



January 21, 2007

Ypsilanti Neighbors and Friends:

I hope that you find this January 2007 edition of the Ypsilanti Mayor's Update informative.

Ypsilanti city council has started the budget process for the upcoming fiscal year. In accordance with the city charter, three goal-setting sessions with city council and staff were held in December and January. I've summarized some of the discussion below. For further information, the [minutes of the sessions](#) are available online at the [Ypsilanti city website](#). If you have questions or comments, please email me at mayor@cityofypsilanti.com or call me at (734) 277-5446.

GOAL SETTING SESSIONS

At the first goal setting session in December, State Senator Liz Brater and State Representative Alma Smith talked about the state budget deficit. Ypsilanti city revenues directly from the state (revenue sharing) will probably be frozen at current levels. In fact, funding could be cut further depending upon the size of the looming state budget deficit.

At the second session Ypsilanti resident Paul Tait presented data from the Southeastern Michigan Council of Governments. Mr. Tait is the executive director of SEMCOG and was the chair of the city's Blue Ribbon Finance Committee. SEMCOG's data show the Michigan economy staying stagnant until 2013. He urged city council to prepare for flat or even decreasing revenue sharing from the state.

Mr. Tait also explained that the city has three major revenue sources granted by the state: city property tax, state revenue sharing, and city income tax. Ypsilanti city property taxes are already within one mil of the state limit. State revenue sharing is frozen or could even be cut by the state legislature. The income tax is the only other source for a significant revenue increase.

Mr. Tait reminded city council that the Blue Ribbon Finance Committee spent two years studying city finances. The committee made a number of cost-cutting recommendations, many of which were adopted. They concluded that even though the city is a well-run

organization, current revenues will not keep up with expenses. They asked city council to consider putting an income tax proposal to a vote of the people. Mr. Tait said that he is still in favor of the Blue Ribbon Finance Committee income tax recommendation in view of the most recent SEMCOG data.

At the third session, city department heads discussed service delivery effects of further budget cuts. Cuts in the police department would end community policing and lengthen response times. Cuts in the fire department will eliminate interior-attack firefighting; instead firefighters will stay outside of burning buildings and try to keep the fire from spreading. Cuts at the Department of Public Works will eliminate leaf and brush pickup. Cuts in ordinance enforcement will weaken or disable the city's historic district and zoning enforcement.

During the discussion, DPW director Bill Bohlen suggested an interesting cost savings idea. The city's waste collection contract is about to expire. It could be negotiated for two years to line up with expiration of the Ypsilanti Township waste collection contract. A joint waste disposal contract with Ypsilanti city and township could save up to 10%.

As the city budget process continues into the spring, city council pledges to explore revenue and cost savings options by working with city staff, state legislators, and county and regional officials.

With Best Regards,
Paul Schreiber
Mayor, [City of Ypsilanti](#)