

MEMORANDUM

TO: Mayor and City Council

FROM: Park Advisory Commission

DATE: April 26, 2011

RE: Park Advisory Commission Resolution on the FY 2012 Proposed Budget and FY 2013 Budget Plan for Park Operations

Attached is the Park Advisory Commission (PAC) resolution with our recommendations for the FY 2012 Budget and FY 2013 Budget Plan for Park Operations.

PAC commends Matt Warba, Craig Hupy and other city staff for their efforts in maintaining our parks system. They are consistently asked to do more with less, and have responded by developing more efficient methods to fulfill their grounds maintenance responsibilities.

The FY 2012 Budget for Park Operations contains two significant changes that if approved, will require City Council to amend a recent change in administrative policy. The first is a shift of \$212,387, which accounts for approximately 10% of the FY 2011 Budget, from the general fund to the Metro Expansion Fund. Secondly, the FY 2012 Budget proposes to cut an additional 7% from FY 2011, or \$178,133 from the overall Park Operations budget.

On August 21, 2006, City Council approved a new set of administrative policies for the Park Maintenance and Capital Improvements Millage. Included in this resolution was a provision that states:

If future reductions are necessary in the City's general fund budget, not including the budget for Safety Services, during any of the six years of this millage, beginning in the fiscal year of 2007-2008, the general fund budget supporting the parks and recreation system, after subtracting the revenue obtained from fees for parks and recreation, will be reduced no greater than the average percentage reduction, for each particular year, of the rest of the City general fund budget, not including the budget for Safety Services, for each of the applicable six years of this millage;

In its current iteration, the FY 2012 Budget for Park Operations would require an amendment of this resolution from City Council. According to this resolution, Park Operations should budget for an anticipated FY 2012 reduction of approximately 3.1%. Even if the shifting of funds from Park Operations to the Metro Expansion Fund is approved (which would still require an amendment), there remains approximately \$90,000 that should be restored to the FY 2012 Park Operations Budget.

PAC has concerns about both of the proposed changes. While historically the Metro Expansion Fund has been stable, we are concerned that service levels will not be maintained if a change to this funding occurs at the state level. In addition, we believe that Park Operations can use the additional 3.1% to improve upon the maintenance of active use areas.

PAC is also concerned with the timing of these significant changes. The process for the FY 2012 Budget for Parks and Recreations Services included weekly meetings with PAC's Budget Committee, as well as regular updates to PAC as a whole. In contrast, the majority of PAC members were not made aware of the changes for Park Operations until the April 26, 2011 meeting. PAC is charged with representing the interests of Ann Arbor's citizenry, and is therefore deeply committed to a transparent and thoughtful budgeting process. The timing of the proposed changes clearly runs counter to these goals and removes the possibility for public input.

PAC expresses serious concerns regarding the FY 2012 Budget and FY 2013 Budget Plan for Park Operations. We ask that City Council carefully consider the implications of shifting funding from the general fund to the Metro Expansion Fund. Further, PAC recommends that at a minimum, \$90,000 is reinstated to the FY 2012 Budget for Park Operations.

PARK ADVISORY COMMISSION RESOLUTION ON THE FY 2012 BUDGET AND FY 2013
BUDGET PLAN FOR PARK OPERATIONS

Whereas, a vibrant, extensive, and healthy parks system is part of every great town and city;

Whereas, Ann Arbor residents value their parks, natural areas and recreational facilities and support these amenities through their taxes;

Whereas, PAC commends Park Operations staff for their efforts to improve the quality and efficiency of parks maintenance;

Whereas, the FY 2012 Budget for Park Operations shifts \$212,387 from the general fund to the Metro Expansion Fund, as well as an additional 8.45% reduction from the general fund;

Whereas, the FY 2012 Budget for Park Operations as proposed will require City Council to amend the existing administrative policies for the Park Maintenance and Capital Improvements Millage in order to reduce general fund allocations in excess of 3.10%;

And, whereas, PAC is concerned with the late timing of these policy changes to Park Operations funding, which has not allowed for sufficient input from PAC or the public;

RESOLVED, that PAC recommends that City Council honor its commitment to voters by observing sections 4. and 5. of the Policies for Administrative of the 2006 Parks millage and not reducing the Parks Operations Budget at a greater rate than the reduction in the overall General Fund.