



RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

Whereas, the City Charter requires that each year in February, City Council provides the City Manager by resolution the budget priorities for the next fiscal year.

NOW THEREFORE BE IT RESOLVED, in accordance with Section 5.02 of the City Charter, the following direction is hereby given:

That the City Manager shall present City Council with a balanced Resources Allocation Plan for Fiscal Year 2016-2017 using the following organizational values, goals and action strategies:

ORGANIZATIONAL VALUES

Three fundamental values continue to underlie our work together on behalf of the citizens of and visitors to the City of Ypsilanti.

1. Open, transparent and accessible decision-making

We are committed to openness and transparency in our decision-making, doing whatever we can to ensure that information is available to the public in a timely fashion and in a manner that is easily understood, and providing opportunities for public engagement and participation in decision-making.

2. Fiscal solvency and sustainability

We are committed ensuring the long-term financial stability of the City. Our budget decisions must reflect a balance between short and long-term considerations, and we will work to reduce the costs of city services to the extent we can while maintaining effective city services and a sound infrastructure.

3. Customer Friendly Service

We are committed to providing services to residents and visitors in a customer friendly fashion, ensuring that service processes are effective and understandable, being responsive to requests for service to the extent we can, consistent with procedures and resources, and ensuring that people recognize the limits of our ability to respond.

CITY COUNCIL GOALS:

1. Consensus strategy regarding the major aspects of the near term financial direction for the City was achieved. Without this agreement on the financial direction, the other goals are pointless.
2. An essential part of the financial strategy is the sale of the Water Street property.
3. A parallel effort is required to help support the financial strategy to sell all other excess, or no longer needed, real property owned by the City.
4. Public safety, specifically police, fire and code compliance, is the top City services goal.
5. Focus on the utilization of inter-government / agency agreements and cooperative ventures.
6. Intertwined in all other City goals is the goal of enhanced outreach to the community.
7. Staff wellness and work satisfaction has to permeate the actions of all. That would include clear and consistently applied "policies, rules and administrative directives" and the practical utilization of technology.
8. The City is to become a place of sustainability; including maximizing recycling, minimizing the use of conventional electric power while maximizing alternate sources such as solar energy and utilization of the best technology such as LED lights.
9. Achieve accountability, or being held responsible, with clear goals and objectives, meaningful and periodic reporting and measuring of results.
10. Plan A – as follows:
 - 1) Refinance \$7,745,000 in Water Street debt which would save the city interest costs for this part of the debt.
 - 2) The refinance period would be for 14 years.
 - 3) The amount of millage to pay off part of the debt would be 2.3 mills; the revenue from this millage is scheduled to increase by 1% per year.
 - 4) This would match the amount of millage that would come off the tax roll for the 2001 road bond issue, which will make the Water Street bond millage cost neutral for Ypsilanti citizens.
 - 5) This would require a vote of the people; this election is proposed to be held in August of 2016.

- 6) The best estimate of the value of 1 city mill during the first year is \$289,000 x 2.3 mills = \$665,000.
- 7) This would leave the city with \$5,500,000 in bonds that were not refinanced; on March 2016 the city would pay down \$2,255,000 on this part of the Water Street debt. This money would come from non-General fund \$418,000 and General Fund \$1,837,000, which equal \$2,255,000, leaving the city with \$3,245,000 of bonds that were not refinanced to pay on until the money to pay down the principal is found. The sale of surplus city assets (mostly land) is where the city expects to gain this money.
- 8) This would leave the city with a projected spendable General Fund balance of \$4,953,000 as 6-30-2016; if we use up \$1M in General fund, Fund balance in FY 2015-16.
- 9) Allocation of full time employees in several key areas are as follows; 17 fulltime Officers in the Fire Department including the Fire Chief (reduction to occur through attrition), 32 sworn officers in the Police Department including the Police Chief, three in the Economic and Community Development Department or four if a new revenue source can be secured. The rest of the city staff will remain largely at status quo levels and will be adjusted to reflect budget and service demands as time progresses.
- 10) Annually, around the first week in September of each year, the city would know how much the General Fund, Fund Balance was actually reduced versus how much it was projected to be reduced for the previous FY budget year. If the administration and City Council felt that there were surplus funds in the General fund balance, that money would be spent to pay down part of the bonds that were not refinanced.

OFFERED BY: Mayor Pro-Tem Richardson

SUPPORTED BY: Council Member Anne Brown

YES: 7 NO: 0 ABSENT: 0 VOTE: CARRIED