

**ANN ARBOR CITY COUNCIL MINUTES
WORKING SESSION - APRIL 19, 2000**

The working session of the Ann Arbor City Council was called to order at 7:07 p.m. in the City Hall Council Chamber by Mayor Ingrid B. Sheldon.

ROLL CALL OF COUNCIL

PRESENT : Councilmembers Tobi Hanna-Davies, John Hieftje, Joseph Upton, Dee Freiberg, Jean Carlberg, Heidi Cowing Herrell, Marcia Higgins, Christopher Kolb, Mayor Ingrid B. Sheldon, 9.

ABSENT : Councilmembers Stephen C. Hartwell, Elisabeth L. Daley, 2.

FINANCIAL ASSESSMENT AND UPDATE OF LONG-TERM FINANCIAL PLAN

Finance Director Allen D. Moore and Budget Director Alan Burns presented the "City of Ann Arbor Annual Financial Assessment and Long Term Financial Plan, 2001-2005" (on file in the City Clerk's Office). Mr. Moore reported that the Strategic Financial Planning Team did not recommend changes to the long-term goals and objectives for 2001-2005.

Mr. Burns reported that the local economy is healthy and that the City's tax base has continued to grow. He further reported: the City's low debt ratio gives it the flexibility to provide financing for capital needs; municipal productivity has increased; residents are satisfied and supportive of the level of services provided; the City's long-term pension liabilities are extremely well funded; and the City maintains an Aa General Obligation bond rating, reflecting well on its financial strength and health.

Questions and comments from Councilmembers followed the presentation.

2000-01 BUDGET REVIEW

The following department heads and staff members presented overviews of their proposed budgets for the 2000-01 fiscal year and answered questions from Council. Also available for questions were City Administrator Neal Berlin and Budget Director Alan Burns.

FIRE

Total Recommended Budget: \$10,210,809

Fire Chief George Marcus reported on the following budget highlights: significant expenditures allocated for improving the City's capability to manage emergency incidents, continuation of the Fire Accreditation Program toward the goal of National Agency Certification, continued high priority on community public education with no increase in personnel or additional expenditures in the Fire Education Division, replacement of the automatic external defibrillators with new units, and \$23,000.00 dedicated to various types of protective clothing and equipment.

CLERK

Total Recommended Budget: \$1,760,301

City Clerk Winifred Northcross reported on the following budget highlights: increased funding to cover the two major elections this fall, the Optech voting equipment will be paid for at the end of the current fiscal year, and elimination of the Public Information Officer position which will be transferred to the Administrator's Office.

Cable Administrator Harry Haasch reported on the following budget highlights for Cable Communications/Community Television Network: three additional part-time temporary access aides for CTN to provide adequate coverage for public meetings and to help with various television and administrative duties, and purchase of a van for television equipment.

HUMAN RESOURCES

Total Recommended Budget: \$13,558,317

Human Resources Director David Ferber reported on the following budget highlights: design and implementation of an employee and managerial staff training and development program, introduction of the Fox Lawson compensation program to City employees, development of a recruitment plan, and development of safety policies/procedures and investigation of public liability claims and workers' compensation injuries in the Risk Management division. Mr. Ferber noted that during the current fiscal year the Labor Relations and Risk Management functions were transferred to Human Resources.

DOWNTOWN DEVELOPMENT AUTHORITY

Total Recommended Budget: \$19,076,925

Downtown Development Authority Executive Director Susan Pollay reported on the following budget highlights: continuation of the parking structure repair/replacement plan approved by City Council and the DDA (including completion of the Forest parking structure, renovation of the Fourth and William parking structure, and possible demolition of the First and Washington parking structure), street scape improvements in the State Street area, and allocation of TIF funding to support the maintenance of the sidewalk and other improvements in the downtown area.

RETIREMENT SYSTEM

Total Recommended Budget: \$5,718,447

Retirement System Executive Director Willie Powell reported on the following budget highlights: the benefit/pension property tax levy will continue at the maximum levy of 2.1395 until the VEBA trust is deemed actuarially sound, changes to the retirement system that increased benefits for retirees were made without cost to the City because of the over-funding of the retirement system, and no City contribution requirement for 2000/2001.

ATTORNEY

Total Recommended Budget: \$1,058,644

City Attorney Abigail Elias reported on the following budget highlights: one additional assistant city attorney position for planning, zoning and affordable housing issues; increase of the clerk-typist position from 20 hours per week to full-time to provide support for the additional attorney; decrease of funding for consultants and temporary employment; and increased funding for Westlaw usage.

MAYOR AND COUNCIL

Total Recommended Budget: \$233,757

Mayor Sheldon reported that the council secretary position will be reduced from full-time to half-time and that the Mayor/Council budget will remain basically the same as the current year.

ADMINISTRATOR

Total Recommended Budget: \$1,147,004

City Administrator Neal Berlin reported on the following budget highlights: addition of the financial systems project manager; addition of the public information officer position transferred from the Clerk=s Office; addition of an environmental coordinator and support staff, including the energy coordinator; and transfer of the assistant to the city administrator for labor relations from the Administrator=s Office to the Human Resources Department.

NON-DEPARTMENTAL

Total Recommended Budget: \$25,196,367

City Administrator Berlin and Budget Director Burns reported on the following budget highlights: new tax levy for parkland, the elimination of the citizen survey for 2000/2001, and Limited Tax G/O bonds to pay for the first year interest on the bonds sold for the Broadway Bridges project and various street reconstruction projects.

ADJOURNMENT

There being no further business to come before Council, the Mayor declared the meeting adjourned at 10:43 p.m.

W. Northcross
Clerk of the Council

Janet L. Chapin
Recording Secretary