

Amendment 1-Decrease SmartZone budget

Whereas, The SmartZone LDFA tax capture is projected to increase by \$412,795 for FY2015;

Whereas, The SmartZone LDFA has approved an increased expenditure budget of \$165,379, which consists of an increase of \$30,000 Incubator operating expense, increase of \$20,000 direct staffing expense, and a \$75,000 increase to SPARK's marketing plan;

Whereas, Council desires to prioritize setting aside some funding for future infrastructure improvements in the Ann Arbor SmartZone;

RESOLVED, The SmartZone LDFA expenditure budget be decreased by \$165,379 to the prior year's level of \$1,814,892.

RESOLVED, The SmartZone LDFA fund balance be increased by \$165,379 for future Ann Arbor SmartZone LDFA infrastructure development.

Sponsors: Kailasapathy, Eaton, Anglin

Amendment 2- Reduce Police funding and increase Community Development funding to fund drug treatment and prevention

Whereas, national data and local anecdotes indicate a rise in opioid drug abuse;

Whereas, elected officials have used increased heroin use as a justification for increased police spending;

Whereas, a 1997 report by the Center for Substance Abuse Treatment (CSAT) of the US Department of Health and Human Services found that "treatment appears to be cost effective, particularly when compared to incarceration, which is often the alternative."

Whereas, the focus on incarceration and enforcement in the "war on drugs" has disproportionately affected communities of color and put an unsustainable strain on state and federal budgets for incarceration;

Whereas, current substance abuse treatment facilities in Washtenaw County are insufficient to meet the needs of those seeking recovery assistance;

Whereas, police expenditures constitute 29% of proposed FY15 general fund expenditures;

Whereas, Ann Arbor currently enjoys record low levels of crime;

Whereas, the proposed budget for FY2015 includes 3.0 new FTEs for Police (2.0 for community engagement and 1.0 for traffic officers) ;

Whereas, the City funds Community Development for human services from the General Fund;

RESOLVED, that the Police FY2015 General Fund expenditure budget be reduced by 1.0 FTE and \$95,000; and

RESOLVED, that the Community Development General Fund human services FY2015 expenditure budget be increased by \$95,000 for the purpose of drug treatment and prevention.

Sponsors: Warpehoski

Amendment 3- Increase General Fund budget for Community-Facing Climate Action Programs

WHEREAS, City Council passed Resolution 14-095 directing staff to draft recommendations on Community Energy Efficiency;

WHEREAS, City Council received a recommendation from staff on May 5th detailing the resources necessary to make significant progress on creating and implementing additional community energy efficiency, conservation, and renewable energy programs that further the Climate Action Plan's adopted targets, reduce our community GHG emissions, provide economic benefit to our community and help to preserve our quality of life ("Community-Facing Climate Action Programs");

WHEREAS, the City of Ann Arbor will not achieve the goals articulated the Climate Action Plan if we do not invest in Community-Facing Climate Action Programs;

WHEREAS, the completion of the Ellsworth Corridor Study is not necessary at this time to effect the completion of any currently contemplated work and is not a known requirement of any currently anticipated grant funding;

RESOLVED, that the General Fund FY2015 Project Management expenditure one-time budget allocation of \$50,000 for the Ellsworth Corridor Study be repurposed to support Community-Facing Climate Action Programs in the General Fund Systems Planning budget;

RESOLVED, that the General Capital Project Fund FY2015 revenue and expenditure budget be reduced by \$50,000; and

RESOLVED, that the General Fund FY2015 Systems Planning expenditure budget be increased by \$75,000 funded by a one-time use of fund balance to support Community-Facing Climate Action Programs, in anticipation of obtaining grant funding in future budget years.

Sponsors: Taylor, Teall, Warpehoski, Mayor Hieftje

Amendment 4-Increase Police Staffing in the FY15 Budget by Two Additional Officers

Whereas, public safety services (police and fire protection) are core, essential city services and priorities valued highly by residents and taxpayers (individuals and businesses); and

Whereas, over the last 13 years, staffing levels in the Police Department were reduced significantly, from 244 FTE's in the FY01 budget to 146 FTE's in the adopted FY14 budget; and

Whereas, City Council at its December 2012 retreat identified public safety as one of five key strategic priorities, but despite the high priority placed on public safety by Council and the understanding that increased staffing is necessary to positively progress proactive policing, the recommended FY14 budget did not reflect any increase to police staffing and council rejected a proposed amendment to add three officers to the FY14 budget; and

Whereas, on June 3, 2013, City Council approved a resolution requesting that the DDA allocate funding for three downtown beat cops, but in the nine months since that resolution was adopted, the DDA has not taken any action on that request; and

Whereas, City Council at its December 2013 budget retreat reconfirmed that public safety was a key strategic priority; and

Whereas, the Administrator's recommended FY15 budget includes an increase of three police officers and the cost for an additional two officers is \$168,208; and

Whereas, the City's FY14 forecast for state shared revenue is \$11,004,925 and the recommended FY15 budget is \$11,106,589 – an increase of \$101,664 or 0.9% which is significantly lower than the current budget proposals in Lansing; and

Whereas, the recommended FY15 General Fund expenditure budget for the 15th District Court is an increase of \$176,769 (4%) and the Court has not demonstrated the same level of fiscal discipline and restraint as other city departments in recent years; and

Whereas, the recommended FY15 General Fund non-departmental expenditure budget includes \$182,974 in City Administrator contingency, \$1,619,286 in contract and legal settlement contingency, and a \$846,000 provision for severance payments;

RESOLVED, that the recommended FY15 budget be amended to increase the budgeted FTE in the Police Department by two (from 149 FTE to 151 FTE) and increase the recommended Police General Fund expenditure budget by \$168,208 to reflect the additional two officers.

RESOLVED, that the \$168,208 increase in the Police General Fund expenditure budget for the two additional officers is funded by General Fund expenditure reductions of \$50,000 in the 15th District Court and \$118,208 in non-departmental, and that the Administrator is authorized to proportionally restore these two budgets up to the levels originally recommended should State Shared Revenue budgets be adopted that result in budgeted revenue to the City over \$11,106,589;.

RESOLVED, that the Administrator may present to Council other recurring expenditure reductions to substitute for those identified above.

RESOLVED, that Council reconfirms its request to the DDA that the DDA allocate funding for three beat cops in the downtown area.

Sponsor: Lumm, Eaton, Kailasapathy, Anglin

Amendment 5-Restore Fall Leaf and Holiday Tree Pickup Services

Whereas, the City provided Fall leaf pickup and Holiday Tree pickup services to residents until 2011; and

Whereas, leaf pickup is a basic service that residents and taxpayers reasonably expect their taxes would pay for, particularly given that taxpayers pay almost \$12 million annually in a dedicated solid waste millage; and

Whereas, for many residents, bagging/mulching are simply not practical given the volume of their leaves and the elimination of this twice a year leaf pickup service simply shifted the costs of disposal from the city to those residents who now pay twice – through the Solid Waste Millage and to hire private haulers; and

Whereas, holiday tree pickup offers a convenience to residents that can be provided for the minimal cost of \$26,000 annually. Further, restoring holiday tree pickup would eliminate the need for residents to drive to the drop-off individually resulting in an environmental benefit as well as the convenience; and

Whereas, city staff indicated on May 2, 2014 that the costs to restore leaf pickup would be a one-time capital cost of \$406,000 and increased recurring operating costs of \$293,500. Including holiday tree pickup, the recurring cost increase to restore both services for residents would be \$319,500; and

Whereas, the Solid Waste unrestricted fund balance at June 30, 2013 was \$11.7 million – equivalent to 81% of Solid Waste annual operating expenses and 75% of Solid Waste capital assets – and the \$406,000 one-time equipment purchase would utilize only 3.5% of that fund balance; and

Whereas, the projected recurring cost of \$319,500 to restore these services to residents represents approximately 2% of annual Solid Waste expenditures; and

Whereas, the Field Operations service unit actual Solid Waste fund expenditures have been significantly under budget each of the last three years with the under-runs well in excess of the \$319,500 necessary to fund restoring these services;

RESOLVED, that the recommended FY15 budget for the Solid Waste Fund (0072) be amended to restore (2) Fall leaf pickups and Holiday Tree pickup services for residents.

RESOLVED, that the one-time expenditure of \$406,000 is funded by a one-time use of Solid Waste fund balance.

RESOLVED, that the recurring expenditures of \$319,500 for the costs of restoring leaf and holiday tree pickup are offset by \$319,500 in expenditure reductions in the Field Operations service unit's Solid Waste fund expenditures resulting in no net increase to the FY15 Solid waste expenditures recommended by the Administrator.

RESOLVED, that the Administrator may present to Council other recurring expenditure reductions in the Solid Waste fund to substitute for those identified above.

Sponsor: Lumm, Eaton, Kailasapathy, Anglin

Amendment 6- Council Directive Regarding Employee Pension Plan Restructuring

Whereas, the City currently offers employees a defined benefit pension plan; and

Whereas, at June 30, 2013, the City's pension plan was 80.24% funded with an unfunded liability of \$100.2 million (Assets \$407.2 million; Liabilities \$507.4 million); and

Whereas, the challenge of unfunded pensions and unsustainable legacy costs has been a national issue for many years and in response, most public and private sector employers concluded that defined contribution (401-K type) plans are more sustainable and predictable in the long term and have transitioned away from defined benefit retirement plans; and

Whereas, a Bureau of Labor Statistics study indicated that in March 2012, the proportion of private sector workers nationally participating in a defined benefit plan had fallen to 17% and a Federal Reserve Board survey of households found that the percentage of households covered by a defined benefit pension had fallen to 31% in 2010; and

Whereas, the State of Michigan as well as our two local public Universities – UM and EMU – offer defined contribution plans to new employees; and

Whereas, the State of Michigan passed legislation (PA 329) making it easier for local government units to transition to a defined contribution plan when an unfunded liability exists in their defined benefit plan, and other employers have demonstrated that this challenge can be overcome; and

Whereas, the City Council gives direction to the City Administrator regarding compensation and benefits and while this topic has been discussed on occasion for over two years, little progress has been made and City Council should provide direction; and

Whereas, the City Council wishes to convey its desire to reduce future pension costs for all union and non-union retirees while still contributing to employees' retirement;

RESOLVED, the City Council directs the City Administrator to prepare within existing resources a revised retirement plan design, in collaboration with Council's Labor Committee, for new hires that includes a defined contribution element and results in lower costs to the City. This plan design as well as implementation steps will be presented to Council by December 31, 2014, with the intent that the revised plan will be applied to all employees hired after December 31, 2015.

Sponsor: Lumm, Kailasapathy

Amendment 7 - Council Directive Regarding Alternative Funding Options for Street Repair

Whereas, the current condition of Ann Arbor streets is poor and is a major source of dissatisfaction for current residents and taxpayers. The poor condition also sends a negative message about our community to individuals and businesses who consider relocating and/or investing here; and

Whereas, the problem is not unique to Ann Arbor and is a state-wide issue largely caused by the lack of funding; and

Whereas, the current funding for Ann Arbor street repair is approximately \$20 million annually with about half from the State and half from the City's Street Repair Millage (2.1250 mills generates approximately \$10 million annually). No General Fund dollars are currently allocated for street repair; and

Whereas, the State is investigating alternatives to increase road funding and the County is investigating a possible new street millage, but neither are definitive and the impacts on Ann Arbor are not known; and

Whereas, increasing local taxes to generate funding is not a recommended option given Ann Arbor's already high and increasing tax burden; and

Whereas, the magnitude of the problem is sufficient to warrant considering all other alternatives to increase funding for street repair (both one-time and recurring) including but not limited to one-time expenditures, re-purposing existing city millages, re-purposing other city-related tax revenues (e.g., DDA, LDFA), allocations of current general fund dollars;

RESOLVED, City Council directs the City Administrator to work within existing resources to study alternatives to increase street funding and present to Council by September 30, 2014 a report outlining options, their financial impact, and the pros and cons of each.

Sponsor: Lumm, Eaton, Kailasapathy, Anglin

Amendment 8- Repurpose budget for Animal Control

Whereas, the City Administrator has been working with the County and Humane Society of Huron Valley (HSHV) to determine the appropriate level of support from the City; and

Whereas, Council on May 5, 2014 directed the City Administrator to develop options for Deer Management for Council consideration (R-14-144); and

Whereas, the City Administrator's budget includes \$28,000 for animal control; and

Whereas, the Administrator's draft budget includes \$75,000 for a sign inventory to assess community preferences for the placement and appearance of business signs;

Resolved, that the sign inventory project be delayed for one year; and

Resolved, that the \$75,000 budgeted for the sign inventory (one-time) be redirected to the Police Department to fund a one-time increase in expanded services with for HSHV for animal control and deer management ; and

Resolved, that once the City Administrator negotiates an appropriate amount to fund on a recurring basis, the City Administrator is directed to incorporate the amount into the FY2016 budget.

Sponsor: Petersen, Kailasapathy, Eaton, Anglin

Amendment 9-Increase Affordable Housing Expenditure Budget for Warming Center

WHEREAS, during the past winter, extreme cold weather created danger for people subjected to prolonged outdoor exposure. This was particularly true for those experiencing homelessness.

WHEREAS, The Delonis Center was extremely responsive in stretching its financial and human resources, and infrastructure to provide a daytime warming center, and expanded nighttime warming center during the extreme cold.

WHEREAS, one agency cannot fully address the need, especially in the presence of extreme weather such as that experienced this past winter.

WHEREAS, City, County, nonprofit, and community representatives are meeting this spring and summer to develop a plan for maximizing the community's ability to keep those experiencing homelessness safe from exposure and injury during the winter months.

WHEREAS, Part of this plan will include refining the protocol for communicating to the public, media, and public officials about community-based and governmental locations available to those who are homeless, as well as others in need of warmth in cases of extreme weather, or emergency.

WHEREAS, it is imperative that the City, along with the County, private funding partners, and the nonprofit community devote resources to execute a feasible plan for addressing the plan, once developed. Such a plan will include utilizing the Delonis Center to the greatest extent practicable and safe, but must also explore additional warming center capacity within the community. It is estimated that executing this type of response will require funding in the range of \$200,000-\$300,000.

RESOLVED, The City FY2015 expenditure budget for the Affordable Housing Fund be increased for one year by \$100,000 for the purpose of providing assistance for a warming center, using fund balance from the Affordable Housing Fund.

Sponsor: Briere, Lumm

Amendment 10- Funding for Pedestrian Safety and Access Task Force

Whereas, It is estimated that the costs to fully support the efforts of the City Council Appointed Pedestrian Safety and Access Task Force are \$152,320, which is in excess of the \$75,000 that is included in the FY14 General Fund targeted for the Sidewalk Gap Strategy effort total;

Whereas, Council desires to postpone the demolition of the City building at 415 West Washington since additional preparatory work needs to be done;

Whereas, the General Fund budget for the demolition is \$300,000;

Resolved, the General Fund FY2015 public services budget be decreased by \$300,000 and the project postponed until FY2016;

Resolved, the General Capital Projects fund FY2015 revenue and expenditure budget be reduced by \$300,000;

Resolved, That the \$75,000 included in the approved FY14 General Fund Operation and Maintenance budget be re-appropriated to the General Capital Projects Fund and an additional one-time \$77,320 be appropriated from the General Fund fund balance to the General Capital Projects Fund for a total of \$152,320 for the purpose of supporting the Pedestrian Safety and Access Task Force effort.

Sponsors: Briere, Warpehoski

Amendment 11-Implement Year-Round composting

Whereas, Council desires year-round compost collection; collecting compost on a weekly basis from December 1 through March 31;

Whereas, the cost is estimated to be \$300,000 per year;

Whereas, the expectation is that increased composting will result in decreased trash tipping fees to pay for future costs beyond the FY2015 budget;

Whereas, the Solid Waste unrestricted fund balance at June 30, 2013 was \$11.7 million;

RESOLVED, the Solid Waste fund FY2015 expenditure budget be increased by \$300,000 funded by a one-time use of fund balance.

Sponsor: Briere

Amendment 12-Reduce Art Program and Increase Traffic Calming

Whereas, the FY2015 Recommended Budget includes \$80,000 in the General Fund public services budget for the art program transition;

Whereas, Council desires the funds \$40,000 be repurposed to traffic calming;

RESOLVED, that the FY2015 General Fund public services expenditure budget be repurposed from Public Art to a transfer out to Local Streets Fund for traffic calming in the amount of \$40,000; and

RESOLVED, that the FY2015 Local Streets Fund expenditure and revenue budgets be increased \$40,000 for traffic calming.

Sponsor: Eaton, Kailasapathy, Anglin

Amendment 13-Hire 1.0 FTE for a Forester

Whereas, the City of Ann Arbor has reduced its forestry staff during years of budget austerity;

Whereas, the Fiscal Year 2015 non-recurring expense budget includes \$1 million to address the neglect of Ann Arbor's public trees;

Whereas, the City must begin a transition to maintaining Ann Arbor's public trees with City forestry staff;

WHEREAS, the Ellsworth Corridor Study is not necessary to be completed during FY2015;

RESOLVED, that the General Fund FY2015 Project Management expenditure one-time budget allocation of \$50,000 for the Ellsworth Corridor Study be repurposed to support a forester (1.0 FTE) in the General Fund Field Operations budget;

RESOLVED, that the General Capital Project Fund FY2015 revenue and expenditure budget be reduced by \$50,000; and

RESOLVED, that the General Fund FY2015 Field Operations expenditure budget be increased by \$75,000 funded by a one-time use of fund balance to support the forester position.

Sponsor: Eaton, Anglin

Amendment 14-Increase Major and Local Street Funds contribution to Alternative Transportation

Whereas, the City previously contributed 5% to Alternative Transportation from the Major and Local Street funds;

Whereas, during subsequent budget discussions, this was reduced to 2.5%;

Whereas, Council desires to restore the 5% contribution from Major and Local Street Funds to Alternative Transportation;

RESOLVED, the Major Streets FY2015 expenditure budget be increased by \$141,079, funded with a one-time use of fund balance; and

RESOLVED, the Local Streets FY2015 expenditure budget be increased by \$39,631, funded with a one-time use of fund balance; and

RESOLVED, the Alternative Transportation FY2015 revenue and expenditure budget be increased by \$180,710; and

RESOLVED, that the City Administrator is directed to return to City Council later this year with information that will help Council determine the appropriate percentage of Act 51 revenues to allocate for alternative transportation in future budgets.

Sponsor: Briere

Amendment 15- Reduce SPARK economic development contract and increase human service funding

Whereas, Council desires to eliminate the SPARK contract for economic development in General Fund and repurpose the funds to human services;

Whereas, the amount budget is \$75,000;

RESOLVED, the General Fund Non-Departmental FY2015 budget be reduced by \$75,000 and the General Fund Community Development FY2015 budget be increased by \$75,000 for the purpose of providing assistance for a warming center..

RESOLVED, that beginning with the 2016 Fiscal Year budget, Council directs the City Administrator to use this recurring \$75,000 to provide additional funding for human services.

Sponsor: Eaton, Kailasapathy, Anglin

Amendment 16- Eliminate 415 West Washington project from FY15 budget

Whereas, Council desires to postpone the demolition of the City building at 415 West Washington to explore other funding sources;

Whereas, the General Fund budget for the demolition is \$300,000;

Resolved, the General Fund FY2015 public services budget be decreased by \$300,000 and the project postponed until FY2016 while funding sources are explored;

Resolved, the General Capital Projects fund FY2015 revenue and expenditure budget be reduced by \$300,000.

Sponsor: Kailasapathy, Lumm, Eaton, Anglin

Amendment 17- Council Directive Regarding Dog Licensing and Funding for Animal Control Services

Whereas, the Ann Arbor City Code, Ch. 107 (Animals), 9:46 (Dog Licenses), provides that the City shall issue dog licenses to residents who apply for licenses, and that the City Clerk is authorized to establish procedures for issuing licenses; and

Whereas, section 9:47 of the City animal code states that dogs over 6 months old are required to have a current license and dog licensing is also State law; and

Whereas, Humane Society of Huron Valley animal population estimates (based on American Veterinary Medical Assn. measurements for estimating dog households/population) have previously indicated that Ann Arbor is home to approximately 30,000 dogs, and that with an approximate 50% dog license and enforcement rate, the City, based on the current \$16.00 2 year license fee, would generate \$120,000 annually; and

Whereas, for FY15 the City projects approximately \$18,000 in revenue for dog licensing, which represents an approximate 7% compliance/participation rate, and the revenue is allocated to the General Fund; and

Whereas, the City does not have a designated animal control officer, and The Humane Society of Huron Valley provides animal support services for stray dog rescues, quarantines, cruelty investigations and other animal care and control services utilized by Ann Arbor residents; and

Whereas, the Humane Society of Huron Valley and the City of Ann Arbor have been without a contract for services provided Ann Arbor residents for over two years; and

Whereas, the City is not a party to the existing contract between the HSHV and the County, it is understood by the County and City that a “pro rata” share of funding support is to be provided by local governments with animal control ordinances; and

Whereas, the City payment for contracted services is provided as part of the current contract with the County and HSHV, and the City’s pro-rata budgeted share for FY14 and 15 are not yet determined, but estimated costs are being negotiated by the City, County and HSHV; and

Whereas, enforcement of state and city mandated dog licensing is recommended by the Humane Society of Huron Valley as an animal care and control service and industry best practice that has been successfully utilized by other communities; and

Whereas, in addition to providing a recurring revenue source to the City to fund animal control activities, such as picking-up and housing stray animals and providing sheltered animals with food, water, and necessary medical attention, licensing a pet is recognized as one of the most important steps a pet owner can take to increase the chances of reunification should a pet become lost; and

Whereas, the World Health Organization recommends dog licensing as a rabies prevention best practice, and other municipalities and County governments (e.g., Oakland County) have adopted a goal of 70% dog licensing compliance based on the World Health Organization’s recommendation for rabies prevention;

RESOLVED, the City Council directs the Administrator to more actively enforce the dog licensing ordinance and establish appropriate procedures for improved dog licensing ordinance customer services, communication, notification, and administration.

RESOLVED, that improved licensing education and enforcement will be defined by a substantially improved rate of dog licensing, with a long-term 50% or greater compliance goal.

RESOLVED, that the FY15 Clerk’s Office General Fund revenue budget be amended to reflect an improvement in dog licensing enforcement and compliance to reflect a 30% participation rate which will generate \$54,000 in additional revenue for a total of \$72,000 in revenue under the existing fee structure.

RESOLVED, that staff return to council within FY15 with a revised fee proposal adjusted to reflect the full cost of dog licensing, enforcement, and related animal control support services.

RESOLVED, \$27,000 of the additional \$54,000 FY15 revenue (\$72,000 less the \$18,000 already in budget) will increase the FY15 Police General Fund expenditure budget as a recurring source of revenue to help offset and be utilized as payment for animal services provided the City by the Humane Society of Huron Valley.

RESOLVED, the FY15 Clerk's Office General Fund expenditure budget be amended to reflect an additional \$27,000 to be utilized to support increased licensing.

Sponsor: Lumm

**Amendment 18-
Recognition of Parks Fairness Resolution with Budget Amendments**

Whereas, on October 3, 2006, Council passed a resolution that, upon approval of the November 2006 Parks Millage ballot initiative, the General Fund portion of the overall budget supporting the City's Park System Budget would not be reduced more than the average of other General Fund operations of the City;

Whereas, the budget amendments adopted by Council for the FY15 budget increase the General Fund expenditure budget by \$X,XXX;

Whereas, the Parks budget should be increased \$XX,XXX to ensure compliance with the 2006 resolution;

RESOLVED, That the General Fund Parks FY15 expenditure budget be amended to increase \$XX,XXX to be funded as a one-time expenditure from the General Fund fund balance.

Sponsor: Anglin, Taylor, Lumm

|