

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
SPECIAL FINANCE COMMITTEE MEETING MINUTES
Thursday, February 4, 2021**

Place: Virtual Meeting--Zoom Link: <https://us02web.zoom.us/j/84295971938>
by Phone: 1-877-853-5257 (Meeting ID: 842 9597 1938 Passcode: 599901)

Time: 9:00 am

Committee Present: Marie Klopf, Rishi Narayan

Committee Absent: Bob Guenzel

Other Board Present: Tyler Kinley, Jessica A.S. Letaw

Staff: Maura Thomson, Sara McCallum, Jada Hahlbrock, Kelley Graves

Other Attendees: Matt Horning/City

Public: Members of the public were on the Zoom meeting but did not identify themselves.

Virtual Meeting Guidelines: Ms. Klopf outlined meeting details for everyone attending.

FY22 and FY23 Draft Budgets: According to a graph Ms. McCallum shared charting the month-by-month impact of the pandemic, the DDA's 50% revenue loss aligns with other parking systems nationally. She said this budget process is complicated by the unprecedented nature of the pandemic, the uncertainty of the long-term economic impact, this being a two-year budget cycle and, CIP mechanics. It was noted that approximately \$5M of the \$8.6M in the CIP budget for parking repairs and maintenance will be rolled over at year-end. The Committee reviewed State budget guidelines outlining how to budget for uncertain revenues: they should be included if deemed practical; the uncertainty should be disclosed; and a plan to reduce expenditures should be developed. The DDA's Fund Balance Policy was also reviewed.

Ms. McCallum presented three budget scenarios-10% fund balance budget, \$1M fund balance budget and, zero fund balance budget. The Committee asked questions and discussed the pros and cons of each option. The Committee and other board members in attendance expressed their appreciation for staff's work in explaining the process, preparing scenarios for consideration and, trust staff to determine which scenario is the most practical for the DDA. Ms. McCallum indicated staff would work with City staff to determine the most feasible approach. All agreed that it will be a challenging City Council budget process.

Public Comment: Mr. Honeyman said he has a better understanding of the complexities of preparing this two-year budget. He agreed that it will be a challenging budget process.

Next Meeting: The next regular Finance Committee meeting is scheduled for Thursday, February 25 at 9:00 am.

The meeting adjourned at 10:05 am.

Respectfully submitted by,
Maura Thomson, Interim Executive Director