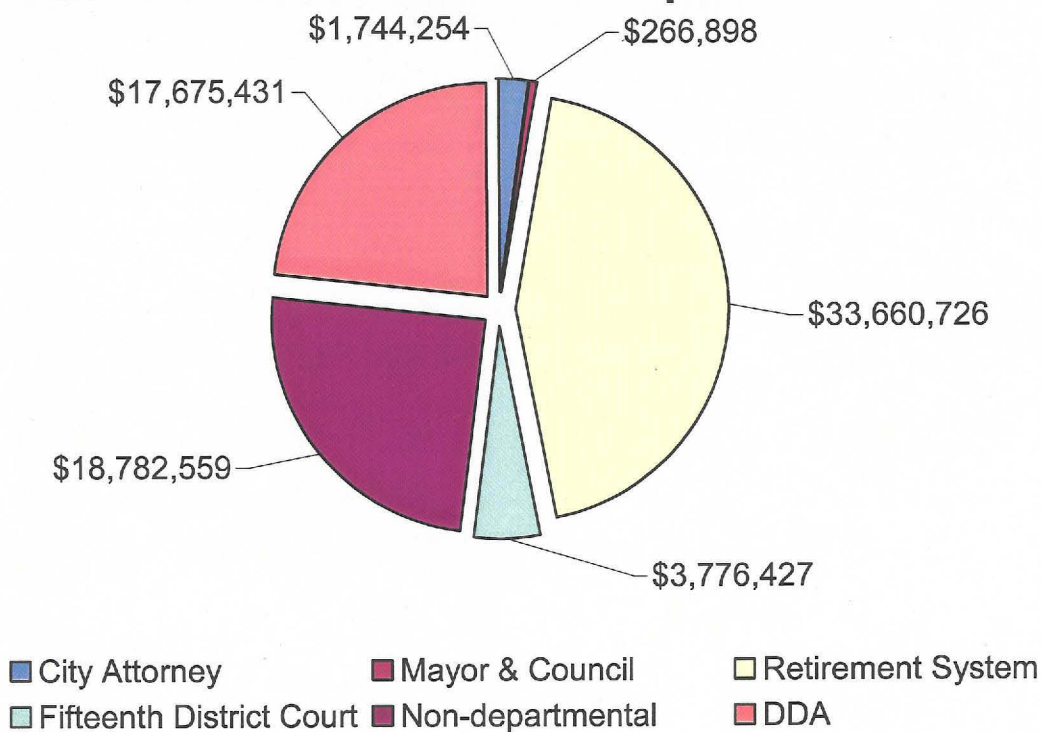
2006-07 Public Services Expenditures



2006-07 Safety Services Expenditures



2006-07 Other Services' Expenditures



**GENERAL GOVERNMENTAL FUND TYPES
ANALYSIS OF FUND BALANCES**

Fund Balance June 30, 2005	2005/2006 Projected Revenues	2005/2006 Projected Expenditures	Projected Fund Balance June 30, 2006	Fund	2006/2007 Approved Revenues	2006/2007 Approved Expenditures	Approved Use of Fund Balance	Projected Fund Balance June 30, 2007
10,660,367	76,009,774	75,052,398	11,617,743	General	77,691,735	77,691,735	75,216	11,542,527
				Special Revenue Funds				
2,757,047	1,993,024	272,740	4,477,331	1995 Parks Rehab. & Development	2,044,721	1,807,548		4,714,504
744,829	1,887,200	1,887,192	744,837	2003 Parks Maintenance & Repair	2,100,219	1,996,880	68,000	780,176
5,469,627	5,335,423	5,335,423	5,469,627	2004 Open Space and Parkland Preservation	2,107,434	2,107,434		5,469,627
581,433	673,784	290,575	964,642	Affordable Housing	811,759	811,759	691,859	272,783
390,908	385,321	60,000	716,229	Alternative Transportation	1,559,523	1,554,951	691,972	28,829
4,216	5,650	5,650	4,216	Ann Arbor Assistance	5,650	5,650		4,216
268,562	21,618	21,618	268,562	Bandemer Property	8,380	1,295		275,647
52,870	4,500		57,370	Cemetery Perpetual Care	4,500			61,870
	2,350,705	1,657,057	693,648	Community Development Block Grant	2,121,906	2,121,906		693,648
1,952,667	1,371,492	1,347,326	1,976,833	Communications Office	1,439,959	1,384,959		2,031,833
1,154,833	2,399,320	2,424,349	1,129,804	Construction Code Fund	2,419,819	2,278,592		1,271,031
955,355	265,000	446,000	774,355	Court Facilities	975,000	6,000	750,000	993,355
5,094	12,000	12,000	5,094	Drug Enforcement	12,000	12,000	5,000	94
478,522	160,000	160,000	478,522	Energy Projects	160,127	160,127	107,912	370,610
39,855	170,619	170,619	39,855	Federal Equitable Sharing Forfeitures				39,855
	3,052,616	1,881,887	1,170,729	HOME Program	2,313,674	2,313,674		1,170,729
21,179	600		21,779	Local Law Enforcement Block Grant				21,779
2,047,344	1,801,085	1,843,939	2,004,490	Local Streets	1,891,208	1,891,208		2,004,490
6,928	112,100		119,028	Major Grant Programs	112,100			231,128
8,057,467	7,183,147	7,153,337	8,087,277	Major Streets	7,716,275	7,716,275	336,362	7,750,915
	357,081	357,081		Metro Expansion	350,000	350,000		
16,032			16,032	MI EDC Smart Zone				16,032
77,668	46,000	42,000	81,668	Michigan Justice Training	46,000	40,000	15,000	72,668
	70,000	70,000		Parks Memorials & Contributions	70,000	70,000		
650,262	10,000		660,262	Police and Fire Relief	10,000			670,262
14,415,663	8,242,925	1,553,422	21,105,166	Street Repair Millage	9,417,156	9,417,156	894,492	20,210,674
	2,170,000	1,100,000	1,070,000	Tree Removal & Disposal	409,956	409,956	270,000	800,000
				Trust Funds				
2,114,724	87,387	87,386	2,114,725	Elizabeth R. Dean	89,821	89,821		2,114,725
388,019,600	31,980,210	31,980,210	388,019,600	Employees' Retirement System	33,506,146	33,506,146	33,506,146	354,513,454
44,963,340	8,091,720	150,821	52,904,239	VEBA Trust	7,895,020	154,580		60,644,679
				General Debt Service				
100,112	5,933,447	5,897,200	136,359	General Debt Service	7,057,086	6,982,668		210,777
1,521,560	438,849	438,849	1,521,560	Special Assessment General Debt	413,369	413,369	304,369	1,217,191
				Component Units				
7,252,859	3,736,839	6,535,864	4,453,834	Downtown Development Authority	4,063,861	4,063,861	457,094	3,996,740
7,394,613	11,801,136	11,801,136	7,394,613	DDA Parking System	12,903,740	12,903,740	1,893,798	5,500,815
889,420	226,921	76,325	1,040,016	DDA Housing	230,469	175,826		1,094,659
2,777,888	1,391,572	1,391,572	2,777,888	DDA Parking Maintenance	1,375,000	1,375,000	137,615	2,640,273
474,293	432,500	100,000	806,793	DDA Sidewalk & Streetscapes	431,460	205,000		1,033,253
				Capital Projects Funds				
3,608,740			3,608,740	Environmental Bonds	1,501,000	1,501,000	1,501,000	2,107,740
421,161	70,570	70,570	421,161	General Capital Improvements				421,161
6,732,708			6,732,708	Maintenance Facility Construction				6,732,708
7,114,701			7,114,701	Civic Center				7,114,701
36,864			36,864	Special Assessments	150,000	150,000		36,864

**ENTERPRISE AND INTERNAL SERVICE FUND TYPES
ANALYSIS OF FUND EQUITY**

Net Assets June 30, 2005	2005/2006 Projected Revenues	2005/2006 Projected Expenditures	Projected Fund Equity June 30, 2006	Fund	2006/2007 Approved Revenues	2006/2007 Approved Expenditures	Approved Use of Fund Balance	Projected Fund Equity June 30, 2007
<u>Intergovernmental Service Funds</u>								
1,156,730	1,317,349	1,281,612	1,192,467	Central Stores	1,344,816	1,344,816		1,192,467
5,252,135	5,594,619	5,832,733	5,014,021	Fleet Services	5,965,015	4,503,801		6,475,235
1,021,327	5,269,186	3,893,445	2,397,068	Information Technology	6,631,318	6,631,318	670,182	1,726,886
3,841,306	20,970,479	20,970,479	3,841,306	Insurance	19,862,109	19,862,109	600,000	3,241,306
85,798	132,752	133,552	84,998	Parks Service Headquarters	145,398	145,398		84,998
	2,247,049	2,051,534	195,515	Project Management	3,071,228	3,071,228		195,515
<u>Enterprise Funds</u>								
1,137,265	817,317	1,062,488	892,094	Airport	862,573	862,573	98,410	793,684
625,688	1,438,186	1,113,186	950,688	Golf Enterprise	1,324,243	1,324,243		950,688
1,568,904		1,568,904		Hydro Power System				
791,813	128,742	128,742	791,813	Market	138,396	137,163		793,046
25,677,456			25,677,456	Parking System				25,677,456
70,614,720	22,874,712	20,586,334	72,903,098	Sewage Disposal System	21,139,595	19,857,245		74,185,448
15,447,048	12,110,335	11,048,510	16,508,873	Solid Waste	12,472,662	11,202,105	495,000	17,284,430
5,664,672	4,501,963	3,502,881	6,663,754	Stormwater Sewer System	5,161,307	5,095,398	100,000	6,629,663
43,865,612	24,210,340	21,939,324	46,136,628	Water Supply System	22,299,499	21,729,907	1,100,359	45,605,861

ANALYSIS OF NET OPERATING FUNDS AVAILABLE

Net Operating Funds Available* June 30, 2005	2005/2006 Projected Revenues	2005/2006 Projected Expenditures	Projected Net Operating Funds Available* June 30, 2006	Fund	2006/2007 Approved Revenues	2006/2007 Approved Expenditures	Approved Use of Fund Balance	Projected Net Operating Funds Available* June 30, 2007
<u>Intergovernmental Service Funds</u>								
656,299	1,317,349	1,281,612	692,036	Central Stores	1,344,816	1,344,816		692,036
2,399,508	5,594,619	5,832,733	2,161,394	Fleet Services	5,965,015	4,503,801		3,622,608
1,021,327	5,269,186	3,893,445	2,397,068	Information Technology	6,631,318	6,631,318	670,182	1,726,886
3,853,946	20,970,479	20,970,479	3,853,946	Insurance	19,862,109	19,862,109	600,000	3,253,946
(17,595)	132,752	133,552	(18,395)	Parks Service Headquarters	145,398	145,398		(18,395)
	2,247,049	2,051,534	195,515	Project Management	3,071,228	3,071,228		195,515
<u>Enterprise Funds</u>								
245,171	817,317	1,062,488		Airport	862,573	862,573	98,410	(98,410)
(1,039,297)	1,438,186	1,113,186	(714,297)	Golf Enterprise	1,324,243	1,324,243		(714,297)
314,242		1,568,904	(1,254,662)	Hydro Power System				(1,254,662)
492,861	128,742	128,742	492,861	Market	138,396	137,163		494,094
2,482,570				Parking System				
48,984,944	22,874,712	20,586,334	51,273,322	Sewage Disposal System	21,139,595	19,857,245		52,555,672
4,983,231	12,110,335	11,048,510	6,045,056	Solid Waste	12,472,662	11,202,105	495,000	6,820,613
2,882,485	4,501,963	3,502,881	3,881,567	Stormwater Sewer System	5,161,307	5,095,398	100,000	3,847,476
15,207,141	24,210,340	21,939,324	17,478,157	Water Supply System	22,299,499	21,729,907	1,100,359	16,947,390

*Net Operating Funds Available: Represents, for Enterprise and Internal Service Funds, Total Fund Equity less (a) Fixed Assets net of Long-term Liabilities; (b) Restricted Assets net of Restricted Current Liabilities, and (c) Non-Liquid assets (i.e. inventories, Long-term Receivables, etc.) which is a close equivalent to the General Governmental Fund Type's definition of Fund Balance.

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Description of Revenue Categories

TAXES

Taxes represent Property Taxes that are levied upon real and personal property of the City. Also included in this category are payments in lieu of taxes and penalties and interest on delinquent taxes. Property taxes represent 26% of the City's revenues. Taxes are based on the Taxable value of all taxable property as of January 1 of the calendar year times the applicable millage rate. Other amounts are forecasted on the basis of projected values of the underlying property and past history for penalties using trend analysis. In Michigan, property tax revenue growth is restricted by Proposal A and the Headlee Amendment.

LICENSES, PERMITS & REGISTRATIONS

The major sources of revenue in this category are derived from various permit fees issued for building and trades and represent 2% of the City's revenues. Also included are the various permits and licenses issued through the Clerk's office and fees associated with the services of the Planning and Development Unit. These revenues are projected for the Clerk's office on the basis of the history and any adjustments to fees. The planning fees take into account economic projections and interest expressed in future developments. Building permits are forecasted using information from Planning and Development on planned developments and economic forecasts on new construction.

INTERGOVERNMENTAL REVENUES

STATE SHARED REVENUE

This category accounts for revenues received from other units of government. The major portion of this source is State Shared sales and Income taxes. Intergovernmental revenues contribute 8% of the City's revenue, of which approximately one-half represents State Shared revenue. These revenues are forecasted on the basis of data supplied from the State of Michigan for State Shared Sales and Income Tax and historical trends for other revenues. Due to increasing budget pressures at the State level, local units of government are experiencing a decreasing revenue trend.

GRANTS

Most federal or state grants are accounted for in separate funds, however, occasionally it is appropriate to reflect grant revenues which are received as reimbursement for expenditures incurred by general fund service units. Grants represent less than 1% of City revenues. These are based on grants that have been awarded or are expected to be awarded in the coming fiscal year.

Description of Revenue Categories

CHARGES FOR SERVICES

The major sources of revenue in this category represent 21% of City revenues and are described in more detail below.

POLICE & FIRE

These accounts include revenues for services performed by the City. The principal sources of revenues are for providing police services to the University of Michigan, or security services to local high schools. Another major revenue source in this category is payment from the State of Michigan for fire protection services. The police services are forecasted using the upcoming years football schedule and changes to the general level of service that the University and public schools have requested. The fire protection services are forecasted based on the current year's fire services expenditures and expected change in state owned property in the City, which are used in calculating the level of funding.

MUNICIPAL SERVICES

Enterprise funds and other agencies receive a variety of services from the General Fund. The services provided include revenue collection, accounting, payroll, purchasing and general supervision. These indirect costs are allocated to the user service areas through the municipal service charge. This number is set by an outside consultant engaged to perform a cost allocation study.

WORK PERFORMED

This category includes various municipal services provided to residents for such services as special inspecting and weed cutting.

RECREATION CHARGES

This category includes the accounts which record the various user fees associated with recreational facilities such as swimming pools, canoe liveries and ice-skating rinks. These fees are based on projected attendance for the period during which the facility is open times the user fees adjusted for any rate increases and closing of facilities for rehabilitation.

CEMETERY

This category includes revenue from the sale of lots and burial permits. These numbers have remained stable and are only adjusted for change in rates.

Description of Revenue Categories

LANDFILL

This category includes special services provided for disposal of materials at the City landfill. These revenues are forecasted on the basis of expected levels of service adjusting for changes in fees and new services.

ENTERPRISE SALES

This category includes the sale and/or rental income associated with the various enterprise funds. The major source of income is the sale of water and sewer services. The revenues for the Water and Wastewater systems are based on expected water sales as adjusted for new customers being added through construction or annexations, significant changes in weather patterns and changes in rates. The Stormwater system rates are based on the existing land uses adjusted for expected changes, new annexations and changes in rates. The Recreation Facilities revenues are forecasted in the same manner as the Recreation Charges. The Airport and Market revenues are only impacted when there is a change in rates or level of service to be provided.

SPECIAL ASSESSMENTS

Special Assessments are assessed against the property owner for public improvements made that benefits the property owner. These numbers are based on the actual assessments to be levied in the next fiscal year.

FINES & FORFEITS

Fines associated with the enforcement of parking regulations constitute nearly half of this revenue source. The rest of this revenue category is collected through various fines assessed by the Fifteenth District Court. Much of this revenue comes from moving traffic violations, delinquent parking tickets and other City ordinance violations. This represents about 2% of the City's revenues. The expected revenues are forecasted based on changes in fines and the volume of tickets anticipated.

INVESTMENT INCOME

Investment earnings are derived by the placing of excess funds in approved investments until needed and represents about 1% of the City's revenues. The investment earnings are forecasted on the basis of expected investable funds times an average of expected investment rates based on the economic outlook.

Description of Revenue Categories

MISCELLANEOUS

This category accounts for revenues, which do not fit into other categories and includes rentals, sale of property and equipment and other miscellaneous revenues. These revenues are generally stable from year to year with adjustments being made in special circumstances. This category represents less than 1% of the City's revenues.

PRIOR YEAR SURPLUS

Prior Year Surplus represents the use of surplus funds from previous years' budgets and represents 15% of the City's revenues. This is used only during times in which revenue growth temporarily increases at a rate less than expenditures to avoid a reduction in services. At other times, fund balances are increased so that specific projects can be paid for in the future without having to borrow the funds.

OPERATING TRANSFERS

The majority of the transfers in this revenue category are reimbursements for fringe benefit costs. The exceptions to this are project and utility credits, which are reimbursements for engineering costs on construction projects. The project credit is based on expected construction activity on City projects. Operating transfers represent 15% of the City's revenues.

CONTRIBUTIONS

This represents donations that the City receives from the public for various purposes. The level of contributions remains constant from year to year with occasional windfalls that are hard to forecast. This category represents about 2% of the City's revenues.

SALE OF BONDS

This represents revenues received from bond proceeds for capital projects and represents 5% of the City's revenues. Revenues are determined based on approved projects from the City's Capital Improvement Plan.

INTRA-GOVERNMENTAL SALES

Services provided to other funds, which are directly billed are recorded as revenues. These services include equipment maintenance, central duplicating and office supplies. These numbers are based on the level of service being rendered and the expected cost to provide the service, which determines the expected revenues for the year. This category represents 4% of City revenues.

2006-2007 All Funds Revenue Analysis by Service Area

	<u>Total</u>	<u>Mayor</u>	<u>City</u>	<u>City</u>	<u>Community</u>	<u>Financial</u>	<u>Public</u>	<u>Safety</u>	<u>15th District</u>	<u>Non-</u>	<u>Other</u>
	<u>Revenues</u>	<u>& Council</u>	<u>Attorney</u>	<u>Administrator</u>	<u>Services</u>	<u>Services</u>	<u>Services</u>	<u>Services</u>	<u>Court</u>	<u>departmental</u>	
0010 GENERAL	\$77,691,735		\$118,000	\$4,128,274	\$3,676,964	\$60,206,993	\$593,237	\$4,582,121	\$2,655,300	\$1,730,846	
0042 WATER SUPPLY SYSTEM	22,299,499						22,299,499				
0043 SEWAGE DISPOSAL SYSTEM	21,139,595						21,139,595				
0048 AIRPORT	862,573						862,573				
0069 STORMWATER SEWER SYSTEM	5,161,307						5,161,307				
0011 CENTRAL STORES	1,344,816						1,344,816				
0012 FLEET SERVICES	5,965,015						5,965,015				
0015 PARKS SERVICE HEADQUARTERS	145,398						145,398				
0049 PROJECT MANAGEMENT	3,071,228						3,071,228				
0057 INSURANCE	19,862,109					19,862,109					
0055 ELIZABETH R DEAN TRUST	89,821						89,821				
0005 PARKS MAINTENANCE & REPAIR MILLAGE	68,000						68,000				
0006 PARKS REPAIR & RESTORATION MILLAGE	2,032,219						2,032,219				
0021 MAJOR STREET	7,716,275						7,716,275				
0022 LOCAL STREET	1,891,208						1,891,208				
0079 TREE REMOVAL AND DISPOSAL	409,956						409,956				
0036 METRO EXPANSION	350,000						350,000				
0054 CEMETERY PERPETUAL CARE	4,500						4,500				
0062 STREET REPAIR MILLAGE	9,417,156						9,417,156				
0072 SOLID WASTE FUND	12,472,662						12,472,662				
0002 ENERGY PROJECTS	160,127						160,127				
0070 AFFORDABLE HOUSING	811,759				811,759						
0024 OPEN SPACE & PARKLAND PRESERVATION	2,107,434				2,107,434						
0025 BANDEMERE PROPERTY	8,380				8,380						
0026 CONSTRUCTION CODE FUND	2,419,819				2,419,819						
0046 MARKET	138,396				138,396						
0038 ANN ARBOR ASSISTANCE	5,650				5,650						
0047 GOLF ENTERPRISE	1,324,243				1,324,243						
0016 COMMUNITY TELEVISION NETWORK	1,439,959			1,439,959							
0018 PARKS REHAB & DEVELOPMENT MILLAGE	2,044,721				2,044,721						
0034 PARKS MEMORIALS & CONTRIBUTIONS	70,000				70,000						

2006-2007 All Funds Revenue Analysis by Service Area

	Total Revenues	Mayor & Council	City Attorney	City Administrator	Community Services	Financial Services	Public Services	Safety Services	15th District Court	Non-departmental	Other
0078 COMMUNITY DEVELOPMENT BLOCK GR	2,121,906				2,121,906						
0090 HOME PROGRAM	2,313,674				2,313,674						
0014 INFORMATION TECHNOLOGY	6,631,318					6,631,318					
00MG MAJOR GRANT PROGRAMS FUND	112,100							112,100			
0027 DRUG ENFORCEMENT	12,000							12,000			
0053 POLICE AND FIRE RELIEF	10,000							10,000			
0064 MICHIGAN JUSTICE TRAINING	46,000							46,000			
0023 COURT FACILITIES	975,000								975,000		
0035 GENERAL DEBT SERVICE	7,057,086									7,057,086	
0060 GENERAL DEBT /SPECIAL ASSESSMENTS	413,369									413,369	
0061 ALTERNATIVE TRANSPORTATION	1,559,523										1,559,523
0031 SPECIAL ASSESSMENTS	150,000										150,000
0074 2005-06 SEWER BOND	2,398,316										2,398,316
0076 SEWER BOND SERIES XIX 2004	7,119,832										7,119,832
0082 2005-06 STORMWATER BOND	2,226,639										2,226,639
0092 2005-06 WATER BOND	8,773,853										8,773,853
0095 WATER BOND SERIES Z 2004	562,437										562,437
0097 ENVIRONMENTAL BOND ISSUE	1,501,000										1,501,000
0052 VEBA TRUST	7,895,020										7,895,020
0059 EMPLOYEES RETIREMENT SYSTEM	33,506,146										33,506,146
0001 DDA/HOUSING FUND	230,469										230,469
0003 DOWNTOWN DEVELOPMENT AUTHORITY	4,063,861										4,063,861
0030 DDA-SIDEWALK & STREETSCAPES	431,460										431,460
0033 DDA PARKING MAINTENANCE	1,375,000										1,375,000
0063 DDA PARKING SYSTEM	12,903,740										12,903,740
	\$306,915,309		\$118,000	\$5,568,233	\$17,042,946	\$86,700,420	\$95,194,592	\$4,762,221	\$3,630,300	\$9,201,301	\$84,697,296

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
General	General					
	TAXES	48,566,214	43,580,129	45,502,931	45,516,161	47,477,625
	LICENSES, PERMITS & REGISTRATION	3,145,924	1,538,250	1,102,572	1,108,846	1,097,582
	INTERGOVERNMENTAL REVENUES	11,792,337	11,650,457	10,702,700	11,554,339	11,234,062
	CHARGES FOR SERVICES	10,535,704	6,733,746	5,141,665	5,487,418	5,271,680
	FINES & FORFEITS	5,041,599	5,545,072	5,382,820	5,532,187	5,389,745
	INVESTMENT INCOME	297,320	573,944	268,200	568,200	774,567
	MISCELLANEOUS REVENUE	96,677	205,967	238,318	262,785	264,834
	PRIOR YEAR SURPLUS			1,192,170	592,429	75,216
	OPERATING TRANSFERS	1,546,027	3,638,378	1,720,334	1,615,601	2,040,367
	CONTRIBUTIONS	438,570	66,764	85,684	61,517	70,000
	INTRA GOVERNMENTAL SALES	2,776,946	4,203,283	4,263,321	3,710,291	3,996,057
	Total		<u>\$ 84,237,318</u>	<u>\$ 77,735,990</u>	<u>\$ 75,600,715</u>	<u>\$ 76,009,774</u>
Debt Service	General Debt Service					
	TAXES	2,754,802	2,389,564	2,401,112	2,401,112	2,423,218
	INVESTMENT INCOME	4,435	5,189	2,000	2,000	2,000
	OPERATING TRANSFERS	1,835,823	2,011,682	3,530,335	3,530,335	4,631,868
	Total	<u>\$ 4,595,060</u>	<u>\$ 4,406,435</u>	<u>\$ 5,933,447</u>	<u>\$ 5,933,447</u>	<u>\$ 7,057,086</u>
	Special Assessment/Debt Service					
	TAXES	59,095	50,227	100,000	100,000	100,000
	CHARGES FOR SERVICES	271,356	181,638			
	INVESTMENT INCOME	18,512	26,686	9,000	9,000	9,000
	PRIOR YEAR SURPLUS			329,849	329,849	304,369
Total	<u>\$ 348,963</u>	<u>\$ 258,551</u>	<u>\$ 438,849</u>	<u>\$ 438,849</u>	<u>\$ 413,369</u>	
Capital Projects	Environmental Bonds					
	INVESTMENT INCOME	26,105	92,196			
	PRIOR YEAR SURPLUS					1,501,000
	Total	<u>\$ 26,105</u>	<u>\$ 92,196</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,501,000</u>
	General Capital Improvements					
	INTERGOVERNMENTAL REVENUES	114,263				
	INVESTMENT INCOME	14,882	30,374			
	PRIOR YEAR SURPLUS			70,570	70,570	
	OPERATING TRANSFERS	1,300,000				
	Total	<u>\$ 1,429,145</u>	<u>\$ 30,374</u>	<u>\$ 70,570</u>	<u>\$ 70,570</u>	<u>\$ -</u>
Maintenance Facility						
INVESTMENT INCOME	55,081	150,088				
MISCELLANEOUS REVENUE		6,000				
OPERATING TRANSFERS	400,000	533,442				
Total	<u>\$ 455,081</u>	<u>\$ 689,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Special Assessments						
CHARGES FOR SERVICES					150,000	
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,000</u>	
Enterprise	Hydropower					
	CHARGES FOR SERVICES	261,730				
	INVESTMENT INCOME	8,288	8,519			
	OPERATING TRANSFERS	289,593				
Total	<u>\$ 559,611</u>	<u>\$ 8,519</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
Water Supply System						
	TAXES	9,089	8,479			
	INTERGOVERNMENTAL REVENUES		5,040			
	CHARGES FOR SERVICES	13,811,444	17,543,515	17,764,213	18,049,213	18,986,487
	INVESTMENT INCOME	91,365	279,666	280,000	350,000	285,000
	MISCELLANEOUS REVENUE	(83,876)	159,822	150,000	150,000	155,000
	PRIOR YEAR SURPLUS			3,962,829	3,941,079	1,100,359
	OPERATING TRANSFERS	198,250	1,713,985	1,565,548	1,565,548	1,618,153
	INTRA GOVERNMENTAL SALES	1,888,789	376,986	154,500	154,500	154,500
	Total	\$ 15,915,061	\$ 20,087,493	\$ 23,877,090	\$ 24,210,340	\$ 22,299,499
Water Bonds Series Z 2004						
	INVESTMENT INCOME	5,870	119,323			
	PRIOR YEAR SURPLUS					7,115
	SALE OF BONDS					555,322
	Total	\$ 5,870	\$ 119,323	\$ -	\$ -	\$ 562,437
Water Bonds 2005-06						
	CONTRIBUTIONS					4,387,700
	SALE OF BONDS					4,386,153
	Total	\$ -	\$ -	\$ -	\$ -	\$ 8,773,853
Water Bonds Series 2004-A DWRP						
	INVESTMENT INCOME	199	(1,995)			
	Total	\$ 199	\$ (1,995)	\$ -	\$ -	\$ -
Sewage Disposal System						
	TAXES	13,686	12,129	15,000	1,000	15,000
	CHARGES FOR SERVICES	15,198,199	17,899,254	18,696,281	18,596,281	20,050,195
	INVESTMENT INCOME	107,421	538,893	550,000	700,000	560,000
	MISCELLANEOUS REVENUE	18,844	19,368	10,000	93,000	10,000
	PRIOR YEAR SURPLUS			2,983,371	2,983,371	
	OPERATING TRANSFERS	641,004	399,996	476,060	476,060	478,400
	INTRA GOVERNMENTAL SALES	613,768	407,256	25,000	25,000	26,000
	Total	\$ 16,592,922	\$ 19,276,896	\$ 22,755,712	\$ 22,874,712	\$ 21,139,595
Sewer Bonds XIX 2004						
	INVESTMENT INCOME	(143,448)	523,577			
	PRIOR YEAR SURPLUS					500,000
	OPERATING TRANSFERS	3,641,419				
	SALE OF BONDS					6,619,832
	Total	\$ 3,497,971	\$ 523,577	\$ -	\$ -	\$ 7,119,832
Sewer Bonds Series 2004-A SRF						
	INVESTMENT INCOME	199	8,365			
	OPERATING TRANSFERS	918,876				
	Total	\$ 919,075	\$ 8,365	\$ -	\$ -	\$ -
Sewer Bonds 2005-06						
	OPERATING TRANSFERS					1,247,510
	SALE OF BONDS					1,150,806
	Total	\$ -	\$ -	\$ -	\$ -	\$ 2,398,316

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Stormwater Bonds 2005-06					
	SALE OF BONDS					2,226,639
	Total	\$ -	\$ -	\$ -	\$ -	\$ 2,226,639
	Parking System					
	CHARGES FOR SERVICES					
	INVESTMENT INCOME	355	1,748			
	MISCELLANEOUS REVENUE	(6,200)	2,390			
	Total	\$ (5,845)	\$ 4,138	\$ -	\$ -	\$ -
	Market					
	CHARGES FOR SERVICES	94,620	99,382	83,175	83,175	91,829
	INVESTMENT INCOME	1,847	9,066	5,000	5,000	5,000
	MISCELLANEOUS REVENUE	8,247	3,734	13,000	13,000	14,000
	CONTRIBUTIONS		100			
	OPERATING TRANSFERS	48,377	28,131	27,567	27,567	27,567
	Total	\$ 153,091	\$ 140,413	\$ 128,742	\$ 128,742	\$ 138,396
	Golf Courses					
	LICENSES, PERMITS & REGISTRATION					
	CHARGES FOR SERVICES	1,168,100	1,042,914	1,282,053	1,112,854	1,323,493
	INVESTMENT INCOME	(760)	(16,016)	750	332	750
	MISCELLANEOUS REVENUE	(6,753)	(130)			
	Total	\$ 1,160,587	\$ 1,026,768	\$ 1,282,803	\$ 1,113,186	\$ 1,324,243
	Airport					
	INTRA GOVERNMENTAL SALES	37,544	54,901			
	CHARGES FOR SERVICES	672,654	705,088	724,686	717,442	746,663
	INVESTMENT INCOME	2,788	5,846	9,500	9,000	11,500
	MISCELLANEOUS REVENUE	6,042	70,668	4,500	5,575	6,000
	PRIOR YEAR SURPLUS			85,300	85,300	98,410
	Total	\$ 719,028	\$ 836,503	\$ 823,986	\$ 817,317	\$ 862,573
	Stormwater Sewer System					
	TAXES	899	959			
	LICENSES, PERMITS & REGISTRATION	101,544	66,401	110,000	110,000	110,000
	CHARGES FOR SERVICES	2,713,491	3,342,958	4,065,163	4,068,163	4,441,774
	INVESTMENT INCOME	12,596	47,682	39,911	80,000	40,909
	MISCELLANEOUS REVENUE	37,860	2,257	15,000	12,000	15,000
	PRIOR YEAR SURPLUS			231,800	231,800	100,000
	OPERATING TRANSFERS	59,557				453,624
	INTRA GOVERNMENTAL SALES	28,131	118,340			
	Total	\$ 2,954,078	\$ 3,578,597	\$ 4,461,874	\$ 4,501,963	\$ 5,161,307
	Solid Waste Fund					
	TAXES		10,011,080	10,441,500	10,441,500	10,878,498
	CHARGES FOR SERVICES	36,854	323,353	402,164	720,200	754,164
	INVESTMENT INCOME	28,598	197,044	180,000	250,000	200,000
	MISCELLANEOUS REVENUE	20,101	155,139	20,000	20,000	20,000
	PRIOR YEAR SURPLUS			553,635	553,635	495,000
	OPERATING TRANSFERS	2,166,708	82,000	125,000	125,000	125,000
	Total	\$ 2,252,261	\$ 10,768,616	\$ 11,722,299	\$ 12,110,335	\$ 12,472,662

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
Internal Service	Central Stores					
	CHARGES FOR SERVICES	22,556	30,381	40,000	40,000	40,000
	INVESTMENT INCOME	1,657	9,172			
	MISCELLANEOUS REVENUE		2,403			
	INTRA GOVERNMENTAL SALES	1,053,781	1,101,064	1,277,349	1,277,349	1,304,816
	Total	\$ 1,077,994	\$ 1,143,020	\$ 1,317,349	\$ 1,317,349	\$ 1,344,816
	Fleet Services					
	CHARGES FOR SERVICES	9,000				
	INVESTMENT INCOME	(6,623)	29,666	20,000	49,950	18,000
	MISCELLANEOUS REVENUE	125,806	122,856	160,000	75,950	90,000
	PRIOR YEAR SURPLUS			1,132,397	138,929	
	OPERATING TRANSFERS	63,615	2,114,031	255,702	255,702	250,000
	INTRA GOVERNMENTAL SALES	3,550,140	2,433,633	5,241,058	5,074,088	5,607,015
	Total	\$ 3,741,938	\$ 4,700,186	\$ 6,809,157	\$ 5,594,619	\$ 5,965,015
	Information Technology					
INVESTMENT INCOME	(18,585)	6,181				
MISCELLANEOUS REVENUE	6,114					
PRIOR YEAR SURPLUS					670,182	
OPERATING TRANSFERS	950,000	950,000	5,269,186	5,269,186	5,830,951	
CONTRIBUTIONS					130,185	
Total	\$ 937,529	\$ 956,181	\$ 5,269,186	\$ 5,269,186	\$ 6,631,318	
Park Service Headquarters						
INVESTMENT INCOME	34	(217)				
INTRA GOVERNMENTAL SALES	100,104	101,616	132,752	132,752	145,398	
Total	\$ 100,138	\$ 101,399	\$ 132,752	\$ 132,752	\$ 145,398	
Project Management						
CHARGES FOR SERVICES			1,639,074	1,642,854	2,624,173	
OPERATING TRANSFERS			425,939	604,195	447,055	
Total	\$ -	\$ -	\$ 2,065,013	\$ 2,247,049	\$ 3,071,228	
Insurance						
LICENSES, PERMITS & REGISTRATION						
INVESTMENT INCOME	31,315	226,110	60,000	60,000	83,965	
PRIOR YEAR SURPLUS			1,344,678	3,330,500	600,000	
OPERATING TRANSFERS	19,188,169	16,603,306	17,573,505	17,573,505	19,178,144	
CONTRIBUTIONS	212,281	232,629	6,474	6,474		
Total	\$ 19,431,765	\$ 17,062,045	\$ 18,984,657	\$ 20,970,479	\$ 19,862,109	
Permanent	Elizabeth Dean Fund					
	CHARGES FOR SERVICES					
	INVESTMENT INCOME	(4,016)	44,830	87,387	87,387	89,821
Total	\$ (4,016)	\$ 44,830	\$ 87,387	\$ 87,387	\$ 89,821	
Pension Trust	VEBA					
	INVESTMENT INCOME	2,803,544	3,414,148			
	MISCELLANEOUS REVENUE		34,580			
	OPERATING TRANSFERS	7,781,184	4,085,716	8,091,720	8,091,720	7,895,020
	CONTRIBUTIONS	22,688	13,309			
Total	\$ 10,607,416	\$ 7,547,753	\$ 8,091,720	\$ 8,091,720	\$ 7,895,020	

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Employees' Retirement System					
	INVESTMENT INCOME	49,127,518	35,064,061			
	MISCELLANEOUS REVENUE	65,642	119,672			
	PRIOR YEAR SURPLUS			31,980,210	31,980,210	33,506,146
	OPERATING TRANSFERS	2,504,689	3,655,950			
	CONTRIBUTIONS	134,175	168,675			
	Total	\$ 51,832,024	\$ 39,008,358	\$ 31,980,210	\$ 31,980,210	\$ 33,506,146
Special Revenue	Energy Projects					
	INVESTMENT INCOME	1,333	8,874	2,000	2,000	2,000
	PRIOR YEAR SURPLUS			94,723	94,723	107,785
	OPERATING TRANSFERS	158,224	156,259	53,645	53,645	50,342
	CONTRIBUTIONS	9,632		9,632	9,632	
	Total	\$ 169,189	\$ 165,133	\$ 160,000	\$ 160,000	\$ 160,127
	Parks Maint & Repair Millage					
	TAXES					
	CHARGES FOR SERVICES					
	INVESTMENT INCOME	1,607	1,042			
	MISCELLANEOUS REVENUE	8,459	(1,682)			
	PRIOR YEAR SURPLUS					68,000
	Total	\$ 10,066	\$ (640)	\$ -	\$ -	\$ 68,000
	Parks Repair And Restoration Millage					
	TAXES	1,779,677	1,868,241	1,885,000	1,885,000	2,029,919
	INVESTMENT INCOME	11,406	27,194			
	CHARGES FOR SERVICES	1,815	1,614	2,200	2,200	2,300
	PRIOR YEAR SURPLUS			500,000		
	Total	\$ 1,792,898	\$ 1,897,049	\$ 2,387,200	\$ 1,887,200	\$ 2,032,219
	Local Law Enforcement Block Grant					
	INTERGOVERNMENTAL REVENUES	24,882				
	OPERATING TRANSFERS	11,013				
	PRIOR YEAR SURPLUS			29	29	
	INVESTMENT INCOME	230	383	571	571	
	Total	\$ 36,125	\$ 383	\$ 600	\$ 600	\$ -
	Mi Edc Smart Zone Grant					
	INVESTMENT INCOME	(110)	3,486			
	Total	\$ (110)	\$ 3,486	\$ -	\$ -	\$ -
	Community Television Network					
	LICENSES, PERMITS & REGISTRATION	1,285,139	1,287,582	1,270,080	1,270,080	1,396,584
	INVESTMENT INCOME	22,942	48,880	36,000	36,000	36,000
	MISCELLANEOUS REVENUE	1,252	1,484	7,375	7,375	7,375
	PRIOR YEAR SURPLUS			58,037	58,037	
	Total	\$ 1,309,333	\$ 1,337,946	\$ 1,371,492	\$ 1,371,492	\$ 1,439,959
	Parks Rehab & Development Mill					
	TAXES	1,745,337	1,832,398	1,939,024	1,939,024	1,990,721
	INTERGOVERNMENTAL REVENUES	386,130	67,740			
	INVESTMENT INCOME	31,005	74,897	54,000	54,000	54,000
	MISCELLANEOUS REVENUE	541	31,177			
	CONTRIBUTIONS	17,769	52,211			
	Total	\$ 2,180,782	\$ 2,058,423	\$ 1,993,024	\$ 1,993,024	\$ 2,044,721

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Major Street					
	TAXES	2,665				
	INTERGOVERNMENTAL REVENUES	6,146,775	5,886,810	6,006,547	6,006,547	6,522,713
	CHARGES FOR SERVICES		89	200	200	200
	INVESTMENT INCOME	17,716	150,946	170,000		170,000
	MISCELLANEOUS REVENUE	117,507	53,011	12,000	7,800	42,000
	PRIOR YEAR SURPLUS			360,000	360,000	336,362
	OPERATING TRANSFERS	530,398	541,273	645,000	645,000	520,000
	INTRA GOVERNMENTAL SALES	526,339	57,329	43,000	163,600	125,000
	Total	\$ 7,341,400	\$ 6,689,458	\$ 7,236,747	\$ 7,183,147	\$ 7,716,275
	Local Street					
	INTERGOVERNMENTAL REVENUES	1,674,710	1,621,716	1,651,085	1,651,085	1,690,958
	INVESTMENT INCOME	6,504	36,402	45,900		50,250
	OPERATING TRANSFERS	153,000	156,136	150,000	150,000	150,000
	Total	\$ 1,834,214	\$ 1,814,254	\$ 1,846,985	\$ 1,801,085	\$ 1,891,208
	Court Facilities					
	FINES & FORFEITS	225,313	234,433	225,000	225,000	225,000
	PRIOR YEAR SURPLUS			120,800	40,000	750,000
	INVESTMENT INCOME	3,016	17,593			
	Total	\$ 228,329	\$ 252,026	\$ 345,800	\$ 265,000	\$ 975,000
	Open Space & Parkland Preservation					
	TAXES	1,847,226	1,939,530	1,995,945	1,995,945	2,107,434
	INTERGOVERNMENTAL REVENUES		659,337			
	CHARGES FOR SERVICES	87,115				
	INVESTMENT INCOME	36,198	116,040			
	MISCELLANEOUS REVENUE		(2,284)			
	PRIOR YEAR SURPLUS			3,339,478	3,339,478	
	CONTRIBUTIONS		50,000			
	Total	\$1,970,539	\$2,762,623	\$5,335,423	\$5,335,423	\$2,107,434
	Bandemer Property					
	CHARGES FOR SERVICES			4,200	4,200	4,200
	INVESTMENT INCOME	706	5,228	4,180	4,180	4,180
	MISCELLANEOUS REVENUE	36,000	31,000			
	PRIOR YEAR SURPLUS			13,238	13,238	
	Total	\$36,706	\$36,228	\$21,618	\$21,618	\$8,380
	Construction Code Fund					
	LICENSES, PERMITS & REGISTRATION		2,178,826	2,252,293	2,097,320	2,317,219
	INVESTMENT INCOME		4,357			
	MISCELLANEOUS REVENUE			2,000	2,000	2,600
	OPERATING TRANSFERS		650,000	300,000	300,000	100,000
	Total		\$2,833,183	\$2,554,293	\$2,399,320	\$2,419,819
	Drug Enforcement					
	FINES & FORFEITS	1,974	7,768	7,000	7,000	7,000
	INVESTMENT INCOME	102	250			
	PRIOR YEAR SURPLUS			5,000	5,000	5,000
	Total	\$2,076	\$8,018	\$12,000	\$12,000	\$12,000
	Federal Equitable Sharing For					
	CHARGES FOR SERVICES	210,693		132,933	132,933	
	INVESTMENT INCOME	(462)	2,608			
	PRIOR YEAR SURPLUS			37,686	37,686	
	Total	\$ 210,231	\$ 2,608	\$ 170,619	\$ 170,619	\$ -

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Parks Memorials & Contributions					
	CONTRIBUTIONS			70,000	70,000	70,000
	Total	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 70,000
	Ann Arbor Assistance					
	INVESTMENT INCOME	35	50	50	50	50
	CONTRIBUTIONS	6,270	4,245	5,600	5,600	5,600
	Total	\$ 6,305	\$ 4,295	\$ 5,650	\$ 5,650	\$ 5,650
	Police And Fire Relief					
	INVESTMENT INCOME	3,703	13,189	10,000	10,000	10,000
	Total	\$ 3,703	\$ 13,189	\$ 10,000	\$ 10,000	\$ 10,000
	Cemetery Perpetual Care					
	CHARGES FOR SERVICES	2,420	4,135	4,500	4,500	4,500
	INVESTMENT INCOME	160	1,272			
	Total	\$ 2,580	\$ 5,407	\$ 4,500	\$ 4,500	\$ 4,500
	Street Repair Millage					
	TAXES	7,468,908	7,842,949	8,242,925	8,242,925	8,522,664
	INTERGOVERNMENTAL REVENUES	123,270				
	CHARGES FOR SERVICES	355,889	13,413			
	INVESTMENT INCOME	189,885	363,785			
	MISCELLANEOUS REVENUE		(8,758)			
	PRIOR YEAR SURPLUS					894,492
	OPERATING TRANSFERS	40,746	1,737,206			
	CONTRIBUTIONS	107,876				
	Total	\$ 8,286,574	\$ 9,948,595	\$ 8,242,925	\$ 8,242,925	\$ 9,417,156
	Alternative Transportation					
	INTERGOVERNMENTAL REVENUES					484,360
	CHARGES FOR SERVICES	30,000				
	INVESTMENT INCOME	(1,601)	(233)			
	PRIOR YEAR SURPLUS					679,094
	OPERATING TRANSFERS	427,500		12,265	12,265	396,069
	Total	\$ 455,899	\$ (233)	\$ 12,265	\$ 12,265	\$ 1,559,523
	Michigan Justice Training					
	INTERGOVERNMENTAL REVENUES	19,118	53,234	30,000	30,000	30,000
	INVESTMENT INCOME	549	1,754	1,000	1,000	1,000
	PRIOR YEAR SURPLUS			15,000	15,000	15,000
	Total	\$ 19,667	\$ 54,988	\$ 46,000	\$ 46,000	\$ 46,000
	Affordable Housing					
	INVESTMENT INCOME	3,671	13,349	5,000	5,000	5,000
	MISCELLANEOUS REVENUE	120,137	115,074	39,500	39,500	14,900
	PRIOR YEAR SURPLUS			529,284	529,284	691,859
	OPERATING TRANSFERS	100,000	100,000	100,000	100,000	100,000
	SALE OF BONDS	2,075,000				
	Total	\$ 2,298,808	\$ 228,423	\$ 673,784	\$ 673,784	\$ 811,759

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Comm Develop Block Grant					
	INTERGOVERNMENTAL REVENUES	1,567,723	1,250,662	2,350,705	2,350,705	2,121,906
	MISCELLANEOUS REVENUE	1,575	50,345			
	Total	\$ 1,569,298	\$ 1,301,007	\$ 2,350,705	\$ 2,350,705	\$ 2,121,906
	Home Program					
	INTERGOVERNMENTAL REVENUES	324,579	2,035,866	3,052,616	3,052,616	2,313,674
	MISCELLANEOUS REVENUE	(220)	4,866			
	Total	\$ 324,359	\$ 2,040,732	\$ 3,052,616	\$ 3,052,616	\$ 2,313,674
	Leslie Homestead					
	CHARGES FOR SERVICES	70,776				
	INVESTMENT INCOME	882				
	MISCELLANEOUS REVENUE	88,878				
	OPERATING TRANSFERS	33,007				
	CONTRIBUTIONS	33,009				
	Total	\$ 226,552	\$ -	\$ -	\$ -	\$ -
	Major Grant Programs Fund					
	INTERGOVERNMENTAL REVENUES	323,204				
	INVESTMENT INCOME	1,949	(1,715)			
	OPERATING TRANSFERS			112,100	112,100	112,100
	CONTRIBUTIONS	1,481				
	INTRAGOVERNMENTAL SALES	231,566				
	Total	\$ 558,200	\$ (1,715)	\$ 112,100	\$ 112,100	\$ 112,100
	Tree Removal & Disposal					
	PRIOR YEAR SURPLUS					270,000
	OPERATING TRANSFERS					139,956
	Total	\$ -	\$ -	\$ -	\$ -	\$ 409,956
	Metro Expansion					
	INTERGOVERNMENTAL REVENUES			357,081	357,081	350,000
	Total	\$ -	\$ -	\$ 357,081	\$ 357,081	\$ 350,000
Component Unit	DDA/Housing Fund					
	INVESTMENT INCOME	6,852	17,573	26,921	26,921	30,469
	SALE OF BONDS	1,425,000				
	OPERATING TRANSFERS			200,000	200,000	200,000
	Total	\$ 1,431,852	\$ 17,573	\$ 226,921	\$ 226,921	\$ 230,469
	Downtown Development Authority					
	TAXES	4,124,929		3,280,637	3,365,395	3,389,181
	INVESTMENT INCOME	84,576	107,218	268,589	234,126	217,586
	PRIOR YEAR SURPLUS			137,318	137,318	457,094
	Total	\$ 4,209,505	\$ 107,218	\$ 3,686,544	\$ 3,736,839	\$ 4,063,861
	DDA Sidewalk & Streetscapes					
	INVESTMENT INCOME			12,500	12,500	11,460
	MISCELLANEOUS REVENUE			420,000	420,000	420,000
	Total	\$ -	\$ -	\$ 432,500	\$ 432,500	\$ 431,460

Revenue Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	DDA Parking Maintenance					
	INVESTMENT INCOME			105,000	105,000	75,250
	PRIOR YEAR SURPLUS			124,437	124,437	137,615
	OPERATING TRANSFERS			1,162,135	1,162,135	1,162,135
	Total	\$ -	\$ -	\$ 1,391,572	\$ 1,391,572	\$ 1,375,000
	DDA Parking System					
	CHARGES FOR SERVICES	5,596,073		11,157,031	11,157,031	10,787,604
	INVESTMENT INCOME	100,862	(8,613)	264,261	264,261	221,838
	MISCELLANEOUS REVENUE	(124)	1,797	500	500	500
	PRIOR YEAR SURPLUS			379,344	379,344	1,893,798
	OPERATING TRANSFERS	652,100	403,040			
	Total	\$ 6,348,911	\$ 396,224	\$ 11,801,136	\$ 11,801,136	\$ 12,903,740
City Totals	Total City Revenues					
	TAXES	68,372,527	69,535,685	75,804,074	75,888,062	78,934,260
	LICENSES, PERMITS & REGISTRATION	4,532,607	5,071,059	4,734,945	4,586,246	4,921,385
	INTERGOVERNMENTAL REVENUES	22,496,991	23,230,862	24,150,734	25,002,373	24,747,673
	CHARGES FOR SERVICES	51,150,489	47,870,714	61,139,538	61,818,664	65,279,262
	FINES & FORFEITS	5,268,886	5,787,273	5,614,820	5,764,187	5,621,745
	INVESTMENT INCOME	52,990,213	42,411,127	2,517,720	2,926,478	2,969,595
	MISCELLANEOUS REVENUE	662,509	1,220,350	1,092,193	689,485	1,062,209
	PRIOR YEAR SURPLUS			49,581,183	49,371,246	45,263,896
	OPERATING TRANSFERS	45,639,279	39,560,531	41,796,041	42,289,564	47,154,261
	CONTRIBUTIONS	983,751	587,933	177,390	153,223	4,663,485
	SALE OF BONDS	3,500,000				14,938,752
	INTRA GOVERNMENTAL SALES	10,807,108	8,854,408	11,136,980	10,537,580	11,358,786
	Total	\$266,404,360	\$244,129,942	\$277,745,618	\$279,027,108	\$306,915,309

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Definition of Expenditure Categories

PERSONNEL SERVICES

These expenditures represent all budgeted salary costs for permanent and temporary staff.

PAYROLL FRINGES

This category represents all personnel-related insurances, such as unemployment and health care. It also includes pension and social security costs.

OTHER SERVICES

These expenditures represent a wide array of charges and contracts with outside agencies. Examples of this type of expenditure include fees incurred for consultation with bond counsel, payments for audit services, and travel.

MATERIALS AND SUPPLIES

This category includes consumable items costing less than \$2,500 with an estimated life of less than two years. Items include office supplies, chemicals, parts, sign materials, road salt, etc.

OTHER CHARGES

This category contains expenditures for miscellaneous items such as payments for utility bills, dues, licenses, etc.

PASS-THROUGHS

This category includes transfers to other funds and transfers to other agencies for taxes.

CAPITAL OUTLAY

This category includes all purchases in excess of \$2,500 of a capital nature. Vehicles and heavy equipment are excellent examples of normal expenditures in this category.

VEHICLE OPERATING COSTS

This category includes costs to maintain fleet vehicles such as gas, oil, and repairs.

COMMUNITY DEVELOPMENT RECIPIENTS

This category is for grants from the U.S. Department of Housing and Urban Development for Community Development Block Grants and HOME grants, as well as allocated General Fund monies.

2006-2007 All Funds Expenditure Analysis by Service Area

	<u>Total Expenditures</u>	<u>Mayor & Council</u>	<u>City Attorney</u>	<u>City Administrator</u>	<u>Community Services</u>	<u>Financial Services</u>	<u>Public Services</u>	<u>Safety Services</u>	<u>15th District Court</u>	<u>Non-departmental</u>	<u>Other</u>
0010 GENERAL	\$77,691,735	\$266,898	\$1,744,254	\$2,766,428	\$7,926,033	\$3,695,740	\$7,797,051	\$38,338,381	\$3,770,427	\$11,386,523	
0042 WATER SUPPLY SYSTEM	21,729,907						21,729,907				
0043 SEWAGE DISPOSAL SYSTEM	19,857,245						19,857,245				
0048 AIRPORT	862,573						862,573				
0069 STORMWATER SEWER SYSTEM	5,095,398						5,095,398				
0011 CENTRAL STORES	1,344,816						1,344,816				
0012 FLEET SERVICES	4,503,801						4,503,801				
0015 PARKS SERVICE HEADQUARTERS	145,398						145,398				
0049 PROJECT MANAGEMENT	3,071,228						3,071,228				
0057 INSURANCE	19,862,109			16,773,497		2,960,152	128,460				
0055 ELIZABETH R DEAN TRUST	89,821						89,821				
0005 PARKS MAINTENANCE & REPAIR MILLAGE	68,000						68,000				
0006 PARKS REPAIR & RESTORATION MILLAGE	1,928,880				331,539		1,597,341				
0021 MAJOR STREET	7,716,275						7,716,275				
0022 LOCAL STREET	1,891,208						1,891,208				
0079 TREE REMOVAL AND DISPOSAL	409,956						409,956				
0036 METRO EXPANSION	350,000						350,000				
0062 STREET REPAIR MILLAGE	9,417,156						9,417,156				
0072 SOLID WASTE FUND	11,202,105						11,202,105				
0002 ENERGY PROJECTS	160,127						160,127				
0070 AFFORDABLE HOUSING	811,759				811,759						
0024 OPEN SPACE & PARKLAND PRESERVATIC	2,107,434				2,107,434						
0025 BANDEMER PROPERTY	1,295				1,295						
0026 CONSTRUCTION CODE FUND	2,278,592				2,278,592						
0046 MARKET	137,163				137,163						
0038 ANN ARBOR ASSISTANCE	5,650				5,650						
0047 GOLF ENTERPRISE	1,324,243				1,324,243						
0016 COMMUNITY TELEVISION NETWORK	1,384,959			1,384,959							
0018 PARKS REHAB & DEVELOPMENT MILLAGE	1,807,548				1,807,548						
0034 PARKS MEMORIALS & CONTRIBUTIONS	70,000				70,000						

2006-2007 All Funds Expenditure Analysis by Service Area

	Total Expenditures	Mayor & Council	City Attorney	City Administrator	Community Services	Financial Services	Public Services	Safety Services	15th District Court	Non-departmental	Other
0078 COMMUNITY DEVELOPMENT BLOCK GRANT	2,121,906				2,121,906						
0090 HOME PROGRAM	2,313,674				2,313,674						
0014 INFORMATION TECHNOLOGY	6,631,318					6,631,318					
0027 DRUG ENFORCEMENT	12,000							12,000			
0064 MICHIGAN JUSTICE TRAINING	40,000							40,000			
0023 COURT FACILITIES	6,000								6,000		
0035 GENERAL DEBT SERVICE	6,982,668									6,982,668	
0060 GENERAL DEBT/SPECIAL ASSESSMENTS	413,369									413,369	
0061 ALTERNATIVE TRANSPORTATION	1,554,951										1,554,951
0031 SPECIAL ASSESSMENTS	150,000										150,000
0074 2005-06 SEWER BOND	2,398,316										2,398,316
0076 SEWER BOND SERIES XIX 2004	7,119,832										7,119,832
0082 2005-06 STORMWATER BOND	2,226,639										2,226,639
0092 2005-06 WATER BOND	8,773,853										8,773,853
0095 WATER BOND SERIES Z 2004	562,437										562,437
0097 ENVIRONMENTAL BOND ISSUE	1,501,000										1,501,000
0052 VEBA TRUST	154,580										154,580
0059 EMPLOYEES RETIREMENT SYSTEM	33,506,146										33,506,146
0001 DDA/HOUSING FUND	175,826										175,826
0003 DOWNTOWN DEVELOPMENT AUTHORITY	4,063,861										4,063,861
0030 DDA-SIDEWALK & STREETSCAPES	205,000										205,000
0033 DDA PARKING MAINTENANCE	1,375,000										1,375,000
0063 DDA PARKING SYSTEM	12,903,740										12,903,740
	\$292,518,497	\$266,898	\$1,744,254	\$20,924,884	\$21,236,836	\$13,287,210	\$97,437,866	\$38,390,381	\$3,776,427	\$18,782,560	\$76,671,181

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07	
General	General						
	PERSONNEL SERVICES	38,497,074	37,680,570	33,696,208	33,770,217	33,967,515	
	PAYROLL FRINGES/INSURANCE	14,475,685	13,223,832	13,650,745	13,554,365	16,055,792	
	OTHER SERVICES	11,149,251	8,343,997	9,806,896	9,291,520	8,790,889	
	MATERIALS & SUPPLIES	1,219,618	1,262,780	1,212,053	1,209,117	1,184,926	
	OTHER CHARGES	2,725,467	1,003,915	5,326,669	5,367,914	5,685,235	
	PASS THROUGHS	12,266,489	12,704,423	9,747,319	9,747,319	9,948,016	
	CAPITAL OUTLAY	935,791	163,292	310,960	233,094	321,280	
	VEHICLE OPERATING COSTS	307,768	256,087	46,765	34,152	40,525	
	COMMUNITY DEVELOPMENT RECIPIENTS	1,303,777	1,465,415	1,427,000	1,400,000	1,331,401	
	EMPLOYEE ALLOWANCES	450,700	421,829	376,100	444,700	366,156	
	Total		\$83,331,620	\$76,526,140	\$75,600,715	\$75,052,398	\$77,691,735
	Debt Service	General Debt Service					
OTHER SERVICES		9,124	773				
OTHER CHARGES		4,298,300	4,375,825	5,897,200	5,897,200	6,982,668	
PASS THROUGHS		259,593					
Total		\$4,567,017	\$4,376,598	\$5,897,200	\$5,897,200	\$6,982,668	
Special Assessments							
OTHER CHARGES		539,512	494,968	438,849	438,849	413,369	
Total		\$539,512	\$494,968	\$438,849	\$438,849	\$413,369	
Capital Projects		Environmental Bonds					
		PERSONNEL SERVICES	3,628	(299)			
	PAYROLL FRINGES/INSURANCE	483					
	OTHER SERVICES	119,741					
	MATERIALS & SUPPLIES	11,123					
	OTHER CHARGES					1,501,000	
	CAPITAL OUTLAY	7,125					
	Total	\$142,100	(\$299)			\$1,501,000	
	General Capital Improvements						
	PERSONNEL SERVICES	20,935	4,556				
	PAYROLL FRINGES/INSURANCE	4,160	779				
	OTHER SERVICES	276,674	109,823	33,351	33,351		
	MATERIALS & SUPPLIES	301	1,144				
	OTHER CHARGES	57,648					
	PASS THROUGHS		533,442				
CAPITAL OUTLAY	(212,448)	382,066	37,219	37,219			
Total	\$147,270	\$1,031,810	\$70,570	\$70,570			
Maintenance Facility							
PERSONNEL SERVICES	45,583	2,470					
PAYROLL FRINGES/INSURANCE	6,774	242					
OTHER SERVICES	228,812	301,460					
MATERIALS & SUPPLIES	43,070						
OTHER CHARGES	46,147						
PASS THROUGHS	1,300,000						
CAPITAL OUTLAY	552,850						
Total	\$2,223,236	\$304,172					
Special Assessments							
CAPITAL OUTLAY					150,000		
Total					\$150,000		

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07	
Enterprise	Hydropower Operating Fund						
	PERSONNEL SERVICES	17,563					
	PAYROLL FRINGES/INSURANCE	5,436					
	OTHER SERVICES	98,411	238				
	MATERIALS & SUPPLIES	2,310					
	OTHER CHARGES	374,063	253,235				
	PASS THROUGHGS		400,000				
	CAPITAL OUTLAY		(44,747)				
	Total		<u>\$497,783</u>	<u>\$608,726</u>			
		Water Supply System					
		PERSONNEL SERVICES	4,223,405	3,949,398	3,999,071	3,898,763	4,024,140
		PAYROLL FRINGES/INSURANCE	1,465,839	1,698,912	1,630,239	1,617,233	1,968,497
		OTHER SERVICES	2,918,688	3,019,744	3,927,100	4,079,188	4,421,513
		MATERIALS & SUPPLIES	1,509,115	1,580,510	1,941,394	1,888,624	1,993,125
		OTHER CHARGES	5,882,846	5,446,145	6,612,712	6,056,209	7,293,583
		PASS THROUGHGS	112,000	498,433	3,216,049	3,216,049	809,711
		CAPITAL OUTLAY	(650,646)	(832,430)	1,258,258	1,048,258	1,037,938
		VEHICLE OPERATING COSTS	76,533	60,028	135,000	135,000	181,400
	Total		<u>\$15,537,780</u>	<u>\$15,420,740</u>	<u>\$22,719,823</u>	<u>\$21,939,324</u>	<u>\$21,729,907</u>
		Water Bond Series Z 2004					
		OTHER SERVICES	54,441				
		OTHER CHARGES					562,437
		PASS THROUGHGS	3,095,565				
Total		<u>\$3,150,006</u>				<u>\$562,437</u>	
	2005-06 Water Bond						
	OTHER CHARGES					8,773,853	
Total						<u>\$8,773,853</u>	
	Water Bond Series 2004-A DWRF						
	OTHER SERVICES	23,597					
Total		<u>\$23,597</u>					
	Sewage Disposal System						
	PERSONNEL SERVICES	2,753,604	2,699,586	3,358,014	3,217,844	3,380,389	
	PAYROLL FRINGES/INSURANCE	1,023,772	958,477	1,379,398	1,376,882	1,554,071	
	OTHER SERVICES	3,788,742	2,929,178	3,414,422	3,167,953	3,698,074	
	MATERIALS & SUPPLIES	720,731	695,077	783,400	684,920	805,750	
	OTHER CHARGES	5,894,223	6,583,683	7,408,816	7,396,825	8,755,754	
	PASS THROUGHGS	5,862	903,372	4,079,791	4,079,791	1,206,607	
	CAPITAL OUTLAY	20,506	(173,972)	505,294	505,294	266,250	
	VEHICLE OPERATING COSTS	115,267	69,544	146,275	156,825	190,350	
Total		<u>\$14,322,707</u>	<u>\$14,664,945</u>	<u>\$21,075,410</u>	<u>\$20,586,334</u>	<u>\$19,857,245</u>	
	Sewer Bond Series XIX 2004						
	PERSONNEL SERVICES	19,364					
	PAYROLL FRINGES/INSURANCE	4,261					
	OTHER SERVICES	84,701					
	MATERIALS & SUPPLIES	1,113					
	OTHER CHARGES					5,872,322	
	PASS THROUGHGS	918,876				1,247,510	
Total		<u>\$1,028,315</u>				<u>\$7,119,832</u>	

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Sewer Bond Series 2004-A SRF					
	PERSONNEL SERVICES	13,468				
	PAYROLL FRINGES/INSURANCE	4,379				
	OTHER SERVICES	134,606				
	Total	\$152,453				
	2005-06 Sewer Bond					
	OTHER SERVICES					817,000
	OTHER CHARGES					1,409,639
	Total					\$2,226,639
	2005 Sewer Bonds					
	OTHER CHARGES					2,398,316
	Total					\$2,398,316
	Parking System					
	PERSONNEL SERVICES					
	OTHER CHARGES	899,041	911,485			
	Total	\$899,041	\$911,485			
	Market					
	PERSONNEL SERVICES	40,157	44,349	46,686	46,686	48,138
	PAYROLL FRINGES/INSURANCE	14,665	5,272	16,733	16,733	20,263
	OTHER SERVICES	62,726	28,515	21,950	21,950	25,198
	MATERIALS & SUPPLIES	7,039	10,805	6,089	6,089	7,500
	OTHER CHARGES	24,424	26,949	37,284	37,284	36,064
	CAPITAL OUTLAY	650				
	Total	\$149,661	\$115,890	\$128,742	\$128,742	\$137,163
	Golf Enterprise					
	PERSONNEL SERVICES	509,403	447,968	512,452	437,562	511,670
	PAYROLL FRINGES/INSURANCE	142,643	106,506	134,022	129,750	136,919
	OTHER SERVICES	81,836	46,065	99,777	92,990	101,410
	MATERIALS & SUPPLIES	126,385	121,821	170,318	128,998	202,925
	OTHER CHARGES	272,361	345,167	283,799	271,548	302,774
	PASS THROUGHES	124,063	121,770	29,670		27,780
	VEHICLE OPERATING COSTS	37,716	35,778	52,765	52,338	40,765
	Total	\$1,294,407	\$1,225,075	\$1,282,803	\$1,113,186	\$1,324,243
	Airport					
	PERSONNEL SERVICES	323,484	276,812	242,769	246,927	245,238
	PAYROLL FRINGES/INSURANCE	131,834	123,960	132,461	135,797	145,918
	OTHER SERVICES	159,330	198,858	191,971	169,505	77,396
	MATERIALS & SUPPLIES	28,931	28,042	27,552	26,186	23,598
	OTHER CHARGES	147,907	216,710	210,265	211,917	328,337
	PASS THROUGHES	2,665	2,885	9,218	9,218	8,786
	CAPITAL OUTLAY					17,000
	VEHICLE OPERATING COSTS	12,525	16,131	9,750	18,226	16,300
	Total	\$806,676	\$863,398	\$823,986	\$817,776	\$862,573

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Stormwater Sewer System					
	PERSONNEL SERVICES	449,141	717,357	622,939	626,233	671,918
	PAYROLL FRINGES/INSURANCE	135,869	140,808	172,710	190,357	223,579
	OTHER SERVICES	330,848	448,551	792,270	709,070	1,117,552
	MATERIALS & SUPPLIES	181,638	50,086	168,400	170,800	168,600
	OTHER CHARGES	981,818	369,326	602,923	495,743	1,255,801
	PASS THROUGHS	81,000	437,515	524,478	524,478	408,718
	CAPITAL OUTLAY	(152,496)	(112,510)	722,300	776,000	1,207,000
	VEHICLE OPERATING COSTS	8,612	5,947	14,750	10,200	42,230
	Total	\$2,016,430	\$2,057,080	\$3,620,770	\$3,502,881	\$5,095,398
	Solid Waste Fund					
	PERSONNEL SERVICES		2,143,594	1,880,257	1,880,257	1,902,323
	PAYROLL FRINGES/INSURANCE		780,248	887,935	887,935	1,018,118
	OTHER SERVICES		3,392,560	5,094,608	5,094,608	5,108,299
	MATERIALS & SUPPLIES		77,054	73,352	73,352	73,730
	OTHER CHARGES		1,717,465	1,721,861	1,721,861	1,459,300
	PASS THROUGHS	1,266,205	837,802	630,981	630,981	637,219
	CAPITAL OUTLAY		(902,565)	553,635	553,635	655,541
	VEHICLE OPERATING COSTS		92,078	205,881	205,881	347,575
	Total	\$1,266,205	\$8,138,236	\$11,048,510	\$11,048,510	\$11,202,105
Internal Service	Central Stores					
	PERSONNEL SERVICES	218,424	162,124	182,287	146,551	184,808
	PAYROLL FRINGES/INSURANCE	60,154	71,686	90,310	90,310	108,014
	OTHER SERVICES	118,359	105,198	149,665	149,665	159,525
	MATERIALS & SUPPLIES	578,397	590,646	803,100	803,100	803,100
	OTHER CHARGES	34,527	53,908	86,151	86,151	83,242
	PASS THROUGHS		8,661	5,835	5,835	6,127
	Total	\$1,009,861	\$992,223	\$1,317,348	\$1,281,612	\$1,344,816
	Fleet Services					
	PERSONNEL SERVICES	933,535	939,721	958,675	942,783	922,289
	PAYROLL FRINGES/INSURANCE	351,213	356,859	391,899	391,998	435,196
	OTHER SERVICES	135,487	72,859	60,449	91,219	82,589
	MATERIALS & SUPPLIES	25,570	16,590	15,359	18,150	15,132
	OTHER CHARGES	1,189,816	1,264,885	244,662	244,662	264,411
	PASS THROUGHS	2,580	516,681	2,161,906	1,604,906	669,912
	CAPITAL OUTLAY	(54,887)	(17,273)	1,764,811	1,260,690	801,822
	VEHICLE OPERATING COSTS	1,109,008	1,310,440	1,163,160	1,278,325	1,312,450
	Total	\$3,692,322	\$4,460,762	\$6,760,921	\$5,832,733	\$4,503,801
	Information Technology					
	PERSONNEL SERVICES			1,314,788	1,700,145	1,519,128
	PAYROLL FRINGES/INSURANCE			432,762	432,762	585,359
	OTHER SERVICES	125,125	30,800	918,021	1,068,021	1,036,811
	MATERIALS & SUPPLIES			15,000	15,000	15,000
	OTHER CHARGES		31,680	557,117	557,117	3,216,032
	CAPITAL OUTLAY	169,079	34,254	38,400	120,400	258,988
	Total	\$294,204	\$96,734	\$3,276,088	\$3,893,445	\$6,631,318
	Parks Service Headquarters					
	PERSONNEL SERVICES	23,712	24,374	39,711	33,029	38,193
	PAYROLL FRINGES/INSURANCE	8,802	7,510	14,819	14,819	16,662
	OTHER SERVICES	53,180	60,748	64,484	71,966	74,224
	MATERIALS & SUPPLIES	6,531	6,148	4,000	4,000	4,400
	OTHER CHARGES	6,405	21,467	9,738	9,738	11,919
	Total	\$98,630	\$120,247	\$132,752	\$133,552	\$145,398

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Project Management					
	PERSONNEL SERVICES			975,435	1,030,789	1,626,037
	PAYROLL FRINGES/INSURANCE			344,251	342,274	631,351
	OTHER SERVICES			72,740	73,734	125,783
	MATERIALS & SUPPLIES			18,350	17,400	18,375
	OTHER CHARGES			598,195	532,295	611,223
	PASS THROUGHGS			48,042	48,042	50,444
	CAPITAL OUTLAY			8,000	7,000	8,015
	Total			\$2,065,013	\$2,051,534	\$3,071,228
	Insurance					
	PERSONNEL SERVICES	313,221	244,833	186,096	186,096	247,538
	PAYROLL FRINGES/INSURANCE	49,657	148,673	71,808	71,808	110,844
	OTHER SERVICES	793,340	942,403	814,325	814,325	960,172
	MATERIALS & SUPPLIES	6,042	4,791	11,000	11,000	37,000
	OTHER CHARGES	14,113,277	17,792,156	17,056,750	17,056,750	18,506,555
	PASS THROUGHGS		1,925,000	844,678	2,830,500	
	Total	\$15,275,537	\$21,057,856	\$18,984,657	\$20,970,479	\$19,862,109
Permanent	Elizabeth R Dean Trust					
	PERSONNEL SERVICES	62,394	22,655	36,470	36,470	32,328
	PAYROLL FRINGES/INSURANCE	25,552	7,707	12,200	12,200	13,568
	OTHER SERVICES	13,054	3,077	15,476	15,476	14,256
	MATERIALS & SUPPLIES	14,899	7,004	12,415	12,415	13,710
	OTHER CHARGES	3,087	252	10,825	10,825	15,959
	Total	\$118,986	\$40,695	\$87,386	\$87,386	\$89,821
Pension Trust	VEBA Trust					
	OTHER SERVICES	139,990	195,003	150,500	150,500	154,250
	MATERIALS & SUPPLIES			250	250	250
	OTHER CHARGES	8,343		71	71	80
	Total	\$148,333	\$195,003	\$150,821	\$150,821	\$154,580
	Employees Retirement System					
	PERSONNEL SERVICES	249,533	291,197	269,192	269,192	242,336
	PAYROLL FRINGES/INSURANCE	20,691,750	21,573,772	21,662,202	21,662,202	22,401,087
	OTHER SERVICES	1,695,032	1,764,175	2,500,850	2,500,850	2,330,350
	MATERIALS & SUPPLIES	3,029	4,273	8,000	8,000	8,000
	OTHER CHARGES	1,008,016	546,874	522,313	522,313	527,215
	PASS THROUGHGS	6,083,674	2,974,644	6,997,653	6,997,653	7,987,158
	CAPITAL OUTLAY			20,000	20,000	10,000
	Total	\$29,731,034	\$27,154,935	\$31,980,210	\$31,980,210	\$33,506,146
Special Revenue	Energy Projects					
	PERSONNEL SERVICES	10,000		20,000	20,000	20,000
	OTHER SERVICES	5,305	950			
	OTHER CHARGES		3,768			127
	PASS THROUGHGS		10,000			
	CAPITAL OUTLAY	41,262	466	140,000	140,000	140,000
	Total	\$56,567	\$15,184	\$160,000	\$160,000	\$160,127
	Parks Maint & Repair Millage					
	PERSONNEL SERVICES	(4,551)				
	PAYROLL FRINGES/INSURANCE	240				
	OTHER SERVICES	7,116	(432)			
	MATERIALS & SUPPLIES					
	OTHER CHARGES	9				68,000
	Total	\$2,814	(\$432)			\$68,000

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
Parks Repair And Restoration Millage						
	PERSONNEL SERVICES	657,180	649,811	917,964	917,964	870,976
	PAYROLL FRINGES/INSURANCE	153,517	137,359	260,838	260,838	297,155
	OTHER SERVICES	340,494	586,134	538,992	538,992	499,716
	MATERIALS & SUPPLIES	137,482	158,807	89,310	89,310	91,960
	OTHER CHARGES	77,096	38,255	80,088	80,088	117,073
	PASS THROUGHGS	15,454	18,200	500,000		32,000
	CAPITAL OUTLAY	34,972	4,876			20,000
	Total	\$1,416,195	\$1,593,442	\$2,387,192	\$1,887,192	\$1,928,880
Local Law Enforcement Block Grant						
	OTHER SERVICES	6,928				
	MATERIALS & SUPPLIES	350				
	CAPITAL OUTLAY	28,846	20,879			
	Total	\$36,124	\$20,879			
Community Television Network						
	PERSONNEL SERVICES	514,738	528,955	559,339	559,339	558,148
	PAYROLL FRINGES/INSURANCE	136,423	162,624	190,364	190,364	242,877
	OTHER SERVICES	184,669	232,203	194,541	200,374	189,042
	MATERIALS & SUPPLIES	16,542	21,928	17,000	17,000	16,000
	OTHER CHARGES	153,879	95,164	119,547	119,547	222,738
	PASS THROUGHGS		60,000	40,000	40,000	10,000
	CAPITAL OUTLAY	403,185	130,786	250,702	220,702	146,154
	Total	\$1,409,436	\$1,231,660	\$1,371,493	\$1,347,326	\$1,384,959
Homeland Security Grant Fund						
	PERSONNEL SERVICES		6,370			
	PAYROLL FRINGES/INSURANCE		91			
	CAPITAL OUTLAY		456			
	Total		6,917			
Parks Rehab & Development Mill						
	PERSONNEL SERVICES	145,703	73,599	103,269	103,269	143,754
	PAYROLL FRINGES/INSURANCE	42,194	27,312	54,223	54,223	56,218
	OTHER SERVICES	162,682	48,090	26,949	26,949	26,918
	MATERIALS & SUPPLIES	3,602	770	670	670	680
	OTHER CHARGES	187,703	69,430	87,629	87,629	1,579,978
	CAPITAL OUTLAY	2,031,088	101,276			
	Total	\$2,572,972	\$320,477	\$272,740	\$272,740	\$1,807,548
Major Street						
	PERSONNEL SERVICES	1,727,554	1,678,460	1,840,284	1,828,707	1,793,047
	PAYROLL FRINGES/INSURANCE	927,612	846,744	904,943	905,021	1,002,710
	OTHER SERVICES	1,329,176	970,305	2,193,993	2,180,882	1,683,801
	MATERIALS & SUPPLIES	617,914	481,099	523,371	522,671	518,234
	OTHER CHARGES	642,788	454,314	609,281	609,281	1,542,785
	PASS THROUGHGS	552,995	786,995	1,105,475	1,105,475	1,124,368
	CAPITAL OUTLAY	98,980	60,665	1,000	1,000	51,030
	VEHICLE OPERATING COSTS	12,334	18,287	300	300	300
	Total	\$5,909,353	\$5,296,869	\$7,178,647	\$7,153,337	\$7,716,275
Local Street						
	PERSONNEL SERVICES	481,562	462,213	442,028	437,142	454,662
	PAYROLL FRINGES/INSURANCE	152,890	132,942	125,991	125,991	150,513
	OTHER SERVICES	522,513	430,636	754,602	756,442	758,090
	MATERIALS & SUPPLIES	136,608	200,350	215,000	215,000	216,050
	OTHER CHARGES	115,129	91,908	104,772	104,772	128,501
	PASS THROUGHGS	118,799	124,433	204,592	204,592	183,392
	Total	\$1,527,501	\$1,442,482	\$1,846,985	\$1,843,939	\$1,891,208

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Court Facilities					
	PERSONNEL SERVICES	207				
	PAYROLL FRINGES/INSURANCE	45				
	OTHER SERVICES	32,692	55,994	111,800	31,000	6,000
	MATERIALS & SUPPLIES	2,755	811			
	OTHER CHARGES			160,000	360,000	
	CAPITAL OUTLAY	66,056	562	55,000	55,000	
	Total	\$101,755	\$57,367	\$326,800	\$446,000	\$6,000
	Open Space & Parkland Preservation					
	PERSONNEL SERVICES	9,248	7,332	13,572	13,572	9,276
	PAYROLL FRINGES/INSURANCE	2,373	1,986	4,535	4,535	3,275
	OTHER SERVICES	43,211	168,872	350,000	350,000	76,042
	MATERIALS & SUPPLIES	779	2,269			
	OTHER CHARGES	80,157	16,408	2,331,398	2,331,398	859,716
	PASS THROUGHES			505,000	505,000	1,159,125
	CAPITAL OUTLAY	1,628,377	1,356,415	2,130,918	2,130,918	
	Total	\$1,764,145	\$1,553,282	\$5,335,423	\$5,335,423	\$2,107,434
	Bandemer Property					
	PERSONNEL SERVICES	1,604				
	PAYROLL FRINGES/INSURANCE	542				
	OTHER SERVICES	292	221	20,450	20,450	450
	MATERIALS & SUPPLIES	3,395	94			
	OTHER CHARGES	5,245	8,917	1,168	1,168	845
	Total	\$11,078	\$9,232	\$21,618	\$21,618	\$1,295
	Construction Code Fund					
	PERSONNEL SERVICES		859,576	963,500	1,036,127	1,061,025
	PAYROLL FRINGES/INSURANCE		368,641	435,179	434,020	516,939
	OTHER SERVICES		97,789	142,773	134,226	131,535
	MATERIALS & SUPPLIES		14,147	15,075	11,075	13,630
	OTHER CHARGES		338,197	976,669	791,804	533,694
	PASS THROUGHES			17,097	17,097	17,769
	VEHICLE OPERATING COSTS			4,000		4,000
	Total		\$1,678,350	\$2,554,293	\$2,424,349	\$2,278,592
	Drug Enforcement					
	OTHER SERVICES	5,798	2,953	6,500	6,500	6,500
	MATERIALS & SUPPLIES		6,221			
	CAPITAL OUTLAY	3,726	80	5,500	5,500	5,500
	Total	\$9,524	\$9,254	\$12,000	\$12,000	\$12,000
	Federal Equitable Sharing For					
	MATERIALS & SUPPLIES	3,049				
	CAPITAL OUTLAY	106,671	105,962	170,619	170,619	
	Total	\$109,720	\$105,962	\$170,619	\$170,619	
	Parks Memorials & Contributions					
	MATERIALS & SUPPLIES			20,000	20,000	20,000
	OTHER CHARGES			45,000	45,000	50,000
	CAPITAL OUTLAY			5,000	5,000	
	Total			\$70,000	\$70,000	\$70,000

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Metro Expansion					
	PERSONNEL SERVICES				65,500	11,736
	PAYROLL FRINGES/INSURANCE					4,466
	OTHER SERVICES				207,000	293,842
	MATERIALS & SUPPLIES				2,500	
	OTHER CHARGES			\$357,081	82,081	
	PASS THROUGHES					39,956
	Total			\$357,081	\$357,081	\$350,000
	Ann Arbor Assistance					
	COMMUNITY DEVELOPMENT RECIPIENTS	6,178	608	5,650	5,650	5,650
	Total	\$6,178	\$608	\$5,650	\$5,650	\$5,650
	Street Repair Millage					
	PERSONNEL SERVICES	552,307	16,960	3,690	3,690	
	PAYROLL FRINGES/INSURANCE	137,185	11,849	1,174	1,174	
	OTHER SERVICES	2,682,908	281,555			
	MATERIALS & SUPPLIES	29,916	3,071			
	OTHER CHARGES	2,755,638	322,851	1,209,026	1,209,026	9,350,448
	PASS THROUGHES		114,912	339,532	339,532	66,708
	CAPITAL OUTLAY	6,909,167	938,496			
	Total	\$13,067,121	\$1,689,694	\$1,553,422	\$1,553,422	\$9,417,156
	Alternative Transportation					
	PERSONNEL SERVICES	42,605	4,350			59,934
	PAYROLL FRINGES/INSURANCE	4,650	762			18,634
	OTHER SERVICES	64,445				
	MATERIALS & SUPPLIES	1,937	425			
	OTHER CHARGES	48,662		12,265	12,265	1,476,383
	CAPITAL OUTLAY	198,648				
	Total	\$360,947	\$5,537	\$12,265	\$12,265	\$1,554,951
	Michigan Justice Training					
	OTHER SERVICES	29,116	29,735	42,000	42,000	40,000
	Total	\$29,116	\$29,735	\$42,000	\$42,000	\$40,000
	Affordable Housing					
	OTHER SERVICES			5,000	5,000	19,900
	OTHER CHARGES			39,500	12,500	
	PASS THROUGHES	34,131	68,075	68,075	68,075	68,075
	CAPITAL OUTLAY	2,075,000				
	COMMUNITY DEVELOPMENT RECIPIENTS	361,105	140,530	561,209	205,000	723,784
	Total	\$2,470,236	\$208,605	\$673,784	\$290,575	\$811,759
	Comm Develop Block Grant					
	PERSONNEL SERVICES	222,603	248,182	369,632	183,860	209,061
	PAYROLL FRINGES/INSURANCE	61,313	61,808	95,486	91,221	74,009
	OTHER SERVICES	11,590	81,466	142,480	140,640	101,742
	MATERIALS & SUPPLIES	5,240	6,587	5,810	5,310	4,474
	OTHER CHARGES	1,349	824	201,855	189,760	203,947
	VEHICLE OPERATING COSTS	666	569	1,000	1,000	1,000
	COMMUNITY DEVELOPMENT RECIPIENTS	1,266,028	906,677	1,534,441	1,045,266	1,527,673
	Total	\$1,568,789	\$1,306,113	\$2,350,704	\$1,657,057	\$2,121,906

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	Tree Removal and Disposal					
	PERSONNEL SERVICES					113,721
	PAYROLL FRINGES/INSURANCE					43,712
	OTHER SERVICES					29,707
	OTHER CHARGES					222,816
	Total					409,956
	Home Program					
	PERSONNEL SERVICES	51,623	67,363	77,433	70,425	79,569
	PAYROLL FRINGES/INSURANCE	22,567	18,981	24,432	24,548	29,608
	OTHER SERVICES	1,920	10,575	35,680	34,287	36,499
	MATERIALS & SUPPLIES			1,200	1,200	1,000
	OTHER CHARGES		251	10,200	10,200	11,851
	COMMUNITY DEVELOPMENT RECIPIENTS	248,818	194,581	2,903,671	174,122	215,517
	Total	\$324,928	\$2,042,986	\$3,052,616	\$1,881,887	\$2,313,674
	Leslie Homestead					
	PERSONNEL SERVICES	168,817				
	PAYROLL FRINGES/INSURANCE	25,302				
	OTHER SERVICES	18,591				
	MATERIALS & SUPPLIES	13,212				
	OTHER CHARGES	5,761				
	Total	\$231,683				
	Major Grant Programs Fund					
	PERSONNEL SERVICES	204,017	29,554			
	PAYROLL FRINGES/INSURANCE	49,364	(790)			
	OTHER SERVICES	127,154	8,239			
	MATERIALS & SUPPLIES	5,139	364			
	OTHER CHARGES	23,725				
	CAPITAL OUTLAY	137,277				
	VEHICLE OPERATING COSTS	10,000				
	EMPLOYEE ALLOWANCES	4,100				
	Total	\$560,776	\$37,367			
Component Unit	DDA/Housing Fund					
	OTHER SERVICES			8,000	8,000	7,500
	OTHER CHARGES	14,605		250	250	250
	PASS THROUGH	34,131	68,075	68,075	68,075	168,076
	CAPITAL OUTLAY	1,425,000				
	Total	\$1,473,736	\$68,075	\$76,325	\$76,325	\$175,826
	Downtown Development Authority					
	PERSONNEL SERVICES	86,163	19,639	124,970	134,720	110,928
	PAYROLL FRINGES/INSURANCE	11,331	2,954	26,361	27,309	39,140
	OTHER SERVICES	297,334		471,141	1,689,141	458,141
	MATERIALS & SUPPLIES	40,062		6,000	6,000	8,500
	OTHER CHARGES	112,469		466,866	791,866	476,515
	PASS THROUGH	1,692,780	1,714,375	1,920,206	1,981,828	2,294,637
	CAPITAL OUTLAY	151,327		671,000	1,905,000	676,000
	Total	\$2,391,466	\$1,736,968	\$3,686,544	\$6,535,864	\$4,063,861
	DDA-Sidewalks & Streetscapes					
	OTHER SERVICES			100,000	100,000	205,000
	Total			\$100,000	\$100,000	\$205,000

Expenditure Category by Fund

Fund Type	Fund Name/Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
	DDA Parking Maintenance					
	OTHER SERVICES			205,000	205,000	435,000
	CAPITAL OUTLAY			1,186,572	1,186,572	940,000
	Total			\$1,391,572	\$1,391,572	\$1,375,000
	DDA Parking System					
	PERSONNEL SERVICES	167,959	(13,628)	168,488	168,488	132,926
	PAYROLL FRINGES/INSURANCE	30,920	(1,670)	44,566	44,566	32,885
	OTHER SERVICES	2,820,041		5,174,007	5,174,007	5,310,883
	MATERIALS & SUPPLIES	840		2,000	2,000	2,045
	OTHER CHARGES	141,795		459,946	459,946	483,967
	PASS THROUGHGS	4,453,506	4,214,911	5,942,129	5,942,129	6,931,034
	CAPITAL OUTLAY	27,499		10,000	10,000	10,000
	Total	\$7,642,560	\$4,199,613	\$11,801,136	\$11,801,136	\$12,903,740
City Totals	PERSONNEL SERVICES	53,756,967	54,290,001	53,925,219	54,012,347	55,192,751
	PAYROLL FRINGES/INSURANCE	40,361,396	40,976,836	43,192,586	43,091,235	47,937,379
	OTHER SERVICES	31,289,070	24,999,310	38,652,763	39,446,781	39,411,599
	MATERIALS & SUPPLIES	5,504,664	5,353,714	6,165,468	5,970,137	6,267,694
	OTHER CHARGES	42,873,238	42,896,382	54,898,741	54,213,853	93,528,722
	PASS THROUGHGS	32,420,368	29,044,604	39,005,801	39,966,575	35,171,128
	CAPITAL OUTLAY	15,982,605	1,217,034	9,845,188	10,391,901	6,722,518
	VEHICLE OPERATING COSTS	1,690,429	1,864,889	1,779,646	1,892,247	2,176,895
	COMMUNITY DEVELOPMENT RECIPIENTS	3,185,906	4,459,046	6,431,971	4,397,143	5,743,655
	EMPLOYEE ALLOWANCES	454,800	421,829	376,100	444,700	366,156
	Total	\$227,519,443	\$205,523,645	\$254,273,483	\$253,826,919	\$292,518,497

FTE Count by Service Area/Unit

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
MAYOR & CITY COUNCIL	1.50	1.00	1.00	1.00	1.00	0.75
Total Mayor & City Council	1.50	1.00	1.00	1.00	1.00	0.75
CITY ATTORNEY	13.75	14.00	12.50	14.00	13.50	14.00
Total City Attorney	13.75	14.00	12.50	14.00	13.50	14.00
CITY ADMINISTRATOR	4.45	4.45	4.80	3.80	3.00	3.00
ENVIRONMENTAL COORDINATION	2.00	2.00	3.00	2.00	0.00	0.00
HUMAN RESOURCES	13.80	13.80	11.80	12.00	12.50	12.50
CLERK SERVICES						4.76
COMMUNICATIONS OFFICE						12.23
Total City Administrator Service Area	20.25	20.25	19.60	17.80	15.50	32.49
CITY CLERK	6.32	5.44	4.88	5.12	4.66	
COMMUNITY SERVICES ADMINISTRATION	-	-	-	17.45	0.00	0.00
COMMUNICATIONS OFFICE	11.00	13.00	12.00	12.00	11.73	
PLANNING & DEVELOPMENT	35.00	35.50	29.00	22.00	32.58	33.27
HOUSING & HUMAN SERVICES	8.50	8.50	9.00	8.13	7.13	7.63
MASTER PLANNING	10.75	10.75	9.75	2.21	0.00	0.00
PARKS & RECREATION	32.33	33.55	22.99	18.02	23.79	23.23
Total Community Services Area	103.90	106.74	87.62	84.93	79.89	64.13
ACCOUNTING	15.25	15.25	11.50	10.00	7.25	7.50
ASSESSOR	10.00	10.00	8.00	8.00	8.00	8.00
FINANCIAL & BUDGET PLANNING	3.00	3.00	3.00	4.00	4.00	5.00
INFORMATION TECHNOLOGY	18.85	19.00	17.00	16.75	20.00	22.50
RISK MANAGEMENT	4.00	3.00	3.00	1.00	1.00	0.00
PROCUREMENT					1.00	1.00
TREASURY	15.50	15.50	11.00	9.00	6.00	6.00
Total Financial Services Area	66.60	65.75	53.50	48.75	47.25	50.00
CAPITAL PROJECTS	-	-	-	16.75	17.65	16.35
CUSTOMER SERVICE CENTER	16.00	17.00	14.00	15.70	17.40	13.70
FIELD OPERATIONS	188.32	174.00	154.66	145.55	124.73	122.34
FLEET & FACILITY	27.00	27.00	23.00	21.00	36.26	33.61
PROJECT MANAGEMENT	35.00	35.00	34.00	18.89	17.78	16.21
PUBLIC SERVICES ADMINISTRATION	7.00	6.00	13.35	14.27	12.19	18.21
SYSTEMS PLANNING	-	-	-	6.21	17.40	15.85
WASTEWATER TREATMENT	45.00	39.00	36.00	35.06	32.15	33.75
WATER TREATMENT	32.00	32.00	28.00	24.34	21.56	23.63
Total Public Services Area	350.32	330.00	303.01	297.77	297.12	293.65
FIRE	113.50	115.00	100.08	102.00	94.00	94.00
POLICE	242.43	239.84	236.33	224.84	226.42	226.00
Total Safety Services Area	355.93	354.84	336.41	326.84	320.42	320.00
FIFTEENTH DISTRICT COURT	39.75	40.00	41.00	41.00	41.00	41.00
Total Fifteenth District Court	39.75	40.00	41.00	41.00	41.00	41.00
RETIREMENT SYSTEM	3.50	3.75	3.75	3.75	3.75	3.75
Total Retirement System	3.50	3.75	3.75	3.75	3.75	3.75
DOWNTOWN DEVELOPMENT AUTHORITY	2.00	2.80	3.20	3.20	3.00	3.00
Total Downtown Development Authority	2.00	2.80	3.20	3.20	3.00	3.00
NON-DEPARTMENTAL	1.00	1.00	-	-	-	-
Total Non-departmental	1.00	1.00	0.00	0.00	0.00	0.00
Grand total of City FTEs	958.50	940.13	861.59	839.04	822.43	822.77



MAYOR & CITY COUNCIL

Composed of the Mayor and ten Council members, two from each of five wards, the City Council is the governing body for the City of Ann Arbor. The role of City Council is to determine policy for the City. The Mayor and City Council address the needs of all citizens by providing information and general assistance.

MAYOR & CITY COUNCIL

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	171,603	213,821	237,600	237,600	221,496
PAYROLL FRINGES/INSURANCE	25,060	59,086	32,988	32,988	25,724
OTHER SERVICES	5,244	3,026	13,100	13,100	13,100
MATERIALS & SUPPLIES	966	284	1,085	1,085	1,085
OTHER CHARGES	4,047	232	20,412	20,412	5,493
Total	\$206,920	\$276,449	\$305,185	\$305,185	\$266,898

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	206,920	276,449	305,185	305,185	266,898
Total	\$206,920	\$276,449	\$305,185	\$305,185	\$266,898

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
MAYOR & CITY COUNCIL	1.00	1.00	1.00	0.75
Total	1.00	1.00	1.00	0.75

MAYOR AND CITY COUNCIL

EXPENSES

Other Charges – No change.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Mayor and City Council would be charged \$117,850 in 2006/07.

MAYOR & CITY COUNCIL

Allocated Positions

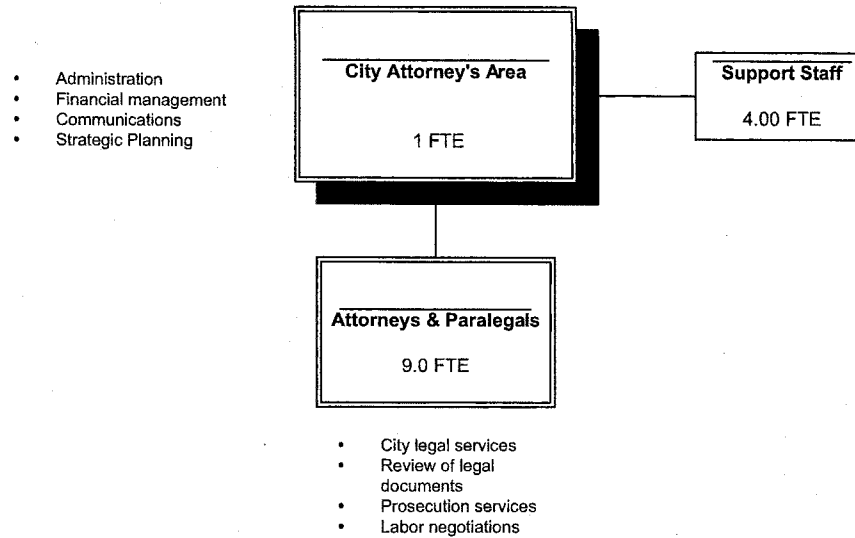
Job Description	Job Class	2006-07 FTE's
EXECUTIVE ASSISTANT TO MAYOR	401490	0.75
Total		0.75



CITY ATTORNEY

The City Attorney's Office performs legal services for the City, including legal advice to City Council, the City Administrator and other City officials, preparation and review of legal documents, prosecution of persons accused of violating City ordinances, and representation of the City and City officials in litigation and labor matters.

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The City Attorney is appointed by and responsible to the City Council. The City Attorney is the City's Chief Legal Officer. The City Attorney's Area provides the organization with a broad array of services such as: performing legal services for the City, legal advice to City officials, preparation and review of legal documents, drafting and review of ordinances, prosecution of persons accused of violating City ordinances, labor negotiations, and representation of the City in lawsuits.

CITY ATTORNEY

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
OPERATING TRANSFERS	112,000	118,000	118,000	118,000	118,000
Total	\$112,000	\$118,000	\$118,000	\$118,000	\$118,000

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	112,000	118,000	118,000	118,000	118,000
Total	\$112,000	\$118,000	\$118,000	\$118,000	\$118,000

CITY ATTORNEY

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	851,444	980,951	1,045,231	1,047,598	1,045,284
PAYROLL FRINGES/INSURANCE	218,831	329,537	316,112	316,112	398,603
OTHER SERVICES	343,493	168,752	113,300	134,800	103,300
MATERIALS & SUPPLIES	49,945	71,042	53,000	37,000	53,000
OTHER CHARGES	30,746	8,121	117,772	117,772	139,067
CAPITAL OUTLAY	8,284	-	13,100	5,000	5,000
Total	\$1,502,743	\$1,558,403	\$1,658,515	\$1,658,282	\$1,744,254

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	1,502,743	1,558,403	1,658,515	1,658,282	1,744,254
Total	\$1,502,743	\$1,558,403	\$1,658,515	\$1,658,282	\$1,744,254

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
CITY ATTORNEY	12.50	14.00	13.50	14.00
Total	12.50	14.00	13.50	14.00

CITY ATTORNEY

EXPENSES

Personnel Services – The increase is due to a half-time position expanded to a full-time position as a result of increased demand in services.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the City Attorney would be charged \$147,376 in 2006/07.

CITY ATTORNEY

Allocated Positions

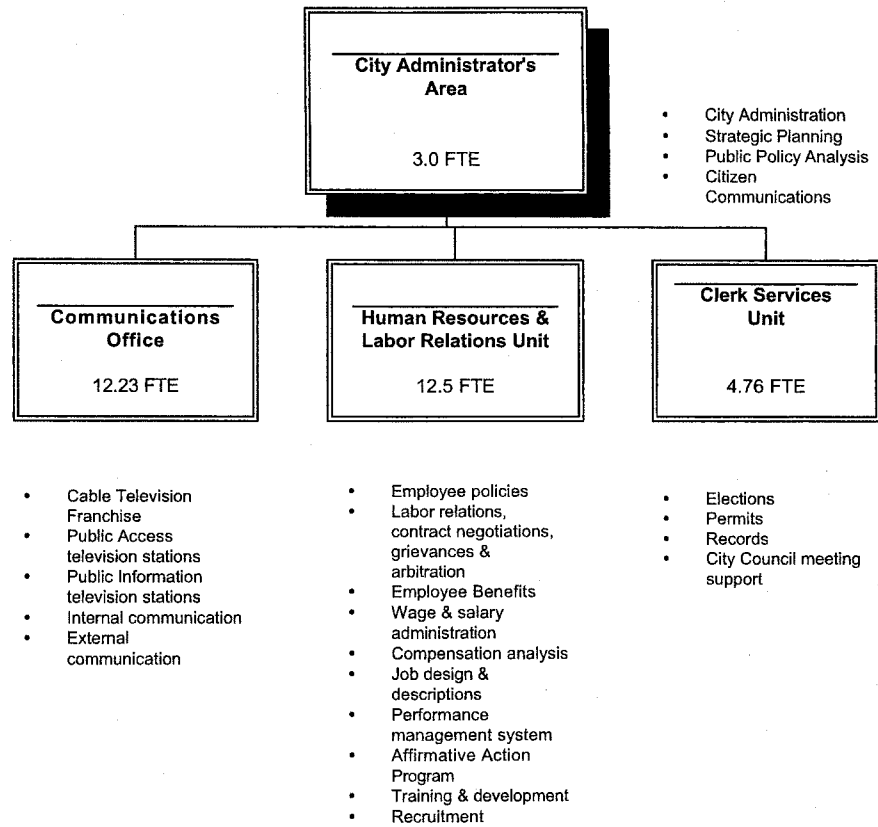
Job Description	Job Class	2006-07 FTE's
ASSISTANT CITY ATTORNEY	403210	2.00
CHIEF ASST CITY ATTORNEY	403750	1.00
CITY ATTORNEY	403280	1.00
LEGAL SECRETARY	000190	2.00
LEGAL ASSISTANT PARALEGAL	402100	2.00
LEGAL SUPPORT SPECIALIST	000210	1.00
OFFICE MANAGER LEGAL DEPT	402010	1.00
SENIOR ASSISTANT CITY ATTORNEY	403300	4.00
Total		14.00

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CITY ADMINISTRATOR SERVICE AREA

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The City Administrator is appointed by the City Council and is the Chief Administrative Officer for the City. The City Administrator provides management and direction to nearly all City functions. The City Administrator's Service Area is comprised of four service functions: Administration, Communications, Clerk Services and Human Resources. The Communications Office and Clerk Services Unit transferred from the Community Services Area to the City Administrator Service Area effective July 1, 2006. The City Administrator's Area provides the organization with a broad array of services such as: employee policies, benefits, training, development, labor relations, public policy analysis, citizen communications, and general City administration.

City Administrator's Area

CITY ADMINISTRATOR SERVICE AREA

Revenues By Service Unit

Service Unit	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CITY ADMINISTRATOR	2,622,771	4,103,412	4,236,321	3,683,291	* 3,966,057
COMMUNICATIONS OFFICE	1,309,333	1,337,946	1,371,492	1,371,492	1,439,959
CLERK SERVICES	126,410	122,993	139,462	103,412	162,217
Total	\$4,058,514	\$5,564,351	\$5,747,275	\$5,158,195	\$5,568,233

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	2,749,181	4,226,405	4,375,783	3,786,703	4,128,274
COMMUNICATIONS OFFICE (0016)	1,309,333	1,337,946	1,371,492	1,371,492	1,439,959
Total	\$4,058,514	\$5,564,351	\$5,747,275	\$5,158,195	\$5,568,233

* Represents Municipal Service Charge Revenue for the General Fund

CITY ADMINISTRATOR SERVICE AREA

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
HUMAN RESOURCES	14,880,704	14,558,069	16,553,907	16,553,907	18,085,794
COMMUNICATIONS OFFICE	1,404,206	1,233,708	1,371,493	1,347,326	1,384,959
CLERK SERVICES	577,345	715,355	677,903	689,881	772,795
CITY ADMINISTRATOR	553,984	452,527	601,689	601,689	681,336
Total	\$17,416,239	\$16,959,659	\$19,204,992	\$19,192,803	\$20,924,884

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INSURANCE (0057)	13,790,599	13,429,377	15,308,729	15,308,729	16,773,497
GENERAL (0010)	2,221,434	2,296,574	2,524,770	2,536,748	2,766,428
COMMUNICATIONS OFFICE (0016)	1,404,206	1,233,708	1,371,493	1,347,326	1,384,959
Total	\$17,416,239	\$16,959,659	\$19,204,992	\$19,192,803	\$20,924,884

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
CITY ADMINISTRATOR	4.80	3.80	3.00	3.00
CLERK SERVICES	4.88	5.12	4.66	4.76
COMMUNICATIONS OFFICE	12.00	12.00	11.73	12.23
HUMAN RESOURCES	11.80	12.00	12.50	12.50
Total	33.48	32.92	31.89	32.49





CITY ADMINISTRATOR SERVICE AREA

CITY ADMINISTRATOR

The City Administrator is the Chief Executive Officer of the City and is appointed by the Mayor & the City Council. The City Administrator's office is responsible for directing and supervising the daily operations of the City. Other responsibilities include organizational development, community relations, intergovernmental relations, public policy analysis, strategic planning, and communications. There are 3.0 FTE employees in the City Administrator's Unit.

CITY ADMINISTRATOR

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INTRA GOVERNMENTAL SALES	2,622,564	4,103,412	4,236,321	3,683,291	* 3,966,057
MISCELLANEOUS REVENUE	207	-	-	-	-
Total	\$2,622,771	\$4,103,412	\$4,236,321	\$3,683,291	\$3,966,057

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	2,622,771	4,103,412	4,236,321	3,683,291	3,966,057
Total	\$2,622,771	\$4,103,412	\$4,236,321	\$3,683,291	\$3,966,057

* Represents Municipal Service Charge Revenue for the General Fund

CITY ADMINISTRATOR

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	325,730	228,411	259,612	259,612	328,948
PAYROLL FRINGES/INSURANCE	107,709	94,022	113,010	113,010	130,821
OTHER SERVICES	99,393	118,319	189,000	189,000	178,000
MATERIALS & SUPPLIES	4,590	6,393	5,600	5,600	5,500
OTHER CHARGES	16,562	5,382	31,967	31,967	35,567
CAPITAL OUTLAY	-	-	2,500	2,500	2,500
Total	\$553,984	\$452,527	\$601,689	\$601,689	\$681,336

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	553,984	452,527	601,689	601,689	681,336
Total	\$553,984	\$452,527	\$601,689	\$601,689	\$681,336

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
CITY ADMINISTRATOR	4.80	3.80	3.00	3.00
Total	4.80	3.80	3.00	3.00

CITY ADMINISTRATOR

REVENUES

Intra-governmental Sales – Represents the Municipal Service Charge revenue from the cost allocation of administration and overhead costs to the service units utilizing the General Fund administrative services and facilities.

EXPENSES

Personnel Services – No change.

Payroll Fringes/Insurance –The increase is a result of Retiree Medical Insurance and Retirement Contributions.

Other Charges – No change

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the City Administrator would be charged \$84,365 in 2006/07.

CITY ADMINISTRATOR

❖ **City Goals**

➤ **Service Area Goals**

- **Service Unit Objectives**

❖ **Ensure the long-term financial health and stability of the City.**

- Ensure the long-term financial health and stability of the City.
 - Deliver Council's annual objectives on or under budget.
 - Establish a balanced 2-year performance measurement based budget.
 - Update and monitor City's conformance with long-range financial plan.
 - Manage City resources so as to help maintain City's Aa bond rating.

❖ **Support a safe and reliable municipal infrastructure.**

- Invest in organizational infrastructure to more effectively deliver services to the community.
 - Maintenance facility (Stone School Road).
 - Police and Courts Space.
 - Emergency Communications.
 - Civic Center.

❖ **Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.**

- Improve the quality of life in Ann Arbor, while balancing economic development and the preservation and conservation of natural resources.
 - Facilitate policy development process for downtown rezoning.
 - Actively represent the City's interests on Washtenaw Development Council (WDC) and SPARK.
 - With CFO, develop and implement A2 specific economic development strategy.

CITY ADMINISTRATOR (continued)

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Foster a community with respect for diversity and the open exchange of ideas.

- Increase partnership opportunities with local agencies and organizations.
 - Establish at least two new partnerships during next fiscal year.

❖ Deliver high quality City services in a cost effective manner.

- Implement next stages of performance management system.
 - At each work unit, assist in the development of meaningful performance measures.
 - Periodically evaluate results and celebrate successes.
- Communicate effectively with our customers, both internally and externally.
 - Develop new, ongoing communication strategy involving available media.
 - Conduct Citizen's survey to collect data regarding City programs and services.
 - Implement employee work groups to develop improvement strategies pursuant to Denison survey results.

CITY ADMINISTRATOR

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ASST TO THE CITY ADMINISTRATOR	403130	1.00
CITY ADMINISTRATOR	403120	1.00
OFFICE SUPR CITY ADMINISTRATOR	402020	1.00
Total		3.00

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CITY ADMINISTRATOR SERVICE AREA

HUMAN RESOURCES

Human Resources is responsible for employee/labor relations, contract negotiations, employee benefits, compensation, performance management, staffing and training/development, affirmative action, and human resources policies and procedures. There are 12.5 FTE employees in the Human Resources Unit.

**CITY ADMINISTRATOR SERVICE AREA
HUMAN RESOURCES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	712,769	753,479	787,992	787,992	782,552
PAYROLL FRINGES/INSURANCE	223,321	342,089	314,674	314,674	363,677
OTHER SERVICES	262,048	183,060	159,835	159,835	131,588
MATERIALS & SUPPLIES	26,508	40,863	40,410	40,410	46,740
OTHER CHARGES	13,651,259	13,236,979	15,246,996	15,246,996	16,759,237
CAPITAL OUTLAY	4,799	1,599	4,000	4,000	2,000
Total	\$14,880,704	\$14,558,069	\$16,553,907	\$16,553,907	\$18,085,794

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INSURANCE (0057)	13,790,599	13,429,377	15,308,729	15,308,729	16,773,497
GENERAL (0010)	1,090,105	1,128,692	1,245,178	1,245,178	1,312,297
Total	\$14,880,704	\$14,558,069	\$16,553,907	\$16,553,907	\$18,085,794

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
HUMAN RESOURCES	11.80	12.00	12.50	12.50
Total	11.80	12.00	12.50	12.50

**CITY ADMINISTRATOR SERVICES AREA
HUMAN RESOURCES SERVICES UNIT**

EXPENSES

Personnel Services – A decrease of \$18,852 in employment costs.

Payroll Fringes/Insurance – The decrease of \$5,608 retiree and employee medical costs.

Other Services – This reflects:

- An increase of \$5,000 for printing costs for labor agreements and health care coverage/enrollment information costs, and
- An increase of \$5,000 for Training to support continued services in the City's in-house leadership program.

Materials and Supplies – An increase of \$10,000 for the Employee Recognition Program due to an expected increase in employee retirements.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Human Resources Services Unit would be charged \$385,771 in 2006/07.

**CITY ADMINISTRATOR SERVICES AREA
HUMAN RESOURCES SERVICES UNIT**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

- Motivate and encourage employees to achieve their potential through performance management, employee development and sustainable incentives.
 - Promote leadership and coaching development opportunities for managers through AALP and other programs.
 - Optimize the performance management system for all salaried employees.
 - Roll out “Total Rewards” compensation/benefits concept to employees.
 - Implement recognition programs.
- Attract, hire and retain high caliber employees through fair employment practices and sustainable high quality benefits and compensation.
 - Investigate and implement alternatives to current benefit programs to realize potential cost efficiencies.
 - Establish wellness program initiatives.
 - Implement health reimbursement accounts for salaried employees.
 - Negotiate eight labor contracts.
 - Study and recommend Pension Plan revisions and alternatives.
 - Facilitate implementation and delivery of strategic staffing planning and analysis.
 - Continue refinement of compensation program, planning, analysis, and salary administration.

**CITY ADMINISTRATOR SERVICES AREA
HUMAN RESOURCES SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

➤ Streamline business processes.

- Utilize technology (AMS/Intranet) to streamline human resource processes, and improve efficiency for managers.
- Head AMS/HRIS system up-grade project, and move toward a web-based, employee self-service environment.
- Develop and maintain consistent and appropriate application of human resources and labor policies, practices and procedures.

CITY ADMINISTRATOR SERVICE AREA
HUMAN RESOURCES

Allocated Positions

Job Description	Job Class	2006-07 FTE's
AFSCME PRESIDENT	110500	1.00
EMP/LABOR RELATIONS MANAGER	401150	1.00
EMPLOYEE BENEFITS ANALYST	401530	1.00
EMPLOYEE BENEFITS MANAGER	403690	1.00
EMPLOYEE DEV. SPECIALIST	401120	1.00
EMPLOYMENT SERVICES SPECIALIST	401040	1.00
HR & LABOR RELATIONS DIRECTOR	403890	1.00
HR OPERATIONS MANAGER	404070	1.00
HRMS CONSULTANT	401110	0.50
HUMAN RESOURCE ASSISTANT	000250	2.00
HUMAN RESOURCES RECEPTIONIST	000260	1.00
MANAGEMENT ASSISTANT	000200	1.00
Total		12.50



CITY ADMINISTRATOR SERVICE AREA

CLERK SERVICES

The City Clerk's Office has 4.76 FTEs and handles all city elections with the City Clerk serving as Chief Elections Officer. This unit also maintains records of all Council proceedings, serves as custodian of city ordinances, city contracts, voter registration and other public documents. The office issues domestic partnership agreements, dog and bike licenses, noise, block and banner permits. The Clerk's Office is transferred from the Community Services Area to the City Administrator's Service Area effective July 1, 2006.

**CITY ADMINISTRATOR SERVICE AREA
CLERK SERVICES**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INTERGOVERNMENTAL REVENUES	70,280	73,161	100,000	75,012	73,000
LICENSES, PERMITS & REGISTRATION	57,151	49,832	35,400	28,400	35,400
MISCELLANEOUS REVENUE	(1,021)	-	4,062	-	53,817
Total	\$126,410	\$122,993	\$139,462	\$103,412	\$162,217

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	126,410	122,993	139,462	103,412	162,217
Total	\$126,410	\$122,993	\$139,462	\$103,412	\$162,217

**CITY ADMINISTRATOR SERVICE AREA
CLERK SERVICES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	329,954	349,496	274,756	295,047	303,086
PAYROLL FRINGES/INSURANCE	129,066	173,297	180,463	182,715	198,579
OTHER SERVICES	94,688	180,727	165,915	146,991	203,921
MATERIALS & SUPPLIES	8,225	10,911	14,944	22,524	15,775
OTHER CHARGES	15,412	924	41,825	42,604	51,434
Total	\$577,345	\$715,355	\$677,903	\$689,881	\$772,795

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	577,345	715,355	677,903	689,881	772,795
Total	\$577,345	\$715,355	\$677,903	\$689,881	\$772,795

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
CLERK SERVICES	4.88	5.12	4.66	4.76
Total	4.88	5.12	4.66	4.76

CITY ADMINISTRATOR SERVICES AREA CLERK SERVICES

REVENUE

The increase reflects an increase in fees and reimbursement from Ann Arbor Public Schools for school election.

EXPENSES

Personnel Services - The increase is a result of:

- Increased Election Recruiter from .25 FTE to .35 FTE
- Increased temporary personnel costs

Payroll Fringes - The increase is primarily attributable to increased Retirement Contributions and Retiree Medical Insurance.

Other Services - The increase reflects costs that will be incurred, as the Clerk will be conducting a Gubernatorial election.

Materials & Supplies - The increase reflects costs that will be incurred, as the Clerk will be conducting a Gubernatorial election.

Other Charges - The increase is a result of an increased transfer to the Information Technology Fund.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the City Clerk Services Unit would be charged \$279,733 in 2006/07.

CITY ADMINISTRATOR SERVICES AREA CLERK SERVICES

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Ensure the long-term financial health and stability of the City.

➤ Ensure the long-term financial health and stability of the City.

- Continue to effectively monitor and make appropriate adjustments to activity cost centers to ensure financial health of service area.**

❖ Develop and support a safe and reliable municipal infrastructure.

➤ Achieve a high level of organization efficiency through integration of the City infrastructure into GIS.

- Evaluate and update existing data for accuracy, completeness, and standardization.**
- Continually update with new data.**

❖ Ensure a high quality of life, while balancing economic development and the preservation and conservation of natural resources.

➤ Maintain and enhance the current information systems in support of high-end geographic analysis.

- Conduct demographic research to evaluate effectiveness of services provided across service unit.**
- Conduct election modeling and demographic analysis in support of voter turnout and precinct analysis.**

**CITY ADMINISTRATOR SERVICES AREA
CLERK SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**

- Implement accessible voting equipment in every City precinct.
- Continue to improve physical accessibility to City polling locations.
- Ensure compliance with the Open Meetings Act for all City boards and commissions through improved accuracy and efficiency of public notices and publications.
- Continue to utilize service area boards and commissions and public meetings for citizen involvement and open exchange of ideas with City staff.
 - Incorporate e-agenda software to provide more effective manner for public notification of board and commission information.
 - Implement citywide process for agenda preparation, meeting notices and minutes for all public meetings.

**CITY ADMINISTRATOR SERVICES AREA
CLERK SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

➤ Deliver quality services to external and internal customers.

- Assess and implement customer service delivery improvements at the front counter of the City Clerk's Office.
- Assess and identify the City's record management and retention needs and requirements.
- Assess and implement election process improvements for customer service delivery and cost effectiveness of practices.
- Continue to improve Election Inspector Training Program and manual.
- Monitor and analyze local election voter turnout and consolidate precincts when and where appropriate and feasible.
- Develop comprehensive customer service measurement strategies for Clerks Office.
- Develop an internal and external template/questionnaire for polling customer opinions pertaining to the current level and efficiency of the Community Services GIS services.

CITY ADMINISTRATOR SERVICE AREA
CLERK SERVICES

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 4	110044	1.65
ADMIN SUPPORT SPECIALIST LVL 5	110054	1.00
CITY CLERK SERVICES MANAGER	404020	1.00
CLERK TYPIST I	110100	0.62
COMM SERVICES ADMINISTRATOR	403630	0.02
ELECTION WORKER-RECRUITER	001270	0.35
FINANCIAL MANAGER/SUPPORT SUPR	401500	0.07
GIS COORDINATOR	401520	0.02
GRAPHIC SPECIALIST	401370	0.01
MANAGEMENT ASSISTANT	000200	0.02
Total		4.76



CITY ADMINISTRATOR SERVICE AREA

COMMUNICATIONS OFFICE

The Communications Office has 12.23 FTEs and coordinates communication across the City organization as well as public information to citizens of Ann Arbor through a variety of mediums. This office also supports the cable television franchise, operates the public access and public information stations on CTN Channels 16, 17, 18 & 19, and supports the Cable Commission. The office provides internal communications to its employees and communicates to the public about City issues. The Communications Office is transferred from the Community Services Area to the City Administrator's Service Area effective July 1, 2006.

**CITY ADMINISTRATOR SERVICE AREA
COMMUNICATIONS OFFICE**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INVESTMENT INCOME	22,942	48,880	36,000	36,000	36,000
LICENSES, PERMITS & REGISTRATION	1,285,139	1,287,582	1,270,080	1,270,080	1,396,584
MISCELLANEOUS REVENUE	1,252	1,484	7,375	7,375	7,375
PRIOR YEAR SURPLUS	-	-	58,037	58,037	-
Total	\$1,309,333	\$1,337,946	\$1,371,492	\$1,371,492	\$1,439,959

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
COMMUNICATIONS OFFICE (0016)	1,309,333	1,337,946	1,371,492	1,371,492	1,439,959
Total	\$1,309,333	\$1,337,946	\$1,371,492	\$1,371,492	\$1,439,959

**CITY ADMINISTRATOR SERVICE AREA
COMMUNICATIONS OFFICE**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	509,508	531,003	559,339	559,339	558,148
PAYROLL FRINGES/INSURANCE	136,423	162,624	190,364	190,364	242,877
OTHER SERVICES	184,669	232,203	194,541	200,374	189,042
MATERIALS & SUPPLIES	16,542	21,928	17,000	17,000	16,000
OTHER CHARGES	153,879	95,164	119,547	119,547	222,738
PASS THROUGHGS	-	60,000	40,000	40,000	10,000
CAPITAL OUTLAY	403,185	130,786	250,702	220,702	146,154
Total	\$1,404,206	\$1,233,708	\$1,371,493	\$1,347,326	\$1,384,959

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
COMMUNICATIONS OFFICE (0016)	1,404,206	1,233,708	1,371,493	1,347,326	1,384,959
Total	\$1,404,206	\$1,233,708	\$1,371,493	\$1,347,326	\$1,384,959

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
COMMUNICATIONS OFFICE	12.00	12.00	11.73	12.23
Total	12.00	12.00	11.73	12.23

**CITY ADMINISTRATOR SERVICES AREA
COMMUNICATIONS OFFICE**

REVENUE

The increase reflects a conservative estimate of cable franchise fees and a \$63,000 audit settlement payment.

EXPENSES

Personnel Services – The increase is due to increase in temporary pay and adjustments due to restructuring from CTN Office to Communications Office.

Payroll Fringes – The increase is primarily attributable to increased Insurance costs, Retiree Medical Insurance and Retirement Contributions.

Other Services – No change.

Materials & Supplies – No material change.

Other Charges – The increase is due to increase in IT Fund and the MSC.

Pass-Throughs – The decrease is due to reduced support to the Information Technology Services Unit.

Capital Outlay – The decrease is due to a reduction in Capital Outlay expenses.

**CITY ADMINISTRATOR SERVICES AREA
COMMUNICATIONS OFFICE**

- ❖ **City Goals**
 - **Service Area Goals**
 - **Service Unit Objectives**

- ❖ **Ensure the long-term financial health and stability of the City.**
 - Ensure the long-term financial health and stability of the City.
 - Continue to effectively monitor and make appropriate adjustments to activity cost centers to ensure financial health of service area.

- ❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**
 - Continue to utilize service area boards and commissions and public meetings for citizen involvement and open exchange of ideas with City staff.
 - Incorporate e-agenda software to provide more effective manner for public notification of board and commission information.

- ❖ **Deliver high quality City services in a cost effective manner.**
 - Deliver high quality City services in a cost effective manner.
 - Assess and implement customer service delivery improvements across Communications Office.
 - As a cross functional team with IT, identify and implement design and technical infrastructure improvements to the City's homepage to increase navigation and user-friendly features for public usability.
 - Execute Tier 1 phase of the Strategic Communications Plan.
 - Identify steps to increase community awareness of CTN services.
 - Implement structural changes to position the Communications Office and CTN to better support City wide public information functions.

CITY ADMINISTRATOR SERVICE AREA
COMMUNICATIONS OFFICE

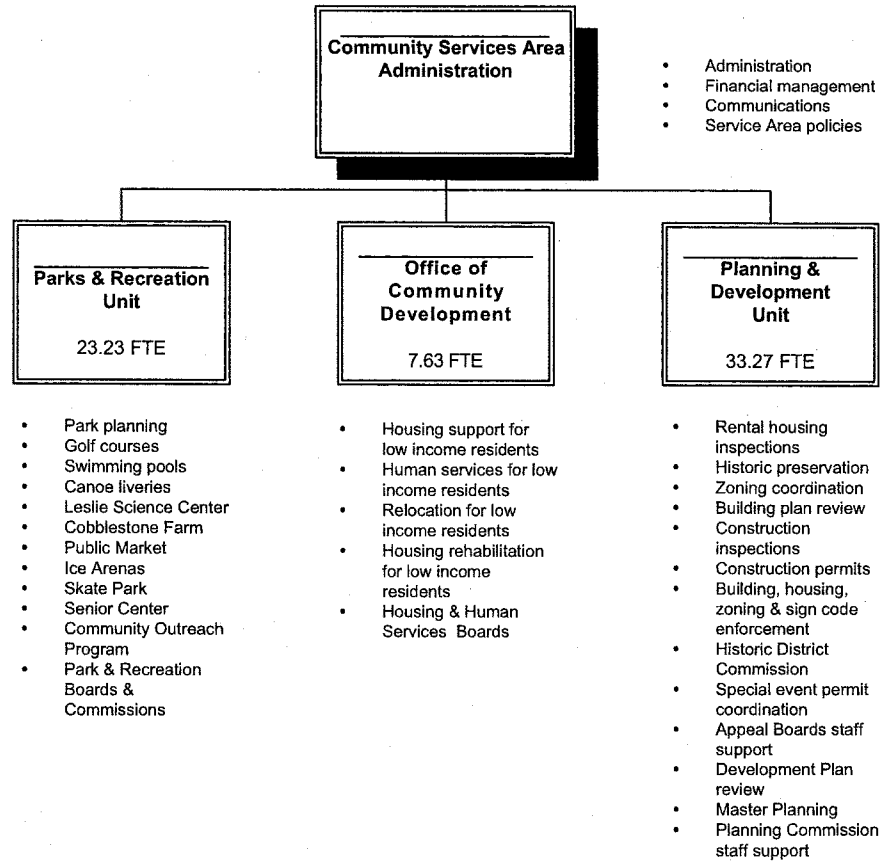
Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 4	110044	1.00
ASSOCIATE PRODUCER/REPORTER	000610	1.00
COMM SERVICES ADMINISTRATOR	403630	0.05
COMMUNICATIONS UNIT MANAGER	403530	1.00
CTN ASST FACILITY MANAGER	401450	1.00
CTN ASST PROGRAM MANAGER	401470	1.00
CTN FACILITY MANAGER	401440	1.00
CTN PROGRAM MANAGER	401460	1.00
FACILITY ASSISTANT	119240	3.00
FINANCIAL MANAGER/SUPPORT SUPR	401500	0.03
GIS COORDINATOR	401520	0.05
GRAPHIC SPECIALIST	401370	0.05
MANAGEMENT ASSISTANT	000200	0.05
PROGRAM ASSISTANT	110270	1.00
PUBLIC INFORMATION OFFICER	401220	1.00
Total		12.23



COMMUNITY SERVICES AREA

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The Community Services Area is comprised of three Service Area Units: Planning & Development, Office of Community Development, and Parks & Recreation. These Service Units provide the organization with a broad array of services such as: parks planning, recreation programs, development plan review, building inspections, low-income housing support, historic preservation, zoning, and permits.

COMMUNITY SERVICES AREA

Revenues By Service Unit

Service Unit	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PARKS & RECREATION SERVICES	7,584,346	8,106,286	11,307,182	11,137,565	8,306,656
OFFICE OF COMMUNITY DEVELOPMENT PLANNING & DEVELOPMENT SERVICES	4,198,735	3,584,407	7,210,355	4,746,878	5,252,989
	3,091,251	4,304,491	3,622,765	3,481,813	3,483,301
Total	\$14,874,332	\$15,995,184	\$22,140,302	\$19,366,256	\$17,042,946

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	4,937,188	3,558,690	4,671,644	4,086,565	3,676,964
CONSTRUCTION CODE FUND (0026)	-	2,833,183	2,554,293	2,399,320	2,419,819
HOME PROGRAM (0090)	324,359	2,040,732	3,052,616	1,881,887	2,313,674
COMMUNITY DEVELOPMENT BLOCK GRANT (0078)	1,569,298	1,301,007	2,350,705	1,657,057	2,121,906
OPEN SPACE & PARKLAND PRESERVATION (0024)	1,970,539	2,764,907	5,335,423	5,335,423	2,107,434
PARKS REHAB & DEVELOPMENT MILLAGE (0018)	2,180,782	2,060,588	1,993,024	1,993,024	2,044,721
GOLF ENTERPRISE (0047)	1,160,587	1,026,768	1,282,803	1,113,186	1,324,243
AFFORDABLE HOUSING (0070)	2,298,808	228,423	673,784	673,784	811,759
MARKET (0046)	153,091	140,413	128,742	128,742	138,396
PARKS MEMORIALS & CONTRIBUTIONS (0034)	-	-	70,000	70,000	70,000
BANDEMER PROPERTY (0025)	36,706	36,228	21,618	21,618	8,380
ANN ARBOR ASSISTANCE (0038)	6,270	4,245	5,650	5,650	5,650
LESLIE HOMESTEAD (0096)	226,552	-	-	-	-
PARKS MAINTENANCE & REPAIR MILLAGE (0005)	7,183	-	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	2,969	-	-	-	-
Total	\$14,874,332	\$15,995,184	\$22,140,302	19,366,256	\$17,042,946

COMMUNITY SERVICES AREA

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PARKS & RECREATION SERVICES	9,901,264	6,833,084	11,096,584	10,926,967	9,592,016
OFFICE OF COMMUNITY DEVELOPMENT	5,967,691	5,303,167	9,239,623	6,372,262	7,333,976
PLANNING & DEVELOPMENT SERVICES	3,320,745	4,544,194	4,886,979	4,498,748	4,310,844
Total	\$19,189,700	\$16,680,445	\$25,223,186	\$21,797,977	\$21,236,836

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	8,456,732	7,833,005	9,132,775	8,254,712	7,926,033
HOME PROGRAM (0090)	324,537	2,042,986	3,052,616	1,881,887	2,313,674
CONSTRUCTION CODE FUND (0026)	-	1,678,350	2,554,293	2,424,349	2,278,592
COMMUNITY DEVELOPMENT BLOCK GRANT (0078)	1,567,571	1,306,113	2,350,704	1,657,057	2,121,906
OPEN SPACE & PARKLAND PRESERVATION (0024)	1,756,640	1,550,906	5,335,423	5,335,423	2,107,434
PARKS REHAB & DEVELOPMENT MILLAGE (0018)	2,565,380	316,463	272,740	272,740	1,807,548
GOLF ENTERPRISE (0047)	1,294,407	1,225,075	1,282,803	1,113,186	1,324,243
AFFORDABLE HOUSING (0070)	2,470,236	208,605	673,784	290,575	811,759
PARKS REPAIR AND RESTORATION MILLAGE (0006)	350,185	388,320	342,038	342,038	331,539
MARKET (0046)	149,661	115,890	128,742	128,742	137,163
PARKS MEMORIALS & CONTRIBUTIONS (0034)	-	-	70,000	70,000	70,000
ANN ARBOR ASSISTANCE (0038)	6,178	608	5,650	5,650	5,650
BANDEMER PROPERTY (0025)	11,078	9,232	21,618	21,618	1,295
ALTERNATIVE TRANSPORTATION (0061)	-	4,892	-	-	-
LESLIE HOMESTEAD (0096)	231,748	-	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	4,881	-	-	-	-
PARKS SERVICE HEADQUARTERS (0015)	466	-	-	-	-
Total	\$19,189,700	\$16,680,445	\$25,223,186	\$21,797,977	\$21,236,836

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
OFFICE OF COMMUNITY DEVELOPMENT	9.00	9.37	7.13	7.63
PARKS & RECREATION SERVICES PLANNING & DEVELOPMENT SERVICES	22.99	22.80	23.79	23.23
	38.75	35.64	32.58	33.27
Total	70.74	67.81	63.50	64.13





COMMUNITY SERVICES AREA

PLANNING & DEVELOPMENT SERVICES

The Planning and Development Services Unit is one of three service units in the Community Services Area. It has 33.27 FTEs and handles rental housing inspections, historic preservation, zoning coordination, construction inspections and permits. It provides enforcement for building, housing and sign codes. It handles master planning, site plan review, and provides support for the Planning Commission, Historic District Commission, and the Sign, Building, Housing and Zoning Boards of Appeal.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INVESTMENT INCOME	-	4,357	-	-	-
LICENSES, PERMITS & REGISTRATION	3,088,684	3,667,142	3,319,465	3,177,766	3,379,401
MISCELLANEOUS REVENUE	2,567	(17,008)	3,300	4,047	3,900
TAXES	-	-	-	-	-
OPERATING TRANSFERS	-	650,000	300,000	300,000	100,000
Total	\$3,091,251	\$4,304,491	\$3,622,765	\$3,481,813	\$3,483,301

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CONSTRUCTION CODE FUND (0026)	-	2,833,183	2,554,293	2,399,320	2,419,819
GENERAL (0010)	3,091,251	1,471,308	1,068,472	1,082,493	1,063,482
Total	\$3,091,251	\$4,304,491	\$3,622,765	\$3,481,813	\$3,483,301

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	2,156,359	2,142,987	2,033,362	1,905,551	2,004,810
PAYROLL FRINGES/INSURANCE	828,394	846,188	964,314	946,691	1,123,649
OTHER SERVICES	203,933	456,958	407,392	355,460	268,495
MATERIALS & SUPPLIES	28,224	70,030	35,450	33,450	35,230
OTHER CHARGES	91,582	353,531	1,171,864	986,999	753,391
PASS THROUGHHS	9,988	675,000	267,097	267,097	117,769
CAPITAL OUTLAY	-	-	1,500	1,500	1,500
VEHICLE OPERATING COSTS	2,265	(500)	6,000	2,000	6,000
Total	\$3,320,745	\$4,544,194	\$4,886,979	\$4,498,748	\$4,310,844

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CONSTRUCTION CODE FUND (0026)	-	1,678,350	2,554,293	2,424,349	2,278,592
GENERAL (0010)	3,320,745	2,860,952	2,332,686	2,074,399	2,032,252
ALTERNATIVE TRANSPORTATION (0061)	-	4,892	-	-	-
Total	\$3,320,745	\$4,544,194	\$4,886,979	\$4,498,748	\$4,310,844

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
PLANNING & DEVELOPMENT SERVICES	38.75	35.64	32.58	33.27
Total	38.75	35.64	32.58	33.27

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES**

REVENUES

The decrease in the Construction Fund is the result of reduced transfer from the General Fund to the Construction Fund.

EXPENSES

Personnel Services – The decrease is a result of elimination of payouts to retiring employees from FY 06.

Payroll Fringes – The increase is a result of Insurance costs, Retiree Medical Insurance, and Retirement Contributions.

Other Services – The decrease is due to decreased Professional/Consulting and Contracted Services Fees partially offset by increased radio and fleet charges.

Other Charges – The decrease is a result of decreased MSC and reduced costs associated with funding for technology improvements.

Pass-Throughs – The decrease is a result of reduced costs associated with the funding for technology improvements within Planning and Development.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Planning and Development Services Unit would be charged \$451,152 in 2006/07.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Ensure the long-term financial health and stability of the City.**

➤ Ensure the long-term financial health and stability of the City.

- Continue to effectively monitor and make appropriate adjustments to activity cost centers to ensure financial health of service area.
- Develop a standardized fee structure to support cartographic (map) and electronic deliverable formats.
- Continue to improve development review and approval process fostering positive professional relationships with developers and community as a whole.

❖ **Develop and support a safe and reliable municipal infrastructure.**

➤ Achieve a high level of organization efficiency through integration of the City infrastructure into GIS.

- Evaluate and update existing data for accuracy, completeness, and standardization.
- Continually update with new data.

➤ Provide high standards of professional review for development projects.

- Ensure quality design and incorporation of appropriate infrastructure during review and approval of development projects.
- Require development projects to provide self-sustaining improvements, which lead to enhanced overall infrastructure.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Ensure a high quality of life, while balancing economic development and the preservation and conservation of natural resources.**

➤ Actively initiate and prepare City Master Plan elements and keep them up-to-date to ensure compliance with State law.

- Establish a multi-year schedule of updating Master Plan elements.
- Complete the Natural Features Master Plan.
- Institute and complete consolidation process for one comprehensive Master Plan.

➤ Sustain implementation of the City Master Plan and adherence to it throughout City government and the community.

- Provide information about land use recommendations in City Master Plan.
- Ensure CIP implements capital recommendations in City Master Plan.
- Review, amend or create ordinances to implement recommendations in City Master Plan.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Ensure a high quality of life, while balancing economic development and the preservation and conservation of natural resources (continued).**

➤ **Maintain and enhance the current information systems in support of high-end geographic analysis.**

- **Conduct demographic research to evaluate effectiveness of services provided across service area.**
- **Provide accurate and valuable parcel, land use and occupancy information to service unit for program, and service changes or expansions.**
- **Explore the possibility of creating a live link between Assessing data and Planning and Development master land use for real-time auto updates of all plan coverages.**
- **Evaluate and utilize the current BS&A upgrade for mapping output components, Internet access, and data exportation.**

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**

- Continue to utilize service area boards and commissions and public meetings for citizen involvement and open exchange of ideas with City staff.
 - Incorporate e-agenda software to provide more effective manner for public notification of board and commission information.
- Capitalize on the momentum established during the Downtown Development Strategies project.
 - Immediately begin implementation of action steps based on prioritization and ability to accomplish tasks.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Continually improve the delivery of City services in a cost effective manner.**

- Deliver quality services to external and internal customers.
 - Assess and implement customer service delivery improvements in Planning and Development Services.
 - Evaluate the feasibility of expanding existing public web access to real-time geographic data.
 - Identify and implement necessary steps for instituting data sharing and transfer between the City and Washtenaw County.
 - Implement comprehensive development process workflow software.
 - Develop comprehensive customer service measurement strategies for service unit.
 - Identify the feasibility of expanding existing public web access to real-time geographic data via the Internet in participation with the newly formed Community Services IT Steering Committee.
 - Coordinate with Washtenaw County IT and GIS on key collaborative ventures that will enhance and standardize geographic data sharing and transfer between the City and Washtenaw County.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Continually improve the delivery of City services in a cost effective manner (continued).**

➤ Analyze and implement changes to improve the internal management of the development process to create a seamless, more responsive work flow.

- Identify and implement improvements needed for internal management and coordination of the planning and development process.
- Identify improvements needed in coordination of overall planning and development process.
- Develop and implement a process for digital conversion of hard-copy formats (site and building plans) for service counter access.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Continually improve the delivery of City services in a cost effective manner (continued).**

- Select and implement updated, fully integrated technology throughout units involved in the planning and development process.
- Identify technology needs to improve customer service and effectiveness of service delivery at all stages of the planning and development process.
 - Purchase and implement technology improvements to improve customer service and effectiveness of service delivery at all stages of the planning and development process.
 - Assess existing technological upgrades to begin utilization of ArcGIS components.
 - Analyze capacity of the City's I-Net for future data sharing, public interaction and peer municipal support.
 - Explore the potential for expansion and upgrade of the existing baseline GIS software to the latest software platform, ArcGIS, beyond the Community Services GIS Unit.
 - Support the development and investigation of the Wireless Washtenaw Initiative that, when implemented, will greatly enhance the capacity of the City's current I-Net (Institutional Network) for future data sharing, public interaction and peer municipal support.

**COMMUNITY SERVICES AREA
PLANNING & DEVELOPMENT SERVICES**

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 1	110014	2.00
ADMIN SUPPORT SPECIALIST LVL 3	110034	3.00
ADMIN SUPPORT SPECIALIST LVL 4	110044	2.10
BUILDING OFFICIAL	403260	1.00
CITY PLANNER I	112601	2.00
CITY PLANNER II	112611	2.85
CITY PLANNER III	401030	1.00
COMM SERVICES ADMINISTRATOR	403630	0.17
DEVELOPMENT SRVS INSPECTOR III	110534	1.00
DEVELOPMENT SRVS INSPECTOR V	110554	13.30
FINANCIAL MANAGER/SUPPORT SUPR	401500	0.35
GIS COORDINATOR	401520	0.31
GIS SPECIALIST	401480	1.00
GRAPHIC SPECIALIST	401370	0.25
INSPECTION SUPERVISOR	192831	1.00
MANAGEMENT ASSISTANT	000200	0.94
PLANNING & DEV. SERV. UNIT MGR	401510	1.00
Total		33.27



COMMUNITY SERVICES AREA

OFFICE OF COMMUNITY DEVELOPMENT

The Office of Community Development is one of three service units in the Community Services Area. The office has been merged with its Washtenaw County counterpart, to provide streamlined service delivery within the City of Ann Arbor/Washtenaw County region. It has 7.63 City FTEs and provides housing and human services support for low-income residents. This unit also provides relocation and housing rehabilitation for low-income residents and serves as support for the Housing and Human Services Boards.

**COMMUNITY SERVICES AREA
OFFICE OF COMMUNITY DEVELOPMENT**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CONTRIBUTIONS	6,270	4,245	5,600	5,600	5,600
INTERGOVERNMENTAL REVENUES	1,892,302	3,286,528	5,403,321	3,538,944	4,435,580
INVESTMENT INCOME	3,671	13,349	5,050	5,050	5,050
MISCELLANEOUS REVENUE	121,492	180,285	87,500	87,500	14,900
SALE OF BONDS	2,075,000	-	-	-	-
PRIOR YEAR SURPLUS	-	-	1,608,884	1,009,784	691,859
OPERATING TRANSFERS	100,000	100,000	100,000	100,000	100,000
Total	\$4,198,735	\$3,584,407	\$7,210,355	\$4,746,878	\$5,252,989

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
HOME PROGRAM (0090)	324,359	2,040,732	3,052,616	1,881,887	2,313,674
COMMUNITY DEVELOPMENT BLOCK GRANT (0078)	1,569,298	1,301,007	2,350,705	1,657,057	2,121,906
AFFORDABLE HOUSING (0070)	2,298,808	228,423	673,784	673,784	811,759
ANN ARBOR ASSISTANCE (0038)	6,270	4,245	5,650	5,650	5,650
GENERAL (0010)	-	10,000	1,127,600	528,500	-
Total	\$4,198,735	\$3,584,407	\$7,210,355	\$4,746,878	\$5,252,989

**COMMUNITY SERVICES AREA
OFFICE OF COMMUNITY DEVELOPMENT**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	426,703	400,593	554,327	339,967	416,397
PAYROLL FRINGES/INSURANCE	168,760	161,215	221,054	217,809	215,248
OTHER SERVICES	14,643	116,066	1,406,260	803,927	158,141
MATERIALS & SUPPLIES	5,405	6,655	7,010	6,510	5,474
OTHER CHARGES	45,072	73,903	449,926	437,831	625,986
PASS THROUGHS	134,131	168,075	168,075	168,075	168,075
CAPITAL OUTLAY	2,075,000	-	-	-	-
VEHICLE OPERATING COSTS	666	569	1,000	1,000	1,000
COMMUNITY DEVELOPMENT RECIPIENTS	3,097,311	4,376,091	6,431,971	4,397,143	5,743,655
Total	\$5,967,691	\$5,303,167	\$9,239,623	\$6,372,262	\$7,333,976

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
HOME PROGRAM (0090)	324,537	2,042,986	3,052,616	1,881,887	2,313,674
COMMUNITY DEVELOPMENT BLOCK GRANT (0078)	1,567,571	1,306,113	2,350,704	1,657,057	2,121,906
GENERAL (0010)	1,599,169	1,744,855	3,156,869	2,537,093	2,080,987
AFFORDABLE HOUSING (0070)	2,470,236	208,605	673,784	290,575	811,759
ANN ARBOR ASSISTANCE (0038)	6,178	608	5,650	5,650	5,650
Total	\$5,967,691	\$5,303,167	\$9,239,623	\$6,372,262	\$7,333,976

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
OFFICE OF COMMUNITY DEVELOPMENT	9.00	9.37	7.13	7.63
Total	9.00	9.37	7.13	7.63

**COMMUNITY SERVICES AREA
OFFICE OF COMMUNITY DEVELOPMENT**

EXPENSES

Personnel Services – The increase reflects an additional 0.5 budgeted FTE.

Payroll Fringes – No material change.

Other Services - The decrease in the General Fund is attributable to YMCA activities.

Materials & Supplies - No material change.

Other Charges – Reflects an increase in budgeted contingencies.

Community Development Recipients – The increase is due to the use of residual grant monies.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Community Development Services Unit would be charged \$114,592 in 2006/07.

**COMMUNITY SERVICES AREA
OFFICE OF COMMUNITY DEVELOPMENT**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Ensure the long-term financial health and stability of the City.**

➤ Ensure the long-term financial health and stability of the City.

- Continue to effectively monitor and make appropriate adjustments to activity cost centers to ensure financial health of service area.

❖ **Develop and support a safe and reliable municipal infrastructure.**

➤ Achieve a high level of organization efficiency through integration of the City infrastructure into GIS.

- Evaluate and update existing data for accuracy, completeness, and standardization.
- Continually update with new data.

**COMMUNITY SERVICES AREA
OFFICE OF COMMUNITY DEVELOPMENT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Ensure a high quality of life, while balancing economic development and the preservation and conservation of natural resources.**

➤ Complete and implement required update of the 5 Year Consolidated Plan and Annual Plan.

- Conduct housing needs assessment study for the region.
- Evaluate and implement improvements to existing performance measures.

➤ Preserve and expand the number of affordable housing units in the City.

- Facilitate construction of 50 new units of affordable housing.
- Facilitate acquisition/rehabilitation of 30 units of affordable housing.
- Maintain existing affordable housing to ensure long-term affordability.

➤ Maintain and enhance the current information systems in support of high-end geographic analysis.

- Conduct demographic research to evaluate effectiveness of services provided across service unit.

**COMMUNITY SERVICES AREA
OFFICE OF COMMUNITY DEVELOPMENT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Area Objectives**

❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**

➤ Complete required update of the 5 year Consolidated Plan and Annual Plan.

- Evaluate, develop improvements, and implement changes to the citizen participation process.

➤ Continue to utilize service area boards and commissions and public meetings for citizen involvement and open exchange of ideas with City staff.

- Incorporate e-agenda software to provide more effective manner for public notification of board and commission information.

❖ **Continually improve the delivery of City services in a cost effective manner.**

➤ Deliver quality services to external and internal customers.

- Assess and implement customer service delivery improvements in the Office of Community Development
- Identify and implement necessary steps for instituting data sharing and transfer between the City and Washtenaw County.
- Develop comprehensive customer service measurement strategies for service unit.

COMMUNITY SERVICES AREA
OFFICE OF COMMUNITY DEVELOPMENT

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 3	110034	0.50
ADMIN SUPPORT SPECIALIST LVL 4	110044	1.10
CD HOUSING/RELOCATION SPEC	114070	1.00
COMM SERVICES ADMINISTRATOR	403630	0.32
FINANCIAL MANAGER/SUPPORT SUPR	401500	0.30
GIS COORDINATOR	401520	0.02
GRAPHIC SPECIALIST	401370	0.07
HOUSING PROGRAM COORDINATOR	404080	1.00
HOUSING REHAB SPEC I	114051	1.00
HOUSING REHAB SPECIALIST II	114060	1.00
HUMAN SVCS PROGRAM COORDINATOR	404090	1.00
MANAGEMENT ASSISTANT	000200	0.32
Total		7.63



COMMUNITY SERVICES AREA

PARKS & RECREATION SERVICES

Parks and Recreation Services is one of three service units in the Community Services Area. It has 23.23 FTEs and handles the functions of the parks administration and recreation facilities. Parks and Recreation administration is responsible for the policy development, park planning and improvements, park shelter reservations and several boards and commissions related to parks and recreation. Recreation facilities include 2 golf courses, 4 pools, 2 ice rinks, 2 community centers, 2 canoe liveries, a cross-country ski center, a senior center, a skate park, a farmers market and a science education center.

**COMMUNITY SERVICES AREA
PARKS & RECREATION SERVICES**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	3,248,763	3,091,506	3,625,858	3,456,659	3,781,037
CONTRIBUTIONS	52,786	134,418	100,000	100,000	100,000
INTERGOVERNMENTAL REVENUES	387,618	722,077	-	-	-
INVESTMENT INCOME	69,878	189,215	63,930	63,512	63,930
LICENSES, PERMITS & REGISTRATION	89	102	-	-	-
MISCELLANEOUS REVENUE	151,265	168,909	172,142	172,142	205,967
PRIOR YEAR SURPLUS	-	-	3,352,716	3,352,716	-
TAXES	3,592,563	3,771,928	3,934,969	3,934,969	4,098,155
OPERATING TRANSFERS	81,384	28,131	57,567	57,567	57,567
Total	\$7,584,346	\$8,106,286	\$11,307,182	\$11,137,565	\$8,306,656

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	1,845,937	2,077,382	2,475,572	2,475,572	2,613,482
OPEN SPACE & PARKLAND PRESERVATION (0024)	1,970,539	2,764,907	5,335,423	5,335,423	2,107,434
PARKS REHAB & DEVELOPMENT MILLAGE (0018)	2,180,782	2,060,588	1,993,024	1,993,024	2,044,721
GOLF ENTERPRISE (0047)	1,160,587	1,026,768	1,282,803	1,113,186	1,324,243
MARKET (0046)	153,091	140,413	128,742	128,742	138,396
PARKS MEMORIALS & CONTRIBUTIONS (0034)	-	-	70,000	70,000	70,000
BANDEMER PROPERTY (0025)	36,706	36,228	21,618	21,618	8,380
LESLIE HOMESTEAD (0096)	226,552	-	-	-	-
PARKS MAINTENANCE & REPAIR MILLAGE (0005)	7,183	-	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	2,969	-	-	-	-
Total	\$7,584,346	\$8,106,286	\$11,307,182	\$11,137,565	\$8,306,656

**COMMUNITY SERVICES AREA
PARKS & RECREATION SERVICES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	2,588,141	2,294,165	2,565,101	2,487,711	2,616,788
PAYROLL FRINGES/INSURANCE	1,051,290	577,047	766,155	761,883	805,306
OTHER SERVICES	1,122,092	1,200,647	1,495,037	1,488,250	1,224,439
MATERIALS & SUPPLIES	356,042	361,517	400,606	359,286	448,073
OTHER CHARGES	844,269	760,577	3,124,698	3,114,947	3,255,890
PASS THROUGHES	209,805	132,664	542,189	512,519	1,190,530
CAPITAL OUTLAY	3,680,334	1,464,854	2,139,768	2,139,768	2,000
VEHICLE OPERATING COSTS	49,291	41,613	63,030	62,603	48,990
Total	\$9,901,264	\$6,833,084	\$11,096,584	\$10,926,967	\$9,592,016

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	3,536,818	3,227,198	3,643,220	3,643,220	3,812,794
OPEN SPACE & PARKLAND PRESERVATION (0024)	1,756,640	1,550,906	5,335,423	5,335,423	2,107,434
PARKS REHAB & DEVELOPMENT MILLAGE (0018)	2,565,380	316,463	272,740	272,740	1,807,548
GOLF ENTERPRISE (0047)	1,294,407	1,225,075	1,282,803	1,113,186	1,324,243
PARKS REPAIR AND RESTORATION MILLAGE (0006)	350,185	388,320	342,038	342,038	331,539
MARKET (0046)	149,661	115,890	128,742	128,742	137,163
PARKS MEMORIALS & CONTRIBUTIONS (0034)	-	-	70,000	70,000	70,000
BANDEMER PROPERTY (0025)	11,078	9,232	21,618	21,618	1,295
LESLIE HOMESTEAD (0096)	231,748	-	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	4,881	-	-	-	-
PARKS SERVICE HEADQUARTERS (0015)	466	-	-	-	-
Total	\$9,901,264	\$6,833,084	\$11,096,584	\$10,926,967	\$9,592,016

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
PARKS & RECREATION SERVICES	22.99	22.80	23.79	23.23
Total	22.99	22.80	23.79	23.23

COMMUNITY SERVICES AREA PARKS & RECREATION SERVICES

REVENUE

The decrease is due to reduction in use of fund balance in the Open Space & Parkland Preservation Fund.

EXPENSES

Personnel Services – No material change.

Payroll Fringes – The increase is primarily attributable to increased Insurance costs, Retiree Medical Insurance, and Retirement Contributions

Other Services – The decrease is due to the reduced activity in FY07 in the Open Space and Parkland Preservation Millage Fund due to a reduced number of projects.

Materials & Supplies – The increase is attributable to increased Chemical and Materials & Supplies costs.

Other Charges – The overall increase is attributable to increased support charges from the Information Technology Services Unit. In addition, the Parks Rehab & Development Millage Fund has a significant increase in budgeted contingencies for projects; that is partially offset by a decrease in the Open Space and Parkland Preservation Millage due to a reduced number of projects. Project expenses are cyclical in nature and vary from one fiscal year to the next.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Parks and Recreation Services Unit would be charged \$1,320,799 in 2006/07.

Capital Outlay – The decrease is attributable to a decrease in the Open Space & Parkland Preservation Fund. In 2006/07, as purchases of property and development rights are approved by Council funding will be appropriated as necessary.

COMMUNITY SERVICES AREA PARKS & RECREATION SERVICES

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Ensure the long-term financial health and stability of the City.

➤ Ensure the long-term financial health and stability of the City.

- Continue to increase level of self-support for recreation facilities.**
- Create a funding mechanism/sponsorship program to raise funds from outside sources to offset scholarship costs, park improvements, and programming.**
- Develop and implement a revenue philosophy identifying the levels of self-support for all programs and activities.**
- Develop a revenue policy to guide parks and recreation operations.**
- Reduce energy use and costs through opportunities in the City's Energy Fund program.**
- Integrate Point of Sale with the City's financial system within service area.**
- Continue to effectively monitor and make appropriate adjustments to activity cost centers to ensure financial health of service area.**

**COMMUNITY SERVICES AREA
PARKS & RECREATION SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Support a safe and reliable municipal infrastructure.**

➤ Maintain a high quality parks and recreation system through park planning and practicing responsible environmental stewardship and asset management.

- Maintain Clean Streams Program certification at all recreation facilities.
- Continue to utilize Mainsaver system for long-term asset maintenance management.

➤ Achieve a high level of organization efficiency through integration of the City infrastructure into GIS.

- Continue to evaluate and update existing data for accuracy, completeness, and standardization.
- Continually update with new data.

❖ **Ensure a high quality of life, while balancing economic development and the preservation and conservation of natural resources.**

➤ Maintain and enhance the current information systems in support of high-geographic analysis.

- Conduct socio-economic and demographic research to evaluate effectiveness of services provided across service area.
- Provide accurate and valuable parcel, land use and occupancy information to service area for potential park, recreation, program, and service changes or expansions.

➤ Maintain a high quality park and recreation system through park rehabilitation and development and environmental stewardship.

- Implement the Parks & Recreation Open Space Plan for 2006-11.

**COMMUNITY SERVICES AREA
PARKS & RECREATION SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Foster a community with respect for diversity and the open exchange of ideas.**

- Continue to utilize service area boards and commissions and public meetings for citizen involvement and open exchange of ideas with City staff.
- Develop and implement diverse programming to meet the needs and interests of all residents.

❖ **Deliver high quality City services in a cost effective manner.**

- Deliver quality services to external and internal customers.
 - Conduct program and service delivery evaluations of current Parks and Recreation operations and implement improvements based on the evaluations.
 - Evaluate the feasibility of expanding the web page services including web access to real-time.
 - Coordinate with Washtenaw County IT and GIS on key collaborative ventures that will enhance and standardize geographic data sharing and transfer between the City and Washtenaw County (GIS).
 - Develop comprehensive customer service measurement strategies for service unit.

**COMMUNITY SERVICES AREA
PARKS & RECREATION SERVICES**

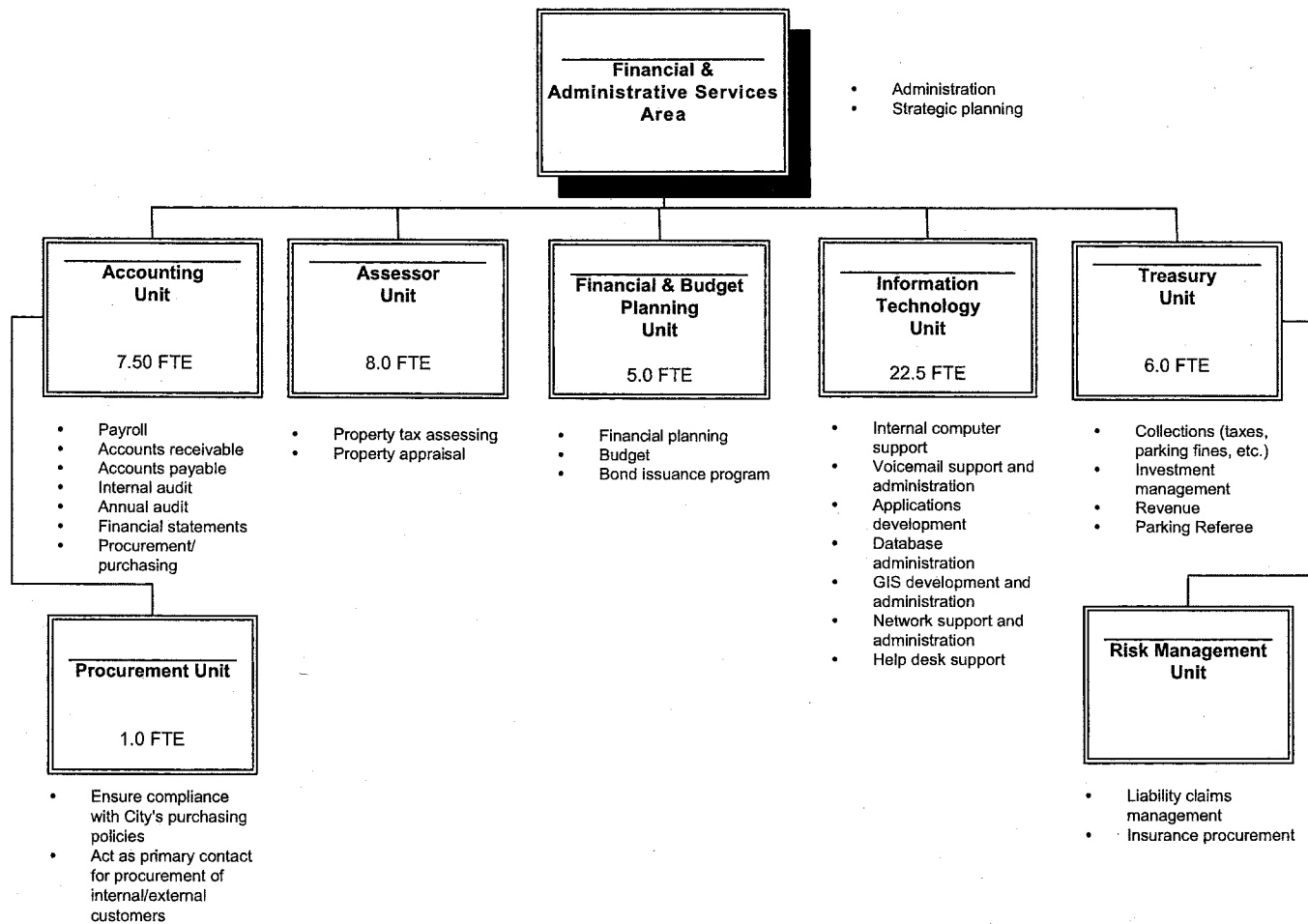
Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 3	110034	2.00
ADMIN SUPPORT SPECIALIST LVL 4	110044	0.15
COMM SERVICES ADMINISTRATOR	403630	0.44
FACILITIES MAINTENANCE TECH IV	110234	1.00
FINANCIAL MANAGER/SUPPORT SUPR	401500	0.25
GIS COORDINATOR	401520	0.60
GOLF ENTERPRISE UNIT SUPV	197210	1.00
GRAPHIC SPECIALIST	401370	0.62
GROUNDS SPECIALIST CP	117201	2.00
LANDSCAPE ARCHITECT II	401360	2.00
MANAGEMENT ASSISTANT	000200	0.42
MARKET MANAGER	401430	1.00
PARKS & REC SERVICES MANAGER	403480	1.00
REC FACILITIES UNIT SUPERVISOR	193060	1.00
RECREATION FAC SUPERV I	193010	2.00
RECREATION FAC SUPERV II	193020	5.75
RECREATION FAC SUPERVISOR III	193030	1.00
YOUTH OUTREACH COORDINATOR	199060	1.00
Total		23.23



FINANCIAL & ADMINISTRATIVE SERVICES AREA

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The Financial Services Area is comprised of seven Service Area Units: Financial & Budget Planning, Accounting, Assessing, Treasury, Information Technology, Procurement and Risk Management Services. These Service Units provide the organization with a broad array of services such as: Accounts Payable and Receivable, Payroll, Property Valuations, Procurement, Tax Revenue Billings and Collections, Cash Management, Investment Services, Debt Management, Assessing and Strategic Business Planning.

Financial & Administrative Services Area

FINANCIAL & ADMINISTRATIVE SERVICES AREA

Revenues By Service Unit

Service Unit	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
FINANCIAL & BUDGET PLANNING	60,468,595	55,530,485	56,507,830	57,700,967	59,969,654
RISK MANAGEMENT	19,431,765	17,062,045	18,984,657	20,970,479	19,862,109
INFORMATION TECHNOLOGY	937,729	986,572	5,269,186	5,269,186	6,631,318
TREASURY	284,129	211,024	199,414	199,414	206,339
PROCUREMENT	-	-	27,000	27,000	30,000
ASSESSOR	-	18,825	15,000	4,200	1,000
ACCOUNTING	140,964	113,452	-	-	-
Total	\$81,263,182	\$73,922,403	\$81,003,087	\$84,171,246	\$86,700,420

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	60,870,031	55,838,218	56,749,215	57,931,552	60,206,993
INSURANCE (0057)	19,431,765	17,062,045	18,984,657	20,970,479	19,862,109
INFORMATION TECHNOLOGY (0014)	937,529	956,181	5,269,186	5,269,186	6,631,318
GENERAL DEBT/SPECIAL ASSESSMENT (0060)	18,146	77,452	-	-	-
GENERAL DEBT SERVICE (0035)	4,435	5,189	-	-	-
Total	\$81,263,182	\$73,922,403	\$81,003,087	\$84,171,246	\$86,700,420

FINANCIAL & ADMINISTRATIVE SERVICES AREA

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INFORMATION TECHNOLOGY	2,317,859	2,211,689	4,623,648	3,893,445	6,631,318
RISK MANAGEMENT	1,483,467	5,703,479	2,831,250	2,831,250	2,908,225
FINANCIAL & BUDGET PLANNING	808,167	912,253	878,288	948,767	1,073,705
ASSESSOR	560,822	583,852	813,314	784,578	811,364
ACCOUNTING	1,383,582	1,320,738	689,758	718,294	741,363
PROCUREMENT	-	-	655,953	655,953	577,444
TREASURY	752,034	639,760	595,527	655,527	543,791
Total	\$7,305,931	\$11,371,771	\$11,087,738	\$10,487,814	\$13,287,210

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INFORMATION TECHNOLOGY (0014)	294,204	96,734	4,623,648	3,893,445	6,631,318
GENERAL (0010)	5,488,120	5,571,558	3,632,840	3,763,119	3,695,740
INSURANCE (0057)	1,483,467	5,703,479	2,831,250	2,831,250	2,960,152
GENERAL CAPITAL IMPROVEMENTS (00CP)	40,140	-	-	-	-
Total	\$7,305,931	\$11,371,771	\$11,087,738	\$10,487,814	\$13,287,210

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
ACCOUNTING	11.50	10.00	7.25	7.50
ASSESSOR	8.00	8.00	8.00	8.00
FINANCIAL & BUDGET PLANNING	3.00	4.00	4.00	5.00
INFORMATION TECHNOLOGY	17.00	16.75	20.00	22.50
PROCUREMENT	-	-	1.00	1.00
RISK MANAGEMENT	3.00	1.00	1.00	-
TREASURY	11.00	9.00	6.00	6.00
Total	53.50	48.75	47.25	50.00





FINANCIAL & ADMINISTRATIVE SERVICES AREA

ACCOUNTING

The Accounting Service Unit is responsible for maintaining the accounting ledgers of all financial transactions for the City. This function includes disbursing accounts payable, billing accounts receivable, and preparing financial reporting for management and the public. Another important function is the preparation of payroll disbursements for all City employees.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ACCOUNTING**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INTRA GOVERNMENTAL SALES	133,244	99,725	-	-	-
INVESTMENT INCOME	3,537	9,118	-	-	-
MISCELLANEOUS REVENUE	4,183	4,609	-	-	-
Total	\$140,964	\$113,452	\$	\$	\$

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	140,964	113,452	-	-	-
Total	\$140,964	\$113,452	\$	\$	\$

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ACCOUNTING**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	639,135	612,345	436,023	464,559	471,146
PAYROLL FRINGES/INSURANCE	123,274	116,842	97,896	97,896	124,760
OTHER SERVICES	376,181	350,164	13,890	13,890	10,300
MATERIALS & SUPPLIES	241,962	239,052	9,000	9,000	9,000
OTHER CHARGES	3,030	2,335	132,949	132,949	126,157
Total	\$1,383,582	\$1,320,738	\$689,758	\$718,294	\$741,363

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	1,383,582	1,320,738	689,758	718,294	728,814
INSURANCE (0057)	-	-	-	-	12,549
Total	\$1,383,582	\$1,320,738	\$689,758	\$718,294	\$741,363

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
ACCOUNTING	11.50	10.00	7.25	7.50
Total	11.50	10.00	7.25	7.50

**FINANCIAL & ADMINISTRATIVE SERVICES
ACCOUNTING SERVICES UNIT**

EXPENSES

Personnel Services –

The increase reflects the following staff changes:

- Increase of (.25) FTE Accounting Services Manager
- Reclassification of certain clerical positions per negotiation with the union

Payroll Fringes/Insurance- The increase in costs is associated with an increase in active employee health care and pension contribution.

Other Charges – The FY 2006/07 increase reflects the increased costs associated with this service unit's use of Information Technology resources. Years prior to 2005/06 do not have this charge because the direct allocation of IT resources was made possible with the creation of an IT internal service fund in the 2005/06 budget.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Accounting Unit would be charged \$340,047 in 2006/07.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ACCOUNTING SERVICES UNIT**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Ensure the long-term financial health and stability of the City.**

➤ Lead and support development of financial planning across organization.

- Support organizational ad hoc requests for financial analysis/advice with high quality and thorough analysis and in an appropriate time.

➤ Review and improve policies and internal controls.

- Support implementation of recommendations from the review of internal control study.

➤ Provide expert financial analysis of organizational issues.

- Support audit review by independent auditors and prepare CAFR for customer insight into financial position.

❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**

➤ Support and demonstrate the City's guiding principals and desired behaviors.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ACCOUNTING SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

- Update existing policies and procedures for finance and offer training to organization where needed.
 - Review effectiveness of Service Area financial support in relation to centralized activities.
 - Update existing policies and procedures to enhance efficiency for customers by streamlining tasks while maintaining the appropriate level internal control.
 - Provide financial training as needed to service area personnel.
 - Support the selection and implementation of the new HR/Payroll system.
 - Facilitate the integration of the Citywide timekeeping study recommendations with the new HR/Payroll system.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ACCOUNTING SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner (continued).**

➤ Motivate and encourage employees to achieve their potential through performance management, employee development and sustainable incentives.

- Increase employee satisfaction by holding communication meetings with employees and developing plans to improve areas of concern to be at minimum equal to City's average as measured by Denison report.
- Establish, document and review with service unit managers objectives, career goals, training plans and performance appraisals for all direct reports.

FINANCIAL & ADMINISTRATIVE SERVICES AREA
ACCOUNTING

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ACCOUNTANT I	001250	1.00
ACCOUNTANT II	001260	2.00
ACCOUNTING SERVICES MANAGER	401280	1.00
ADMIN SUPPORT SPECIALIST LVL 5	110054	3.50
Total		7.50



FINANCIAL & ADMINISTRATIVE SERVICES AREA

ASSESSOR

The Assessing Service Unit is responsible for tax assessing and property appraisals for all taxable property within the City. Other duties include granting of homesteads, processing of divisions of land, reviewing and processing exemption applications, calculating Payments in Lieu of Taxes, establishing special assessment districts and apportioning the special assessment within that special assessment district, defending Assessed and Taxable Values before the Michigan Tax Tribunal and assisting other service areas and service units within the City with valuation, real estate and property taxation issues.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ASSESSOR**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
MISCELLANEOUS REVENUE	-	25	-	-	-
TAXES	-	18,800	15,000	4,200	1,000
Total	\$	\$18,825	\$15,000	\$4,200	\$1,000

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	-	18,825	15,000	4,200	1,000
Total	\$	\$18,825	\$15,000	\$4,200	\$1,000

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ASSESSOR**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	406,496	420,695	479,354	490,618	487,880
PAYROLL FRINGES/INSURANCE	107,090	102,607	132,846	132,846	170,306
OTHER SERVICES	38,760	52,221	119,830	79,830	46,200
MATERIALS & SUPPLIES	5,626	5,834	3,850	3,850	3,850
OTHER CHARGES	2,850	2,495	77,434	77,434	103,128
Total	\$560,822	\$583,852	\$813,314	\$784,578	\$811,364

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	560,822	583,852	813,314	784,578	811,364
Total	\$560,822	\$583,852	\$813,314	\$784,578	\$811,364

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
ASSESSOR	8.00	8.00	8.00	8.00
Total	8.00	8.00	8.00	8.00

**FINANCIAL & ADMINISTRATIVE SERVICES
ASSESSOR SERVICES UNIT**

EXPENSES

Other Services – The decrease reflects the removal of costs associated with a commercial personal property audit originally budgeted for the 2005-06 fiscal year.

Other Charges – The FY 2006-07 increase reflects the costs associated with this service unit's use of information Technology resources.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Assessor Services Unit would be charged \$308,070 in 2006/07.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ASSESSOR SERVICES UNIT**

- ❖ **City Goals**
 - **Service Area Goals**
 - **Service Unit Objectives**

- ❖ **Ensure the long-term financial health and stability of the City.**
 - Provide expert financial analysis for organizational issues.
 - Defend property tax assessments in the MTT when appropriate.

- ❖ **Ensure a high quality of life which balancing economic development with the preservation and conservation of natural resources.**
 - Support, as required, the evaluation and approval of economic development projects

- ❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**
 - Support and demonstrate the City's guiding principals and desired behaviors.

- ❖ **Deliver high quality City services in a cost effective manner.**
 - Motivate and encourage employees to achieve their potential through performance management, employee development and sustainable incentives.
 - Develop and implement action plans based on the 2005 Denison study on employee satisfaction and morale.
 - Establish, document and review with service unit managers objectives, career goals, training plans and performance appraisals for all direct reports.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
ASSESSOR SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

➤ Communicate effectively with our customers, both internally and externally.

- Review document processes to determine if there are paper driven processes, which could be eliminated.
- Explore making historic record cards available electronically in the office and via the web
- Have assessment forms available on the city's web site.

FINANCIAL & ADMINISTRATIVE SERVICES AREA
ASSESSOR

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 3	110034	1.00
ADMIN SUPPORT SPECIALIST LVL 5	110054	1.00
ASSESSOR SERVICES MANAGER	403220	1.00
CHIEF APPRAISER	403430	1.00
REAL PROPERTY APPRAISER I	119180	1.00
REAL PROPERTY APPRAISER I	119181	2.00
SENIOR APPRAISER	401260	1.00
Total		8.00

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FINANCIAL & ADMINISTRATIVE SERVICES AREA

FINANCIAL & BUDGET PLANNING

The Financial & Budget Planning Service Unit is responsible for strategic financial planning, coordination of the annual budget process, managing the debt issuance program, supporting economic development initiatives and acting as a resource for Citywide issues related to financial management.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
FINANCIAL & BUDGET PLANNING**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	79,541	83,507	452,870	452,870	787,300
FINES & FORFEITS	-	-	-	-	-
INTERGOVERNMENTAL REVENUES	11,509,357	11,232,321	10,300,000	11,169,107	10,932,362
INVESTMENT INCOME	314,412	598,297	267,000	567,000	773,367
MISCELLANEOUS REVENUE	652	55,031	-	-	-
PRIOR YEAR SURPLUS	-	-	29	29	-
TAXES	48,564,633	43,561,329	45,487,931	45,511,961	47,476,625
Total	\$60,468,595	\$55,530,485	\$56,507,830	\$57,700,967	\$59,969,654

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	60,444,738	55,464,526	56,507,801	57,700,938	59,969,654
LOCAL LAW ENFORCEMENT BLOCK GRANT (0007)	-	-	29	29	-
GENERAL DEBT/SPECIAL ASSESSMENT (0060)	18,146	77,452	-	-	-
GENERAL DEBT SERVICE (0035)	4,435	5,189	-	-	-
Total	\$60,468,595	\$55,530,485	\$56,507,830	\$57,700,967	\$59,969,654

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
FINANCIAL & BUDGET PLANNING**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	276,776	433,541	308,924	302,763	382,016
PAYROLL FRINGES/INSURANCE	286,371	414,160	438,336	438,336	510,664
OTHER SERVICES	122,611	52,164	79,600	146,240	107,100
MATERIALS & SUPPLIES	3,003	7,318	4,380	4,380	2,217
OTHER CHARGES	119,406	3,210	37,048	37,048	71,708
CAPITAL OUTLAY	-	-	10,000	20,000	-
VEHICLE OPERATING COSTS	-	1,860	-	-	-
Total	\$808,167	\$912,253	\$878,288	\$948,767	\$1,073,705

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	808,167	912,253	878,288	948,767	1,034,327
INSURANCE (0057)	-	-	-	-	39,378
Total	\$808,167	\$912,253	\$878,288	\$948,767	\$1,073,705

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
FINANCIAL & BUDGET PLANNING	3.00	4.00	4.00	5.00
Total	3.00	4.00	4.00	5.00

**FINANCIAL & ADMINISTRATIVE SERVICES
FINANCIAL & BUDGET PLANNING SERVICES UNIT**

REVENUES

Taxes – General Fund property taxes are projected to increase 4.3% in 2006/07 due to increased property values and inflation. In recent years, the City has not levied the maximum general operating millage approved by voters, which has partially limited the impact of the Headlee rollback on revenues. Starting in 2006/07, the City's operating levy will be reduced by the Headlee rollback.

Intergovernmental Revenues – Increase is due to less than anticipated reductions in State Shared Revenue.

Charges for Services – Increase is due to inclusion of State Fire Protection monies previously budgeted within the Fire Services Unit.

EXPENSES

Personnel Services – The increase reflects an additional budgeted position.

Payroll Fringes/Insurance – The increase reflects the increased cost of medical insurance and retirement contributions, as well as an additional budgeted position.

Other Services – The increase in 2005/06 was attributable to some additional actuarial consulting work.

Other Charges – 2006/07 reflects an increase in charges from the IT internal service fund.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Financial and Budget Planning Services Unit would be charged \$415,654 in 2006/07.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
FINANCIAL & BUDGET PLANNING SERVICES UNIT**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Ensure the long-term financial health and stability of the City.**

➤ Lead and support development of financial planning across organization.

- Coordinate and drive the development of the CIP with Public Services with focus on improving estimates of annual cash flows and project closing process.
- Coordinate and drive the development of a two-year budget incorporating performance metrics.

➤ Review and improve policies and internal controls.

- Update all APRs and policies related to Service Area activities.
- Improve internal controls by performing periodic reviews and supporting development of new procedures.

➤ Provide expert financial analysis for organizational issues.

- Support negotiations on union contracts.
- Support campaign to renew expiring millages.

➤ Encourage local economic development.

- Develop with City Administrator a plan for Economic Development.
- Support RFP development and evaluation for sale & redevelopment of City property (1st & Washington, Kline's lot, etc.)

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
FINANCIAL & BUDGET PLANNING SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Support a safe and reliable municipal infrastructure.**

➤ Support financial analysis of City's capital plan

- Develop a plan for funding the City's major capital investments including new civil and justice facilities.

❖ **Foster a community with respect for diversity and the open exchange of ideas.**

➤ Support and demonstrate the City's guiding principals and desired behaviors.

- Complete and follow-up on Personnel Development Plan for direct reports.
- Provide ad hoc coaching.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
FINANCIAL & BUDGET PLANNING SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

- Update existing policies and procedures for finance and offer training to organization where needed.
- Communicate effectively with our customers, both internally and externally.
 - Create opportunities for the Finance team to interact with other service units and foster a customer oriented Finance organization by personally demonstrating and rewarding the City's desired behaviors.
- Motivate and encourage employees to achieve their potential through performance management, employee development, and sustainable incentives.
 - Increase employee satisfaction by holding quarterly communication meetings with employees and implement key results from Denison survey.
 - Establish, document and review with service unit managers objectives, career goals, training plans and performance appraisals for all direct reports.

FINANCIAL & ADMINISTRATIVE SERVICES AREA
FINANCIAL & BUDGET PLANNING

Allocated Positions

Job Description	Job Class	2006-07 FTE's
FINANCIAL & ADMIN AREA ADMIN	403520	1.00
FINANCIAL ANALYST	403340	1.00
MANAGEMENT ASSISTANT	000200	1.00
SENIOR ACCOUNTANT/AUDITOR	403870	1.00
SENIOR FINANCE SPECIALIST	403730	1.00
Total		5.00



FINANCIAL & ADMINISTRATIVE SERVICES AREA

INFORMATION TECHNOLOGY

The Information Technology (IT) Services Unit is responsible for planning, establishing, maintaining, and supporting the City's computing environments including network infrastructure, servers, personal computing devices such as desktop PCs and laptops, printers and other handheld devices such as PDAs. Additionally, IT integrates and leverages service area computing requirements and supports service area process efficiency initiatives.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
INFORMATION TECHNOLOGY**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CONTRIBUTIONS	-	-	-	-	130,185
INVESTMENT INCOME	(18,585)	6,181	-	-	-
MISCELLANEOUS REVENUE	6,314	391	-	-	-
PRIOR YEAR SURPLUS	-	-	-	-	670,182
OPERATING TRANSFERS	950,000	980,000	5,269,186	5,269,186	5,830,951
Total	\$937,729	\$986,572	\$5,269,186	\$5,269,186	\$6,631,318

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INFORMATION TECHNOLOGY (0014)	937,529	956,181	5,269,186	5,269,186	6,631,318
GENERAL (0010)	200	30,391	-	-	-
Total	\$937,729	\$986,572	\$5,269,186	\$5,269,186	\$6,631,318

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
INFORMATION TECHNOLOGY**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	1,069,602	1,072,927	1,314,788	1,700,145	1,519,128
PAYROLL FRINGES/INSURANCE	301,177	283,192	432,762	432,762	585,359
OTHER SERVICES	682,808	754,935	1,330,021	1,068,021	1,036,811
MATERIALS & SUPPLIES	18,501	17,424	17,000	15,000	15,000
OTHER CHARGES	52,561	33,156	557,117	557,117	3,216,032
CAPITAL OUTLAY	193,210	50,055	971,960	120,400	258,988
Total	\$2,317,859	\$2,211,689	\$4,623,648	\$3,893,445	\$6,631,318

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INFORMATION TECHNOLOGY (0014)	294,204	96,734	4,623,648	3,893,445	6,631,318
GENERAL (0010)	1,983,515	2,114,955	-	-	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	40,140	-	-	-	-
Total	\$2,317,859	\$2,211,689	\$4,623,648	\$3,893,445	\$6,631,318

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
INFORMATION TECHNOLOGY	17.00	16.75	20.00	22.50
Total	17.00	16.75	20.00	22.50

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
INFORMATION TECHNOLOGY SERVICES UNIT**

REVENUES

The projected revenues to the IT Service Fund for 2006-2007 are \$6,631,318. \$632,490 is derived from the use of Fund Balance and \$5,968,828 is IT Service Charge Backs to City Service Areas, Service Units and Agencies that are supported by the IT Service Unit.

EXPENSES

Personnel Services and Payroll Fringes – Net increase of \$296,937 due to an increase in staff by 2.0 FTEs previously located in other Service Areas, as well as, restructuring of the job titles, descriptions and salary ranges.

Other Services – Decrease of \$293,210 in costs largely driven by decreased software procurement expense.

Other Charges – Increase of \$ 2,658,915 for IT Charges and Municipal Service Charge and increased budget for anticipated projects.

Capital Outlay – Reduction of \$712,972 to reflect completion of several projects from the prior year.

FINANCIAL & ADMINISTRATIVE SERVICES AREA INFORMATION TECHNOLOGY SERVICES UNIT

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Ensure the long-term financial health and stability of the City.

➤ Review and improve policies and internal controls

- Finalize the standards for hardware, software and procurement.**
- Implement policies and processes for change control, disaster recovery and asset management.**

➤ Encourage local economic development.

- Participate in the Wireless Washtenaw project by attending committee meetings, working to ensure successful pilot project and ensuring that the needs of the City are being addressed as the project evolves.**

❖ Support a safe and reliable municipal infrastructure.

➤ Rejuvenate ITSU to deliver strategic advice and services for operational initiatives

- Implement and report on enterprise and service area specific service level agreements.**
- Establish effective business relationships with the various service areas and agencies across the City.**

❖ Foster a community with respect for diversity and the open exchange of ideas.

➤ Support and demonstrate the City's guiding principals and desired behaviors.

- Provide technical leadership through partnership and collaboration with internal and external agencies and the local community.**

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
INFORMATION TECHNOLOGY SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

➤ Communicate effectively with our customers, both internally and externally.

- Create a continuous improvement program to measure delivery of service and provide increase in customer satisfaction.
- Establish and follow project management methodology to ensure success of all IT projects.

➤ Motivate and encourage employees to achieve their potential through performance management, employee development, and sustainable incentives.

- Increase employee satisfaction by holding communication meetings with employees and developing plans to improve areas of concern.
- Establish, document and review objectives, career goals, training plans and performance appraisals for all direct reports.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
INFORMATION TECHNOLOGY**

Allocated Positions

Job Description	Job Class	2006-07 FTE's
APPLICATIONS DELIVERY MANAGER	403540	1.00
APPLICATIONS SUPPORT ANALYST	401610	1.00
ARCHITECTURE MANAGER	403500	1.00
DIRECTOR, INFO TECHNOLOGY	403700	1.00
GIS MANAGER	401240	1.00
HELP DESK ANALYST	000300	2.00
INFRASTRUCTURE SUPPORT ADMIN	401600	3.00
PROJECT MANAGEMENT MANAGER	403140	2.00
SERVICE DELIVERY MANAGER	403550	1.00
SR APPLICATIONS SPECIALIST	401050	6.00
SR. INFRASTRUCTURE SPECIALIST	401130	2.00
TELECOMMUNICATIONS SPECIALIST	000310	0.50
WATER UTIL INFO SYSTEM SPEC	403170	1.00
Total		22.50

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FINANCIAL & ADMINISTRATIVE SERVICES AREA

PROCUREMENT

The Procurement Unit is responsible for ensuring the City's procurement policies and procedures are being followed. The Unit also provides general and administrative support in the preparation, reconciliation, and reporting of the City's procurement of goods and services.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
PROCUREMENT**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INTRA GOVERNMENTAL SALES	-	-	27,000	27,000	30,000
MISCELLANEOUS REVENUE	-	-	-	-	-
Total	\$	\$	\$27,000	\$27,000	\$30,000

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	-	-	27,000	27,000	30,000
Total	\$	\$	\$27,000	\$27,000	\$30,000

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
PROCUREMENT**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	-	-	52,146	52,146	53,088
PAYROLL FRINGES/INSURANCE	-	-	16,662	16,662	19,740
OTHER SERVICES	-	-	367,646	367,646	285,339
MATERIALS & SUPPLIES	-	-	210,000	210,000	210,000
OTHER CHARGES	-	-	9,499	9,499	9,277
Total	\$	\$	\$655,953	\$655,953	\$577,444

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	-	-	655,953	655,953	577,444
Total	\$	\$	\$655,953	\$655,953	\$577,444

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
PROCUREMENT	-	-	1.00	1.00
Total			1.00	1.00

FINANCIAL & ADMINISTRATIVE SERVICES PROCUREMENT SERVICES UNIT

In 2005/06 the Procurement Services Unit was separated from the Accounting Services Unit.

REVENUES

Intra-governmental Sales – Amounts in 2006/07 represent transfers from other service units for postage charges; past years also included amounts for central duplicating and office supplies.

EXPENSES

Payroll Fringes/Insurance- The increase in costs is associated with an increase in active employee health care and pension contribution.

Other Services – The decrease in costs is associated with the delay of a new system to replace Centrex phone lines.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Procurement Unit would be charged \$28,035 in 2006/07.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
PROCUREMENT SERVICES UNIT**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Ensure the long-term financial health and stability of the City.**

- Lead and support development of financial planning across organization.
 - Pursue partnership opportunities with local agencies and organizations to reduce the cost of conducting the City's business and to enhance services within the community.
 - Establish collective purchasing schedule with Washtenaw County, City of Ypsilanti, UM and neighboring townships.
 - Work with other agencies to conduct joint purchases.
 - Streamline the procurement process to improve customer satisfaction and achieve cost efficiencies.

❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**

- Support and demonstrate the City's guiding principals and desired behaviors.

❖ **Deliver high quality City services in a cost effective manner.**

- Motivate and encourage employees to achieve their potential through performance management, employee development and sustainable incentives.
 - Increase employee satisfaction by holding communication meetings with employees and developing plans to improve areas of concern to be at minimum equal to City's average as measured by Denison report.

FINANCIAL & ADMINISTRATIVE SERVICES AREA
PROCUREMENT

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 5	110054	1.00
Total		1.00



FINANCIAL & ADMINISTRATIVE SERVICES AREA

RISK MANAGEMENT

The Risk Management Unit, in conjunction with the Insurance Board, is responsible for administering the City's property and general liability insurance programs. Activities include interfacing with a risk management consultant, administering the citizen claims process, and supporting the RFP process for contract renewals.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
RISK MANAGEMENT**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CONTRIBUTIONS	212,281	232,629	6,474	6,474	-
INVESTMENT INCOME	31,315	226,110	60,000	60,000	83,965
PRIOR YEAR SURPLUS	-	-	1,344,678	3,330,500	600,000
OPERATING TRANSFERS	19,188,169	16,603,306	17,573,505	17,573,505	19,178,144
Total	\$19,431,765	\$17,062,045	\$18,984,657	\$20,970,479	\$19,862,109

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INSURANCE (0057)	19,431,765	17,062,045	18,984,657	20,970,479	19,862,109
Total	\$19,431,765	\$17,062,045	\$18,984,657	\$20,970,479	\$19,862,109

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
RISK MANAGEMENT**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	172,625	120,031	45,528	45,528	-
PAYROLL FRINGES/INSURANCE	19,205	42,574	33,648	33,648	36,771
OTHER SERVICES	789,779	938,134	802,325	802,325	941,172
MATERIALS & SUPPLIES	6,042	4,787	8,000	8,000	8,000
OTHER CHARGES	495,816	4,597,953	1,941,749	1,941,749	1,922,282
Total	\$1,483,467	\$5,703,479	\$2,831,250	\$2,831,250	\$2,908,225

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
INSURANCE (0057)	1,483,467	5,703,479	2,831,250	2,831,250	2,908,225
Total	\$1,483,467	\$5,703,479	\$2,831,250	\$2,831,250	\$2,908,225

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
RISK MANAGEMENT	3.00	1.00	1.00	-
Total	3.00	1.00	1.00	

**FINANCIAL & ADMINISTRATIVE SERVICES
RISK MANAGEMENT SERVICES UNIT**

REVENUES

Operating Transfers – The 2006/07 increase represents the additional funding needed for projected increases in health, property and liability insurance premiums.

EXPENSES

Other Services – The FY 2006/07 increase represents additional funding required to pay workers compensation insurance premiums.

Prior Year Surplus – The FY 2006/07 decrease represents the decrease in use of fund balance related to the Emerald Ash Borer tree removal project, which is being funded from other sources.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
RISK MANAGEMENT SERVICES UNIT**

- ❖ **City Goals**
 - **Service Area Goals**
 - **Service Unit Objectives**

- ❖ **Ensure the long-term financial health and stability of the City.**
 - Ensure the long-term financial health and stability of the City.
 - Ensure the operations of the City are adequately covered by insurance.
 - Support initiatives to create a safe working environment.

- ❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**
 - Support and demonstrate the City's guiding principals and desired behaviors.

- ❖ **Deliver high quality City services in a cost effective manner.**
 - Motivate and encourage employees to achieve their potential through performance management, employee development and sustainable incentives.
 - Increase employee satisfaction by holding communication meetings with employees and developing plans to improve areas of concern to be at minimum equal to the City's average as measured by the Denison report.

FINANCIAL & ADMINISTRATIVE SERVICES AREA
RISK MANAGEMENT

Allocated Positions

Job Description	Job Class	2006-07 FTE's
Total		0.00



FINANCIAL & ADMINISTRATIVE SERVICES AREA

TREASURY

The Treasury Service Unit oversees the collection and distribution of City revenues, such as property taxes, parking ticket revenues and special assessments. This unit is also responsible for investment and cash flow management.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
TREASURY**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
FINES & FORFEITS	276,635	197,779	192,414	192,414	199,339
MISCELLANEOUS REVENUE	5,913	13,245	7,000	7,000	7,000
TAXES	1,581	-	-	-	-
Total	\$284,129	\$211,024	\$199,414	\$199,414	\$206,339

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	284,129	211,024	199,414	199,414	206,339
Total	\$284,129	\$211,024	\$199,414	\$199,414	\$206,339

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
TREASURY**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	562,567	463,648	360,636	420,636	310,264
PAYROLL FRINGES/INSURANCE	137,349	110,960	99,252	99,252	116,296
OTHER SERVICES	43,908	57,188	46,857	46,857	51,012
MATERIALS & SUPPLIES	7,118	7,275	4,700	4,700	4,900
OTHER CHARGES	1,092	689	83,032	83,032	61,319
CAPITAL OUTLAY	-	-	1,050	1,050	-
Total	\$752,034	\$639,760	\$595,527	\$655,527	\$543,791

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	752,034	639,760	595,527	655,527	543,791
Total	\$752,034	\$639,760	\$595,527	\$655,527	\$543,791

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
TREASURY	11.00	9.00	6.00	6.00
Total	11.00	9.00	6.00	6.00

**FINANCIAL & ADMINISTRATIVE SERVICES –
TREASURY SERVICES UNIT**

EXPENSES

Personnel Services – The decrease of \$50,000 reflects a vacancy in the Fiscal Analyst position.

Other Services – The decrease of \$21,000 reflects the savings realized in Information Technology Fund transfer.

Other Charges – The increase of \$4,000 reflects the costs associated with printing, advertising and employee training.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Treasury Services Unit would be charged \$354,983 in 2006/07.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
TREASURY SERVICES UNIT**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Ensure the long-term financial health and stability of the City.**

➤ Lead and support development of financial planning across organization.

- Obtain financial information from all City service units, to develop an accurate model to forecast cash flow.
- Ensure financial assets are invested appropriately and financial processes are efficient and accurate.
- Research feasibility of in-house investments.

➤ Review and improve policies and internal controls.

- Revise and improve financial policies and controls.
- Revise Investment Policy.
- Monitor the cash handling functions of the Customer Service Center and other points of cash collection.

❖ **Foster a community with respect for diversity and the open exchange of ideas.**

➤ Support and demonstrate the City's guiding principals and desired behaviors.

- Treat all internal and external customers with respect and care.
- Strive for excellence and professionalism in all Treasury endeavors.

**FINANCIAL & ADMINISTRATIVE SERVICES AREA
TREASURY SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

➤ Update existing policies and procedures for finance and offer training to organizations where needed.

- Develop and refine tax collection and distribution methods.
- Improve the process of collecting delinquent personal property taxes.
- Facilitate insurance claim processes and information flow with City staff, contracted parties, Insurance Board and claimants.
- Monitor effectiveness of parking ticket operations and collection efficiency. Facilitate improvements where necessary.

➤ Motivate and encourage employees to achieve their potential through performance management, employee development, and sustainable incentives.

- Conduct regular staff meetings.
- Establish and document objectives, career goals, training plans and performance appraisals for all direct reports. Review with the Chief Financial Officer.

FINANCIAL & ADMINISTRATIVE SERVICES AREA
TREASURY

Allocated Positions

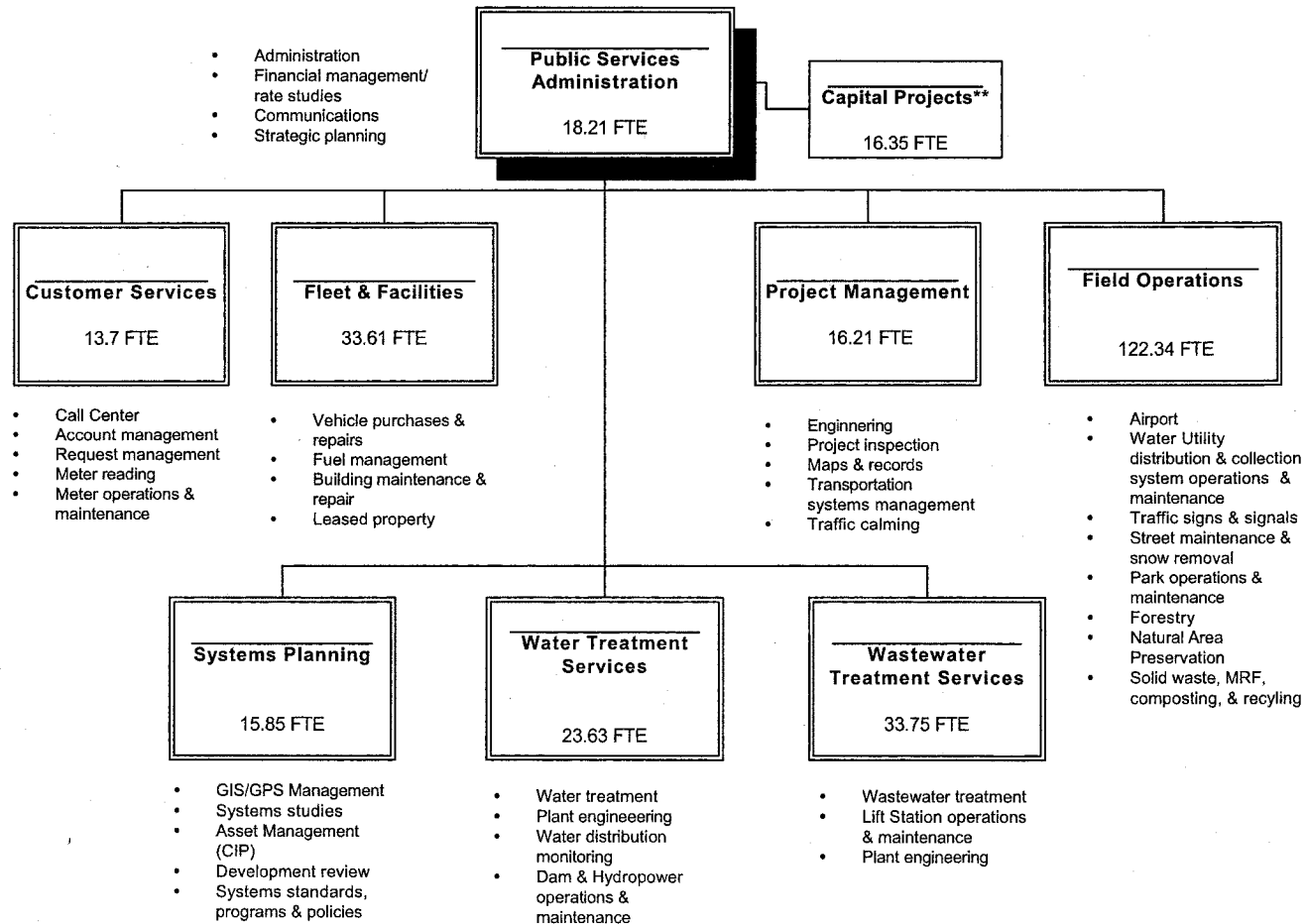
Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 5	110054	1.00
ASST TREASURY SRVS MANAGER	401090	1.00
FISCAL ANALYST	401290	1.00
PARKING REFEREE	401200	2.00
TREASURY SERVICES MANAGER	403310	1.00
Total		6.00

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PUBLIC SERVICES AREA

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The Public Services Area is comprised of eight Service Area Units: Administration, Customer Services, Fleet & Facilities, Project Management, Systems Planning, Field Operations, Water Treatment Services, and Wastewater Treatment Services. These Service Units provide the organization with a broad array of services such as: customer service center, City fleet vehicles, solid waste & recycling, Material Recovery Facility, water, wastewater & stormwater services, engineering, project inspection, traffic calming, and the airport. **NOTE: Capital Projects is not a Service Unit. It represents the partial FTE allocations to support the design and management of capital projects.

Public Services Area

PUBLIC SERVICES AREA

Revenues By Service Unit

Service Unit	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CUSTOMER SERVICES	33,186,593	38,670,387	40,359,157	40,557,157	42,934,076
CAPITAL PROJECTS	13,213,561	363,785	-	-	27,724,764
ADMINISTRATION	3,413,606	23,297,723	29,242,294	29,720,733	24,446,366
FIELD OPERATIONS	14,348,294	11,926,882	13,169,863	12,858,866	13,722,245
FLEET & FACILITIES	5,329,937	6,263,905	7,875,252	6,689,245	7,419,325
PROJECT MANAGEMENT	6,473,250	4,509,645	2,077,278	2,289,314	2,244,289
WATER TREATMENT SERVICES	496,701	797,995	425,308	425,308	580,000
WASTEWATER TREATMENT SERVICES	250,000	250,583	255,000	255,000	255,000
SYSTEMS PLANNING	184,561	163,418	1,490,742	1,490,742	160,127
ENVIRONMENTAL COORDINATION	81,215	-	-	-	-
Total	\$76,977,718	\$86,244,323	\$94,894,894	\$94,286,365	\$119,486,192

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
WATER SUPPLY SYSTEM (0042)	15,915,061	20,087,493	23,877,090	24,210,340	22,299,499
SEWAGE DISPOSAL SYSTEM (0043)	16,592,922	19,276,896	22,755,712	22,874,712	21,139,595
SOLID WASTE (0072)	2,252,261	10,768,616	11,722,299	12,110,335	12,472,662
STREET REPAIR MILLAGE (0062)	8,286,574	9,957,353	8,242,925	8,242,925	9,417,156
2005-06 WATER BOND (0092)	-	-	-	-	8,773,853
MAJOR STREET (0021)	7,341,400	6,689,458	7,236,747	7,183,147	7,716,275
SEWER BOND SERIES XIX 2004 (0076)	3,497,971	523,577	-	-	7,119,832
FLEET SERVICES (0012)	3,741,938	4,700,186	6,809,157	5,594,619	5,965,015
STORMWATER SEWER SYSTEM (0069)	2,954,078	3,578,597	4,461,874	4,501,963	5,161,307
PROJECT MANAGEMENT (0049)	-	-	2,065,013	2,247,049	3,071,228
2005-06 SEWER BOND (0074)	-	-	-	-	2,398,316
2005-06 STORMWATER BOND (0082)	-	-	-	-	2,226,639
PARKS REPAIR AND RESTORATION MILLAGE (0006)	1,792,898	1,898,842	2,387,200	1,887,200	2,032,219
LOCAL STREET (0022)	1,834,214	1,814,254	1,846,985	1,801,085	1,891,208
ALTERNATIVE TRANSPORTATION (0061)	455,899	(233)	12,265	12,265	1,559,523
1990 SOLID WASTE BOND ISSUE (0097)	26,105	92,196	-	-	1,501,000
CENTRAL STORES (0011)	1,077,994	1,143,020	1,317,349	1,317,349	1,344,816
AIRPORT (0048)	719,028	836,503	823,986	817,317	862,573
GENERAL (0010)	7,990,681	4,240,795	594,572	744,339	593,237
WATER BOND SERIES Z 2004 (0095)	5,870	119,323	-	-	562,437
TREE REMOVAL AND DISPOSAL FUND (0079)	-	-	-	-	409,956
METRO EXPANSION (0036)	-	-	357,081	357,081	350,000
ENERGY PROJECTS (0002)	169,189	165,133	160,000	160,000	160,127
SPECIAL ASSESSMENTS (0031)	-	-	-	-	150,000
PARKS SERVICE HEADQUARTERS (0015)	100,138	101,399	132,752	132,752	145,398
ELIZABETH R DEAN TRUST (0055)	(4,016)	44,830	87,387	87,387	89,821
PARKS MAINTENANCE & REPAIR MILLAGE (0005)	1,607	1,042	-	-	68,000
CEMETERY PERPETUAL CARE (0054)	2,580	5,407	4,500	4,500	4,500
MUNICIPAL FACILITY CONSTRUCTION (0004)	455,081	156,088	-	-	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	129,145	30,374	-	-	-
HYDROPOWER OPERATING FUND (0019)	559,611	8,519	-	-	-

SEWER BOND SERIES 2004-A SRF (0077)	919,075	8,365	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	160,215	(1,715)	-	-	-
WATER BOND SERIES 2004-A DWRF (0098)	199	(1,995)	-	-	-
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Total	\$76,977,718	\$86,244,323	\$94,894,894	\$94,286,365	\$119,486,192
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PUBLIC SERVICES AREA

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CAPITAL PROJECTS	20,608,400	(74,573)	-	200,000	36,208,436
FIELD OPERATIONS	21,243,006	19,928,694	27,278,040	26,764,127	29,288,227
ADMINISTRATION	15,659,155	19,666,684	27,386,106	26,643,855	22,869,106
FLEET & FACILITIES	8,879,228	9,461,922	13,079,560	12,166,078	10,542,858
WASTEWATER TREATMENT SERVICES	5,956,844	5,602,846	6,536,361	6,188,566	7,434,290
WATER TREATMENT SERVICES	6,572,097	6,483,511	6,852,925	6,608,991	6,881,582
PROJECT MANAGEMENT	1,984,692	2,343,170	3,924,348	3,915,725	3,499,708
SYSTEMS PLANNING	837,024	1,226,072	2,991,136	2,882,663	2,827,310
CUSTOMER SERVICES	1,972,446	1,428,682	2,379,190	2,385,056	2,173,377
ENVIRONMENTAL COORDINATION	88,323	(25)	-	-	-
Total	\$83,801,215	\$66,066,983	\$90,427,666	\$87,755,061	\$121,724,893

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
WATER SUPPLY SYSTEM (0042)	15,537,780	15,420,740	22,719,823	21,939,324	21,729,907
SEWAGE DISPOSAL SYSTEM (0043)	14,322,707	14,664,945	21,075,410	20,586,334	19,857,245
SOLID WASTE (0072)	1,266,205	7,749,133	11,048,510	11,048,510	11,202,105
STREET REPAIR MILLAGE (0062)	13,037,465	1,678,075	1,553,422	1,553,422	9,417,156
2005-06 WATER BOND (0092)	-	-	-	-	8,773,853
GENERAL (0010)	17,059,526	9,189,436	7,622,193	7,611,721	7,797,051
MAJOR STREET (0021)	5,890,667	5,299,217	7,178,647	7,153,337	7,716,275
SEWER BOND SERIES XIX 2004 (0076)	1,027,135	-	-	-	7,119,832
STORMWATER SEWER SYSTEM (0069)	2,016,430	2,057,080	3,620,770	3,502,881	5,095,398
FLEET SERVICES (0012)	3,692,322	4,422,722	6,760,921	5,832,733	4,503,801
PROJECT MANAGEMENT (0049)	-	-	2,065,013	2,051,534	3,071,228
2005-06 SEWER BOND (0074)	-	-	-	-	2,398,316
2005-06 STORMWATER BOND (0082)	-	-	-	-	2,226,639
LOCAL STREET (0022)	1,527,401	1,442,370	1,846,985	1,843,939	1,891,208
PARKS REPAIR AND RESTORATION MILLAGE (0006)	1,043,947	1,195,668	2,045,154	1,545,154	1,597,341
ALTERNATIVE TRANSPORTATION (0061)	360,947	645	12,265	12,265	1,554,951
1990 SOLID WASTE BOND ISSUE (0097)	141,801	-	-	-	1,501,000
CENTRAL STORES (0011)	1,009,861	992,223	1,317,348	1,281,612	1,344,816
AIRPORT (0048)	806,676	863,398	823,986	817,776	862,573
WATER BOND SERIES Z 2004 (0095)	3,150,006	-	-	-	562,437
TREE REMOVAL AND DISPOSAL FUND (0079)	-	-	-	-	409,956
METRO EXPANSION (0036)	-	-	357,081	393,581	350,000
ENERGY PROJECTS (0002)	56,567	15,184	160,000	160,000	160,127
SPECIAL ASSESSMENTS (0031)	-	-	-	-	150,000
PARKS SERVICE HEADQUARTERS (0015)	98,164	120,148	132,752	133,552	145,398
INSURANCE (0057)	1,471	-	-	-	128,460
ELIZABETH R DEAN TRUST (0055)	117,565	41,518	87,386	87,386	89,821
PARKS MAINTENANCE & REPAIR MILLAGE (0005)	12,043	-	-	-	68,000
COURT FACILITIES (0023)	-	-	-	200,000	-
HYDROPOWER OPERATING FUND (0019)	497,783	608,726	-	-	-
MUNICIPAL FACILITY CONSTRUCTION (0004)	922,894	302,533	-	-	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	(121,255)	2,088	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	142,668	1,134	-	-	-

SEWER BOND SERIES 2004-A SRF (0077)	152,453	-	-	-	-
WATER BOND SERIES 2004-A DWRF (0098)	23,597	-	-	-	-
DDA PARKING SYSTEM (0063)	6,389	-	-	-	-

Total	\$83,801,215	\$66,066,983	\$90,427,666	\$87,755,061	\$121,724,893
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FTE Count

Category	2003/04	2004/05	2005/06	2006/07
ADMINISTRATION	13.35	14.27	12.19	18.21
CAPITAL PROJECTS	-	16.75	17.65	16.35
CUSTOMER SERVICES	14.00	16.70	18.80	13.70
ENVIRONMENTAL COORDINATION	3.00	-	-	-
FIELD OPERATIONS	149.66	127.91	123.33	122.34
FLEET & FACILITIES	28.00	36.04	36.26	33.61
PROJECT MANAGEMENT	34.00	18.89	17.78	16.21
SYSTEMS PLANNING	-	9.81	17.40	15.85
WASTEWATER TREATMENT SERVICES	36.00	35.06	32.15	33.75
WATER TREATMENT SERVICES	28.00	24.34	21.56	23.63
Total	306.01	299.77	297.12	293.65





PUBLIC SERVICES AREA

CAPITAL PROJECTS

The Capital Project Service Unit, as part of the Public Services Service Area, is responsible for \$36.2 million in capital improvements for roads, water and sewer infrastructure, and the municipal facility improvements. There are 16.35 FTEs allocated to Capital Project management.

**PUBLIC SERVICES AREA
CAPITAL PROJECTS**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	30,000	-	-	-	1,365,697
CONTRIBUTIONS	-	-	-	-	4,387,700
INTERGOVERNMENTAL REVENUES	136,973	-	-	-	854,360
INVESTMENT INCOME	189,885	363,785	-	-	-
MISCELLANEOUS REVENUE	-	-	-	-	-
SALE OF BONDS	-	-	-	-	14,938,752
PRIOR YEAR SURPLUS	-	-	-	-	4,093,930
TAXES	7,468,908	-	-	-	-
OPERATING TRANSFERS	5,387,795	-	-	-	2,084,325
Total	\$13,213,561	\$363,785	\$	\$	\$27,724,764

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
2005-06 WATER BOND (0092)	-	-	-	-	8,773,853
SEWER BOND SERIES XIX 2004 (0076)	3,641,419	-	-	-	7,119,832
2005-06 SEWER BOND (0074)	-	-	-	-	2,398,316
2005-06 STORMWATER BOND (0082)	-	-	-	-	2,226,639
ALTERNATIVE TRANSPORTATION (0061)	457,500	-	-	-	1,546,645
1990 SOLID WASTE BOND ISSUE (0097)	-	-	-	-	1,501,000
WATER SUPPLY SYSTEM (0042)	-	-	-	-	1,182,290
PROJECT MANAGEMENT (0049)	-	-	-	-	989,817
MAJOR STREET (0021)	-	-	-	-	706,362
WATER BOND SERIES Z 2004 (0095)	-	-	-	-	562,437
STORMWATER SEWER SYSTEM (0069)	-	-	-	-	553,624
SEWAGE DISPOSAL SYSTEM (0043)	-	-	-	-	93,949
AIRPORT (0048)	-	-	-	-	70,000
STREET REPAIR MILLAGE (0062)	7,658,793	363,785	-	-	-
SEWER BOND SERIES 2004-A SRF (0077)	918,876	-	-	-	-
MUNICIPAL FACILITY CONSTRUCTION (0004)	400,000	-	-	-	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	114,263	-	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	22,710	-	-	-	-
Total	\$13,213,561	\$363,785	\$	\$	\$27,724,764

**PUBLIC SERVICES AREA
CAPITAL PROJECTS**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	878,767	19,016	-	-	1,078,207
PAYROLL FRINGES/INSURANCE	193,541	4,063	-	-	360,383
OTHER SERVICES	5,019,733	464,118	-	-	817,000
MATERIALS & SUPPLIES	277,213	3,893	-	-	-
OTHER CHARGES	3,057,862	60,469	-	200,000	32,251,712
PASS THROUGHGS	4,014,441	-	-	-	1,701,134
CAPITAL OUTLAY	7,166,843	(626,132)	-	-	-
Total	\$20,608,400	(\$74,573)	\$	\$200,000	\$36,208,436

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
2005-06 WATER BOND (0092)	-	-	-	-	8,773,853
STREET REPAIR MILLAGE (0062)	12,865,773	1,212,662	-	-	8,483,672
SEWER BOND SERIES XIX 2004 (0076)	1,027,135	-	-	-	7,119,832
2005-06 SEWER BOND (0074)	-	-	-	-	2,398,316
2005-06 STORMWATER BOND (0082)	-	-	-	-	2,226,639
ALTERNATIVE TRANSPORTATION (0061)	360,947	645	-	-	1,546,645
1990 SOLID WASTE BOND ISSUE (0097)	31,543	-	-	-	1,501,000
WATER SUPPLY SYSTEM (0042)	362,986	(500,615)	-	-	1,182,290
PROJECT MANAGEMENT (0049)	-	-	-	-	989,817
MAJOR STREET (0021)	637,680	1,700	-	-	706,362
WATER BOND SERIES Z 2004 (0095)	3,150,006	-	-	-	562,437
STORMWATER SEWER SYSTEM (0069)	69,093	(16,022)	-	-	553,624
SEWAGE DISPOSAL SYSTEM (0043)	1,079,240	(130,329)	-	-	93,949
AIRPORT (0048)	-	-	-	-	70,000
COURT FACILITIES (0023)	-	-	-	200,000	-
MUNICIPAL FACILITY CONSTRUCTION (0004)	922,894	302,533	-	-	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	(121,255)	2,088	-	-	-
SEWER BOND SERIES 2004-A SRF (0077)	152,453	-	-	-	-
WATER BOND SERIES 2004-A DWRF (0098)	23,597	-	-	-	-
DDA PARKING SYSTEM (0063)	6,389	-	-	-	-
INSURANCE (0057)	1,471	-	-	-	-
HYDROPOWER OPERATING FUND (0019)	38,448	(44,747)	-	-	-
SOLID WASTE (0072)	-	(902,488)	-	-	-
Total	\$20,608,400	(\$74,573)	\$	\$200,000	\$36,208,436

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
CAPITAL PROJECTS	-	16.75	17.65	16.35
Total		16.75	17.65	16.35

PUBLIC SERVICES AREA CAPITAL PROJECTS

Revenues

The total budgeted revenues for the Public Services Capital Projects Unit are \$27,724,764. Revenue from the Street Millage has historically been budgeted in the operations and maintenance budget and transferred into the Capital Projects Budget. With the addition of the \$8,522,664 Street Maintenance Millage, the total Public Services Capital Projects Unit revenue is \$36,247,428. As with the expenditure budget, the amount includes operating transfers between funds, which makes the project revenues seem higher. As represented in the capital summaries, the actual budgeted project revenues, net of the transfers and the Street Maintenance Millage, total \$24,807,933, which is the request for authorization.

Expenses

The total budgeted expenditures for the Public Services Area Capital Projects Unit are \$36,208,436. However, that amount includes operating transfers between funds, which makes the project costs appear higher. As represented in the capital summaries, the actual budgeted project costs, net of the transfers, total \$33,291,605, which is the request for authorization.

PUBLIC SERVICES AREA
CAPITAL PROJECTS

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ASST WTP SUPERINTENDENT	401020	0.06
ASST WWTP SUPERINTENDENT	401010	0.10
CITY PLANNER II	112611	0.15
CIVIL ENGINEER II	002110	0.50
CIVIL ENGINEER III	403620	2.28
CIVIL ENGINEER V	401330	1.36
DRAFTSPERSON III	112210	0.68
ELECTIRICAL & CONTROL TECH IV	116244	0.02
ENGINEERING TECH SUPERVISOR	192050	0.50
ENGINEERING TECHNICIAN III	112030	0.75
ENGINEERING TECHNICIAN IV	112040	3.76
ENGINEERING TECHNICIAN IV	112041	1.56
ENVIRONMENTAL LAB ANALYST III	110334	0.02
FIELD OPER TECH III - COMM SYS	112724	0.03
FIELD OPER TECH IV - COMM SYS	112734	0.44
FIELD OPER TECH V - COMM SYS	112744	0.13
PROCESS CONTROL SYSTEM SPEC	403190	0.04
PROCUREMENT COORDINATOR	117450	0.07
PUBLIC SVCS - MAJOR PROJECTS	403780	0.80
SENIOR SURVEYOR	112100	0.72
SENIOR UTILITIES ENGINEER	404000	1.47
TRANSPORTATION PROGRAM MANAGER	404030	0.60
WATER QUALITY MANAGER	403820	0.06
WATER UTILITY SUPERVISOR III	197421	0.03
WATER UTILITY TECHNICIAN V	117441	0.03
WTP SUPERINTENDENT	401310	0.04
WWTP SUPERINTENDENT	401300	0.15
Total		16.35

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PUBLIC SERVICES AREA

CUSTOMER SERVICES

Customer Services has the primary responsibility of collecting and processing all payments due to the City such as taxes, parking tickets, water payments and invoices. Customer Services is also responsible for all water utility (water, sewer, and stormwater) and solid waste billing services. Within the unit a consolidated call center routes City calls and specifically handles Public Services calls to assure we respond in a timely manner to customer inquiries, complaints and requests for service. These calls are associated with Project Management, Solid Waste, Street Maintenance, Traffic Control, Treasury (payment processing), and Water Utilities. Customer Services also provides all types of general information for walk-in customers. Customer Services has 13.7 FTEs.

**PUBLIC SERVICES AREA
CUSTOMER SERVICES**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	32,226,698	38,640,387	40,359,157	40,557,157	42,934,076
INTRA GOVERNMENTAL SALES	907,137	-	-	-	-
MISCELLANEOUS REVENUE	52,758	-	-	-	-
OPERATING TRANSFERS	-	30,000	-	-	-
Total	\$33,186,593	\$38,670,387	\$40,359,157	\$40,557,157	\$42,934,076

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
SEWAGE DISPOSAL SYSTEM (0043)	15,274,399	17,825,282	18,634,781	18,534,781	19,894,746
WATER SUPPLY SYSTEM (0042)	15,252,215	17,485,710	17,679,213	17,974,213	18,619,556
STORMWATER SEWER SYSTEM (0069)	2,659,979	3,329,395	4,045,163	4,048,163	4,419,774
GENERAL (0010)	-	30,000	-	-	-
Total	\$33,186,593	\$38,670,387	\$40,359,157	\$40,557,157	\$42,934,076

**PUBLIC SERVICES AREA
CUSTOMER SERVICES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	1,438,790	874,935	961,451	961,451	699,181
PAYROLL FRINGES/INSURANCE	211,337	228,991	428,024	428,024	419,298
OTHER SERVICES	224,716	252,693	516,164	517,098	535,223
MATERIALS & SUPPLIES	167,441	44,326	83,050	88,182	84,821
OTHER CHARGES	35,450	8,219	186,001	185,801	247,909
PASS THROUGHGS	-	8,017	-	-	-
CAPITAL OUTLAY	(106,228)	11,501	199,000	199,000	181,245
VEHICLE OPERATING COSTS	940	-	5,500	5,500	5,700
Total	\$1,972,446	\$1,428,682	\$2,379,190	\$2,385,056	\$2,173,377

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
WATER SUPPLY SYSTEM (0042)	1,739,074	1,075,023	1,844,818	1,881,654	1,638,191
GENERAL (0010)	55,239	48,458	252,221	232,794	240,699
MAJOR STREET (0021)	44,762	93,771	98,225	91,538	123,038
SOLID WASTE (0072)	-	54,455	122,621	122,621	100,659
PROJECT MANAGEMENT (0049)	-	-	61,305	56,449	70,790
STORMWATER SEWER SYSTEM (0069)	(40,299)	208,669	-	-	-
SEWAGE DISPOSAL SYSTEM (0043)	173,670	(51,694)	-	-	-
Total	\$1,972,446	\$1,428,682	\$2,379,190	\$2,385,056	\$2,173,377

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
CUSTOMER SERVICES	14.00	16.70	18.80	13.70
Total	14.00	16.70	18.80	13.70

**PUBLIC SERVICES AREA
CUSTOMER SERVICES**

REVENUES

Charges for Services – This increase reflects a requested increase in rates for the Water Supply System, Sewage Disposal System and Stormwater System.

EXPENSES

Personnel Services – The FY07 budget reflects the redeployment of several FTE's from Customer Services to other Service Areas and Units within the Public Service Area.

- The Information Technology position was moved from Customer Service to the Information Technology Unit.
- Three Serviceperson FTE's were moved from Customer Service to Field Operations to be able to provide better depth of service coverage.
- When the incumbent Plumbing Inspector retired, the vacancy was not filled.

Payroll Fringes – The payroll fringes reflect a decrease that corresponds to the 5 FTE loss. However, that saving has been reduced by the increased cost of health benefits.

Other Charges – IT charges increased significantly as a consequence of the transfer of the technology position noted above and the resulting increase in IT services.

PUBLIC SERVICES AREA CUSTOMER SERVICES

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Deliver high quality City services in a cost effective manner.

- Improve City's communication to employees and citizens to improve morale and image of the City.
 - Provide customers with "prior usage" data (consumption history) on printed water utility bills by September 30, 2006.
 - Evaluate and implement on-line bill presentment and payment options for Solid Waste and Water Utility bills by March 31, 2007.
 - Implement a self-service "kiosk" in the Customer Service Center for customers who want to pay parking tickets with a credit card (July 31, 2006).
 - Reduce walk-in payment of parking tickets from 35% to 25% of total tickets issued by October 1, 2006 and participate in RFP and selection process for a new parking ticket issuing/processing system.
 - Develop and implement a communication strategy geared toward the community.
- Develop a communication plan/series of letters to educate customers about the metering and monitoring of usage for fire protection purposes (July 31, 2006).
 - Administer a Customer Satisfaction survey with Water Utility customers identifying process improvement and communication opportunities during FY06/07.
 - Implement an action plan based on the Customer Satisfaction survey within one quarter of receiving the survey data.

**PUBLIC SERVICES AREA
CUSTOMER SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner (continued).**

➤ Streamline business processes.

- Conduct a “Best Practices” review of the use of the Cogsdale billing application by July 31, 2006.

- Improve billing and revenue collection processes.

- Implement recommended audit procedures from external auditor.
- Improve the use of “consumption reasonableness” reports to assist billing clerks in identifying customer usage that differs significantly from historical norms.
- Continue use of Barrier Buster to qualify low-income residents for Water Utility bill payment assistance.

➤ Develop a strategic technology plan to optimize technology in all City activities and eliminate City inefficiencies to improve service delivery.

- Automate customer call and water meter-reading systems.

- Continue to investigate options for self-service opportunities via the 24 x 7 phone system.
- Complete the AMR installation project by December 31, 2006.

- Implement a credit card payment option for Water Utility bills by September 30, 2006.

- Implement the “pay by phone” option for parking tickets in the Customer Service telephone menu system by June 30, 2006.

**PUBLIC SERVICES AREA
CUSTOMER SERVICES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner (continued).**

➤ Develop a strategy to improve the leadership of the City and capabilities of employees including safety.

- Train and deploy multi-skilled employees.
 - Identify ongoing and new process/technology training needs and create a training plan by September 1st of each year.
 - Provide safety-training opportunities as appropriate to employee classification.
 - Continue cross training of Administrative Support Specialists to improve customer service.
 - Continue developmental training for lead and supervisory personnel.
- Conduct employee evaluations and performance management.
 - Evaluate strengths and opportunities and provide input at least twice a FY to all staff.
 - Continue team evaluation of the results of the 2005 Denison survey and develop an action plan to address the top issue(s) by July 31, 2006.

PUBLIC SERVICES AREA
CUSTOMER SERVICES

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 1	110014	1.00
ADMIN SUPPORT SPECIALIST LVL 2	110024	1.00
ADMIN SUPPORT SPECIALIST LVL 3	110034	4.50
ADMIN SUPPORT SPECIALIST LVL 4	110044	4.00
ADMIN SUPPORT SPECIALIST LVL 5	110054	0.10
CALL CENTER SUPERVISOR	194510	1.00
CUST SERVICE/MARKETING COORD	403760	1.00
CUSTOMER SERV SUPERINTENDENT	401390	1.00
MANAGEMENT ASSISTANT	000200	0.10
Total		13.70



PUBLIC SERVICES AREA

FIELD OPERATIONS

Field Operations is the field oriented maintenance and operational unit for the City. There are 122.34 FTEs for fiscal year 06/07. Field Operations is responsible for park maintenance, forestry, natural area preservation, street lighting, traffic signals, street signs, radio/fiber optic communications, street maintenance, pavement analysis, sidewalk inspections and repairs, traffic studies, solid waste and material recovery activities, and all water, wastewater and storm water distribution and collection. Consolidating these operational activities into one service unit is resulting in significant coordination, cross-training opportunities and improved efficiencies.

**PUBLIC SERVICES AREA
FIELD OPERATIONS**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	753,259	373,025	495,564	480,400	465,164
CONTRIBUTIONS	-	-	-	-	-
INTERGOVERNMENTAL REVENUES	7,821,485	7,524,499	8,024,713	8,024,713	8,203,671
INTRA GOVERNMENTAL SALES	2,196,346	1,626,014	1,632,601	1,753,201	1,755,714
INVESTMENT INCOME	12,416	86,062	87,387	87,387	89,821
MISCELLANEOUS REVENUE	108,587	219,655	20,500	28,300	49,000
PRIOR YEAR SURPLUS	-	-	743,098	243,098	833,000
TAXES	1,779,677	1,868,241	1,885,000	1,885,000	2,029,919
OPERATING TRANSFERS	1,676,524	229,386	281,000	356,767	295,956
Total	\$14,348,294	\$11,926,882	\$13,169,863	\$12,858,866	\$13,722,245

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
MAJOR STREET (0021)	6,697,567	5,964,108	6,186,747	6,303,147	6,319,913
PARKS REPAIR AND RESTORATION MILLAGE (0006)	1,792,898	1,898,842	2,387,200	1,887,200	2,032,219
LOCAL STREET (0022)	1,674,710	1,621,716	1,651,085	1,651,085	1,690,958
CENTRAL STORES (0011)	1,077,994	1,143,020	1,317,349	1,317,349	1,344,816
SOLID WASTE (0072)	217,818	288,209	506,299	469,135	749,164
TREE REMOVAL AND DISPOSAL FUND (0079)	-	-	-	-	409,956
METRO EXPANSION (0036)	-	-	357,081	357,081	350,000
WATER SUPPLY SYSTEM (0042)	699,682	365,541	229,500	219,500	229,500
SEWAGE DISPOSAL SYSTEM (0043)	294,137	318,713	212,500	212,500	213,500
PARKS SERVICE HEADQUARTERS (0015)	100,138	101,399	132,752	132,752	145,398
ELIZABETH R DEAN TRUST (0055)	(4,016)	44,830	87,387	87,387	89,821
PARKS MAINTENANCE & REPAIR MILLAGE (0005)	1,607	1,042	-	-	68,000
GENERAL (0010)	1,642,342	160,491	77,463	197,230	52,500
STORMWATER SEWER SYSTEM (0069)	150,837	13,564	20,000	20,000	22,000
CEMETERY PERPETUAL CARE (0054)	2,580	5,407	4,500	4,500	4,500
Total	\$14,348,294	\$11,926,882	\$13,169,863	\$12,858,866	\$13,722,245

**PUBLIC SERVICES AREA
FIELD OPERATIONS**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	6,989,442	6,947,462	7,478,890	7,457,901	7,295,552
PAYROLL FRINGES/INSURANCE	2,446,473	2,236,124	3,010,592	3,030,532	3,434,059
OTHER SERVICES	6,759,274	6,164,945	9,834,283	10,040,682	10,251,808
MATERIALS & SUPPLIES	2,017,701	2,093,033	2,549,771	2,545,308	2,520,492
OTHER CHARGES	1,897,560	985,037	1,475,092	1,200,592	2,024,001
PASS THROUGHS	1,163,890	1,404,858	1,120,605	620,605	763,606
CAPITAL OUTLAY	(411,594)	(283,666)	1,512,482	1,566,182	2,588,829
VEHICLE OPERATING COSTS	380,260	380,901	296,325	302,325	409,880
Total	\$21,243,006	\$19,928,694	\$27,278,040	\$26,764,127	\$29,288,227

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	7,769,606	5,904,407	5,473,791	5,491,330	5,494,507
SOLID WASTE (0072)	650,500	2,917,863	4,458,792	4,458,792	4,873,723
MAJOR STREET (0021)	3,328,314	3,275,484	4,143,605	4,143,605	4,338,153
WATER SUPPLY SYSTEM (0042)	1,885,268	1,629,692	2,949,483	2,949,483	3,386,872
STORMWATER SEWER SYSTEM (0069)	1,778,916	1,003,736	2,075,723	2,083,590	2,945,666
SEWAGE DISPOSAL SYSTEM (0043)	1,852,955	1,465,157	2,488,229	2,450,392	2,451,873
LOCAL STREET (0022)	1,527,113	1,375,227	1,748,696	1,745,650	1,792,101
PARKS REPAIR AND RESTORATION MILLAGE (0006)	1,043,947	1,195,668	2,045,154	1,545,154	1,597,341
CENTRAL STORES (0011)	1,009,861	992,223	1,317,348	1,281,612	1,344,816
TREE REMOVAL AND DISPOSAL FUND (0079)	-	-	-	-	409,956
METRO EXPANSION (0036)	-	-	357,081	393,581	350,000
PARKS SERVICE HEADQUARTERS (0015)	98,164	120,148	132,752	133,552	145,398
ELIZABETH R DEAN TRUST (0055)	117,565	41,518	87,386	87,386	89,821
PARKS MAINTENANCE & REPAIR MILLAGE (0005)	12,043	-	-	-	68,000
AIRPORT (0048)	31,848	7,571	-	-	-
1990 SOLID WASTE BOND ISSUE (0097)	110,258	-	-	-	-
FLEET SERVICES (0012)	26,648	-	-	-	-
Total	\$21,243,006	\$19,928,694	\$27,278,040	\$26,764,127	\$29,288,227

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
FIELD OPERATIONS	149.66	127.91	123.33	122.34
Total	149.66	127.91	123.33	122.34

PUBLIC SERVICES AREA FIELD OPERATIONS

Expenses

Personnel Services – Reduction of two FTE's in infrastructure staffing. (0021, 0072)

Payroll Fringes – Small increase in each fund mainly in medical insurance and retirement contribution. (0006, 0010, 0011, 0015, 0021, 0022, 0042, 0043, 0055, 0069, 0072)

Other Services –

- Fund 0079 reflects the Tree Removal and Disposal Fund for the Emerald Ash infestation. (0079)
- Reduction in tree trimming, park maintenance and repairs to fund Emerald Ash removal and replacement. (0006, 0010, 0021)
- Increase in street light electricity reflects the increase in energy charges. (0010)
- Absorbed Customer Service field staff and operations (0010, 0021)

Other Charges – Increase reflects IT charges for computer and software licenses and usage. (0006, 0010 0021, and 0069)

Pass-Throughs – Use of Prior Year Fund Balance in Solid Waste, Collection Services for planned equipment purchases. (0072)

Capital Outlay –

- Increase in equipment purchases in the Solid Waste, Collection Services. (0072)
- In the utility funds equipment purchases are budgeted in the operating budget. Increase reflects the projected vehicle replacements including heavy-duty dump trucks in 06/07. (0042)

Vehicle Operating Costs-

- Increase associated with increases in gasoline, diesel and natural gas prices. (0042, 0043, 0069, and 0072)
- Increase in Solid Waste, Compost Services Fleet Maintenance and Repair costs associated with equipment repair and maintenance. (0072)

PUBLIC SERVICES AREA FIELD OPERATIONS

❖ City Goals

➤ Service Area Goals

- **Service Unit Objectives**

❖ Ensure the long-term financial health and stability of the City.

➤ Ensure the long-term financial health and stability of the City.

- Cross-train staff to enable them to be multi-faceted and more capable to perform and provide all services to reduce cost and improve efficiencies.
- Review fees and charges to ensure cost recovery of services.

❖ Support a safe and reliable municipal infrastructure.

➤ Ensure the adequacy of City infrastructure.

- Provide a high level of maintenance and repair of the City's roadway, traffic signal systems, signs, radio communications, park operations and forestry, and solid waste and material recovery programs.
- Improve communications and interactions to ensure the proper coordination between maintenance and re-building efforts.
- Enhance improvement efforts to provide high quality and energy efficient systems, such as LED pedestrian and traffic lights.
- Continue the installation of LED street lighting, as funding becomes available through grants or assistance from Community partners, to reduce maintenance and energy costs.
- Complete Emerald Ash Tree removals within City rights-of-ways to assure public safety.

**PUBLIC SERVICES AREA
FIELD OPERATIONS (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.**

➤ Pursue high quality standards to enhance the quality of life and continue the preservation and conservation of natural resources.

- Continue to maintain high-level park aesthetics and forestry standards while increasing efficiencies.
- Re-establish urban reforestation through various options, including cooperative programs and partnerships with community groups, as well as state and federal agencies.
- Review street signage to limit the number of signs while providing proper guidance levels.

❖ **Deliver high quality City services in a cost effective manner.**

➤ Improve City's communication to employees and citizens to improve efficiencies, standards and the quality of life of the City.

- Continue team-building and employee improvement training for staff to ensure increased efficiencies and cost effective services.
- Analyze operations and activities on a regular basis to identify opportunities for improvement and cost containment.
- Pursue citizen surveys and information sharing strategies to improve customer satisfaction of City services.

**PUBLIC SERVICES AREA
FIELD OPERATIONS (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner (continued).**

➤ Develop a strategic technology plan to optimize technology in all Field Operations activities and eliminate inefficiencies to improve service delivery.

- Expand the use of Cityworks to include:
 - Valve maintenance (pilot program)
 - Ash Tree removal and replanting efforts
 - Routine urban forest maintenance (pilot program)
 - Cross Connection inspections
- Utilize ArcGis to maintain the Fairview Cemetery database.

➤ Develop a strategy to improve the leadership of the City and capabilities of employees including safety.

- Implement safety standards that include safety training and exercises.
- Maintain excellent safety program that identifies and minimizes risk.
- Increase the number of hours provided for in-depth safety training.
- Form a safety committee that identifies training needs, safety strategies, and review federal, and state guidelines for compliance.
- Continue to evaluate programs for alternatives and strategies to increase cost effectiveness (FY 07 targeted review of leaf collection and solid waste residential curbside collection).
- Continue to train team leaders and supervisors to improve their leadership skills.

**PUBLIC SERVICES AREA
FIELD OPERATIONS**

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 3	110034	0.50
ADMIN SUPPORT SPECIALIST LVL 4	110044	2.00
ADMIN SUPPORT SPECIALIST LVL 5	110054	2.00
AMR PROJECT COORDINATOR	115170	1.00
CIVIL ENGINEER II	002110	0.50
CIVIL ENGINEER IV	403840	0.05
CIVIL ENGINEER V	401330	0.05
ENVIRONMENTAL COORDINATOR	401410	0.06
FIELD OP TECH V - INFRA SYS CP	112845	3.67
FIELD OPER TECH I - FOR/FAC	112754	2.00
FIELD OPER TECH I - INFRA SYS	112804	4.75
FIELD OPER TECH I-COMM SYS	112704	3.00
FIELD OPER TECH II - COMM SYS	112714	2.00
FIELD OPER TECH II - FOR/FAC	112764	1.00
FIELD OPER TECH II - INFRA SYS	112814	6.67
FIELD OPER TECH III - COMM SYS	112724	0.97
FIELD OPER TECH III - FOR/FAC	112774	1.00
FIELD OPER TECH IV - COMM SYS	112734	3.56
FIELD OPER TECH IV - FOR/FAC	112784	12.98
FIELD OPER TECH IV - INFRA SYS	112834	25.57
FIELD OPER TECH V - COMM SYS	112744	3.87
FIELD OPER TECH V - FOR/FAC	112794	10.15
FIELD OPER TECH V - INFRA SYS	112844	9.95
FIELD OPERATIONS SERVICES MGR	403450	0.75
FIELD OPERATIONS SUPV I	192100	3.00
FIELD OPERATIONS SUPV II	192110	2.87
FIELD OPERATIONS SUPV III	192120	2.50
FIELD OPERATIONS SUPV IV	192130	1.00
FIELD OPERATIONS SUPV V	192140	1.00
FORESTRY GROUNDSPERSON I	112831	1.00
GIS COORDINATOR	401520	1.00
MANAGER - NAP PARKS	403320	1.00
NAP TECHNICIAN	193050	2.00
OPERATIONS SPECIALIST	112110	1.00
PARK RANGER II	113000	1.00
PERSONAL PROPERTY APPRAISER	401210	1.00
PUBLIC SERVICES AREA ADMIN	403410	0.05
TREE TRIMMER I	112851	2.00
TREE TRIMMER II	112861	1.00
UTILITIES ENGINEER II-A	401140	0.87
VEHICLE & EQUIPMENT TECH V	110125	1.00
VOLUNTEER & OUTREACH COOR NAP	190100	1.00
Total		122.34



PUBLIC SERVICES AREA

FLEET & FACILITIES

Fleet and Facilities Service Unit is responsible for the maintenance and repair of the City's 19 buildings and grounds, 800 vehicles and equipment including vehicle and fuel procurements as well as the operation of the City's airport and yard waste compost operation. There are 33.61 FTEs requested in this budget to accomplish the above described responsibilities of this unit.

**PUBLIC SERVICES AREA
FLEET & FACILITIES**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	790,860	793,208	819,686	847,642	1,237,663
INTRA GOVERNMENTAL SALES	3,587,684	2,488,680	5,241,058	5,074,088	5,607,015
INVESTMENT INCOME	(3,835)	35,512	29,500	58,950	29,500
MISCELLANEOUS REVENUE	151,949	256,394	164,500	81,525	96,000
PRIOR YEAR SURPLUS	-	-	1,217,697	224,229	28,410
OPERATING TRANSFERS	803,279	2,690,111	402,811	402,811	420,737
Total	\$5,329,937	\$6,263,905	\$7,875,252	\$6,689,245	\$7,419,325

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
FLEET SERVICES (0012)	3,741,938	4,700,186	6,809,157	5,594,619	5,965,015
AIRPORT (0048)	719,028	836,503	823,986	817,317	792,573
SOLID WASTE (0072)	430,513	150,990	95,000	130,200	491,000
GENERAL (0010)	438,458	576,226	147,109	147,109	170,737
Total	\$5,329,937	\$6,263,905	\$7,875,252	\$6,689,245	\$7,419,325

**PUBLIC SERVICES AREA
FLEET & FACILITIES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	1,830,312	2,111,177	2,160,618	2,188,115	2,009,827
PAYROLL FRINGES/INSURANCE	680,552	708,859	824,794	828,311	907,657
OTHER SERVICES	2,491,178	2,839,130	3,211,400	3,233,032	3,296,416
MATERIALS & SUPPLIES	113,378	143,989	134,874	166,611	132,882
OTHER CHARGES	1,344,567	1,895,761	983,627	985,549	867,710
PASS THROUGHES	1,057,908	560,866	2,194,145	1,637,145	683,219
CAPITAL OUTLAY	214,765	(206,028)	2,191,311	1,624,860	968,822
VEHICLE OPERATING COSTS	1,146,568	1,408,168	1,378,791	1,502,455	1,676,325
Total	\$8,879,228	\$9,461,922	\$13,079,560	\$12,166,078	\$10,542,858

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
FLEET SERVICES (0012)	3,665,674	4,422,722	6,760,921	5,832,733	4,503,801
SOLID WASTE (0072)	615,705	3,029,275	4,287,497	4,287,497	3,922,876
GENERAL (0010)	3,829,619	1,154,098	1,207,156	1,228,072	1,323,608
AIRPORT (0048)	768,230	855,827	823,986	817,776	792,573
Total	\$8,879,228	\$9,461,922	\$13,079,560	\$12,166,078	\$10,542,858

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
FLEET & FACILITIES	28.00	36.04	36.26	33.61
Total	28.00	36.04	36.26	33.61

**PUBLIC SERVICES AREA
FLEET & FACILITIES**

REVENUES

Charges for Service - The increase reflects a change in the way sale of recyclables is being recorded. There is no actual increase in revenue

Intra-governmental Sales – Fleet revenue increase is attributed to the increase in the fleet charges to cover the cost increases in fuel cost, repair charges, and replacement charges.

EXPENSES

Personnel Services – This decrease is associated with severance pay expense and the re-allocation of staff in the Compost organization.

Pass-Throughs – The decrease is the elimination of a one-time pay down on the cost of the new maintenance facility from the Fleet Fund.

Capital Outlay – The decrease reflects the normal variation in the type and quantity of vehicles and equipment anticipated to be replaced from year to year.

PUBLIC SERVICES AREA FLEET & FACILITIES

❖ City Goals

➤ Service Area Goals

- **Service Unit Objectives**

❖ Ensure the long-term financial health and stability of the City.

- Ensure the long-term financial health and stability of the City.
 - Optimize the size and cost of the City's fleet.
 - Continue to review the appropriate size of the City's fleet to meet the needs of its customers.
 - Implement the six-category vehicle evaluation system for vehicle replacements.
 - Maintain an energy efficient fleet.
 - Implement the Green Fleet Policy goals by purchasing vehicles and equipment that use renewable resources.
- Upgrade City facilities to reduce long-term maintenance costs.
 - Complete the deployment of computerized "Mainsaver" maintenance management system for preventative maintenance of City facilities.
 - Complete construction of the new larger Compost facility with the resultant expansion of the materials handled and related operations.
 - Complete the development of new corporate and commercial aircraft hangers at the airport.
 - Develop a plan for the efficient relocation of the Service Unit to the new Swiftrun Maintenance facility.
 - Develop an approach to enhancing the effectiveness of the management and maintenance of all City facilities.
 - Complete integration of all targeted facilities into the computerized Energy Management system.

**PUBLIC SERVICES AREA
FLEET & FACILITIES (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

- Improve City's communications to employees and citizens to improve morale and image of the City.
 - Ensure equipment maintenance services meets or exceeds customer expectations.
 - Involve front line staff in the selection of replacement vehicles and equipment.
 - Deploy an intranet based work request system for building repairs and equipment maintenance.
- Motivate and encourage employees to achieve their potential through performance management, employee development and sustainable incentives.
 - Expand employee training to maintain highly qualified Vehicle and Equipment Technicians familiar with the wide variety of vehicle and equipment in the City's fleet.
- Enhance the efficiency of Fleet management.
 - Continue the installation of the "Card less" fueling system on all City vehicles and equipment to eliminate hand entry of data.
 - Continue improvements to fleet charge system.

**PUBLIC SERVICES AREA
FLEET & FACILITIES**

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 5	110054	1.00
FACILITIES MAINTENANCE TECH IV	110234	3.00
FACILITIES MAINTENANCE TECH V	110244	4.00
FIELD OP TECH V - INFRA SYS CP	112845	0.33
FIELD OPER TECH I - INFRA SYS	112804	2.25
FIELD OPER TECH II - INFRA SYS	112814	2.33
FIELD OPER TECH IV - FOR/FAC	112784	0.02
FIELD OPER TECH IV - INFRA SYS	112834	1.28
FIELD OPER TECH V - FOR/FAC	112794	0.85
FIELD OPER TECH V - INFRA SYS	112844	0.05
FIELD OPERATIONS SUPV III	192120	0.50
FLEET & FAC OPER ASSISTANT	000590	1.00
FLEET & FACILITIES SUPV II	190014	1.00
FLEET & FACILITIES SUPV III	190024	1.00
FLEET & FACILITIES SUPV III	190025	1.00
FLEET & FACILITY SERVICE MNGR	403200	1.00
OPERATIONS ANALYST II	000530	1.00
PROCUREMENT COORDINATOR	117450	1.00
SCALEMASTER	116160	1.00
VEHICLE & EQUIPMENT TECH III	110104	1.00
VEHICLE & EQUIPMENT TECH IV	110114	1.00
VEHICLE & EQUIPMENT TECH IV	110115	4.00
VEHICLE & EQUIPMENT TECH V	110125	4.00
Total		33.61

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PUBLIC SERVICES AREA

PROJECT MANAGEMENT

The Project Management unit provides a wide range of engineering services including design and construction management, construction inspection, and traffic and transportation engineering. The unit focuses on timely completion of the City's capital improvement projects, traffic engineering services, private development construction services, infrastructure records maintenance, and securing outside funds and grants for the City's capital improvement projects. The budget includes 16.21 FTEs.

**PUBLIC SERVICES AREA
PROJECT MANAGEMENT**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	6,199,055	2,390,668	1,639,074	1,672,854	1,784,356
CONTRIBUTIONS	107,876	-	-	-	-
INTERGOVERNMENTAL REVENUES	123,270	-	-	-	-
INTRA GOVERNMENTAL SALES	-	-	-	-	-
MISCELLANEOUS REVENUE	2,303	12,082	-	-	-
OPERATING TRANSFERS	40,746	2,106,895	438,204	616,460	459,933
Total	\$6,473,250	\$4,509,645	\$2,077,278	\$2,289,314	\$2,244,289

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PROJECT MANAGEMENT (0049)	-	-	2,065,013	2,247,049	2,081,411
SPECIAL ASSESSMENTS (0031)	-	-	-	-	150,000
ALTERNATIVE TRANSPORTATION (0061)	-	-	12,265	12,265	12,878
GENERAL (0010)	5,845,469	2,759,026	-	30,000	-
STREET REPAIR MILLAGE (0062)	627,781	1,750,619	-	-	-
Total	\$6,473,250	\$4,509,645	\$2,077,278	\$2,289,314	\$2,244,289

**PUBLIC SERVICES AREA
PROJECT MANAGEMENT**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	1,010,497	956,131	1,138,278	1,193,632	1,053,799
PAYROLL FRINGES/INSURANCE	238,227	637,168	389,939	387,962	433,245
OTHER SERVICES	94,742	232,399	122,634	128,034	199,510
MATERIALS & SUPPLIES	13,378	12,984	19,650	19,150	19,650
OTHER CHARGES	137,406	283,769	1,834,773	1,768,873	1,518,852
PASS THROUGHGS	490,418	214,040	411,574	411,574	117,152
CAPITAL OUTLAY	-	6,679	7,500	6,500	157,500
VEHICLE OPERATING COSTS	24	-	-	-	-
Total	\$1,984,692	\$2,343,170	\$3,924,348	\$3,915,725	\$3,499,708

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PROJECT MANAGEMENT (0049)	-	-	2,003,708	1,995,085	2,010,621
STREET REPAIR MILLAGE (0062)	171,692	465,413	1,553,422	1,553,422	933,484
MAJOR STREET (0021)	119,954	196,415	256,664	256,664	298,190
SPECIAL ASSESSMENTS (0031)	-	-	-	-	150,000
LOCAL STREET (0022)	-	67,143	98,289	98,289	99,107
ALTERNATIVE TRANSPORTATION (0061)	-	-	12,265	12,265	8,306
GENERAL (0010)	1,693,046	1,614,199	-	-	-
Total	\$1,984,692	\$2,343,170	\$3,924,348	\$3,915,725	\$3,499,708

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
PROJECT MANAGEMENT	34.00	18.89	17.78	16.21
Total	34.00	18.89	17.78	16.21

**PUBLIC SERVICES AREA
PROJECT MANAGEMENT SERVICES UNIT**

REVENUES

Project Credits – The Project Management Services Unit has been operating as an Internal Service fund since the beginning of FY 2005-06. The Project Management Internal Service Fund receives pro-rated credits from other funds that are directly benefiting from the Project Management services and credits from the capital projects for project management services.

EXPENSES

Personnel Services – The net impact to personnel in Project Management is the elimination of 2.0 (FTE) Civil Engineer. The overall impact of the staff reductions will be managed by changes in our staffing approach to capital projects and other significant services.

Payroll Fringes – The net increase is due to incremental adjustments to the cost of benefits including retiree medical.

PUBLIC SERVICES AREA PROJECT MANAGEMENT

❖ City Goals

➤ Public Services Area Goals

▪ Service Unit Objectives

❖ Ensure the long-term financial health and stability of the City.

➤ Ensure the long-term financial health and stability of the City.

- Ensure successful completion of capital improvement projects, within budget and on schedule.**
- Obtain maximum Federal and State funds for completion of capital improvement projects.**
- Maintain an up-to-date fee schedule for an efficient private development construction plan review and inspection operation.**
- Create annual fee schedules for new utilities connections.**
- Provide the Customer Services Unit with the necessary information for proper billing of storm water utility charges.**

**PUBLIC SERVICES AREA
PROJECT MANAGEMENT (continued)**

❖ **City Goals**

➤ **Public Services Area Goals**

▪ **Service Unit Objectives**

❖ **Develop and support a safe and reliable municipal infrastructure.**

➤ Ensure the adequacy of City infrastructure.

- Review Right of Way permits for compliance with applicable ordinances and standard specifications.
- Inspect all construction activities within the public right of way to protect the existing infrastructure.
- Complete the capital improvement projects in a timely manner and in accordance with the approved FY 2006-2011 Capital Improvements Plan.
- Inspect the construction of public infrastructure by private developments and ensure their proper installation.
- Monitor and inspect the existing bridges and plan for their maintenance and replacement.
- Monitor and inspect the existing major and local streets and plan for their timely resurfacing or reconstruction.
- Replace inadequate underground utilities with new upgraded systems to ensure their dependable and safe operations.
- Review and manage the traffic signs and signals, conduct and review traffic impact studies and ensure safe operation of all modes of traffic in the City.

**PUBLIC SERVICES AREA
PROJECT MANAGEMENT (continued)**

❖ **City Goals**

➤ **Public Services Area Goals**

▪ **Service Unit Objectives**

❖ **Develop and support a safe and reliable municipal infrastructure.**

➤ **Ensure the adequacy of City infrastructure (continued).**

- Collaborate on the Non-Motorized Plan and prepare initial scoping/costing, design and inspection for the implementation of its parts to provide for safe and reliable bicycle and pedestrian transportation throughout the City.
- Continue the Traffic Calming program to ensure safe traffic movements in the residential neighborhoods.
- Maintain and update infrastructure As-Builts records.
- Work with the Ann Arbor Public Schools and the University of Michigan in the development of their projects, including construction of new utilities and reconstruction of sidewalks and roads.

❖ **Ensure a high quality of life, while balancing economic development and the preservation and conservation of natural resources.**

➤ **Ensure compliance with the Federal and State environmental rules and requirements.**

- Ensure compliance of public construction projects with the Americans with Disabilities Act (ADA) requirements.
- Ensure full compliance of all public projects with the requirements of State of Michigan Department of Environmental Quality.

**PUBLIC SERVICES AREA
PROJECT MANAGEMENT (continued)**

❖ **City Goals**

➤ **Public Services Area Goals**

▪ **Service Unit Objectives**

❖ **Foster a community with respect for cultural diversity and the open exchange of ideas.**

➤ Encourage public involvement in the capital improvement projects.

- Inform and invite public input in the design and construction of public facilities.

➤ Communicate, educate, and assist the public effectively.

- Provide technical assistance and act as a liaison between the public and various City departments, in order to help educate and effectively respond to citizen inquiries so that they can make informed decisions regarding the City infrastructure and its interface with their private property.

❖ **Continually improve the delivery of City services in a cost effective manner.**

➤ Continue to deliver high quality services while utilizing the existing resources.

- Implement the Project Management Unit's redesign recommendation.
- Realize and utilize staff's expertise to achieve optimum efficiency.
- Utilize all available resources for the review of private development construction plan projects and timely review and approval process.

PUBLIC SERVICES AREA
PROJECT MANAGEMENT

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 5	110054	0.97
ASST TO SOLID WASTE DIRECTOR	401070	0.25
CIVIL ENGINEER III	403620	2.22
CIVIL ENGINEER IV	403840	0.95
CIVIL ENGINEER V	401330	1.44
DRAFTSPERSON III	112210	2.32
ENGINEERING TECH SUPERVISOR	192050	0.50
ENGINEERING TECHNICIAN II	112020	2.00
ENGINEERING TECHNICIAN III	112030	1.25
ENGINEERING TECHNICIAN IV	112040	2.24
ENGINEERING TECHNICIAN IV	112041	0.44
MANAGEMENT ASSISTANT	000200	0.35
PROJECT MANAGEMENT MANAGER	403140	1.00
SENIOR SURVEYOR	112100	0.28
Total		16.21

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PUBLIC SERVICES AREA

ADMINISTRATION

Administration provides leadership, financial management, strategic planning, safety programming and oversight and communications support. Administration also provides support for the design and management of capital projects. There are 18.21 FTEs assigned to perform these functions in support of the service area.

**PUBLIC SERVICES AREA
ADMINISTRATION**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	(640,905)	82,006	32,000	352,000	33,000
INTRA GOVERNMENTAL SALES	994,510	414,261	-	-	-
INVESTMENT INCOME	228,207	2,186,171	1,265,811	1,380,000	1,306,159
LICENSES, PERMITS & REGISTRATION	101,544	66,401	110,000	110,000	110,000
MISCELLANEOUS REVENUE	(72,438)	179,894	190,000	270,000	195,000
PRIOR YEAR SURPLUS	-	-	6,508,450	6,486,700	894,492
TAXES	26,339	17,875,596	18,699,425	18,685,425	19,416,162
OPERATING TRANSFERS	2,776,349	2,493,394	2,436,608	2,436,608	2,491,553
Total	\$3,413,606	\$23,297,723	\$29,242,294	\$29,720,733	\$24,446,366

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
SOLID WASTE (0072)	1,603,930	10,329,417	11,121,000	11,511,000	11,232,498
STREET REPAIR MILLAGE (0062)	-	7,842,949	8,242,925	8,242,925	9,417,156
WATER SUPPLY SYSTEM (0042)	(200,889)	2,101,682	4,888,598	4,936,848	2,058,153
MAJOR STREET (0021)	643,833	725,350	1,050,000	880,000	690,000
SEWAGE DISPOSAL SYSTEM (0043)	774,386	882,318	3,578,960	3,797,960	682,400
LOCAL STREET (0022)	159,504	192,538	195,900	150,000	200,250
STORMWATER SEWER SYSTEM (0069)	143,262	235,638	164,911	202,000	165,909
SEWER BOND SERIES XIX 2004 (0076)	(143,448)	523,577	-	-	-
MUNICIPAL FACILITY CONSTRUCTION (0004)	55,081	156,088	-	-	-
WATER BOND SERIES Z 2004 (0095)	5,870	119,323	-	-	-
1990 SOLID WASTE BOND ISSUE (0097)	26,105	92,196	-	-	-
GENERAL (0010)	64,412	51,617	-	-	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	14,882	30,374	-	-	-
HYDROPOWER OPERATING FUND (0019)	267,881	8,519	-	-	-
SEWER BOND SERIES 2004-A SRF (0077)	199	8,365	-	-	-
ALTERNATIVE TRANSPORTATION (0061)	(1,601)	(233)	-	-	-
WATER BOND SERIES 2004-A DWRF (0098)	199	(1,995)	-	-	-
Total	\$3,413,606	\$23,297,723	\$29,242,294	\$29,720,733	\$24,446,366

**PUBLIC SERVICES AREA
ADMINISTRATION**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	1,069,998	988,005	864,988	821,801	1,151,231
PAYROLL FRINGES/INSURANCE	1,417,311	2,026,517	1,326,068	1,310,525	1,535,518
OTHER SERVICES	367,878	664,363	954,814	945,303	861,565
MATERIALS & SUPPLIES	66,644	34,078	46,804	46,454	85,602
OTHER CHARGES	10,526,530	12,661,764	15,041,085	14,369,425	15,909,870
PASS THROUGHS	2,207,439	3,287,156	9,146,097	9,146,097	3,322,720
CAPITAL OUTLAY	1,844	4,801	6,250	4,250	2,600
VEHICLE OPERATING COSTS	1,511	-	-	-	-
Total	\$15,659,155	\$19,666,684	\$27,386,106	\$26,643,855	\$22,869,106

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
SEWAGE DISPOSAL SYSTEM (0043)	5,235,662	7,654,184	11,306,478	11,195,853	9,376,794
WATER SUPPLY SYSTEM (0042)	5,317,623	7,185,984	10,422,574	9,897,167	7,767,064
MAJOR STREET (0021)	1,753,059	1,665,764	2,132,749	2,134,010	2,105,143
SOLID WASTE (0072)	-	2,495,699	1,875,371	1,875,371	2,038,870
STORMWATER SEWER SYSTEM (0069)	82,597	663,471	1,280,717	1,173,237	1,078,630
GENERAL (0010)	3,263,686	1,582	368,217	368,217	374,145
INSURANCE (0057)	-	-	-	-	128,460
AIRPORT (0048)	6,528	-	-	-	-
Total	\$15,659,155	\$19,666,684	\$27,386,106	\$26,643,855	\$22,869,106

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
ADMINISTRATION	13.35	14.27	12.19	18.21
Total	13.35	14.27	12.19	18.21

PUBLIC SERVICES AREA ADMINISTRATION

EXPENSES

Personnel Services, Payroll Fringes/Insurance - The increases reflect the redeployment of FTE's from other Service Units to provide a Safety Consultant position to work with the Public Services Area and with other City Service Areas and to provide a financial position to provide internal controls and oversight over the cash handling and billing functions of the Public Services Area. Other FTEs have also been reallocated to more closely reflect the work performed.

Other Services - Contracted Services in Major Streets decreased by approximately \$120,000 due to the decrease of available uncommitted funding.

Other Charges – Principal & Interest expenses are increasing in the Water Supply System and Sewage Disposal System as capital projects are identified and revenue bonds are required to finance the projects to completion.

Pass-Throughs -

- FY07 represents average yearly transfers and is a significant decrease from FY 06. Transfers in FY06 were high due to a one time buy-in payment for the Water Supply System, Sewage Disposal System and Stormwater System's share of the City Maintenance facility.
- IT Charges have increased due to increases in technology deployment for business efficiency and labor savings.

PUBLIC SERVICES AREA ADMINISTRATION

- ❖ **City Goals**
 - **Service Area Goals**
 - **Service Unit Objectives**

- ❖ **Ensure the long-term financial health and stability of the City.**
 - Ensure the long-term financial health and stability of the City.
 - Provide financial oversight and financial planning.
 - Provide internal control review and internal audit function.
 - Facilitate long-term sustainable operational changes to maximize services while minimizing costs.
 - Develop a long-term financial plan for Transportation services.
 - Develop a long-term financial plan for Fleet Services.
 - Assure the timely collection of outstanding charges as provided in Sale-for-Resale contracts.

- ❖ **Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.**
 - Provide technical and administrative support to the Allen's Creek Greenway Task Force in support of final report recommendations to Council, by October 1, 2006.

**PUBLIC SERVICES AREA
ADMINISTRATION (continued)**

❖ **City Goals**

➤ **Service Area Goals**

- **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner.**

- Improve City's communication to employees and citizens to improve morale and image of the City.
 - Improve communication to employees with quarterly Connections Newsletter.
 - Develop and implement a communication strategy geared towards community.
 - Continue publication of WaterMatters and Waste Watcher newsletters.
 - Have a presence on the City's Intranet for employee information.
 - Assist with the development of a coordinated Communications Office to serve Public Services Area and the City.
- Streamline business processes.
 - Standardize financial procedures and forms for accounting, budget monitoring, billing management and payroll.
 - Streamline the project closure process to reduce costs.
 - Facilitate changes across Service Units to allow for a better work flow.

**PUBLIC SERVICES AREA
ADMINISTRATION (continued)**

❖ **City Goals**

➤ **Service Area Goals**

- **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner (continued).**

- Motivate and encourage employees to achieve their potential through performance management, employee development and sustainable incentives.
 - Offer appropriate development opportunities for staff.
 - Provide training to facilitate upward mobility through the clerical progression.
 - Conduct employee evaluations and performance management.
 - Empower employees so that decisions are made by those with the most information.
- Develop a strategy to improve the leadership of the City and capabilities of employees including safety.
 - Provide cross-training and deploy multi-skilled employees.
 - Continue organizing and developing training plans and training documentation for all the PSA job progressions.
 - Develop a coordinated Safety Office to serve Public Services Area and the City.
 - Implement self-directed work teams.
- Deliver high quality City services in a cost effective manner.
 - Provide project management oversight so that the Maintenance Facility continues on time and on budget.
 - Facilitate continuing discussions regarding the Civic Center project.

**PUBLIC SERVICES AREA
ADMINISTRATION (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner (continued).**

➤ Develop a strategic plan to optimize technology in all City activities and eliminate City inefficiencies to improve service delivery.

▪ Assist with implementation of CityWorks to increase employee production and provide current data to critical areas throughout the organization.

**PUBLIC SERVICES AREA
ADMINISTRATION**

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ACCOUNTANT I	001250	1.00
ADMIN SUPPORT SPECIALIST LVL 3	110034	0.50
ADMIN SUPPORT SPECIALIST LVL 4	110044	1.00
ADMIN SUPPORT SPECIALIST LVL 5	110054	0.90
ASST TO SOLID WASTE DIRECTOR	401070	0.75
ASST. TO UTILITIES DIRECTOR	401060	1.00
COOR - PUBLIC INFO & EDUCATION	401160	1.00
DEVELOPMENT SRVS INSPECTOR V	110554	1.70
FIELD OPER TECH I - INFRA SYS	112804	3.00
FIELD OPER TECH III -INFRA SYS	112824	1.00
FIELD OPER TECH IV - INFRA SYS	112834	0.15
FIELD OPERATIONS SERVICES MANAGER	403450	0.25
FIELD OPERATIONS SUPV II	192110	0.13
MANAGEMENT ASSISTANT	000200	1.45
MGR - SAFETY & RISK MGMT	403110	1.00
OPERATIONS SUPERVISOR	401080	1.00
PUBLIC SERVICES AREA ADMIN	403410	0.95
PUBLIC SVCS - MAJOR PROJECTS	403780	0.20
SAFETY MANAGER	403230	1.00
SOLID WASTE PROGRAM COORD	404100	0.10
UTILITIES ENGINEER II-A	401140	0.13
Total		18.21

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PUBLIC SERVICES AREA

SYSTEMS PLANNING

The Systems Planning Unit of the Public Services Area is comprised of 15.85 FTEs in fiscal year 06/07. Systems Planning staff brings together diverse experience in solid waste and recycling, soil erosion, natural features, planning, public engagement, project management, transportation, GIS, stormwater and water resources, sanitary sewer and drinking water issues. The unit provides asset management for the Public Services Area including parks, solid waste, transportation, non-motorized transportation, sanitary, storm water and drinking water facilities; development of programs and policies that optimize service levels, environmental benefit and public investment; capital planning and budgeting; and infrastructure standards and specifications for facilities and activities within the Public Services Area. The unit also provides support for the implementation of GIS-based work management systems throughout the service area.

**PUBLIC SERVICES AREA
SYSTEMS PLANNING**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CONTRIBUTIONS	9,632	-	9,632	9,632	-
INTERGOVERNMENTAL REVENUES	13,423	-	-	-	-
INVESTMENT INCOME	3,282	7,159	2,000	2,000	2,000
MISCELLANEOUS REVENUE	-	-	-	-	-
PRIOR YEAR SURPLUS	-	-	1,425,465	1,425,465	107,785
OPERATING TRANSFERS	158,224	156,259	53,645	53,645	50,342
Total	\$184,561	\$163,418	\$1,490,742	\$1,490,742	\$160,127

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
ENERGY PROJECTS (0002)	169,189	165,133	160,000	160,000	160,127
WATER SUPPLY SYSTEM (0042)	-	-	1,024,471	1,024,471	-
STORMWATER SEWER SYSTEM (0069)	-	-	231,800	231,800	-
SEWAGE DISPOSAL SYSTEM (0043)	-	-	74,471	74,471	-
MAJOR GRANT PROGRAMS FUND (00MG)	15,372	(1,715)	-	-	-
Total	\$184,561	\$163,418	\$1,490,742	\$1,490,742	\$160,127

**PUBLIC SERVICES AREA
SYSTEMS PLANNING**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	529,876	758,212	1,273,285	1,217,374	1,143,685
PAYROLL FRINGES/INSURANCE	103,565	155,019	289,365	288,977	319,794
OTHER SERVICES	47,420	155,773	950,142	897,968	789,435
MATERIALS & SUPPLIES	5,903	6,463	86,400	86,400	86,400
OTHER CHARGES	6,878	13,124	190,744	190,744	254,296
PASS THROUGHGS	100,000	120,000	-	-	-
CAPITAL OUTLAY	43,382	17,481	201,200	201,200	233,700
Total	\$837,024	\$1,226,072	\$2,991,136	\$2,882,663	\$2,827,310

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
WATER SUPPLY SYSTEM (0042)	160,989	343,655	820,291	742,797	1,052,043
STORMWATER SEWER SYSTEM (0069)	126,123	197,226	264,330	246,054	517,478
SEWAGE DISPOSAL SYSTEM (0043)	24,336	124,781	744,342	751,523	500,339
SOLID WASTE (0072)	-	154,329	304,229	304,229	265,977
GENERAL (0010)	448,330	324,010	150,540	150,540	185,957
ENERGY PROJECTS (0002)	56,567	15,184	160,000	160,000	160,127
MAJOR STREET (0021)	6,898	66,083	547,404	527,520	145,389
MAJOR GRANT PROGRAMS FUND (00MG)	13,423	804	-	-	-
LOCAL STREET (0022)	288	-	-	-	-
AIRPORT (0048)	70	-	-	-	-
Total	\$837,024	\$1,226,072	\$2,991,136	\$2,882,663	\$2,827,310

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
SYSTEMS PLANNING	-	9.81	17.40	15.85
Total		9.81	17.40	15.85

**PUBLIC SERVICES
SYSTEMS PLANNING**

EXPENSES

Personnel Services –

- A decrease of 0.25 FTE due to assignment to capital projects (0042 Water)
- A decrease of 0.25 FTE due to assignment to capital projects (0043 Sewage Disposal System)
- A decrease of 0.5 FTE due to assignment to alternative transportation funding (0021 Major Streets)
- A shift in 0.5 FTE laboratory staff from Sewage Disposal System (0043) to Water (0042)

Other Services-

Increases:

- Undertaking of a Distribution System Master Plan update, \$200,000 (0042 Water)
- Undertaking completion of the Stormwater GIS layer and modeling, \$300,000 (0069 Stormwater)

Decreases:

- Completion of the Updated Transportation Master Plan, \$360,000 (0021 Major Streets)

PUBLIC SERVICES AREA SYSTEMS PLANNING

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Support a safe and reliable municipal infrastructure.

➤ Ensure the adequacy of City infrastructure.

- Lead the City's Alternative Transportation Program.
- Maintain an active role in AATA governance to help align AATA service delivery with City Goals.
- Evaluate Transportation Management Systems with the goal of developing an asset management strategy across all assets including bike lanes, sidewalks, pavement markings, signs in addition to roadways and bike paths.
- Complete the City Transportation Plan Update.
- Support the Footing Drain Disconnection Program/Development Mitigation to assure compliance with the administrative consent order.
- Develop a strategy for long-range administrative consent order compliance within the sanitary sewer system.
- Develop a stormwater model for use within the GIS platform.
- Develop a stormwater rate structure that recognizes appropriate site management and ensures adequate funding.
- Complete the Automated Meter Reading Conversion Project.
- Update the Water Distribution Master Plan.
- Review downtown redevelopment strategies and determine related infrastructure systems investment needs.
- Complete construction of the new waste transfer station.
- Complete construction of the new compost processing area:

**PUBLIC SERVICES AREA
SYSTEMS PLANNING (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Support a safe and reliable municipal infrastructure (continued).**

➤ **Ensure the adequacy of City infrastructure (continued).**

- Complete the upgrades of the material recovery facility.
- Finalize the design of new drop off facility.
- Review and comment on MDEQ's oversight of PAL/Gelman remediation in order to protect the City's water resources.
- Assist in the assessment and review of Brownfield Projects.

❖ **Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.**

➤ **Minimize development impacts.**

- Develop a new Flood Plan Ordinance for adoption of the flood plain maps and management of the flood plains.
- Review FEMA map modernization and re-mapping for accuracy before adoption of the documents.
- Support the City's Soil Erosion Sedimentation Control Program.
- Begin implementation of the Non-motorized Transportation Plan.
- Maintain a high level of involvement in regional transportation planning; MDOT's State Long-range Transportation Plan.

**PUBLIC SERVICES AREA
SYSTEMS PLANNING (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Foster a community with respect for diversity and the open exchange of ideas.**

➤ Support and demonstrate the City's guiding principles and desired behaviors.

- Address the top priorities of the environmental action plan when planning for proposed projects.
- Support the City in implementation of the ADA transition plan.
- Provide staff support for the Huron River and Impoundments Management Plan development process.
- Support the City's goal for renewable energy and assist units in achieving the goal.
- Develop an agreement with other units of government for shared use of an expanded drop off center for recyclables and home toxic wastes.

❖ **Deliver high quality City services in a cost effective manner.**

➤ Deliver high quality City services in a cost effective manner.

- Complete the City's Stormwater Rate Study.
- Manage Municipal energy purchases to achieve lowest rate possible within service requirements.
- Manage Energy Fund projects to ensure that projects, which support the renewable energy goal or have reasonable payback periods are undertaken.

**PUBLIC SERVICES AREA
SYSTEMS PLANNING (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Deliver high quality City services in a cost effective manner (continued).**

➤ **Streamline business processes.**

- Complete the installation of a Municipal Facility Energy Management System at City Hall.

➤ **Develop a strategic plan to optimize technology in all City activities and eliminate City inefficiencies to improve service delivery.**

- Continue the expansion of CityWorks to 3 additional sub-units (e.g. streets, signs and signals) within the Public Services Area.
- Update Water System Model.
- Update Sanitary System Model.
- Update Water Distribution Master Plan.

**PUBLIC SERVICES AREA
SYSTEMS PLANNING**

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 4	110044	0.05
ADMIN SUPPORT SPECIALIST LVL 5	110054	0.03
CITY PLANNER III	401030	1.00
CIVIL ENGINEER III	403620	0.50
CIVIL ENGINEER V	401330	0.95
ENERGY COORDINATOR	401170	1.00
ENVIRONMENTAL COORDINATOR	401410	0.94
ENVIRONMENTAL LAB ANALYST III	110334	4.98
ENVIRONMENTAL LAB SUPERVISOR	196930	0.50
LAND DEVELOPMENT COORDINATOR	114420	1.00
MANAGEMENT ASSISTANT	000200	0.10
RECYCLING COORDINATOR	401230	1.00
SENIOR GIS SPECIALIST	401340	1.00
SENIOR UTILITIES ENGINEER	404000	0.30
SOLID WASTE PROGRAM COORD	404100	0.90
SYSTEMS PLANNING MANAGER	401320	1.00
TRANSPORTATION PROGRAM MANAGER	404030	0.40
WATER QUALITY MANAGER	403820	0.20
Total		15.85

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PUBLIC SERVICES AREA

WASTEWATER TREATMENT SERVICES

Wastewater Treatment Services is responsible for the effective collection, treatment and environmentally acceptable discharge of the wastewater generated by the Ann Arbor community. There are 33.75 FTEs assigned to Wastewater Treatment Services who are responsible for the operation and maintenance of the City's Wastewater Treatment Plant and eight sewage lift stations located around the City.

**PUBLIC SERVICES AREA
WASTEWATER TREATMENT SERVICES**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
MISCELLANEOUS REVENUE	-	587	5,000	5,000	5,000
OPERATING TRANSFERS	250,000	249,996	250,000	250,000	250,000
Total	\$250,000	\$250,583	\$255,000	\$255,000	\$255,000

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
SEWAGE DISPOSAL SYSTEM (0043)	250,000	250,583	255,000	255,000	255,000
Total	\$250,000	\$250,583	\$255,000	\$255,000	\$255,000

**PUBLIC SERVICES AREA
WASTEWATER TREATMENT SERVICES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	2,018,956	2,098,375	2,143,265	2,059,383	2,266,857
PAYROLL FRINGES/INSURANCE	779,215	495,757	886,456	886,267	1,050,234
OTHER SERVICES	2,209,684	2,342,108	2,585,005	2,410,175	2,888,766
MATERIALS & SUPPLIES	540,956	571,205	571,730	487,150	591,680
OTHER CHARGES	359,717	81,508	244,158	239,844	558,853
PASS THROUGHS	5,862	9,000	-	-	-
CAPITAL OUTLAY	42,454	3,632	105,747	105,747	77,900
VEHICLE OPERATING COSTS	-	1,261	-	-	-
Total	\$5,956,844	\$5,602,846	\$6,536,361	\$6,188,566	\$7,434,290

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
SEWAGE DISPOSAL SYSTEM (0043)	5,956,844	5,602,846	6,536,361	6,188,566	7,434,290
Total	\$5,956,844	\$5,602,846	\$6,536,361	\$6,188,566	\$7,434,290

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
WASTEWATER TREATMENT SERVICES	36.00	35.06	32.15	33.75
Total	36.00	35.06	32.15	33.75

**PUBLIC SERVICES AREA
WASTEWATER TREATMENT SERVICES**

EXPENSES

Personnel Services – The increase in Personnel Services costs during FY07 as compared to FY06 is due to slightly increased costs for Permanent Time Worked, Comp Time Used, Overtime Paid and Severance Pay due to staff progression.

Payroll Fringes – The increase in costs for Payroll Fringes during FY07 as compared to FY06 is due mainly to increased costs for Medical Insurance, Retiree Medical Insurance and Retirement Contribution.

Other Services – The increase in costs for Other Services during FY07 as compared to FY06 is due to increased costs for Natural Gas, Electricity and Contracted Services.

Materials & Supplies – The increase in costs for Materials & Supplies during FY07 as compared to FY06 reflects increased unit costs for items necessary for the operation and maintenance of the WWTP.

Other Charges – The increase in costs for Other Charges during FY07 as compared to FY06 is due to an increase in the IT Fund charges and the inclusion of an operating contingency with major construction activity on the site.

Capital Outlay – The decrease in costs for Capital Outlay during FY07 as compared to FY06 reflects the difference in cost for capital purchases and projects between these fiscal years. Capital outlay expenses are for items necessary to maintain treatment process integrity and vary from one fiscal year to the next.

PUBLIC SERVICES AREA WASTEWATER TREATMENT SERVICES

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Develop and support a safe and reliable municipal infrastructure.

➤ Ensure the adequacy of City Infrastructure.

- Complete Lakewood Pump Station and Force Main Project to renovate the sanitary sewage pump station and replace the force main, including installation of an emergency electricity generator.**
- Complete design of Facilities Renovation Project to renovate and replace existing structures and equipment.**
- Complete design of Residuals Handling Improvements Project to renovate and replace existing solids handling equipment.**
- Complete design and construction of Sewage Lift Pump Repair Project to renovate existing sanitary sewage lift pumps.**
- Install emergency backup generators at Sequoia and Franklin sanitary sewage pump stations.**

❖ Continually improve the delivery of City services in a cost effective manner.

➤ Deliver high quality City services in a cost effective manner.

- Treat wastewater to the highest achievable water quality standards.**
- Voluntarily comply with phosphorus waste load allocation.**
- Train appropriate staff to utilize predictive maintenance technologies.**
- Optimize preventive maintenance through the use of Mainsaver.**
- Maximize the use of process and information control system.**
- Maintain an excellent safety program and minimize risk.**
- Provide plant specific competency training to plant personnel to support staff development and assure operational reliability.**

PUBLIC SERVICES AREA
WASTEWATER TREATMENT SERVICES

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 2	110024	1.00
ADMIN SUPPORT SPECIALIST LVL 5	110054	1.00
ASST WWTP SUPERINTENDENT	401010	1.90
ELECTIRICAL & CONTROL TECH III	116234	2.00
ELECTIRICAL & CONTROL TECH IV	116244	1.00
FIELD OPER TECH V - INFRA SYS	112844	1.00
PROCESS CONTROL SYSTEM SPEC	403190	1.00
SENIOR UTILITIES ENGINEER	404000	1.00
UTILITIES MAINT SUPERVISOR	196281	1.00
WATER UTILITY SUPERVISOR II	197411	2.00
WATER UTILITY SUPERVISOR III	197420	1.00
WATER UTILITY SUPERVISOR III	197421	2.00
WATER UTILITY TECHNICIAN I	117400	2.00
WATER UTILITY TECHNICIAN I	117401	1.00
WATER UTILITY TECHNICIAN II	117411	1.00
WATER UTILITY TECHNICIAN IV	117431	2.00
WATER UTILITY TECHNICIAN V	117440	3.00
WATER UTILITY TECHNICIAN V	117441	8.00
WWTP SUPERINTENDENT	401300	0.85
Total		33.75



PUBLIC SERVICES AREA

WATER TREATMENT SERVICES

Water Treatment Services is primarily responsible for processing and supplying safe drinking water for the citizens of Ann Arbor by operation of the treatment plant and associated facilities. The Water Treatment Plant has 23.63 FTEs responsible for the operation of the treatment plant; six remote pumping stations; nineteen million gallons of storage capacity; four dams; source water facilities and two hydro-electric plants.

**PUBLIC SERVICES AREA
WATER TREATMENT SERVICES**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	278,462	237,417	350,000	350,000	350,000
INTERGOVERNMENTAL REVENUES	16,229	5,040	-	-	-
INTRA GOVERNMENTAL SALES	142,010	122,316	-	-	-
MISCELLANEOUS REVENUE	30,000	3,222	-	-	-
PRIOR YEAR SURPLUS	-	-	45,308	45,308	200,000
OPERATING TRANSFERS	30,000	430,000	30,000	30,000	30,000
Total	\$496,701	\$797,995	\$425,308	\$425,308	\$580,000

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	-	663,435	370,000	370,000	370,000
WATER SUPPLY SYSTEM (0042)	164,053	134,560	55,308	55,308	210,000
HYDROPOWER OPERATING FUND (0019)	291,730	-	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	40,918	-	-	-	-
Total	\$496,701	\$797,995	\$425,308	\$425,308	\$580,000

**PUBLIC SERVICES AREA
WATER TREATMENT SERVICES**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	1,802,399	1,655,802	1,662,958	1,632,378	1,653,691
PAYROLL FRINGES/INSURANCE	657,736	385,083	655,881	655,869	801,510
OTHER SERVICES	1,779,574	1,795,593	2,047,675	2,135,435	2,380,246
MATERIALS & SUPPLIES	1,106,259	1,218,147	1,424,547	1,356,445	1,461,778
OTHER CHARGES	1,226,129	1,018,289	216,561	216,561	278,983
PASS THROUGHGS	-	400,000	10,495	10,495	11,374
CAPITAL OUTLAY	-	10,597	834,808	601,808	294,000
Total	\$6,572,097	\$6,483,511	\$6,852,925	\$6,608,991	\$6,881,582

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
WATER SUPPLY SYSTEM (0042)	6,071,840	5,687,001	6,682,657	6,468,223	6,703,447
GENERAL (0010)	-	142,682	170,268	140,768	178,135
HYDROPOWER OPERATING FUND (0019)	459,335	653,473	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	40,922	355	-	-	-
Total	\$6,572,097	\$6,483,511	\$6,852,925	\$6,608,991	\$6,881,582

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
WATER TREATMENT SERVICES	28.00	24.34	21.56	23.63
Total	28.00	24.34	21.56	23.63

**PUBLIC SERVICES
WATER TREATMENT SERVICES**

EXPENSES

Personnel Services – The budget increase is due to employee progression and an increase of 1FTE.

Payroll Fringes - The budget increase reflects increase in medical insurance, retiree medical insurance and retirement contribution.

Other Services - The increase reflects the increase in natural gas, electrical and sludge hauling costs.

Materials and Supplies - The increase reflects rising cost of water treatment chemicals, and materials and supplies that includes spares for equipment and consumables.

Other Charges - The budget increase reflects an increase in IT fund charges.

Capital Outlay - The decrease reflects that the unit is completing the initiatives started in FY06. For FY07, it includes replacement of a network switch for the process control system, replacement of lime-slakers and concrete repairs at the water treatment plant.

PUBLIC SERVICES AREA WATER TREATMENT SERVICES

❖ City Goals

➤ Service Area Goals

- **Service Unit Objectives**

❖ Support a safe and reliable municipal infrastructure.

- Ensure the adequacy of City infrastructure.
 - Provide effective water systems and facilities planning.
 - Complete modifications at the North Campus pump station.
 - Initiate West High Service upgrades contingent upon agreement with Scio Township.
 - Enhance security of the drinking water system, dams and hydropower.
 - Maintain and improve water supply facilities.

❖ Deliver high quality City services in a cost effective manner.

- Deliver high quality City services in a cost effective manner.
 - Improve customer satisfaction with distribution water quality.
 - Maintain compliance with all applicable drinking water regulations.
- Develop a strategic technology plan to optimize technology in all City activities and eliminate City inefficiencies to improve service delivery.
 - Maximize use of Process Information Control Services.
- Develop a strategy to improve the leadership of the City and capabilities of employees including safety.
 - Continue training for supervisors to be effective leaders.
 - Maintain an excellent safety program and minimize risk.
 - Continue providing plant-specific competency training at WTP to support staff development and assure operational reliability.

PUBLIC SERVICES AREA
WATER TREATMENT SERVICES

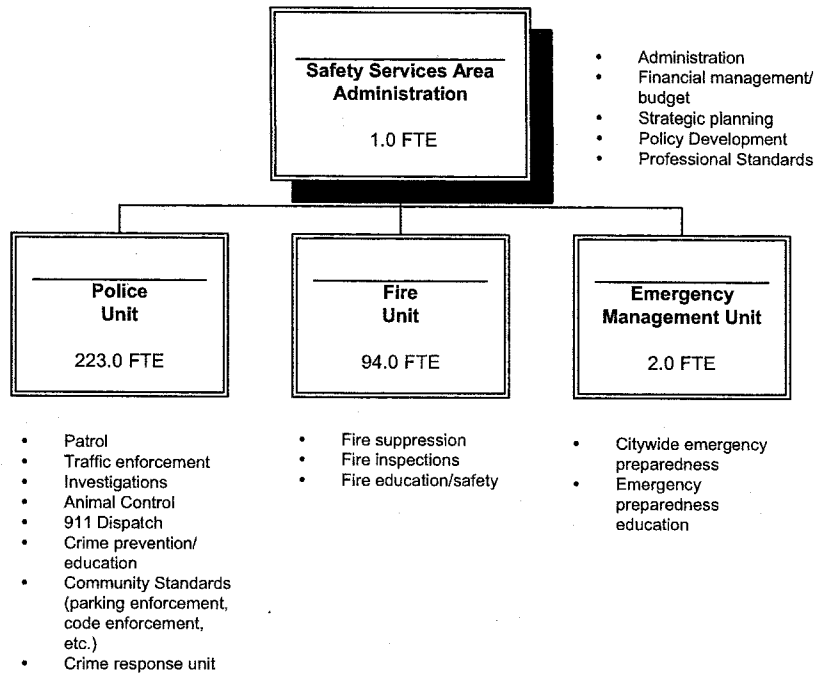
Allocated Positions

Job Description	Job Class	2006-07 FTE's
ADMIN SUPPORT SPECIALIST LVL 4	110044	0.95
ASST WTP SUPERINTENDENT	401020	0.94
ELECTRICAL & CONTROL TECH III	116234	1.00
ELECTRICAL & CONTROL TECH IV	116244	0.98
FIELD OPER TECH I - INFRA SYS	112804	1.00
PROCESS CONTROL SYSTEM SPEC	403190	0.96
PROCUREMENT COORDINATOR	117450	0.93
SENIOR UTILITIES ENGINEER	404000	0.23
WATER QUALITY MANAGER	403820	0.74
WATER UTILITY SUPERVISOR II	197410	1.00
WATER UTILITY SUPERVISOR II	197411	1.00
WATER UTILITY SUPERVISOR III	197421	2.97
WATER UTILITY TECHNICIAN I	117400	4.00
WATER UTILITY TECHNICIAN I	117401	1.00
WATER UTILITY TECHNICIAN IV	117431	1.00
WATER UTILITY TECHNICIAN V	117441	3.97
WTP SUPERINTENDENT	401310	0.96
Total		23.63



SAFETY SERVICES AREA

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The Safety Services Area is comprised of three Service Area Units: Emergency Management, Fire, and Police Services. These Service Units provide the organization with a broad array of services such as: Citywide emergency preparedness & education, fire suppression, fire inspections, fire safety, police patrol, traffic enforcement, animal control, parking enforcement, code enforcement, and police investigations.

Safety Services Area

SAFETY SERVICES AREA

Revenues By Service Unit

Service Unit	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
POLICE	5,695,576	4,501,225	4,886,020	4,962,634	4,581,621
FIRE	938,934	420,311	517,600	812,600	180,600
Total	\$6,634,510	\$4,921,536	\$5,403,620	\$5,775,234	\$4,762,221

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	4,667,692	4,842,350	4,981,760	5,353,374	4,582,121
MAJOR GRANT PROGRAMS FUND (00MG)	395,016	-	112,100	112,100	112,100
MICHIGAN JUSTICE TRAINING (0064)	19,667	54,988	46,000	46,000	46,000
DRUG ENFORCEMENT (0027)	2,076	8,018	12,000	12,000	12,000
POLICE AND FIRE RELIEF (0053)	3,703	13,189	10,000	10,000	10,000
FEDERAL EQUITABLE SHARING FORFEITURE (0028)	210,231	2,608	170,619	170,619	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	1,300,000	-	70,570	70,570	-
LOCAL LAW ENFORCEMENT BLOCK GRANT (0007)	36,125	383	571	571	-
Total	\$6,634,510	\$4,921,536	\$5,403,620	\$5,775,234	\$4,762,221

SAFETY SERVICES AREA

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
POLICE	22,807,493	24,272,784	24,718,350	24,549,058	25,790,079
FIRE	11,128,579	12,274,360	11,620,681	11,718,001	12,600,302
Total	\$33,936,072	\$36,547,144	\$36,339,031	\$36,267,059	\$38,390,381

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	33,109,976	35,364,065	36,043,842	35,971,870	38,338,381
MICHIGAN JUSTICE TRAINING (0064)	29,116	29,735	42,000	42,000	40,000
DRUG ENFORCEMENT (0027)	9,524	9,254	12,000	12,000	12,000
FEDERAL EQUITABLE SHARING FORFEITURE (0028)	109,720	105,962	170,619	170,619	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	228,385	1,001,050	70,570	70,570	-
LOCAL LAW ENFORCEMENT BLOCK GRANT (0007)	36,124	20,879	-	-	-
MAJOR GRANT PROGRAMS FUND (00MG)	413,227	9,282	-	-	-
HOMELAND SECURITY GRANT FUND (0017)	-	6,917	-	-	-
Total	\$33,936,072	\$36,547,144	\$36,339,031	\$36,267,059	\$38,390,381

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
FIRE	100.08	102.00	94.00	94.00
POLICE	236.33	224.84	226.42	226.00
Total	336.41	326.84	320.42	320.00





SAFETY SERVICES AREA

FIRE

The Fire Services Unit provides a broad range of services to the community including traditional fire and emergency medical services, fire prevention and safety education, rescue and hazardous materials operations and fire inspections. The service unit has 94.0 FTEs.

**SAFETY SERVICES AREA
FIRE**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	454,884	435,130	442,600	742,600	110,600
CONTRIBUTIONS	398,767	-	5,000	-	-
INTERGOVERNMENTAL REVENUES	6,289	-	-	-	-
INTRA GOVERNMENTAL SALES	56,342	-	-	-	-
MISCELLANEOUS REVENUE	22,652	(14,819)	-	-	-
PRIOR YEAR SURPLUS	-	-	-	-	-
OPERATING TRANSFERS	-	-	70,000	70,000	70,000
Total	\$938,934	\$420,311	\$517,600	\$812,600	\$180,600

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	876,303	420,311	447,600	742,600	110,600
MAJOR GRANT PROGRAMS FUND (00MG)	62,631	-	70,000	70,000	70,000
Total	\$938,934	\$420,311	\$517,600	\$812,600	\$180,600

**SAFETY SERVICES AREA
FIRE**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	6,867,903	7,841,865	6,785,396	6,819,116	7,222,563
PAYROLL FRINGES/INSURANCE	2,564,132	2,452,213	3,091,955	3,091,955	3,663,196
OTHER SERVICES	319,530	410,266	849,708	849,708	869,706
MATERIALS & SUPPLIES	101,459	138,664	165,250	160,250	160,250
OTHER CHARGES	270,611	45,964	415,494	415,494	398,031
PASS THROUGHGS	182,729	1,179,534	96,978	96,978	70,000
CAPITAL OUTLAY	559,607	64,658	90,000	90,000	90,000
VEHICLE OPERATING COSTS	53,008	204	-	-	-
EMPLOYEE ALLOWANCES	209,600	140,992	125,900	194,500	126,556
Total	\$11,128,579	\$12,274,360	\$11,620,681	\$11,718,001	\$12,600,302

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	11,044,870	12,286,698	11,620,681	11,718,001	12,600,302
MAJOR GRANT PROGRAMS FUND (00MG)	83,709	(12,338)	-	-	-
Total	\$11,128,579	\$12,274,360	\$11,620,681	\$11,718,001	\$12,600,302

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
FIRE	100.08	102.00	94.00	94.00
Total	100.08	102.00	94.00	94.00

**SAFETY SERVICES AREA
FIRE SERVICES UNIT**

REVENUES

Charges for Services/General Fund – This category covers revenue from State shared revenue for U of M fire protection; false alarm fees, fire inspections fees, and fire plan review fees. The decrease is a result of making projections that are based on staffing changes within the fire department and analyzing the limited historical data available. It is a significant change due to projections made when last year's budget was prepared.

EXPENSES

Personnel Services – The increase reflects the following staff changes:

- The replacement of 7 Firefighters through attrition;
- The Fire Department will operate a minimum of five trucks, one in each of stations 1, 3, 4, 5, and 6.

Payroll Fringes – This reflects the changes made to the employee health benefits program.

Other Charges – This reflects a decrease in the IT fund.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Fire Services Unit would be charged \$1,051,950 in 2006/07.

SAFETY SERVICES AREA FIRE SERVICES UNIT

❖ City Goals

➤ Service Area Goals

▪ Service Unit Objectives

❖ Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.

➤ Minimize and/or prevent the occurrence of fires in the community.

- Increase the annual amount of inspections of existing buildings by the Fire Prevention Division.**
- Institute a regular program of fire company familiarization inspections of existing buildings, and coordinate these efforts and findings with the Fire Prevention Division.**
- Capture all data from inspections with Firehouse software and produce monthly reports and useful data for analysis and deployment purposes.**
- Utilize CTN, the school system and live demonstrations to disseminate information that will help achieve our safety objectives.**

➤ Maintain a high level of service in a cost effective manner.

- Utilize response time data from the new CAD system implemented in January 2005 to analyze and improve service.**
- Strategically deploy staffing and equipment to improve response time for primary and secondary units.**

**SAFETY SERVICES AREA
FIRE SERVICES UNIT (continued)**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.**

- Re-establish a consistent and comprehensive training program for all members of the Fire Services Unit.
 - Prepare and implement a comprehensive plan for training all members of the Unit annually in all required subjects to comply with State and Federal law.
 - Re-staff the HAZMAT and Technical Rescue Team to the appropriate levels to maintain proper readiness, and conduct quarterly training of each team.
 - Participate in at least one comprehensive major disaster exercise as directed by the Office of Emergency Management.

❖ **Deliver high quality City services in a cost effective manner.**

- Utilize information technology to be as efficient as possible.
 - Develop and utilize reports and statistical analysis to increase efficiencies.
 - Share intra-department information to expedite common tasks.

**SAFETY SERVICES AREA
FIRE**

Allocated Positions

Job Description	Job Class	2006-07 FTE's
APPARATUS MASTER MECH 40 HRS	131731	1.00
ASST FIRE CHIEF 40 HRS	131760	1.00
ASST FIRE CHIEF 40 HRS	131761	1.00
BATTALION CHIEF 50.40/HRS	131741	2.00
BATTALION CHIEF 50.40/HRS	131742	1.00
BATTALION CHIEF/TRNG 40LT DUTY	131850	1.00
DRIVER/OPERATOR 50.40 HRS	131660	10.00
DRIVER/OPERATOR 50.40 HRS	131661	5.00
DRIVER/OPERATOR 50.40 HRS	131662	6.00
FIRE - CAPTAIN 50.40 HRS	131771	1.00
FIRE - CAPTAIN 50.40 HRS	131772	1.00
FIRE CAPTAIN 50.40 HRS	131770	1.00
FIRE CHIEF	403390	1.00
FIRE INSPECTOR 40 HRS	131722	3.00
FIRE LIEUTENANT 50.40 HRS	131710	10.00
FIRE LIEUTENANT 50.40 HRS	131711	6.00
FIRE LIEUTENANT 50.40 HRS	131712	3.00
FIRE MARSHAL 40 HRS	131750	1.00
FIREFIGHTER 50.4 HIRED > 1/92	131820	21.00
FIREFIGHTER 50.4 HIRED > 1/92	131821	6.00
FIREFIGHTER 50.4 HIRED > 1/92	131822	10.00
MANAGEMENT ASSISTANT	000200	2.00
Total		94.00

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SAFETY SERVICES AREA

POLICE

The Police Services Unit is comprised of two divisions: Patrol and Support Services. The divisions provide the organization with a broad array of services such as: uniformed patrol, traffic enforcement, animal control, ordinance enforcement, community affairs, professional standards, parking enforcement, general investigations, specialized investigations, training, recruiting, hiring, data processing, records management, and public safety dispatch. The service unit employs 224.0 FTEs. The Emergency Management Services Unit has 2.0 FTEs and is responsible for the coordination of Citywide emergency preparedness. The unit also manages overall emergency response and recovery, intergovernmental emergency cooperation, emergency public information, and administers state and federal grants.

**SAFETY SERVICES AREA
POLICE**

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	1,862,443	1,612,988	1,765,698	1,749,451	1,642,765
CONTRIBUTIONS	39,276	34,657	50,684	31,517	40,000
FINES & FORFEITS	2,074,065	2,610,337	2,712,006	2,861,373	2,712,006
INTERGOVERNMENTAL REVENUES	222,874	146,911	134,000	81,520	80,000
INTRA GOVERNMENTAL SALES	167,271	-	-	-	-
INVESTMENT INCOME	4,122	18,184	11,571	11,571	11,000
MISCELLANEOUS REVENUE	14,512	(2,075)	10,314	26,096	3,750
PRIOR YEAR SURPLUS	-	-	129,647	129,006	20,000
OPERATING TRANSFERS	1,311,013	80,223	72,100	72,100	72,100
Total	\$5,695,576	\$4,501,225	\$4,886,020	\$4,962,634	\$4,581,621

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	3,791,389	4,422,039	4,534,160	4,610,774	4,471,521
MICHIGAN JUSTICE TRAINING (0064)	19,667	54,988	46,000	46,000	46,000
MAJOR GRANT PROGRAMS FUND (00MG)	332,385	-	42,100	42,100	42,100
DRUG ENFORCEMENT (0027)	2,076	8,018	12,000	12,000	12,000
POLICE AND FIRE RELIEF (0053)	3,703	13,189	10,000	10,000	10,000
FEDERAL EQUITABLE SHARING FORFEITURE (0028)	210,231	2,608	170,619	170,619	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	1,300,000	-	70,570	70,570	-
LOCAL LAW ENFORCEMENT BLOCK GRANT (0007)	36,125	383	571	571	-
Total	\$5,695,576	\$4,501,225	\$4,886,020	\$4,962,634	\$4,581,621

**SAFETY SERVICES AREA
POLICE**

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	15,367,807	16,475,004	15,600,844	15,476,341	15,611,551
PAYROLL FRINGES/INSURANCE	4,420,095	4,421,911	5,438,867	5,354,108	6,559,491
OTHER SERVICES	1,668,481	1,797,240	1,410,916	1,465,127	1,514,068
MATERIALS & SUPPLIES	153,242	142,382	176,107	157,142	165,500
OTHER CHARGES	503,259	35,540	1,495,018	1,505,714	1,560,288
PASS THROUGHGS	17,254	533,442	42,100	42,100	42,100
CAPITAL OUTLAY	386,259	555,615	275,298	281,962	68,480
VEHICLE OPERATING COSTS	45,896	30,813	29,000	16,364	29,000
EMPLOYEE ALLOWANCES	245,200	280,837	250,200	250,200	239,600

Total	\$22,807,493	\$24,272,784	\$24,718,350	\$24,549,058	\$25,790,079
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Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	22,065,106	23,077,367	24,423,161	24,253,869	25,738,079
MICHIGAN JUSTICE TRAINING (0064)	29,116	29,735	42,000	42,000	40,000
DRUG ENFORCEMENT (0027)	9,524	9,254	12,000	12,000	12,000
FEDERAL EQUITABLE SHARING FORFEITURE (0028)	109,720	105,962	170,619	170,619	-
GENERAL CAPITAL IMPROVEMENTS (00CP)	228,385	1,001,050	70,570	70,570	-
MAJOR GRANT PROGRAMS FUND (00MG)	329,518	21,620	-	-	-
LOCAL LAW ENFORCEMENT BLOCK GRANT (0007)	36,124	20,879	-	-	-
HOMELAND SECURITY GRANT FUND (0017)	-	6,917	-	-	-

Total	\$22,807,493	\$24,272,784	\$24,718,350	\$24,549,058	\$25,790,079
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FTE Count

Category	2003/04	2004/05	2005/06	2006/07
POLICE	236.33	224.84	226.42	226.00
Total	236.33	224.84	226.42	226.00

**SAFETY SERVICES AREA
POLICE SERVICES UNIT**

REVENUES

Fines & Forfeits – It is expected that revenues will continue to decrease in alarm response due to residents changing procedures for police response with the alarm companies.

Prior Year Fund Balance –Completion of the last phase of the combined dispatch center project that included putting mobile computers in the fire trucks during FY 05/06.

Federal Equitable Sharing Forfeiture Funds, Fund 0028 – This reflects the purchase of tasers for the police officers during FY 05/06. The remaining funds will be used for a special law enforcement project. The federal funding was an unexpected disbursement as a result of the massage parlor investigation, which the fund was originally set up for.

EXPENSES

Personnel Services – No change, remains constant.

Payroll Fringes – This reflects the continuing changes made to the employee health benefits program.

Other Charges – The increase in Fleet Services reflects the Special Tactics Unit Van and trailer, the Emergency Operations Center Mobile Command post. The vehicles and trailer were purchased with Homeland Security Grants, however, maintenance of the vehicles and trailer must be maintained through general funds.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Police Services Unit would be charged \$2,736,201 (includes \$539,252 for parking enforcement-patrol division) in 2006/07.

**SAFETY SERVICES AREA
POLICE SERVICES UNIT**

❖ **City Goals**

➤ **Service Area Goals**

▪ **Service Unit Objectives**

❖ **Ensure a high quality of life, while balancing economic development with the preservation and conservation of natural resources.**

❖ **Deliver high quality City services in a cost effective manner.**

➤ Increase case clearances by arrest by 1% by 6/30/2007.

➤ Increase case clearance rate by 1% by 6/30/2007.

➤ Identify two (2) most important goals each for the Police Department Units: Emergency Management, Professional Standards, Financial Services, and Special Services by 9/30/06.

Note: Police are still going through the City's performance metrics training which will result in clear, concise and measurable objectives.

SAFETY SERVICES AREA POLICE

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ACCOUNT CLERK III	681120	1.00
ACCOUNTS COORDINATOR	180340	1.00
ACCOUNTS COORDINATOR W/EDUC	180341	1.00
ADMIN SUPPORT SPECIALIST LVL 3	110034	1.00
ADMINISTRATIVE SPECIALIST	180330	1.00
ASSISTANT EMERGENCY MANAGER	401400	1.00
COMMUNITY SERV SPECIALIST	128550	6.00
COMMUNITY STANDARDS OFFICE III	118524	4.00
COMMUNITY STANDARDS OFFICER I	118504	1.00
COMMUNITY STANDARDS OFFICER II	118514	7.00
COMMUNITY STANDARDS SUPER II	196714	1.00
COMMUNITY STANDARDS SUPER III	196724	1.00
COMMUNITY SVCS SPEC	128551	5.00
DATA ENTRY SPECIALIST	180360	2.00
DEPUTY CHIEF	168810	2.00
DETECTIVE I	148710	1.00
DETECTIVE I W/ ASSOC	148712	1.00
DETECTIVE II W/EDUC	148801	5.00
DETECTIVE III (EES > 11-87)	148770	1.00
DETECTIVE III W/ ASSOC	148772	1.00
DETECTIVE III W/EDUC (> 11-87)	148771	10.00
LAWNET W/EDUC	148601	1.00
MANAGEMENT ASSISTANT	000200	2.00
PARKING ENFORCEMENT OFFICER I	618550	1.00
PAYROLL COORDINATOR	180350	1.00
POLICE LIEUTENANT - W/3%	158731	11.00
POLICE OFFICER	148700	8.00
POLICE OFFICER W/ ASSOC	148702	11.00
POLICE OFFICER W/EDUC	148701	22.00
POLICE STAFF SERGEANT (7/92)	158760	1.00
POLICE STAFF SGT (W/3%)	158761	20.00
PROFESSIONAL SERVICES ASST	128561	5.00
PROPERTY MANAGEMENT ASSISTANT	180320	2.00
RECORDS AND DATA UNIT SUPERVIS	196800	1.00
RECORDS MANAGEMENT ASSISTANT	180310	1.00
RECORDS MANAGEMENT ASSISTANT	180311	1.00
SAFETY SERVICES AREA ADMIN	403400	1.00
SAFETY SERVICES DISP III W/ AS	148422	1.00
SAFETY SERVICES DISPATCHER I	148400	3.00
SAFETY SERVICES DISPATCHER III	148420	3.00
SAFETY SERVICES DISPATCHER III	148421	6.00
SAFETY SERVICES DISPATCHER IV	148430	1.00
SAFETY SERVICES DISPATCHER IV	148431	1.00
SAFETY SERVICES DISPATCHER V	148440	4.00
SAFETY SERVICES DISPATCHER V	148441	3.00
SENIOR OFFICER I	148690	1.00
SENIOR OFFICER I	148707	1.00
SENIOR OFFICER I W/ ASSOC	148692	10.00
SENIOR OFFICER I W/ BACH	148691	25.00
SENIOR OFFICER I W/EDUC	148703	5.00
SENIOR OFFICER II	148900	1.00
SENIOR OFFICER II W/ ASSOC	148902	2.00
SENIOR OFFICER II W/EDUC	148901	13.00
SIU (AFTER 2 YRS W/EDUC)	148791	1.00
TELECOMMUNICATOR	148510	1.00
TELECOMMUNICATOR W/ DEGREE	148511	1.00
Total		226.00



FIFTEENTH DISTRICT COURT

The 15th District Court is responsible for adjudicating criminal misdemeanor cases filed for violation of local ordinances, the University of Michigan Regents' Ordinance and state laws. Judges conduct preliminary examinations in felony cases, hear general civil cases where the amount claimed as damages does not exceed \$25,000, preside over landlord tenant cases and certain matters filed in the Family Division of the county Trial Court, and hear appeals from small claims cases. The Court's magistrate conducts informal hearings in traffic civil infraction cases, hears small claims cases and presides over other matters as provided by state law.

FIFTEENTH DISTRICT COURT

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
FINES & FORFEITS	2,918,186	2,979,157	2,710,400	2,710,400	2,710,400
INTERGOVERNMENTAL REVENUES	215,676	240,325	188,700	248,700	168,700
INVESTMENT INCOME	4,968	19,076	1,200	1,200	1,200
PRIOR YEAR SURPLUS	-	-	120,800	40,000	750,000
Total	\$3,138,830	\$3,238,558	\$3,021,100	\$3,000,300	\$3,630,300

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	2,910,501	2,986,532	2,675,300	2,735,300	2,655,300
COURT FACILITIES (0023)	228,329	252,026	345,800	265,000	975,000
Total	\$3,138,830	\$3,238,558	\$3,021,100	\$3,000,300	\$3,630,300

FIFTEENTH DISTRICT COURT

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	1,768,701	1,809,522	1,877,877	1,879,377	1,919,385
PAYROLL FRINGES/INSURANCE	659,117	687,133	766,980	766,980	911,502
OTHER SERVICES	728,127	785,565	923,450	872,150	749,228
MATERIALS & SUPPLIES	117,821	68,964	61,000	63,000	60,000
OTHER CHARGES	80,318	10,966	311,146	311,146	131,012
CAPITAL OUTLAY	69,520	10,602	73,000	73,900	5,300
Total	\$3,423,604	\$3,372,752	\$4,013,453	\$3,966,553	\$3,776,427

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	3,321,849	3,315,385	3,686,653	3,720,553	3,770,427
COURT FACILITIES (0023)	101,755	57,367	326,800	246,000	6,000
Total	\$3,423,604	\$3,372,752	\$4,013,453	\$3,966,553	\$3,776,427

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
FIFTEENTH DISTRICT COURT	41.00	41.00	41.00	41.00
Total	41.00	41.00	41.00	41.00

FIFTEENTH DISTRICT COURT

REVENUE

Intergovernmental Revenues - The decrease reflects a reduction in State Court Administrative Office Drug Court Grants (\$32,000 + \$60,000)

EXPENSES

Personnel Services - Overtime paid, permanent – a slight increase attributable to training expenses associated with the Court's migration to the City IT network and with the Court's conversion to a new case management system.

Other Services - The change represents a reduction in software maintenance costs related to a moving from the County's network back to the City's network in FY07 and an increase for Domestic Violence and Sobriety Court treatment services (offset by U.S. Department of Justice and State Court Administrative Office grants).

Other Charges – The decrease reflect a \$160,000 transfer to IT in FY06 from the Court Facilities Fund.

Municipal Service Charge (MSC) – A cost allocation study was performed in order to more effectively allocate the City's administrative and overhead costs to the service units who utilized the General Fund administrative services and facilities. Since 1993, the City has applied the MSC to non-General Funds to recover these costs. Adjustments have been made to the non-General Funds based on the updated cost allocation study. If the MSC were applied to the General Fund, the Fifteenth District Court would be charged \$259,449 in 2006/07.

FIFTEENTH DISTRICT COURT

Allocated Positions

Job Description	Job Class	2006-07 FTE's
CHIEF DEPUTY DISTRICT CT CLERK	403860	1.00
COORD OF PERSONAL SAFETY	403150	1.00
COURT ADMINISTRATOR	403420	1.00
COURT BAILIFF	000850	3.00
COURT CLERK II	000930	13.00
COURT CLERK III	000940	2.00
COURT RECORDER	000860	4.00
DISTRICT COURT JUDGE	200030	3.00
LEAD DIVISION DEPUTY CLERK	000910	2.00
MAGISTRATE	401880	1.00
MGR - FORESTRY AND HORT SVCS	403440	1.00
PROBATION AGENT	000800	5.00
SENIOR SECRETARY COURTS	000870	4.00
Total		41.00

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RETIREMENT SYSTEM

The Retirement System provides normal retirement, disability, death and surviving beneficiary benefits to the permanent employees of the City of Ann Arbor. The employees of the Retirement Board are responsible for the administration of the Retirement System pursuant to the Retirement Ordinance, the State of Michigan Public Employee Retirement System Investment Act, and the policy and direction of the Board of Trustees of the City of Ann Arbor Employees' Retirement System.

RETIREMENT SYSTEM

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CONTRIBUTIONS	156,863	181,984	-	-	55,478
INVESTMENT INCOME	51,931,062	38,478,209	-	-	-
MISCELLANEOUS REVENUE	65,642	154,252	-	-	-
PRIOR YEAR SURPLUS	-	-	31,980,210	31,980,210	33,506,146
OPERATING TRANSFERS	10,285,873	7,741,666	8,091,720	8,091,720	7,839,542
Total	\$62,439,440	\$46,556,111	\$40,071,930	\$40,071,930	\$41,401,166

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
EMPLOYEES RETIREMENT SYSTEM (0059)	51,832,024	39,008,358	31,980,210	31,980,210	33,506,146
VEBA TRUST (0052)	10,607,416	7,547,753	8,091,720	8,091,720	7,895,020
Total	\$62,439,440	\$46,556,111	\$40,071,930	\$40,071,930	\$41,401,166

RETIREMENT SYSTEM

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	249,533	291,197	269,192	269,192	242,336
PAYROLL FRINGES/INSURANCE	20,691,750	21,573,772	21,662,202	21,662,202	22,401,087
OTHER SERVICES	1,835,022	1,959,178	2,651,350	2,651,350	2,484,600
MATERIALS & SUPPLIES	3,029	4,273	8,250	8,250	8,250
OTHER CHARGES	1,016,359	546,874	522,384	522,384	527,295
PASS THROUGHS	6,083,674	2,974,644	6,997,653	6,997,653	7,987,158
CAPITAL OUTLAY	-	-	20,000	20,000	10,000
Total	\$29,879,367	\$27,349,938	\$32,131,031	\$32,131,031	\$33,660,726

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
EMPLOYEES RETIREMENT SYSTEM (0059)	29,731,034	27,154,935	31,980,210	31,980,210	33,506,146
VEBA TRUST (0052)	148,333	195,003	150,821	150,821	154,580
Total	\$29,879,367	\$27,349,938	\$32,131,031	\$32,131,031	\$33,660,726

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
RETIREMENT	3.75	3.75	3.75	3.75
Total	3.75	3.75	3.75	3.75

RETIREMENT SYSTEM

EXPENSES

Personnel Services – No significant change.

Payroll Fringes/Insurance – The increase is due to increased payments budgeted for Retiree Medical Insurance.

Other Charges – The increase reflects the costs associated with the use of Information Technology resources.

Pass-Throughs – The increase relates to the increased costs of providing for retiree health care transfer to the City's Insurance Fund.

RETIREMENT SYSTEM

Allocated Positions

Job Description	Job Class	2006-07 FTE's
ACCOUNTANT II	001260	0.75
EXEC DIR PENSION ADMIN	403740	1.00
MANAGEMENT ASSISTANT	000200	1.00
PENSION ANALYST	403650	1.00
Total		3.75

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DOWNTOWN DEVELOPMENT AUTHORITY

In 1982, the Downtown Development Authority was created by City Council as a vehicle for urban revitalization. Since its creation, the DDA has been a key agent in the rejuvenation of what is now a very active downtown. Some of the more important DDA projects include increasing and improving parking facilities, and installing pedestrian improvements to enhance the attractiveness and use of downtown.

DOWNTOWN DEVELOPMENT AUTHORITY

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	5,596,073	-	11,157,031	11,157,031	10,787,604
INTERGOVERNMENTAL REVENUES	-	-	-	-	-
INVESTMENT INCOME	192,290	116,178	677,271	642,808	556,603
MISCELLANEOUS REVENUE	(124)	1,797	500	500	500
SALE OF BONDS	1,425,000	-	-	-	-
PRIOR YEAR SURPLUS	-	-	641,099	641,099	2,488,507
TAXES	4,124,929	-	3,280,637	3,365,395	3,389,181
OPERATING TRANSFERS	652,100	403,040	1,782,135	1,782,135	1,782,135
Total	\$11,990,268	\$521,015	\$17,538,673	\$17,588,968	\$19,004,530

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
DDA PARKING SYSTEM (0063)	6,348,911	396,224	11,801,136	11,801,136	12,903,740
DOWNTOWN DEVELOPMENT AUTHORITY (0003)	4,209,505	107,218	3,686,544	3,736,839	4,063,861
DDA PARKING MAINTENANCE (0033)	-	-	1,391,572	1,391,572	1,375,000
DDA-SIDEWALK & STREETSCAPES (0030)	-	-	432,500	432,500	431,460
DDA/HOUSING FUND (0001)	1,431,852	17,573	226,921	226,921	230,469
Total	\$11,990,268	\$521,015	\$17,538,673	\$17,588,968	\$19,004,530

DOWNTOWN DEVELOPMENT AUTHORITY

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	254,122	7,971	293,458	303,208	243,854
PAYROLL FRINGES/INSURANCE	42,251	1,284	70,927	71,875	72,025
OTHER SERVICES	3,117,375	-	5,958,148	7,176,148	6,416,524
MATERIALS & SUPPLIES	40,902	-	8,000	8,000	10,545
OTHER CHARGES	262,480	-	927,062	1,252,062	960,732
PASS THROUGHGS	6,180,417	5,997,361	7,930,410	7,992,032	9,393,747
CAPITAL OUTLAY	1,603,826	-	1,867,572	3,101,572	1,626,000
Total	\$11,501,373	\$6,006,616	\$17,055,577	\$19,904,897	\$18,723,427

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
DDA PARKING SYSTEM (0063)	7,636,171	4,203,366	11,801,136	11,801,136	12,903,740
DOWNTOWN DEVELOPMENT AUTHORITY (0003)	2,391,466	1,735,175	3,686,544	6,535,864	4,063,861
DDA PARKING MAINTENANCE (0033)	-	-	1,391,572	1,391,572	1,375,000
DDA-SIDEWALK & STREETSCAPES (0030)	-	-	100,000	100,000	205,000
DDA/HOUSING FUND (0001)	1,473,736	68,075	76,325	76,325	175,826
Total	\$11,501,373	\$6,006,616	\$17,055,577	\$19,904,897	\$18,723,427

FTE Count

Category	2003/04	2004/05	2005/06	2006/07
DOWNTOWN DEVELOPMENT AUTHORITY	3.20	3.20	3.00	3.00
Total	3.20	3.20	3.00	3.00

DOWNTOWN DEVELOPMENT AUTHORITY

REVENUES

Charges for Services – It is anticipated a level overall income from the parking revenues.

Operating Transfers – No significant changes in operating transfers for the year due to costs of managing the parking system remain under contract.

EXPENSES

Payroll Fringes/Insurance – The increase is due to Retiree Medical Insurance and Retirement Plan Contributions costs.

Other Charges – Generally reflect increases in general grants.

DOWNTOWN DEVELOPMENT AUTHORITY

Allocated Positions

Job Description	Job Class	2006-07 FTE's
DDA DEPUTY DIRECTOR	403720	1.00
DDA EXEC DIRECTOR	403290	1.00
MANAGEMENT ASSISTANT	000200	1.00
Total		3.00

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NON-DEPARTMENTAL AND DEBT SERVICE

The Non-Departmental Service Area is used to record and track revenue and expenditure activities that are not associated with any specific Service Area. Specific activities include: operating transfers to other funds, contingency for compensation, AATA tax transfer, debt service, city wide dues and licenses, Michigan Tax Tribunal refunds, and other miscellaneous activities.

The debt service funds are used to record the debt service and debt service levy of the City. Debt service on voted general obligation debt issue is funded through the Debt Service property tax levy; for FY 2006/07, this levy is proposed to be .5461 mills.

The levy of outstanding debt is relatively low. State law does not allow the City to issue general obligation debt in excess of 10% of Taxable Value (TV); the debt limit as of June 30, 2005 was \$402.9 million. The debt subject to that limit as of June 30, 2005, was \$43.9 million or 1.10% of the total TV. Other indebtedness is financed through dedicated millages such as parks millages, specific revenues like water and sewer revenues and direct charges to individual taxpayers as with special assessments. Indebtedness, which is repaid from dedicated financing sources, does not count against the 10% of TV limit. The total City debt (general obligation and all others) as of June 30, 2005 was \$132.2 million.

NON-DEPARTMENTAL

Revenues By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
CHARGES FOR SERVICES	271,356	130,872	-	-	-
INVESTMENT INCOME	721	1,748	11,000	11,000	11,000
MISCELLANEOUS REVENUE	(6,156)	2,390	-	-	-
PRIOR YEAR SURPLUS	-	-	405,065	405,065	434,585
TAXES	2,813,897	2,439,791	2,501,112	2,501,112	2,523,218
OPERATING TRANSFERS	1,835,823	4,470,124	4,889,560	4,709,060	6,232,498
Total	\$4,915,641	\$7,044,925	\$7,806,737	\$7,626,237	\$9,201,301

Revenues By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL DEBT SERVICE (0035)	4,590,625	4,401,246	5,933,447	5,933,447	7,057,086
GENERAL (0010)	44	1,925,000	1,434,441	1,253,941	1,730,846
GENERAL DEBT/SPECIAL ASSESSMENT (0060)	330,817	181,099	438,849	438,849	413,369
MUNICIPAL FACILITY CONSTRUCTION (0004)	-	533,442	-	-	-
PARKING SYSTEM (0044)	(5,845)	4,138	-	-	-
Total	\$4,915,641	\$7,044,925	\$7,806,737	\$7,626,237	\$9,201,301

NON-DEPARTMENTAL

Expenses By Category

Category	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
PERSONNEL SERVICES	479,864	4,588	100,000	100,000	100,000
PAYROLL FRINGES/INSURANCE	1,392,774	1,147,502	-	-	-
OTHER SERVICES	231,992	242,728	144,525	144,525	409,544
MATERIALS & SUPPLIES	113	-	-	-	-
OTHER CHARGES	6,600,529	6,074,447	7,891,761	7,891,761	8,680,471
PASS THROUGHES	10,562,412	11,319,947	10,038,383	12,024,205	9,592,545
COMMUNITY DEVELOPMENT RECIPIENTS	88,595	82,955	-	-	-
Total	\$19,356,279	\$18,872,167	\$18,174,669	\$20,160,491	\$18,782,560

Expenses By Fund

Fund	Actual 2003/04	Actual 2004/05	Budget 2005/06	Forecasted 2005/06	Request 2006/07
GENERAL (0010)	11,964,320	11,121,265	10,993,942	10,993,942	11,386,523
GENERAL DEBT SERVICE (0035)	4,567,017	4,376,598	5,897,200	5,897,200	6,982,668
GENERAL DEBT/SPECIAL ASSESSMENT (0060)	539,512	494,968	438,849	438,849	413,369
INSURANCE (0057)	-	1,925,000	844,678	2,830,500	-
PARKING SYSTEM (0044)	899,041	911,485	-	-	-
SOLID WASTE (0072)	-	21,547	-	-	-
STREET REPAIR MILLAGE (0062)	29,656	11,619	-	-	-
PARKS REPAIR AND RESTORATION MILLAGE (0006)	22,063	9,454	-	-	-
PARKS REHAB & DEVELOPMENT MILLAGE (0018)	7,592	4,014	-	-	-
OPEN SPACE & PARKLAND PRESERVATION (0024)	7,505	2,376	-	-	-
DOWNTOWN DEVELOPMENT AUTHORITY (0003)	-	1,793	-	-	-
MUNICIPAL FACILITY CONSTRUCTION (0004)	1,300,342	1,639	-	-	-
LOCAL STREET (0022)	100	112	-	-	-
COMMUNITY DEVELOPMENT BLOCK GRANT (0078)	1,218	-	-	-	-
SEWER BOND SERIES XIX 2004 (0076)	1,180	-	-	-	-
HOME PROGRAM (0090)	391	-	-	-	-
LESLIE HOMESTEAD (0096)	(65)	-	-	-	-
1990 SOLID WASTE BOND ISSUE (0097)	299	(299)	-	-	-
PARKS MAINTENANCE & REPAIR MILLAGE (0005)	(9,229)	(432)	-	-	-
ELIZABETH R DEAN TRUST (0055)	1,421	(823)	-	-	-
COMMUNICATIONS OFFICE (0016)	5,230	(2,048)	-	-	-
MAJOR STREET (0021)	18,686	(2,348)	-	-	-
DDA PARKING SYSTEM (0063)	-	(3,753)	-	-	-
Total	\$19,356,279	\$18,872,167	\$18,174,669	\$20,160,491	\$18,782,560

NON-DEPARTMENTAL

REVENUE

Operating Transfers – Approximately \$1.1 million of the increase is to service the debt for the Open Space bond issue.

EXPENSES

Operating Transfer – The \$2.83 million reduction is for the removal of the 2005/06 Emerald Ash Borer remediation transfer from the Insurance Fund. There also is an increased debt service payment of approximately \$1.1 million for the Open Space bonding.

Other Services – An increase of \$265,000 for professional consulting fees is for the Downtown planning, master planning and zoning updates.

Other Charges – The \$788,710 increase is due to an increase in debt service for the maintenance facility and the open space bond issues.

Pass-Throughs – The \$404,464 is a pass-through of AATA millage and reflects an increase of taxes received.

Below is a summary of the governmental activities debt (with various issue dates) and annual debt service requirements as of June 30, 2005:

Fiscal Year Ending	Governmental Activities Debt					Total Governmental Activities Debt Principal	Total Governmental Activities Debt Interest	Total Governmental Activities Debt Requirements	Downtown Development Authority Bonds Principal	Downtown Development Authority Bonds Interest
	Capital Projects Bonds	General Obligation Portion of Special Assessment Bonds	General Obligation Portion of Special Revenue Bonds	Special Assessment Bonds	Other Long-term Debt					
2006	\$1,820,000	\$135,000	\$140,000	\$365,000	\$48,050	\$2,508,050	\$922,877	\$3,430,927	\$1,085,947	\$241,554
2007	1,885,000	140,000	145,000	360,000		2,530,000	809,440	3,339,440	1,120,613	199,327
2008	1,925,000	75,000	155,000	125,000		2,280,000	702,716	2,982,716	1,157,946	154,672
2009	1,955,000	75,000	160,000	125,000	3,500,000	5,815,000	534,139	6,349,139	1,199,944	107,213
2010	1,960,000	80,000	170,000	125,000		2,335,000	365,455	2,700,455	575,000	72,825
2011	1,965,000	80,000	175,000	120,000		2,340,000	265,344	2,605,344	610,000	50,400
2012	625,000	80,000	185,000	90,000		980,000	192,223	1,172,223	650,000	26,000
2013	625,000	80,000	190,000	80,000		975,000	146,308	1,121,308		
2014		80,000	200,000	80,000		360,000	116,126	476,126		
2015		20,000	210,000	25,000		255,000	100,864	355,864		
2016		25,000	220,000	20,000		265,000	90,910	355,910		
2017		25,000	230,000	15,000		270,000	80,258	350,258		
2018			240,000			240,000	69,125	309,125		
2019			250,000			250,000	59,230	309,230		
2020			260,000			260,000	48,673	308,673		
2021			275,000			275,000	37,417	312,417		
2022			285,000			285,000	25,256	310,256		
2023			300,000			300,000	12,375	312,375		
	\$12,760,000	\$895,000	\$3,790,000	\$1,530,000	\$3,548,050	\$22,523,050	\$4,578,736	\$27,101,786	\$6,399,450	\$851,990
Interest Ranges	3.80 - 5.50%	3.00- 6.25%	2.50- 4.50%	3.20- 6.40%	3.60- 5.15%				3.00- 5.00%	

Below is a summary of the business-type activity and component unit debt (with various issue dates) and annual debt service requirements as of June 30, 2005:

Fiscal Year Ending	Enterprise Funds					Total Enterprise Fund Principal Requirements	Total Enterprise Fund Interest Requirements	Total Enterprise Fund Requirements
	Ann Arbor Building Authority Bonds	Lease Contract Payable	Revenue Bonds	Other Long-Term Debt	Other Bonds			
2006	\$1,770,000		\$4,655,000	\$199,343	\$344,053	\$6,968,396	\$4,175,927	\$11,144,323
2007	1,845,000		4,710,000	160,011	349,387	7,064,398	3,810,969	10,875,367
2008	1,810,000		4,805,000	121,105	352,054	7,088,159	3,559,050	10,647,209
2009	1,710,000		4,905,000	173,300	360,056	7,148,356	3,267,957	10,416,313
2010	1,790,000		4,940,000	91,948		6,821,948	2,980,915	9,802,863
2011	1,875,000		5,150,000	91,948		7,116,948	2,698,773	9,815,721
2012	1,940,000		5,110,000			7,050,000	2,418,444	9,468,444
2013	2,010,000		5,250,000			7,260,000	2,132,280	9,392,280
2014	2,075,000		3,310,000			5,385,000	1,862,008	7,247,008
2015	2,145,000		2,750,000			4,895,000	1,648,236	6,543,236
2016	2,120,000		2,820,000			4,940,000	1,436,142	6,376,142
2017	2,190,000		2,915,000			5,105,000	1,214,743	6,319,743
2018	1,665,000		2,290,000			3,955,000	1,019,078	4,974,078
2019	1,720,000		2,365,000			4,085,000	838,646	4,923,646
2020	1,070,000		2,465,000			3,535,000	661,197	4,196,197
2021	260,000		2,570,000			2,830,000	516,123	3,346,123
2022	275,000		2,665,000			2,940,000	395,741	3,335,741
2023			2,760,000			2,760,000	272,567	3,032,567
2024			2,845,000			2,845,000	153,496	2,998,496
2025			2,125,000			2,125,000	45,156	2,170,156
	<u>\$28,270,000</u>	<u>\$0</u>	<u>\$71,405,000</u>	<u>\$837,655</u>	<u>\$1,405,550</u>	<u>\$101,918,205</u>	<u>\$35,107,448</u>	<u>\$137,025,653</u>
Interest Ranges	2.00- 5.75%		2.00- 7.30%	3.50- 6.80%	3.60- 4.05%			

Information Technology Projects Budget Summary
Fiscal Year 2006/07

Projects	Fiscal Year 2006/07		
	Planned	Change	Request *
Enterprise Information Portal	\$ 60,000	\$ (40,000)	\$ 20,000
Document Management Assessment & Pilot	20,000	90,000	110,000
Computer (PC) Deployment	250,000	-	250,000
Phone System	100,000	(20,000)	80,000
City Works	30,000	-	30,000
Justice Information System (JIS)	20,000	-	20,000
Server Upgrades	120,188	-	120,188
Jury Management	5,000	-	5,000
HR AMS Upgrade	900,000	-	900,000
Unrestricted Projects	490,000	(30,000)	460,000
Replace Pension One Software	-	90,000	90,000
Total	\$ 1,995,188	\$ 90,000	\$ 2,085,188

* Excludes project work previously authorized.
 Excludes projects with carryover funding from prior years.

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Capital Improvement Program Executive Summary

OVERVIEW

This capital improvements plan (CIP) outlines a schedule of public service expenditures over the ensuing six-year period (fiscal years 2007 – 2012). The CIP does not address all of the capital expenditures for the City, but provides for large, physical improvements that are permanent in nature, including the basic facilities, services, and installations needed for the functioning of the community. These include transportation systems, utilities, municipal facilities and other miscellaneous projects.

To qualify for inclusion into the CIP, a project must meet the following standards:

- Be consistent with 1) an adopted or anticipated component of the City master plan, 2) a state or federal requirement, or 3) a City Council approved policy; and
- Constitute permanent, physical or system improvements in excess of \$100,000; or significant equipment purchases in excess of \$100,000 with a useful life of at least ten years; or a study of at least \$100,000 that will lead to such projects; and
- Add to the value or capacity of the infrastructure of the City.

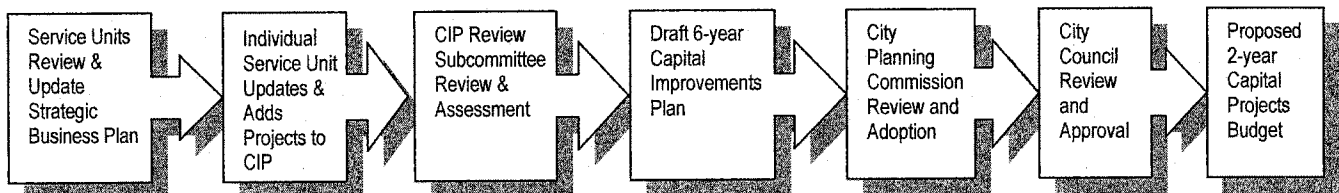
Projects that are considered operational, maintenance or recurring are excluded.

Preparation of the capital improvements plan is done under the authority of the Municipal Planning Commission Act (PA 285 of 1931). It is the City Planning Commission's goal that the CIP be used as a tool to implement the City Master Plan and assist in the City's financial planning.

The capital improvements plan proposes project funding relative to the anticipated availability of fiscal resources and the choice of specific improvements to be achieved throughout the six-year plan. The first two years of the capital improvements plan are utilized as the basis for establishing the City's capital projects budget (CPB) programming the implementation of the planned projects for the upcoming two fiscal years. The CIP and CPB make up the City's Capital Improvements Program.

THE CAPITAL IMPROVEMENTS PROGRAM PROCESS

The Capital Improvements Program process begins with a review and update of service units Strategic Business Plans and concludes with the proposed Capital Projects Budget as outlined below:



Capital Improvement Program Executive Summary

PROJECT PRIORITIZATION

The CIP Review Subcommittee assesses all capital needs and gives each project a priority rating. The rating indicates that a project is one of the following:

- ▶ Urgent
 - Corrects an emergency or condition dangerous to public health, safety or welfare;
 - Complies with federal or state requirement(s) whose implementation time frame is too short to allow for longer range planning; or
 - Is vital to the economic stability of the city

- ▶ Important
 - Prevents an emergency or condition dangerous to the public health, safety, or welfare;
 - Is consistent with an adopted or anticipated element of the city master plan, a federal or state requirement whose implementation time frame allows longer range planning, or a council approved policy;
 - Is required to complete a major public improvement (this criterion is more important if the major improvement cannot function without the project being completed, and is less important if the project is not key to the functioning of another project); or
 - Provides for a critically needed community program.

- ▶ Desirable
 - Needed to correct an inequitable distribution of public improvements in the past and that would benefit the community;
 - Worthwhile if funding becomes available;
 - Can be postponed without detriment to present services; or
 - Validity of planning and validity of timing have been established.

Capital Improvement Program Executive Summary

THE TOTALS

A total of 175 projects were submitted for this year's CIP with a six-year funding need of \$369,492,000. This is a 4% percent decrease from the previous CIP, which anticipated \$385,886,000 in funding need during fiscal years 2006-2011. The total anticipated cost for all projects is \$557,985,000, which includes project funds spent prior to fiscal year 2006 and anticipated funds needed after fiscal year 2012. The chart below indicates the total number of projects for each category, the total costs, the six-year funding need and first-year and second-year expenditures:

Category	Number of Projects	Total Project Costs*	Six-Year Funding Need	First Year Expenditures	Second Year Expenditures
Municipal Facilities - City Owned Buildings	2	\$115,405,200	\$94,080,200	\$15,580,200	\$0
Municipal Facilities - Parks and Recreation	14	20,959,000	14,614,000	3,449,000	2,138,000
Municipal Facilities - Solid Waste	6	8,100,000	4,001,000	4,001,000	0
Transportation - Airport	10	2,600,000	2,600,000	138,000	971,000
Transportation - Alternative Transportation	16	8,435,825	6,486,825	2,324,825	889,000
Transportation - Bridges	6	7,697,082	5,153,176	150,000	3,803,176
Transportation - New Street	1	2,000,000	2,000,000	0	175,000
Transportation - Other	10	2,432,000	1,728,000	873,000	465,000
Transportation - Parking Facilities	1	21,000,000	9,000,000	9,000,000	0
Transportation - Street Construction	13	68,390,300	47,496,200	10,080,012	9,389,188
Utilities - Sanitary Sewer	28	221,434,204	130,361,510	9,586,510	27,487,000
Utilities - Storm Sewer	12	13,377,000	10,380,000	2,460,000	2,180,000
Utilities - Water System	56	66,154,772	41,591,300	12,766,900	8,440,000
TOTALS	175	\$557,985,383	\$369,492,211	\$70,409,447	\$55,937,364

*Includes project funds spent prior to FY2007 and anticipated funds needed after FY2012

PRIORITIES

Twenty-one percent of all projects are considered "Urgent", according to the CIP Review Subcommittee, making up forty-one percent of the total CIP costs. Below is a project breakdown by priority.

Priority	Number of Projects	Percent of Projects	Total of Projects Cost	Percent of Total CIP Costs
Urgent	36	21%	\$231,884,176	41%
Important	117	67%	316,407,382	57%
Desirable	22	13%	9,693,825	2%
TOTALS	175	100%	\$557,985,383	100%

Capital Improvement Program Executive Summary

MAJOR PROJECTS

Below is a list of the top ten project expenditures during fiscal years 2007-2012, including their project priority. Based on the total cost of all projects (\$557,985,000), the top ten projects constitute approximately 65% of the total funding need.

Project Name	Total Cost	Priority
City Hall (Larcom Building) Expansion/New Building	\$80,000,000	Urgent
Facilities Renovation	64,700,000	Urgent
Footing Drain Disconnection Project (Long Term)	50,000,000	Important
Field Operations and Maintenance Facility	35,405,200	Urgent
Residuals Handling Improvements	36,300,000	Important
Footing Drain Disconnection Project (Priority 2A)	22,659,000	Important
First & William Parking Structure	21,000,000	Important
Annual Major Street Resurfacing Program	18,900,000	Important
Huron, Fifth & Division	16,490,000	Important
Open Space and Park Acquisitions	15,225,000	Important
TOTAL	\$360,679,200	

NEW PROJECTS

There are nine new projects in this year's CIP. The total cost of all new projects is \$8,952,200, representing approximately two percent of all project costs.

Project Name	Category	Cost
Fuller/East Medical Center Intersection Improvements	Transportation - Street Construction	\$250,000
Yost Sanitary Sewer Replacement Project	Utilities - Sanitary Sewer	250,000
Fill Valves at S Industrial and Liberty Pump Stations	Utilities - Water System	80,000
Distribution System Monitoring and Security	Utilities - Water System	2,000,000
Water Treatment Plant Structural Repair Project	Utilities - Water System	500,000
Sludge Disposal Study	Utilities - Water System	250,000
WTP Basin 5 Painting and Repair	Utilities - Water System	183,000
East Stadium Water Main Replacement	Utilities - Water System	850,000
Scio Pipes I, II and III	Utilities - Water System	4,589,200
TOTAL		\$8,952,200

Capital Improvement Program Executive Summary

FUNDING NEEDS AND SOURCES

The anticipated six-year funding need is \$369,492,000. The table below summarizes the major categories of funding for these projects. Bonds will fund over seventy percent of the projects. Less than one percent of all funding need is generated by the general fund.

Funding Source	In Thousands of Dollars							Percent of Total
	FY07	FY08	FY09	FY10	FY11	FY12	Totals	
Bond/Note Proceeds	\$40,801	\$33,397	\$64,852	\$49,581	\$23,684	\$46,395	\$258,710	70%
Contributed Capital - Other Fund	2,056	-	-	-	-	-	2,056	1%
Contributed Capital - Customers	-	2,776	-	-	-	-	2,776	1%
Developer Contributions	159	140	777	-	-	-	1,076	0%
MDOT/Federal Participating Costs	1,113	1,191	350	-	-	-	2,654	1%
MDOT/Other Grants	854	878	608	-	200	1,000	3,540	1%
Metered Service	183	175	175	-	-	-	533	0%
Operating Transfers from DDA Fund (0003)	-	260	1,200	-	-	-	1,460	0%
Operating Transfers from General Fund (0010)	107	320	250	50	-	-	727	0%
Operating Transfers from Major Streets Fund (0021)	320	290	350	270	270	270	1,770	0%
Operating Transfers from Local Streets Fund (0022)	81	81	81	81	81	81	486	0%
Operating Transfers from Court Facilities Fund (0023)	-	-	750	-	-	-	750	0%
Operating Transfers from Water Fund (0042)	454	283	-	-	-	-	737	0%
Operating Transfers from Market Fund (0046)	-	-	-	-	-	-	-	0%
Operating Transfers from Street Millage Fund (0062)	6,837	4,753	4,998	4,700	4,700	4,700	30,688	8%
Operating Transfers from Sewer Bond Fund (0076)	5,427	3,340	-	-	-	-	8,767	2%
Operating Transfers from Environmental Bond Fund (0097)	1,502	-	-	-	-	-	1,502	0%
Parks Acquisition Millage	2,060	2,138	2,202	2,208	2,274	2,343	13,225	4%
Prior Year Fund Balance	8,110	4,357	12,138	3,205	2,682	70	30,562	8%
Sale of Fixed Assets	-	-	1,600	-	-	-	1,600	0%
Special Assessment - Road Improvements	-	156	511	-	-	-	667	0%
Special Assessment - Sidewalks	150	539	1,006	528	290	150	2,663	1%
State of Michigan - Grant	-	758	-	540	326	254	1,878	1%
Stormwater Service	105	105	105	105	105	50	575	0%
Weight & Gas (Act 51) Major Streets	90	-	-	-	-	-	90	0%
TOTALS	\$70,409	\$55,937	\$91,953	\$61,268	\$34,612	\$55,313	\$369,492	100%

Capital Improvement Program Executive Summary

COMPLETED PROJECTS

The following forty-six projects from the FY2005-2010 CIP have been completed or will be completed before July 1, 2005, or have been withdrawn from the CIP as explained in the footnotes below the table.

Project Name	2005-2010 CIP Cost	Completed/Withdrawn
Green Road/Baxter Court Community Center Expansion	\$107,000	Completed
E-Government	\$1,824,000	Withdrawn ¹
Cobblestone Farm Improvements	\$225,000	Completed
Dolph Park Addition	\$1,139,000	Completed
Fuller Pool (Phase II)	\$500,000	Completed
Skate Park/X-Games Facility	\$70,000	Withdrawn ²
Veterans Memorial Park Pool /Ice Rink (Phase II)	\$745,000	Completed
Parks and Recreation Open Space Plan 2006-2010	\$150,000	Completed
Consolidated Police/Fire Dispatch Center	\$886,000	Completed
VHF Radio System	\$650,000	Completed
Northwest T-Hanger Area Repaving	\$900,000	Completed
Citywide Non-Motorized Transportation Plan	\$80,000	Completed
Broadway Bridges Reconstruction Project	\$31,200,000	Completed
Northeast Ann Arbor Transportation Plan	\$652,000	Completed
Packard Road Signal Interconnect	\$226,000	Completed
Plymouth/Traverwood Signal	\$89,000	Completed
Signal System Improvements	\$256,000	Withdrawn ³
Traffic Calming Improvements	\$560,000	Withdrawn ³
Fifth/Division/Huron Streetscape Improvements and Outskirt Parking	\$500,000	Completed
Annual City Street Surface Treatment	\$3,200,000	Withdrawn ³
North Fifth Avenue Resurfacing	\$470,000	Completed
North Maple Reconstruction	\$940,000	Completed
Pauline Boulevard Resurfacing	\$530,000	Completed
Huron Parkway Median Restoration	\$500,000	Completed
Annual Street Resurfacing Program (2002-2007)	\$23,500,000	Withdrawn ⁴
Administration Building Air Conditioner Unit Replacement	\$100,000	Withdrawn ⁵
Capacity Audit/Modeling	\$1,660,000	Completed
General Sewer Expansion	\$700,000	Withdrawn ⁶
General Sewer Rehabilitation	\$1,400,000	Withdrawn ⁶
Jennings Newport Heights Sanitary Sewer	\$482,000	Completed
WWTP Sewage Lift Pumps Repair - Phase 2	\$550,000	Completed
Baldwin Ave. Sanitary Repair	\$18,000	Completed
Brookside/Baylis Sanitary Sewer	\$705,000	Completed
Ditch Cleaning/Rehabilitation	\$700,000	Withdrawn ³
General Storm Water Expansion	\$700,000	Withdrawn ⁶
General Storm Water Rehabilitation	\$3,500,000	Withdrawn ⁶
Huron Parkway Reconstruction Storm Water (Phase V)	\$350,000	Withdrawn ^{6a}
Malletts Creek Restoration (Brown Park Pond Reconstruction)	\$2,545,000	Withdrawn ^{3a}
Eisenhower Parkway Water Main Replacement	\$390,000	Completed
General Water Main Expansion	\$700,000	Withdrawn ⁶
General Water Main Rehabilitation	\$1,400,000	Withdrawn ⁶
Brookside/Baylis Water Main	\$578,000	Completed
Huron Parkway Reconstruction Water Main (Phase V)	\$100,000	Withdrawn ^{6a}
Jennings Newport Heights Water Main	\$260,000	Completed
Golfview Water Main	\$260,000	Completed
Plant #2 Hydraulic Corrections	\$370,000	Withdrawn ⁷
TOTAL	\$87,367,000	

¹ Future IT Strategic Plan to determine scope and timing of future project

² Below CIP \$ threshold

³ Operating item, not CIP item

^{3a} Operating item, not CIP item (payment to Washtenaw County Drain Commission from Operating Budget)

⁴ Replaced by new projects TR-SC-06-02 & 03 *Annual Local Street Resurfacing & Annual Major Street Resurfacing*

⁵ Rolled into existing project UT-SN-01-09 *Facilities Renovation*

⁶ Was placeholder for budgetary purposes, not named project

^{6a} Was placeholder for budgetary purposes, work not necessary

⁷ Water Division Master Plan to determine scope and timing of future project

Capital Improvement Program Executive Summary

JUSTIFICATION SCORE

The City Service Area/Unit assigned justification scores to each project it submitted. The assigned score indicates the degree to which the project helps to achieve the following value statements:

- A. Protect health, safety, lives of citizens
- B. Maintain or improve public infrastructure, facilities
- C. Reduce energy consumption, impact of the environment
- D. Enhance social, cultural, recreational or aesthetic opportunities
- E. Improve customer service, convenience for citizens
- F. Required to meet new, or maintain existing regulatory compliance

0 = Not Applicable; 1 = Somewhat Important; 2 = Important; 3 = Very Important

The maximum total justification score for a project is eighteen (18), which would indicate that all six criteria were viewed as "very important" by the submitting service area/unit.

The intent of the justification score is to guide City staff in assigning priorities (desirable, important or urgent) to projects within each category. The Capital Improvements Review Subcommittee continues to review the use of the justification score as a future tool to evaluate projects within individual categories and projects of similar priority from different categories. The use of a scoring system also may help prioritize the allocation of funding when projects compete for the same funding source.

GEOGRAPHIC DISTRIBUTION

The anticipated geographic project distribution is quite equitable in the four city planning areas (central, south, west and northeast). The number of projects in the central area is lower due to the fact that the central area is twenty-five to forty percent of the land area of the each of the other planning areas. In terms of the project cost distribution, six of the top ten project expenditures during fiscal years 2007-2012, are located in the central area (City Hall Expansion/New Building; First & William Parking Structure; and, Huron, Fifth & Division) or are city-wide projects (Footing Drain Disconnection Project [Long Term]; Footing Drain Disconnection Project [Priority 2A]; and, Annual Major Street Resurfacing Program). In addition, the central area is the oldest part of the city, thus requiring more infrastructure re-investment than the more outlying areas. As a result, the central and city-wide areas have the greatest percentage of CIP project costs.

Geographic/Planning Area	Number of Projects	Percent of Projects	Total Project Costs	Percent of Total CIP Costs
Central	12	7%	\$123,830,000	22%
West	39	22%	39,104,404	7%
Northeast	39	22%	62,269,329	11%
South	35	20%	64,446,650	12%
Multiple Planning Areas	4	2%	1,410,000	0%
City-wide	13	7%	130,680,000	23%
Ann Arbor Township	2	1%	100,236,000	18%
Pittsfield Township	11	6%	3,300,000	1%
To Be Determined (TBD)	20	11%	32,709,000	6%
TOTALS	175	100%	\$557,985,383	100%

CITY OF ANN ARBOR
Capital Projects Budget Summary
By Project Type

Project ID	Project Name	Priority	Anticipated Spending Schedule							Total
			Prior Years	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 Out	
Municipal Facilities - City Owned Building										
MF-CB-01-01	Civic Center	Important	\$ 1,500,000	\$ -	\$ 7,088,000	\$ 16,530,000	\$ 12,882,000	\$ 42,000,000	\$ -	\$ 80,000,000
MF-CB-02-04	Materials Recovery Facility (MRF) Upgrade	Important	1,299,600	500,500	-	-	-	-	-	1,800,100
MF-CB-04-02	Field Operations and Maintenance Facility	Urgent	19,825,000	15,580,200	-	-	-	-	-	35,405,200
			22,624,600	16,080,700	7,088,000	16,530,000	12,882,000	42,000,000	-	117,205,300
Municipal Facilities - Parks and Recreation										
MF-PR-01-04	Open Space and Park Acquisitions	Important	5,335,423	2,152,258	2,138,000	2,202,140	2,208,204	2,274,450	2,342,684	18,653,159
MF-PR-01-12	Neighborhood Parks Development	Important	-	350,000	-	-	-	-	-	350,000
MF-PR-01-13	Olson Park (formerly Northeast Area) Development	Important	1,310,000	300,000	-	-	-	-	-	1,610,000
MF-PR-01-14	Outdoor Environmental Education Areas	Desirable	150,000	150,000	-	-	-	-	-	300,000
MF-PR-01-16	River Parks 05-06	Important	110,000	289,423	-	-	-	-	-	399,423
MF-PR-01-18	Targets of Opportunity	Desirable	37,500	200,000	-	-	-	-	-	237,500
MF-PR-06-01	Leslie Science Center	Important	110,000	100,000	-	-	-	-	-	210,000
			7,052,923	3,541,681	2,138,000	2,202,140	2,208,204	2,274,450	2,342,684	21,760,082
Municipal Facilities - Solid Waste										
MF-SW-06-01	Compost Center	Urgent	2,477,615	1,000,500	-	-	-	-	-	3,478,115
MF-SW-06-03	Drop-off Station	Urgent	-	-	2,100,000	-	-	-	-	2,100,000
MF-SW-06-05	Demolition -- Drop-off station & Solid Waste Maintenance Buildings	Important	-	-	400,000	-	-	-	-	400,000
			2,477,615	1,000,500	2,500,000	-	-	-	-	5,978,115
Transportation - Airport										
TR-AP-98-06	Airport Maintenance Building Expansion	Important	-	70,000	470,000	-	-	-	-	540,000
			-	70,000	470,000	-	-	-	-	540,000
Transportation - Alternative Transportation										
TR-AT-01-02	Annual Sidewalk Repair Program	important	150,000	150,000	150,000	150,000	150,000	150,000	300,000	1,200,000
TR-AT-01-03	Bicycle Facilities Development	Important	200,000	100,000	-	-	-	-	-	300,000
TR-AT-01-16	Washtenaw Avenue Non-Motorized Path	Important	825,000	-	-	-	-	-	-	825,000
TR-AT-02-13	South Main Street Sidewalk (AA-Saline to East Stadium)	Important	150,000	768,825	-	-	-	-	-	918,825
TR-AT-04-01	Alternative Transportation Program 06/07	Important	-	383,191	350,000	350,000	350,000	350,000	350,000	2,133,191
TR-AT-06-01	Geddes Avenue Non-Motorized Path Repair/Replacement	Important	-	244,629	-	-	-	-	-	244,629
			1,325,000	1,646,645	500,000	500,000	500,000	500,000	650,000	5,621,645
Transportation - Bridges										
TR-BR-01-06	Huron Parkway Bridge Painting	Urgent	148,381	150,000	-	427,376	535,000	-	-	1,260,757
TR-BR-02-03	East Stadium Bridge Replacement (over AARR)	Important	557,425	-	-	948,200	-	-	-	1,505,625
TR-BR-02-04	E. Stadium Bridge Replacement (over South State St.)	Important	1,138,100	-	-	1,892,600	-	-	-	3,030,700
TR-BR-03-02	East Medical Center Drive Bridge Widening Project	Urgent	-	-	-	-	-	-	-	-
			1,843,906	150,000	-	3,268,176	535,000	-	-	5,797,082

**CITY OF ANN ARBOR
Capital Projects Budget Summary
By Project Type**

Project ID	Project Name	Priority	Anticipated Spending Schedule							Total
			Prior Years	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 Out	
Transportation - Other										
TR-OT-01-09	Seventh Street Signal Interconnect	Urgent	-	466,659	-	-	-	-	-	466,659
TR-OT-06-02	New Monitored Intersection Signal	Urgent	89,510	89,703	-	-	-	-	-	179,213
			89,510	556,362	-	-	-	-	-	645,872
Transportation - Street Construction										
TR-SC-01-07	Huron Parkway Reconstruction (Phase V)	Urgent	4,542,956	-	-	-	-	-	-	4,542,956
TR-SC-02-05	East Stadium Reconstruction	Important	627,100	860,200	-	-	-	-	-	1,487,300
TR-SC-06-02	Annual Local Street Resurfacing Program	Important	1,961,623	1,960,855	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	13,922,478
TR-SC-06-03	Annual Major Street Resurfacing Program	Important	1,210,123	2,575,992	2,700,000	2,700,000	2,700,000	2,700,000	2,700,000	17,286,115
TR-SC-06-06	Easy Street	Important	180,000	736,812	283,188	-	-	-	-	1,200,000
TR-SC-07-NE	Fuller/East Medical Center Int. Imp. Design		-	250,000	-	-	-	-	-	250,000
			8,521,802	6,383,859	4,983,188	4,700,000	4,700,000	4,700,000	4,700,000	38,688,849
Utilities - Sanitary Sewer										
UT-SN-01-05	Bird Road Sanitary Sewer (Phase II)	Important	-	60,000	200,000	-	-	-	-	260,000
UT-SN-01-09	Facilities Renovation	Important	3,050,000	1,650,000	12,000,000	17,000,000	17,000,000	12,000,000	2,000,000	64,700,000
UT-SN-01-18	Lakewood Pump Station and Force Main	Important	1,752,204	500,000	-	-	-	-	-	2,252,204
UT-SN-01-27	Residuals Handling Improvements	Desirable	2,560,000	1,240,000	8,000,000	17,000,000	7,500,000	-	-	36,300,000
UT-SN-01-31	Swift Run Sanitary Relief	Important	1,137,490	1,017,510	-	-	-	-	-	2,155,000
UT-SN-02-12	Footing Drain Disconnect (Priority 2A) 2006-07	Important	-	3,200,000	1,600,000	1,600,000	1,600,000	1,600,000	19,200,000	28,800,000
UT-SN-03-29	Southside Interceptor Rehabilitation	Important	97,023	1,090,806	1,200,000	1,200,000	1,200,000	1,200,000	520,000	6,507,829
UT-SN-83-23	Northside Submain (Phase I)	Urgent	100,000	600,000	-	-	-	-	-	700,000
UT-SN-07-NE	Yost Sanitary Sewer Replacement Project		250,000	-	-	-	-	-	-	250,000
			8,946,717	9,358,316	23,000,000	36,800,000	27,300,000	14,800,000	21,720,000	141,925,033
Utilities - Storm Sewer										
UT-ST-01-08	Geographic Information Systems (GIS) Storm Conversion and Model	Urgent	167,200	749,000	200,000	-	-	-	-	1,116,200
UT-ST-01-12	Malletts Creek Restoration (Phase II)	Urgent	-	230,000	250,000	250,000	250,000	250,000	250,000	1,480,000
UT-ST-04-01	Allen Creek Improvements Re-Study	Important	-	83,000	100,000	-	-	-	-	183,000
UT-ST-04-10	Major Streets Storm Water Pipe Repairs	Important	712,232	-	-	-	-	-	-	712,232
UT-ST-04-13	Miller Creek Restoration	Important	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	7,000,000
UT-ST-06-01	Residential Streets Storm Water Pipe Repairs (Phase II)	Important	-	108,426	275,000	-	-	-	-	383,426
UT-ST-88-05	Evergreen Subdivision Storm Water (Phase II)	Important	-	56,213	50,000	-	-	-	-	106,213
			879,432	2,226,639	1,875,000	1,250,000	1,250,000	1,250,000	2,250,000	10,981,071

CITY OF ANN ARBOR
Capital Projects Budget Summary
By Project Type

Project ID	Project Name	Priority	Anticipated Spending Schedule							Total
			Prior Years	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 Out	
Utilities - Water System										
UT-WS-01-04	Broadway/Green Rd Water Main Replacement	Important	565,445	201,255	-	-	-	-	-	766,700
UT-WS-01-10	Elevated Storage Tank (West High Service District)	Urgent	25,000	-	-	2,550,000	-	-	-	2,575,000
UT-WS-01-29	Recycle Streams and Stormwater Handling Improvements	Important	1,450,000	3,180,000	-	-	-	-	-	4,630,000
UT-WS-01-38	West Stadium Boulevard Water Main Improvements	Urgent	221,759	-	-	-	-	-	-	221,759
UT-WS-02-23	North Campus Pump Station Modifications	Important	887,572	-	-	-	-	-	-	887,572
UT-WS-02-33	Water Division Master Plan	Urgent	1,037,575	136,019	-	-	-	-	-	1,173,594
UT-WS-04-20	Maple, Miller, Sunset Transmission Main (Scio Pipe I, II, III)	Urgent	-	-	-	-	-	-	-	-
UT-WS-06-03	Water Treatment Plant Sludge Handling Project	Important	150,000	200,000	-	-	-	-	-	350,000
UT-WS-06-04	Structural Repair and Painting Basin #5 at Water Treatment Plant	Important	-	183,735	-	-	-	-	-	183,735
UT-WS-06-05	Replace Limeslakers at Water Treatment Plant	Important	-	1,320,000	-	-	-	-	-	1,320,000
UT-WS-06-10	FACCD Watermain Replacement	Important	1,440,039	555,322	-	-	-	-	-	1,995,361
UT-WS-92-37	West High Service Upgrade	Important	40,400	163,200	3,002,400	-	-	-	-	3,206,000
UT-WS-07-NE	Distribution System Monitoring and Security		500,000	750,000	750,000	-	-	-	-	2,000,000
UT-WS-07-NE	Maplewood Watermain		-	543,221	-	-	-	-	-	543,221
UT-WS-07-NE	S Industrial Tank Roof Repair		-	-	500,000	-	-	-	-	500,000
UT-WS-07-NE	Fill Valves at S Industrial and Liberty Pump Stations		-	80,000	-	-	-	-	-	80,000
UT-WS-07-NE	Water Treatment Plant Structural Repair Project		300,000	200,000	-	-	-	-	-	500,000
UT-WS-07-NE	Sludge Disposal Study		-	250,000	-	-	-	-	-	250,000
UT-WS-07-NE	WTP Basin 5 Painting and Repair		-	183,000	-	-	-	-	-	183,000
UT-WS-07-NE	East Stadium Water Main Replacement		-	850,000	-	-	-	-	-	850,000
UT-WS-07-NE	Scio Pipes I, II and III		201,500	4,387,700	-	-	-	-	-	4,589,200
			6,819,290	13,183,452	4,252,400	2,550,000	-	-	-	26,805,142
Grand Total			\$ 60,580,795	\$ 54,198,154	\$ 46,806,588	\$ 67,800,316	\$ 49,375,204	\$ 65,524,450	\$ 31,662,684	\$ 375,948,191

Capital Improvement Program: Significant Non-recurring Projects

Civic Center (formerly City Hall Expansion/New Building) – To provide a facility to meet the space needs of City staff services, and a community civic use space. Fiscal year 2007 budget \$0. Total project budget \$80,000,000.

Field Operations and Maintenance Facility – Construct a new field operations and maintenance facility for the City. This will provide more efficient City operations and avoid costly repair to outdated facilities. Fiscal year 2007 budget \$0. Total project budget \$35,405,200.

Waste Water Treatment Plant Facilities Renovation – Develop and implement a plan to replace deteriorating infrastructure and equipment. This will optimize plant efficiency and improve treatment capabilities. Fiscal year 2007 budget \$0. Total project budget \$64,700,000.

Footing Drain Disconnection Project – Disconnect footing drains and install sewage backup protection for 300 homes per year. This will prevent backups of sewage into residents' basements. Fiscal year 2007 budget \$3,200,000. Total project budget \$28,800,000.

Residuals Handling Improvements – Develop and implement a plan to replace deteriorating solids handling equipment and systems while optimizing plant efficiency and treatment. Fiscal year 2007 budget \$1,222,322. Total project budget \$36,300,000.

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A

AATA: Ann Arbor Transportation Authority provides local bus transportation in the Ann Arbor vicinity.

Accounting System: the total set of records that are used to record, classify, and report information on the financial status and operation of an entity.

Accrual Basis of Accounting: basis of accounting that records the financial effects of transactions and other events that have cash consequences in the periods in which those transactions or events occur rather than only in the periods in which cash is received or paid by the enterprise.

Adopted Budget: a budget that has been approved by the City Council.

Allocation: the distribution of available monies, personnel and equipment among various City functions.

Amortization: the reduction of an account through regular payments over a specific period of time.

Annual Budget: an estimate of expenditures for specific purposes during the fiscal year and the proposed means (estimated revenues) for financing those activities.

Appropriation: an authorization made by the legislative body of a government that permits officials to incur obligations and to make expenditures of governmental resources.

Assessed Value: a valuation set upon real or personal property by the City Assessor as a basis for levying taxes.

Audit: a study of the City's accounting system to ensure financial records are accurate and in compliance with all legal requirements for handling of public funds, including state law and the City Charter.

B

Bond: a written promise to pay a specified sum of money (principal or face value) at a specified future date (maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are used typically for long-term debt and sold to investors.

Bond Anticipation Notes: short term interest bearing notes issued in anticipation of bonds to be issued at a later date.

Budget (Operating): a plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of financing them.

Budget Calendar: the schedule of key dates or milestones that a government follows in the preparation and adoption of the budget.

Budget Message: a general discussion of the submitted budget and financial conditions of the City presented in writing by the City Administrator as part of the budget document.

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C

Capital Budget: a plan of proposed capital expenditures and the means of financing them. The capital budget is enacted as part of the annual budget, which includes both capital operating and capital outlays. The capital budget is based on the Capital Improvement Program (CIP).

Capital Improvement Program (CIP): a plan for capital expenditures to be incurred each year over a fixed period of years setting forth each capital project, the duration of the project and the amount to be expended each year in financing those projects.

Capital Outlay: the purchase of items that cost over \$2,500 and have a useful life of more than two years.

Cash Basis of Accounting: records all revenues and expenditures when cash is either received or disbursed.

Cash Flow Budget: a projection of the cash receipts and disbursements anticipated during a given period.

CDBG Recipients: individuals or organizations that receive grants from Community Development funds.

Cost Center: an organizational and/or budgetary unit within a service area/unit.

CTN: Community Television Network provides access via the local cable network for local governments and public access.

D

DDA: Downtown Development Authority was established to provide and maintain off street parking and pedestrian improvements in the downtown area.

Debt Service: the actual cost of interest and principal on bond maturities as well as the interest costs of bond anticipation notes.

Deficit: (1) the excess of an entity's liabilities over its assets; (2) the excess of expenditures over revenues during a single accounting period.

Direct Expenses: expenses specifically incurred as the result of providing a product of service (e.g., labor and material used).

Disbursements: funds actually expended.

E

Encumbrance: an obligation in the form of a purchase order, contract or salary commitment that is chargeable to an appropriation, and for which part of an appropriation is reserved. These obligations become disbursements upon payment.

Enterprise Funds: a fund established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the full costs of providing the goods or services be financed primarily through charges and fees thus removing the expenses from the tax rate.

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Expenditures: the amount of money, cash or checks actually paid or obligated for payment from the treasury.

F

Fiscal Year: a twelve-month period for which an organization plans the use of its funds. In Ann Arbor, the fiscal year is July 1 to June 30.

Fixed Charges: expenses that are generally recurring and constant.

Force Account: construction or maintenance activities performed by a municipality's own personnel, rather than by outside labor.

Full Time Equivalent (FTE): the amount of funding budgeted for a particular position; expressed in fractions of one year.

Fund: a set of interrelated accounts, which record assets and liabilities related to a specific purpose. Also, a sum of money available for specified purposes.

Fund Balance: the excess of an entity's assets over its liabilities.

G

General Fund: the major municipally owned fund which is created with city receipts and which is charged with expenditures from such revenues.

General Obligation Debt: the city issues two types of General Obligation Debt. The first is Unlimited GO Debt, which allows the City to raise taxes without limit

to pay for the debt service and the second is Limited GO Debt, which relies on the existing revenue stream but becomes a first obligation against the General Operating Tax Levy.

Goals and Objectives: represent specific initiatives that a service unit will accomplish during the fiscal year. These may represent improvements to the operations or other objective that are not normally done on an annual basis.

Grant: a contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grant moneys are usually dedicated for specific purposes.

I

Interfund Transfers: payments from one administrative budget fund to another, which result in the recording of a receipt and an expenditure.

L

Liability: debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

Longevity: monetary payments to permanent full time employees who have been in the employ of the City for a minimum of five years.

M

Materials & Supplies: includes chemicals, office supplies, postage, repair parts, and

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inventory purchases.

Modified Accrual: basis of accounting for all governmental funds and expendable trust and agency funds under which revenues are recorded when they become measurable and available. Expenditures are recorded when the liability is incurred, except for interest on general long-term obligations which is recorded when due.

Municipal Service Charge: an administrative fee charged to funds outside the General Fund for general overhead costs including costs associated with City Administrator, City Attorney, City Clerk, Finance, Administrative Services, Information Technology Services, etc.

N

Non-Personnel Expenses: an expenditure group that includes services, materials and supplies, charges, equipment and other miscellaneous expenses.

O

Object Code: a unique identification number and title for a class of expenditures; the most detailed level of budgeting and recording expenditures; also known as the "line item."

Operating Budget: authorized expenditures for on-going municipal services (e.g., police and fire protection, street maintenance, etc.)

Ordinance: a law set forth by a governmental authority; a municipal

regulation.

Other Charges: includes debt service, operating transfers between funds, insurance, and transfers to other entities

Other Services: includes consulting, utilities, maintenance, rents, travel, etc.

P

Pass-Throughs: money that passes through the fund as a transfer to another fund or are collected and passed on to another entity such as Ann Arbor Transit Authority (AATA).

Payroll Fringes: the cost of employee benefits including insurances, retirement, uniforms, etc.

Per Capita Cost: cost expressed as an amount per city resident.

Performance Indicators: these indicators will include statistics that indicate the performance of the division focusing on effectiveness and efficiencies related to customer service. Included will be indicators that can be used to benchmark service with other communities.

Personnel Services: expenditures that represent the cost of salaries and wages.

Policy: a definite course of action adopted after a review of information and directed at the realization of goals.

Position: a position is present if an employee is permanent and the City Administrator or City Council has authorized their duties.

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Priority: a value that ranks goals and objectives in order of importance relative to one another.

Procedure: a method used in carrying out a policy or plan of action.

Program: collections of work-related activities initiated to accomplish a desired end.

Property, Plant and Equipment: non-consumable materials and supplies with a value of less than \$2,500.

Purchase Order: an authorization and incurrence of debt for the delivery of specific goods or services.

R

Recommended Budget: the proposed budget that has been prepared by the City Administrator and forwarded to the City Council for approval.

Reimbursements: fees received as payment for the provision of specific municipal services.

Reserves: an account used to indicate that portion of fund equity, which is legally restricted for a specific purpose or not available for appropriation and subsequent spending.

Revenue: additions to the City's financial assets (such as taxes and grants) which do not in themselves increase the City's liabilities or cancel out a previous expenditure.

Revenue Sharing: State distribution of monies raised through State Sales,

Income and Single Business Taxes to local governments.

S

Service Area: an organizational and/or budgetary unit established by City Council to carry out specified public services and implement policy directives.

Service Unit: an organizational and/or budgetary unit within a Service Area.

T

Target Based Budgeting: a system by which the City Administrator sets expenditure targets for General Fund service areas based on estimated availability of revenue.

Tax Increment Financing (TIF): a method of financing public improvements to a geographical area by capturing the taxes that are a result of private improvements and new construction in the area.

V

VEBA: Voluntary Employees Beneficiary Association- a trust used to fund the post retirement health and life insurance benefits.

Vehicle Operating Costs: a group of accounts that are used to accumulate the cost of maintaining the City's fleet of vehicles and related equipment.