



Rochester Hills

Minutes - Draft

City Council Special Meeting

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
(248) 656-4600
Home Page:
www.rochesterhills.org

*J. Martin Brennan, Greg Hooper, Nathan Klomp, Vern Pixley, James Rosen,
Michael Webber and Ravi Yalamanchi*

Vision Statement: The Community of Choice for Families and Business

Mission Statement: "Our mission is to sustain the City of Rochester Hills as the premier community of choice to live, work and raise a family by enhancing our vibrant residential character complemented by an attractive business community."

Monday, August 16, 2010

5:30 PM

1000 Rochester Hills Drive

In accordance with the provisions of Act 267 of the Public Acts of 1976, as amended, the Open Meetings Act, notice was given that a Special Rochester Hills City Council Meeting would commence at 5:30 p.m. on Monday, August 16, 2010, for the purpose of discussing the proposed 2011 Budget; and for the approval of meeting minutes.

CALL TO ORDER

President Hooper called the Special Rochester Hills City Council Meeting to order at 5:33 p.m. Michigan Time.

ROLL CALL

Present 6 - J. Martin Brennan, Greg Hooper, Nathan Klomp, Vern Pixley, James Rosen and Michael Webber

Absent 1 - Ravi Yalamanchi

Others Present:

*Ed Anzek, Director of Planning and Development
Tracy Balint, Project Engineer
Bryan Barnett, Mayor
Tara Beatty, Chief Assistant
Scott Cope, Director of Building/Ordinance Compliance
Ron Crowell, Fire Chief/Emergency Management Director
Paul Davis, City Engineer
Kurt Dawson, Director of Assessing/Treasury
Jay Fakhoury, Building Inspector/Plan Reviewer
Pamela M. Gordon, Director of Human Resources
Bob Grace, Director of MIS
Bruce Halliday, Fleet Manager
Mike Hartner, Director of Parks and Forestry
Deborah Hoyle, Financial Analyst
Captain Michael Johnson, Oakland County Sheriff's Office
Bud Leafdale, General Superintendent
Jane Leslie, City Clerk*

*Roger Moore, Professional Surveyor
Kim Murphey, Administrative Coordinator/DPS
Roger Rousse, Director of DPS/Engineering
Keith Sawdon, Director of Finance
Paul Shumejko, Transportation Engineer
Joe Snyder, Senior Financial Analyst
Bob White, Supervisor of Ordinance Services
Kelly Winters, Deputy Director of Building/Ordinance Compliance*

PLEDGE OF ALLEGIANCE

(Mr. Yalamanchi entered at 5:35 p.m.)

Present 7 - J. Martin Brennan, Greg Hooper, Nathan Klomp, Vern Pixley, James Rosen, Michael Webber and Ravi Yalamanchi

APPROVAL OF AGENDA

A motion was made by Webber, seconded by Pixley, that the Agenda be Approved as Presented. The motion CARRIED by the following vote:

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

PUBLIC COMMENT

***Pat Blakely**, 212 Tanglewood, discussed an estimate of the cost savings of closing the Environmental Education Center (EEC) and moving its functions to Van Hoosen Farm and noted that considering the loss of revenue from camps and programs, the cost savings is not substantial. She stated that the only savings realized by the move would be the Facilities charge which would be offset by lost revenues.*

***Jon Blakely**, 212 Tanglewood, stated that the EEC should be considered a source of revenue. He commented that a photographer has volunteered time to use the EEC property for photo shoots for a two-day period and would donate sitting fees, and suggested that additional classes be added using volunteer instructors, including native bird watching, master gardening, and fly and casting classes to raise additional revenue. He commented that school clubs and other groups have indicated that they are willing to sponsor fund raisers and suggested corporate sponsorships be explored.*

LEGISLATIVE & ADMINISTRATIVE COMMENTS

*In response to public comment, **President Hooper** noted that the Environmental Educational Center (EEC) will be discussed at the August 23, 2010 Special Budget Meeting under the Parks Budget.*

Mayor Barnett commented that Mr. and Mrs. Blakely have been long-supporters of the EEC and requested that Mike Hartner, Director of Parks and Forestry, address their concerns. He commented that none of the proposed plans for the EEC involve selling the property and the Administration's desire is to keep as many of the functions of the EEC as possible in the move to the Museum. He commented that proposed plans to lease the facility will be discussed during next week's Special Budget Meeting. He pointed out that the City has made staff reductions in every area and looks to consolidate services wherever possible.

CONSENT AGENDA

All matters under Consent Agenda are considered to be routine and will be enacted by one motion, without discussion. If any Council Member or Citizen requests discussion of an item, it will be removed from Consent Agenda for separate discussion.

2010-0298 Approval of Minutes - City Council Regular Meeting - May 17, 2010

Attachments: [CC Min 051710.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0187-2010

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on May 17, 2010 be approved as presented.

2010-0315 Approval of Minutes - City Council Special Meeting - May 24, 2010

Attachments: [CC Spec Mtg Min 052410.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0188-2010

Resolved, that the Minutes of a Rochester Hills City Council Special Meeting held on May 24, 2010 be approved as presented.

2010-0316 Approval of Minutes - City Council Regular Meeting - May 24, 2010

Attachments: [CC Min 052410.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0189-2010

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on May 24, 2010 be approved as presented.

Passed the Consent Agenda

A motion was made by Webber, seconded by Pixley, including all the preceding items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

PROPOSED 2011 BUDGET DISCUSSIONS

2010-0327 General Budget Overview - 2011

Attachments: [Agenda Summary.pdf](#)
[081610 Budget Presentation Schedule.pdf](#)
[082310 Budget Presentation Schedule.pdf](#)
[Suppl Genl Budget Overview Presentation.pdf](#)

Keith Sawdon, Director of Finance, began with the following presentation:

What the Five-Year Financial Forecast (2011-2015) Told Us:

- Accumulated Loss of Taxable Value will equal approximately one-third from 2010 to 2015.
- Any increase in State Shared Revenue is not expected due to a lack of sales of large-ticket items contributing less sales tax into the pool.
- Gas and Weight Tax Revenues are not expected to increase due to a movement toward mileage-efficient cars and continued unemployment leading to less driving.
- While the City has implemented Wellness plans and cost sharing, the City's Health Care costs are still expected to rise 15 percent per year.

He summarized that the City is midway through the revenue downturn cycle.

Mr. Sawdon provided an overview of the Fiscal Year (FY) 2011 Proposed and FY 2012 and 2013 Projected Budgets. He directed attention to Page 23 of the Budget Plan Booklet, noting the following breakdown and overview:

Budget Grand Total:	\$	101,330,190
General Fund:	\$	20,789,800
Special Revenue:	\$	29,919,070
Debt Service:	\$	4,422,520
Enterprise Funds:	\$	34,229,500
Internal Service Funds:	\$	10,377,230
Capital Funds:	\$	960,000
Component Units:	\$	516,120
Trust Fund:	\$	115,950

Overview:

- We have expended our multi-year budget to three years with the submittal of the FY 2011 Budget and have included 2012 and 2013 Projected Budgets.
- Budgets are based on best estimates and projections for the future.
- We were faced with the challenge of delivering quality services with reduced revenue sources.
- We made adjustments in the Budget to not only get us through FY 2011 but to address revenue shortfalls and increasing health care costs in FY 2012 and FY 2013.
- Revenues drive services. We have taken a conservative approach to estimating our revenues to ensure that the services proposed are within our revenue resources. We are living within our means.
- We have estimated that City-wide revenues for FY 2011 will decrease by 8.9 percent and we have reduced our expenditures by 11.8 percent.
- For FY 2011 the Proposed Budget sets the City millage rate at 9.7060, making us one of the lowest millages rates of cities in Oakland County with populations over 5,000.

Major Adjustments Made in the 2011-2013 Budget:

- Reduced Full Time Staff by an additional 21 positions, a 9.2 percent reduction from FY 2010 (18.8 percent reduction since 2006).
- Contracted Sheriff's Deputies were reduced by three in 2011, one in 2012 and 1 in 2013 in an attempt to keep General Fund's subsidy to manageable increases to the Special Police Fund.
- The Local Street Fund was shifted into a repair and maintenance (R&M) mode with no major reconstruction planned for FY 2011, 2012 or 2013.
- The Capital Improvement Fund (CIF) Transfer to the Local Road Fund was put on hold based on the concept that limited CIF funds should be used for Capital projects, not routine maintenance.
- The FY 2011, 2012 and 2013 Budget now reflect the full effect of the shift from City-provided Fire Dispatch to County-Contracted Dispatch Services.
- All capital-related projects were closely examined for a City commitment or where the City could leverage its own funds with Federal, State or County funds.

See Legislative File 2010-0334 for Council Discussion.

Discussed.

(Mr. Rosen exited at 6:01 p.m. and re-entered at 6:03 p.m.)

2010-0328 Discussion - General Fund (100's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Gen Fnd Rev - Transfer Out Presentation.pdf](#)
[Suppl Mayors Dept Presentation.pdf](#)
[Suppl Building Ordinance Presentation.pdf](#)
[Suppl Crossing Guards Presentation.pdf](#)

Keith Sawdon, Director of Finance, reviewed General Fund Revenue and General Fund Transfer-Out in the Proposed 2011 Budget and Projected 2012 and 2013 Budgets:

GENERAL FUND REVENUE

Significant Revenue Changes:

- Taxes decreased 13 percent (\$1,613,380).
- Franchise Fees increased 11 percent (\$98,190). Most of this increase will be transferred to Community Media Network (CMN). The Intergovernmental Cable Communications Authority (ICCA) has a new membership fee as well, requiring a \$6,000 expenditure.
- State Shared Revenue decreased 5.0 percent (\$225,000).
- Cemetery Monuments sales is a new service added for 2011.
- Interest and Dividend Earnings decreased 75 percent (\$472,900) as rates continue to stay low.

General Fund Revenues (101), Amended 2010 Budget: \$25,944,730

General Fund Revenues (101), Proposed 2011 Budget: \$23,379,160

GENERAL FUND TRANSFER-OUT

Significant Notes:

- Major Road Fund decreased 11 percent (\$39,810) due to reductions in Taxable Value.
- Local Street Fund decreased 83 percent (\$4,221,280) due to the Local Street Fund shifting to a Maintenance Mode and the passage of the new Local Road Millage, requiring less subsidy from the General Fund to cover maintenance costs.
- Special Police Fund increased 8.4 percent (\$321,380) due to declines in Taxable Value and increases in contracted rates (even after proposed Sheriff's Deputy reductions).
- Water Resources Fund (Drain Fund) decreased 5.9 percent (\$50,430) due to projected reductions in annual operating and maintenance costs. The General Fund will not continue to support the Water Resources Fund for FY 2012 and 2013.

Transfers-Out (990), Amended 2010 Budget: \$10,783,680

Transfers-Out (990), Proposed 2011 Budget: \$ 6,787,980

See Legislative File 2010-0334 for Council Discussion.

Discussed.

2010-0330 Discussion of the Debt Service Funds (300's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Debt Funds Presentation.pdf](#)

Keith Sawdon, Director of Finance, reviewed the Debt Service Funds in the Proposed 2011 Budget and Projected 2012 and 2013 Budgets:

Local Street - 2001 Series (313):

- Debt Service related to the improvements to local streets in Christian Hills, Great Oaks, Allston and Foxboro subdivisions.
- Revenue to pay debt service is a Transfer-In from the Local Street Fund. This debt issue is payable through FY 2016.
- Expenditures, Amended FY 2010 Budget: \$268,770; FY 2011 Proposed Budget: \$260,770 according to the Debt Schedule.

Local Street (SAD) - 2001 Series (314):

- Debt Service related to improvements to local streets in the Avon Hills, Relyea Acres, Klem Gardens, Hillcrest and South Boulevard Gardens.
- Revenue is from Special Assessments collected from the benefitting landowners and a Transfer-In from Local Roads.
- Expenditures, Amended FY 2010 Budget: \$216,800; FY 2011 Proposed Budget: \$235,800 according to the Debt Schedule.

Local Street - 2002 Series (325):

- Debt Service related to improvements to local streets in the Avon Manor, Whispering Willows, Springhill, Stratford Knolls, Great Oaks West, Lochmoor Hills, Larchwood and Independence Court subdivisions.
- Revenue comes as a Transfer-In from the Local Street Fund. This debt issue is payable through FY 2017.
- Expenditures, Amended FY 2010 Budget: \$433,740; FY 2011 Proposed Budget: \$472,490 according to the Debt Schedule.

Water Resources Debt Fund (Drain Debt) (331):

- Debt Service related to the construction of Chapter 20 Drains.
- Payment is secured by the full faith and credit of the City.
- Revenues to pay the debt service are generated from tax levies sufficient to allow for the annual principal and interest payments. In FY 2011, a levy of 0.6018 mills will be needed to pay the debt issued by the Oakland County Water Resource Commission.
- Expenditures Amended FY 2010 Budget \$2,307,670; FY 2011 Proposed Budget: \$2,007,150; FY 2012 Projected Budget: \$1,317,360; FY 2013 Projected Budget: \$1,259,560.

Mr. Sawdon explained that less will be needed to service this debt as these debts roll off. Debt for three drain projects will roll off in 2011, five in 2013, one in 2014 and one in 2025.

OPC Building Debt (368):

- The Older Persons' Commission (OPC) Building Bond Debt Fund was used to account for the City of Rochester Hills' portion of the debt service related to the OPC Building Construction bond issue.*
- The OPC Building Construction Debt Millage was approved by the voters of Rochester Hills on November 7, 2001 with an unlimited millage allowance for twenty years through FY 2021.*
- This debt issue was refunded in 2010 and has made its final payment.*

OPC Building / 2010 Refunding Debt (369):

- Debt Service issued in 2010 to refund the OPC Building Debt Bonds.*
- Revenue to pay the debt service payment comes from the millage approved by voters in 2001.*

Municipal Building Debt (370):

- Debt Service related to the renovation and expansion of City Hall.*
- Revenue to pay the debt service payment is from a Transfer-In from the Facilities Fund.*
- This debt issue was refunded in 2010 and will make its final payment in 2011.*

Municipal Building Refunding Debt (393):

- Debt Service related to the 2010 refunding of the Municipal Building Debt Fund used for the renovation and expansion of City Hall.*
- Revenue to pay the debt service payment is from a Transfer-In from the Facilities Fund.*

Water & Sewer Debt Service Fund (595):

- Debt Service related to bonds issued by the Water & Sewer Fund, related to Extension Five issued by the Oakland County Water Resources Commission.*
- Water Supply and Sanitary Sewer System Bonds are recorded in the Water & Sewer Fund and are secured by the revenues of that fund.*
- Water & Sewer Fund operating revenues pay this debt and the debt expense has been built into user rates.*
- Expenditures, Amended FY 2010 Budget: \$285,040; FY 2011 Proposed Budget: \$242,140 according to the Debt Schedule.*

See Legislative File 2010-0334 for Council Discussion.

Discussed.

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Gen Fnd Rev - Transfer Out Presentation.pdf](#)
[Suppl Mayors Dept Presentation.pdf](#)
[Suppl Building Ordinance Presentation.pdf](#)
[Suppl Crossing Guards Presentation.pdf](#)

Keith Sawdon, Director of Finance, reviewed the proposed Budget for the Mayor's Department and highlighted the significant changes for each area:

MAYOR'S DEPARTMENT

Mayor's Department (171):

- Salaries and Wages decreased 10 percent (\$92,570).
- Community Promotions decreased 92 percent (\$72,030) due to the reallocation of these costs to a new Community Events (760) cost center.
- Inter-fund Charges: DPS Work decreased 100 percent (\$15,000) due to the reallocation of these costs to the new Community Events (760) cost center, making it easier to account for Festival of the Hills and Brooksie Way related expenses.

Accounting (201):

- Salaries and Wages decreased by 8.0 percent (\$42,650).
- MIS decreased 19 percent (\$24,220) due to the reduction of annual maintenance costs associated with the City's financial system.

Mr. Sawdon noted that the Administration has moved toward employees that can work across departmental lines. He commented that two employees accepted buyout offers and that three positions have been reworked into one employee with the ability to work in Accounting, Purchasing and Fiscal. He stated that through cooperative efforts with the MIS Department, ways were found to maintain the financial system at a lower cost, saving approximately \$24,000. He commented that Accounting's FY 2010 Amended Budget is \$1,189,300; for FY 2011, it is proposed at \$1,100,620.

Legal Services (210):

- The City utilizes contracted legal services for routine issues, lawsuits, contract administration, labor relations, pension and benefit-related administration, interpretation and preparation of Ordinances, prosecution of Ordinance violations, and review of City Charter issues. The City employs no in-house attorneys.
- Labor and Other decreased 65 percent (\$44,000) due to anticipated reduction activity of the Labor Attorney. This cost is highly variable from year-to-year depending on the complexity of labor issues and status of contract negotiations with bargaining units.
- Expenditures, Amended FY 2010 Budget: \$351,450; FY 2011 Proposed Budget: \$307,500

Special Lighting (448):

- *Street Lighting is a pass-through account for lighting within the Christian Hills and Denison Acres Subdivisions.*
- *The City collects a special assessment from the lot owners who reside with those subdivisions; in turn, the City pays Detroit Edison for the electrical service.*
- *Street Lighting increased 18 percent (\$940) due to recent increases for this pass-through expense.*
- *Expenditures, Amended FY 2010 Budget: \$5,330; FY 2011 Proposed Budget: \$6,270*

Community Development Block Grant (CDBG) (666):

- *Professional Services decreased 22 percent (\$6,660) for local nonprofit organizations due to a reduction in the amount that the City is permitted to spend on public services from 45 percent to 30 percent of total CDBG funding.*
- *Contractual Services decreased 31 percent (\$10,490) for the yard services program due to the reduction in the amount the City is permitted to spend on public services. The program is expected to be able to maintain the same level of services for the time being due to excellent pricing received for projects and through prior year program balances.*
- *Professional Services Home Repairs increased by 40 percent (\$31,340) due to a small increase in overall CDBG funding and because of the restrictions placed on public service expenditures.*
- *Expenditures, Amended FY 2010 Budget: \$142,730; FY 2011 Proposed Budget: \$156,920 according to the Debt Schedule.*

Community Events (760):

- *DPS Work increased 100 percent (\$15,000) due to the reallocation of these costs from the Mayor's Department to more accurately account for Festival of the Hills and Brookside Way related expenses (which have offsetting revenue sources).*
- *Community Promotions increased 100 percent (\$71,530) due to the reallocation of these costs from the Mayor's Department to more accurately account for Festival of the Hills-related expenses (which have offsetting revenue sources).*

Supplemental Retiree Health (852):

- *Health and Optical Insurance decreased 100 percent (\$60,000) as all associated transactions and costs will now be processed in the Retiree Healthcare Trust Fund (736).*

Self Insurance Fund (677):

- *Liability Insurance and Bonds decreased 3.6 percent (\$23,000) due to lower Michigan Municipal Risk Management Authority (MMRMA) self-insurance required contributions. This item will be going out for bid for the next period.*
- *Expenditures, Amended FY 2010 Budget: \$639,000; FY 2011 Proposed Budget: \$616,000*

Capital Improvement Fund (420):

- Interest and Dividend Earnings decreased 59 percent (\$41,030) due to projected lower interest rates.
- Expenditures, Amended FY 2010 Budget: \$151,810; FY 2011 Proposed Budget: \$118,970

Building Authority (279):

- Responsible for acquiring and arranging for the construction of property for the City when a bond issue is required.
- The Building Authority consists of five members appointed by City Council for six-year terms.
- The Building Authority bylaws require a minimum of three meetings per year in order to conduct their business. For the last several years, the Authority has cancelled two of their three meetings. The Authority did hold two meetings this year, as it takes an effort of the Building Authority to move forward with refunding bonds for Municipal Building Debt.

See Legislative File 2010-0334 for Council Discussion.

Discussed.

2010-0334 Discussion - Trust and Agency Fund (700's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Supp Retiree Health Care Trust Presentation.pdf](#)

Keith Sawdon, Director of Finance, reviewed the Trust and Agency Fund (700s) in the Proposed 2011 Budget. The Fund has two components: The Supplemental Benefit Program, limited to certain eligible employees; and the Implicit Rate Subsidy, related to the City's allowing retirees to continue on the City's health care plan until they reach Medicare age. The advantage of having a Health Care Trust is that the Trust can invest its assets following Public Act 314. State Law prohibits the Retiree Health Care Trust from having more than 65 percent of its value in equities. This allows more interest to be earned than could be realized in a short-term market, as the City Treasurer is held to under Public Act 20.

SUPPLEMENTAL RETIREE HEALTH CARE TRUST (736)

- The Retiree Health Care Trust Fund was established to account for the expenditures associated with Retiree Health Care Benefit Programs.
- Interest and Dividend Earnings increased 206 percent (\$67,900) due to a

retirement-based investment portfolio.

- Health and Optical Insurance: Retirees increased 100 percent (\$69,580) due to the reclassification of these costs from the Supplemental Retiree Health cost center in the General Fund.

- Expenditures, Amended FY 2010 Budget: \$212,220; FY 2011 Proposed Budget: \$256,540

Council Discussion:

GENERAL FUND REVENUE:

President Hooper questioned whether figures quoted throughout for the FY 2010 Amended Budget included amounts for the First Quarter or Second Quarter.

Mr. Sawdon responded that all amounts included the Second Quarter Budget Amendment.

Mr. Yalamanchi expressed his thanks to everyone participating in the preparation of the Budget Document, noting that this year, Objectives are aligned to Goals, and these Goals are aligned to corresponding City Council Goals. He questioned whether 2010 revenues projected for building fees and lateral charges are equal to or higher than 2010 actual receipts.

Mr. Sawdon responded that the Administration is very conservative in projecting revenues. He explained that while there is increased building and development activity in the community, the Administration cannot be certain at this point that it is an ongoing trend and not related to Stimulus programs.

GENERAL FUND TRANSFER-OUT:

President Hooper commented that he would eliminate the proposed transfer-out to the Water Resources Fund for this year. He questioned whether this transfer is necessary because of unfunded mandates.

Mr. Sawdon responded that if no transfer is made this year, this fund balance will deplete quickly. Transferring to this Fund for 2011 will allow the development of a five-year plan that will extend the Water Resources Fund. He stated that as these are Chapter 20 Drains, they fall under the control of, and the necessary maintenance work driven by, the Oakland County Water Resources Commission.

President Hooper questioned whether there was any other option to use the one-half of the PEG fee which is transferred to Capital Improvement.

Mr. Sawdon responded that the City must be cautious on how it uses PEG monies and commented that he would defer to the City Attorney for a determination on other possible uses for these funds.

Mr. Yalamanchi questioned whether PEG fees would increase.

Mr. Sawdon responded that the Administration prefers to keep a conservative estimate of Franchise Fees. He noted that the full one-percent PEG fee is recognized, with a corresponding transfer of one-half percent to Community Media Network (CMN).

MAYOR'S DEPARTMENT:

Mr. Webber questioned whether there had been consideration to include a portion of the salary amounts for the Media positions in the Community Events Budget. He recalled Council's discussion this past April regarding CMN and stated that he would like to see allocations for time spent in meeting broadcasts versus special events. He commented that he would like to see a breakdown of time spent to weigh against the services CMN can provide to determine whether there is any duplication going forward.

Mr. Sawdon responded that the Administration's intent was to align revenues with expenditures in one cost center. He suggested that he would recommend keeping the breakdown as proposed and moving forward to refine the allocation for 2012.

Mr. Webber questioned whether it was expected that contract negotiations would conclude by the end of this year.

Mr. Sawdon responded that the Administration has been advised that they would not, and would most likely be a multi-year negotiation.

Mr. Yalamanchi questioned whether there were any additional cost-cutting opportunities in the area of Membership Dues, Travel and Seminars.

Mr. Sawdon responded that these costs are trending down and noted that the slight increase for 2011 results from a new membership fee of \$6,000 required for the Intergovernmental Cable Communications Authority (ICCA). He stated that departments have reviewed the value of all memberships and review all seminar agendas before attending.

Mayor Barnett commented that Community Events efforts include the production of welcome packets, school tour information and advertisements in various publications for economic development, some portion of which falls to the Planning and Economic Development Budget. He noted that the Memorial Day Parade is included in Community Promotions.

Mr. Sawdon stated that the intent in including Community Events as a cost center is to have a specific cost center for revenues to offset costs.

Mr. Yalamanchi questioned whether the same grantee organizations were being included under the CDBG.

Mr. Sawdon responded that they would, and although the City is now held to a 30 percent allocation for these groups, revenues are increasing. He noted that most service groups will not see much change because of the rise in revenues.

Discussed.

2010-0328 Discussion - General Fund (100's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Gen Fnd Rev - Transfer Out Presentation.pdf](#)
[Suppl Mayors Dept Presentation.pdf](#)
[Suppl Building Ordinance Presentation.pdf](#)
[Suppl Crossing Guards Presentation.pdf](#)

Scott Cope, Director of Building/Ordinance Compliance, highlighted recent accomplishments and activities of the Building and Ordinance Compliance Department.

BUILDING/ORDINANCE

Building Department (371)

Ordinance Compliance (372)

Weed Control (535)

Walking a Different Path:

- Only nationally-accredited building department in Michigan; one of only 15 in the nation.
 - * Professionally certified staff
 - * Quality control
 - * Performance measures
 - * Resource for other communities in Michigan and the United States
- Our staff developed an inter-local agreement with Oakland County communities for damage assessment services in an emergency.
- Currently working with two communities on an inter-local agreement to share inspection services.

Facilities Division Moved to Building Department. Why?

- Roger Rouse and Facilities staff have developed a lean and efficient operation.
- Technical Skills of the Building Department staff add value, cost saving, efficiencies and additional resources for Facilities staff.
- Building Department is now divided into three Divisions: Building, Ordinance and Facilities.

Building Division's Purpose:

- To make sure that buildings in our community are safe for everyone to enjoy.
- To be a helpful partner in the construction process.

A "Partnership Mentality":

- Building Department a key component to attracting businesses and keeping buildings safe.
- Planning and Development focus on economic development.
- Responding to the pace of the business community.
- Introduction of a fast permit process. This process provides the opportunity to issue building permits for projects under 1,000 square feet within 24 hours and provides assistance to expedite permits needed for commercial tenants.
- A helpful partner in the construction process.

He highlighted examples of how the Department has worked with incoming businesses to offer suggestions to minimize the cost and impact of necessary alterations.

Mr. Cope noted that Building Department Total Permits decreased 25 percent from 2006. He pointed out the following as increased activity and signs of recovery:

- New house construction activity: 18 permits through June 2009; 34 permits through June 2010.
- Commercial projects moving forward: 62 permits through June 2009; 29 permits through June 2010.
- Building Department Building and Trade Permits: 2010 Permits up 27.5 percent from 2009.

Mr. Cope displayed a chart showing a trend to increasing Building Department revenues in 2010 over 2009 figures. He commented that the Department is cautiously optimistic that the trend will continue.

Building Division Staffing Levels (Full-Time Positions):

- Staffing level reduced 41 percent from 2007.
 - * 2007 staff = 17.48
 - * 2011 staff = 9.15
- Reduction of 8.33 Full-Time Positions:
 - * 2008: One full-time position
 - * 2009: Three full-time positions
 - * 2010: Three full-time and two part-time positions
 - * 2011: 1.25 full-time positions
 - * 2007-2011: Salaries and Wages decreased 39.2 percent (\$667,752)
 - * 2011: Salaries and Wages decreased 11 percent (\$84,060) from 2010

Re-Evaluating and Closely Monitoring All Expenses:

- All overtime eliminated.
 - * 2005: 3,300 hours
 - * 2011: 0 hours
 - * Equal to reducing staff by 1.5 full-time positions
- Each account contains significant reductions, noted on Page 145 of the Budget Plan Document.
- Expenses reduced 37 percent from 2007.

- 2011 Proposed expenditures reduced 9.5 percent from 2010 Budget.

Mr. Cope noted that the revenues do not match expenses. He highlighted performing Community Development Block Grant work and addressing Fire Department and Property Maintenance complaints as functions of the Department that do not line up with incoming revenues. He pointed out that as a part of the partnership mentality, Department staff often hold meetings with architects and business owners prior to the initiation of projects.

Building Division Changes Over the Past Three Years:

- Staff reductions
- Reorganized
- Multi-trade inspectors
- Utilizing our resources (cost savings and efficiencies)
 - * Facilities work
 - * Area maintenance water meter usage
 - * Pathway obstructions
 - * Community Development Block Grant Program: Minor home repairs
 - * Energy Efficiency and Conservation Block Grant (EECBG): Managing 30 different construction projects and performing energy audits. Three staff members will be trained to provide energy audit services.

Ordinance Division's Purpose:

- To enhance and preserve the quality of life in our community by developing and effectively enforcing the City's Ordinances.

Single Solid Waste Hauler/RecycleBank:

- Homes recycling at least once a month: 90 percent
- Participation in RecycleBank Rewards: 67 percent. Normal first-year sign-up is 30 to 40 percent
- Complaints, January to June 2010: 75
- Service Stops: 1,161,846
- Success Rate: 99.994 percent

Proactive/Reactive:

- Proactive (Ordinance Inspector initiated)
 - * 2006: 67 percent
 - * 2010: 85 percent
- Reactive (Complaints received and verified)

Home Foreclosures. A Proactive Approach:

- Currently 540 homes in foreclosure.
- Each inspected monthly.
- 2,975 inspections completed year-to-date.
- 122 Outstanding violations.

Connecting With Our Residents:

- Home Owners Association Meetings held Spring and Fall.

Ordinance Division Significant Changes:

- All overtime eliminated.
- Salaries and Wages decreased 6.1 percent (\$33,700).
- Each account re-evaluated. (Refer to Page 149 of the Budget Document for significant changes).
- Improving the way we operate:
 - * Laptop Computer Program for Ordinance Inspectors
 - Four laptop computers and printers
 - Improve efficiencies
 - Reduce customer service staff workload

Weed Control:

- Additional notice: Postcards sent to vacant lot owners.
- Focus on vacant homes.

See Legislative File 2010-0333 for Council Discussion.**Discussed.**

2010-0333 Discussion - Internal Service Funds (600's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Facilities Fund Presentation.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl MIS Presentation.pdf](#)

Scott Cope, Director of Building/Ordinance Compliance, highlighted the Facilities Division:

FACILITIES FUND (631)Facilities Division's Purpose:

- To manage and maintain City-owned facilities in an efficient and safe manner so they can be used and enjoyed by residents, employees and visitors.

2009-2010 Significant Projects and Activities:

- Chapel Building at Van Hoosen Jones-Stoney Creek Cemetery.
- Two City-owned buildings demolished:
 - * 276 W. Auburn (Former Oakland County Sheriff's Department Substation)
 - * 1150 Livernois (Home across from Veterans' Memorial Pointe)
- Avondale Pavilion roof repaired.
- Water damage repaired at Fire Station 1.
- City Hall air conditioning failure. Coordinated efforts to keep City Hall functioning.

- Set-up and clean-up for 401 meetings in a one-year timeframe.
- Completed 2,763 work orders related to Facilities activities from May 2009 to May 2010.

Significant Projects for 2011:

- Precinct 5 Demolition.
 - * Due to the cost of Americans With Disabilities (ADA) upgrades and maintenance requirements
 - * Currently used by several civic organizations
 - * Proposed Plan:
 - Precinct 5 to Reuther Middle School
 - Meetings to Reuther Middle School or other City facilities

Significant Changes:

- Salaries and Wages increased 5.9 percent (\$19,710) due to reallocations.
- Electric utility decreased 5.6 percent (\$25,000).
- Gas utility decreased 5.6 percent (\$25,000).
- Additional changes can be found in the Budget Document on pages 300 and 301.

Council Discussion:

BUILDING/ORDINANCE and FACILITIES FUND:

Mr. Rosen questioned whether the Department had a method for tracking vacant or unoccupied houses and commercial properties.

Mr. Cope responded that the Assessing Department provides a list of homes currently in the Sheriff's Sale process. These homes are entered into a foreclosure list and are targeted for drive-by patrols by Ordinance Inspectors. He commented that homes in the Sheriff's Sale process may still be occupied during their redemption period. He pointed out that the Department's Goals and Objectives includes the development and implementation of a Vacant Property Maintenance Ordinance and commented that a major concern is to avoid deterioration and potential damage during winter months. He noted that this would also help to identify homes occupied without inspections or permits.

Mr. Brennan questioned what the savings will be in moving the Facilities Division under Building and Ordinance Compliance, what communities are participating in discussions regarding inter-local agreements, whether the Department is currently under-budget for FY 2010, when Precinct 5 would be demolished and what the City plans for the that property after demolition.

Mr. Cope responded that it is too early to quantify savings; however, he noted benefits are already being realized. He commented that the City's Mechanical Inspector designed Fire Station 1's HVAC system and Engineering Staff provided the drawings, saving the cost of a designer. He pointed out that the City's technical staff will assist in the preparation of requests for proposals, providing details that contractors are looking for to ensure more accurate bids.

He expressed reluctance to name various communities that the Department is in discussion with, as their various boards and Council have not yet approved any inter-local agreements. He indicated that the Department is under budget to-date this year. He explained that demolition of Precinct 5 would not occur until sometime next year. He stated that demolition is expected to cost \$20,000, while ADA changes to the building would encompass \$40,000 in changes. He commented that the Administration has not made any decisions regarding the real estate yet.

Mayor Barnett stated that an extensive evaluation of all City-owned properties was undertaken, and noted that other locations can be used for Precinct 5 functions.

President Hooper questioned where the \$20,000 noted in the proposed Budget for ADA-compliance would be spent.

Mr. Cope responded that this figure is a general number allocated for work at various facilities toward ADA compliance. He noted that it is not considered reasonable to do all compliance work in one year.

Mr. Pixley questioned why repairs and maintenance amounts are rising by 40 percent.

Mr. Cope responded that this figure encompassed a number of different projects related to necessary maintenance on City buildings.

Mr. Yalamanchi questioned whether Energy Audit services would be extended to homeowners and if Building Staff considered the addition of inspection services for home buyers.

Mr. Cope responded that the fee has not yet been determined to provide Energy Audits to homeowners, but it would most likely be less than what commercial firms charge. He commented that Inspection Staff is currently in training to provide Energy Audits. He explained that the Department is exploring the development of a pilot program for home inspections, to provide a service independent of any contractors. He pointed out that conversations with local Realtors indicated that approximately 99 percent of all home buyers hire a home inspector and stated that the City could do a similar inspection for approximately \$100 less than private inspectors currently charge. He commented that the Department will be working with Planning and Economic Development to provide guidance to business owners and help them understand the process of locating in Rochester Hills.

Mr. Yalamanchi questioned why 2010 year-to-date expenses seem low.

Mayor Barnett responded that approximately \$100,000 in expenses related to the NoHaz Program have not occurred yet this year.

Mr. Yalamanchi questioned how data on foreclosures is assembled.

Kurt Dawson, Director of Assessing/Treasury, responded that the list of

foreclosures continues to change as homes come into bank ownership and others are sold. He commented that the City receives a copy of the foreclosure from the Oakland County Register of Deeds and stated that foreclosure is approximately a 12-month process. He noted that the City is beginning to receive data on short sales as well and watches for homes that are abandoned during the process. He stated that each month the Assessing Department updates the Oakland County Sheriff's Department, the Fire Department, Planning and Economic Development and the Building/Ordinance Compliance Department.

Mr. Webber commented that actual expenditures for Repair and Maintenance in the Facilities Fund have not hit budgeted amounts and questioned whether some of this money could be reallocated to other areas of the budget.

Roger Rousse, Director of DPS/Engineering, noted that as a part of the Asset Management Program, all City buildings have been evaluated and commented that a significant amount of deferred maintenance exists. He pointed out that many need large capital improvements; and the list of projects has been pared down for this Budget.

Mayor Barnett noted that approximately \$100,000 of the Repair and Maintenance budget is for on-call requirements and is not used unless needed.

Mr. Webber suggested that emergency repairs could be addressed with a Budget Amendment.

Mr. Yalamanchi requested a breakdown of the Fund Balance for the Capital Improvement Fund.

See also Legislative File 2010-0328.

Discussed.

President Hooper rearranged the Agenda Items to discuss Item 2010-0333 Discussion of Internal Service Funds (600's) - 2011 Budget - (Fleet Fund, 661) after Item 2010-0332 Discussion of the Water and Sewer Funds (500's) - 2011 Budget.

(Mr. Rosen exited at 8:02 p.m. and re-entered at 8:06 p.m.)

2010-0329 Discussion - Special Revenue Funds (200's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)

Mayor Barnett announced that this is Roger Rousse's last meeting as Director of DPS/Engineering, as his last day at the City is this coming Thursday. He

commented that Paul Davis, City Engineer, will take over as Interim Director for the Department.

Roger Rousse, Director of DPS/Engineering, reviewed the proposed budget for the Department of Public Services:

City Council Goals and Objectives:

- *Infrastructure Management: To provide reliable safe and effective roadways and utilities throughout the City.*

He noted that the DPS/Engineering will encompass one less division this year, with the movement of Facilities to Building and Ordinance Compliance. DPS/Engineering will now consist of:

- Major Roads
- Local Streets
- Pathways
- Water Resource (formerly Drains)
- Water and Sewer
- Fleet

Department Initiatives:

- *Transition from a construction mode to a maintenance and reconstruction mode.*
- *Broad-banding of job descriptions.*
- *Continued utilization of an Asset Management Program: inventory, condition assessment, maintenance costs, replacement schedules, budgeting.*
- *Work load indicators.*

He reported a 12.7 percent reduction in Department staffing since 2008. He commented that 8,000 labor hours were reduced in the Engineering Department.

Regulatory Challenges and Unfunded Mandates:

- *MS-4 (Municipal Separated Storm Sewer Systems).*
- *CMOM (Capacity, Management, Operations and Maintenance).*
- *Michigan Public Act 222 limits governmental immunity for sanitary sewer backups.*
- *ADA (Americans With Disabilities Act).*
- *Environmental Protection Agency's 2 Disinfectants and Disinfection Byproducts Individual Distribution System Evaluation (DBPR IDSE) Rule.*

Challenges:

- *Aging Infrastructure; unanticipated failures*
- *Reduced staffing*
- *Greatly increased regulatory requirements*

MAJOR ROAD FUND

Mayor Road - Revenue (202)
Major Road - Transfer Out (442)
Major Road - Construction (452)
Major Road - Preservation (462)
Major Road - Traffic Service (472)
Major Road - Winter Maintenance (482)
Major Road - Administration (492)

Overview:

- Own and operate over 37 miles of City Major Roads such as Brewster Road, Old Perch and John R.
- Coordinate improvements to County and State roads located within City limits.
- Responsible for routine maintenance. Less capital improvement increases maintenance costs.
- Winter maintenance activities (snow and ice removal).
- Responsible for traffic-related issues.
 - * Studies and counts
 - * Traffic signal installation coordination
 - * Maintenance of traffic signs, pavement striping and markings
 - * Bridge inspections

Significant Notes:

- Personnel Services increased due to staffing reallocation.
- Professional Services - Traffic decreased due to City-owned bridge inspections (four) which occur every other year (not in 2011); and due to the completion of the Rochester Road Traffic Audit.
- Material - Winter Maintenance increased due to anticipated increases in road salt costs.
 - * 2009 - \$42.98 per ton
 - * 2010 - \$47.28 per ton

2011 Project Capital Plan:

- CIP #MR-01A: Crooks Road at M-59 Interchange.
- CIP #MR-40A: Tienken Road Improvements (Livernois Road to Sheldon Road). Design in FY 2011, Construction in FY 2012.
- CIP #MR-03A: Concrete Slab Rehabilitation Program.
- CIP #MR-03B: LDFA Road Rehabilitation Program.
- CIP #MR-04A: Walton Boulevard Rehabilitation.
- CIP #MR-05E: Adams Road Rehabilitation.
- CIP #MR-12: Major Road Traffic Calming Program.
- CIP #MR-14: Washington Road Paving (Tienken to Dequindre).
- CIP #MR-27: Bridge Rehabilitation Program.
- CIP #MR-42C: M-59 Rehabilitation (Adams Road to Crooks Road).
- CIP #MR-42D: M-59 Sound Barrier Installation, Federal Share.
- CIP #MR-43: Raintree Drive Reconstruction.

Mr. Rousse noted that only CIP #MR-03A, #MR-04A, #MR-12 and #MR-43 are exclusive City projects. The remaining projects are in coordination with County, State and Federal projects.

LOCAL STREET FUND

Local Street - Revenue (203)

Local Street - Transfer Out (444)

Local Street - Construction (454)

Local Street - Preservation (464)

Local Street - Traffic Service (474)

Local Street - Winter Maintenance (484)

Local Street - Administration (494)

Overview:

- Own and operate 237 miles of local streets (24 miles of gravel). No Federal, State or County funding is available for Local Street Programs.
- Due to funding constraints, the focus has changed to routine maintenance, which includes:
 - * Crack sealing, cold patching, street sweeping, storm sewer/catch basin cleaning
 - * Winter maintenance activities (snow and ice removal)
- Responsible for traffic-related issues.
 - * Studies and counts
 - * Traffic signal installation coordination
 - * Maintenance of 5,700 traffic signs, pavement striping and markings
 - * Bridge inspections

Significant Notes:

- Personnel Services decreased due to staffing reductions and shift to a maintenance mode.
- Material - Preservation decreased due to recent actual trends and budget reduction efforts. Winter Maintenance increased due to salt commodity price increase. (2009 - \$42.98 per ton; 2010 - \$47.28 per ton).
- Professional Services decreased due to an ADA Transition Evaluation budgeted in FY 2010.

He noted that also included in the FY 2010 Proposed Budget are the two new funding sources: A transfer-in from the Major Road Fund and income from the recent voter-approved ballot proposal. These funds are intended for road maintenance activities and will reduce the burden on the General Fund.

PATHWAY

Pathway Maintenance Fund (214)

Overview:

- The voters of Rochester Hills approved a millage in order to construct, maintain, and repair pathways and surfaces for use by bicycles, non-motorized vehicles and pedestrians along main roads, the Clinton River Trail and to create linkages to pathways and schools in the City.
- Preserve existing pathways through rehabilitation and construction, including ADA compliance.
- Maintain approximately 83 miles of pathways, which includes pavement repair, crack sealing, traffic signage, traffic safety railing, trimming of trees and bushes, along with other proactive maintenance programs.

Significant Notes:

- Materials decreased due to less pathway system crack sealing.
- Professional Services decreased due to the anticipated completion of an ADA Transition Evaluation and Pedestrian Bridge Inspections in FY 2010.

Pathway Construction Fund (403)

- To construct new pathway segments, including easement acquisitions, in accordance with the Master Plan and Engineering Standards with the voter-approved millage.

Pathway Construction 2011 - Project Plan:

- CIP #PW-01: Pathway Rehabilitation Program. City Share 100 percent.
- CIP #PW-43: Raintree Pathway (Adams Road to Firewood Drive).

WATER RESOURCE FUND (FORMERLY DRAIN FUND) (244)

Overview:

- We have 28 Chapter 20 Drains within the City.
- Comply with the US EPA NPDES Phase II permitting requirements.
- Comply with MS-4 (Municipal Separated Storm Sewer System) permit.
- Monitor and inspect existing storm water facilities within the City for ongoing compliance.
- Regulate land development as it relates to storm water drainage and flood plain issues.

Significant Notes:

- Professional Services decreased due to the reduction in the amount of preliminary engineering costs related to capital projects in FY 2011.
- Maintenance costs increased due to increased levels of maintenance activity performed by Oakland County Water Resources Commission (OCWRC) on Chapter 20 Drains.

WATER & SEWER FUND

Sewer - Operating (510)

Overview:

- Provide sanitary sewer to approximately 22,500 residential and business customers who ultimately pay for all provided services.
- Over 322 miles of sanitary sewer pipe (205 miles - 64 percent - was constructed prior to 1979).
- 7,900 manholes or maintenance access points.
- Responsible for replacement of service mains, equipment, improvements and extensions.
- Plan, design and construct the sanitary sewer system to provide service.
- An in-house manhole rehabilitation program has been implemented to improve aging infrastructure.
- Smoke testing and metering equipment was purchased via grant monies to locate areas within the sanitary sewer system that are susceptible to inflow-infiltration and illegal connections. The project will continue in 2011.
- OCWRC has implemented meter-based billing.
- A grant was awarded to the City by Wayne County to perform an inflow and infiltration study located within the Rouge River Watershed.

Significant Notes:

- Customer Charge decreased due to the completion of the Radio Read project in the 2009-2010 rate year.
- Salaries and Wages decreased due to staffing reductions or reallocations.
- Operating supplies increased due primarily to the inclusion of the Grinder Pump Replacement Program (SS-15) offset by a reduction in miscellaneous tools and hardware.
- Inter-fund Charges: Dispatch decreased due to outsourcing emergency dispatch operations.
- Contractual services decreased due to reallocating emergency underground utility work to the Water & Sewer Capital Fund, reallocating microfilming to the Clerk's Department and budget reduction efforts.

Water - Operating (530)Overview:

- Provide municipal water to 22,500 residential and business customers who ultimately pay for the services.
- Over 425 miles of water mains (169 miles - 40 percent - of water main was constructed prior to 1979).
- 54 pressure reducing valve (PRV) sites and 4,450 isolation valves, four master meter facilities and approximately 31,000 water meters.
- Responsible for replacement of service mains, equipment, improvements and extensions.
- Plan, design, and construct the water system to provide service.
- Finalized 30-year water contract with the Detroit Water and Sewerage Department (DWSD)
- Submitted final report to the EPA for Initial Distribution System Evaluation (IDSE), water sampling of chlorine byproducts.

Significant Notes:

- *Customer Charge decreased due to the completion of the Radio Read Project in the 2009-2010 rate year.*
- *Inter-fund Charges: Dispatch decreased due to outsourcing emergency dispatch operations.*
- *Wages and Salaries decreased due to staffing reductions and/or reallocations.*
- *Operating supplies decreased due to budget reduction efforts.*
- *Professional Services decreased due to the completion of the Water Storage Feasibility Study and a reduction in the anticipated utilization of engineering consultants.*
- *Legal Fees: Labor and Other - increased due to anticipated union contract negotiations.*

2011 Water and Sewer Project Plan:

- *CIP #WS-25B: South Boulevard Water Main Replacement (Livernois Road to Rochester Road).*

Mr. Rousse noted that the City's Water and Sewer System are in relatively good condition and do not require major capital projects to maintain operations. He noted that an emerging new technology will be utilized, using pipe bursting to break old pipe and install new pipe in its place. He commented that the City's Asset Management System is utilized to aid in prioritizing future projects and operations.

FLEET FUND (661)Objectives:

- *Continue networking with neighboring municipalities to explore sharing resources, training, expand cooperative purchasing and consider in-sourcing equipment maintenance and repairs.*
- *Federal-mandated Diesel Emission Standards require approximately \$9,500 of additional emission control per vehicle.*
- *Increasing advances in vehicle technologies require additional skill levels of staff.*

Overview:

- *The Fleet Division is responsible for providing and maintaining the City-owned fleet of machinery, equipment and vehicles in a safe and proper-functioning condition.*
- *The Division performs scheduled preventative maintenance; monitoring of vehicle condition and criteria for replacement.*
- *The Division maintains its own records, files and inventories, and distributes gasoline and diesel fuel, auto and truck parts, safety gear, clothing, supplies and tools as needed to various departments.*
- *Funded by user fees, internal City user departments pay a planned monthly replacement charge to ensure that sufficient funds will be available when replacement is due and before there is an increase in cost.*

Assets Managed:

- 35 pieces of fire apparatus
- 80 cars, pickup trucks and vans
- 19 dump trucks
- 10 pieces of heavy equipment
- 18 specialty vehicles
- 12 trailers
- 200 pieces of power equipment

Significant Notes:

- Charge for Service - City of Rochester increased 100 percent (\$20,000) due to anticipated revenues for servicing their motor fleet.
- Charge for Service - OPC increased 100 percent (\$10,000) due to anticipated revenues for servicing their motor fleet.
- Charge for Service - Library increased 100 percent (\$6,000) due to anticipated revenues for servicing their motor fleet.

2011 Project Plan:

- Purchasing smaller equipment for various Departments to use.
- Purchasing vehicles scheduled to be replaced:
 - * Four pickup trucks with plows or crane
 - * Four pickup trucks
 - * Two passenger cars
 - * One station wagon
 - * Three tandem-axle dump trucks

Council Discussion:

Mr. Yalamanchi thanked Mr. Rouse for his service to the City. He commented that reconstruction activities should be considered for Firewood as well as Raintree. He requested an update on when the Tienken Road Widening Project and the Walton Boulevard Overlay Project would begin.

Mr. Rouse responded that the Tienken Road Widening Project would begin design in 2011 and construction in 2012. He stated that the Walton Boulevard Overlay Project is scheduled for 2011.

Paul Davis, City Engineer, commented that the City of Rochester has objected to the current timeframe for the Tienken Road Widening Project as a reconstruction project of Rochester Road through downtown Rochester will begin in 2012. The Michigan Department of Transportation (MDOT) will be coordinating the two projects.

Mr. Yalamanchi questioned whether the Road Commission for Oakland County (RCOC) contributed to Winter Maintenance.

Mr. Rousse responded that the City has a winter maintenance contract for Livernois Road. All other Major Roads activities are funded through the Act 51 Gas Tax.

Mr. Webber requested an update on reconstruction of the Avon Bridge and suggested that a placeholder be included in the Budget for that project.

Mr. Davis responded that the Tienken Road Bridge Reconstruction is being funded through the Local Bridge Program, with 95 percent funding through State and Federal funds and five percent through the RCOC. The RCOC is pursuing funding through the Local Bridge Funding for repairs and reconstruction of the Avon Road Bridge; however, this funding will not cover design. He noted that with the estimated cost for reconstruction at \$2 to \$3 million, the intention is to pursue funding through the Local Bridge Program. He stated that the earliest that the RCOC can submit this project for consideration of funding is for 2013 and stated that the City should know in November of this year if the project is selected for 2013.

Mr. Webber questioned whether there was any new information about the rehabilitation of Crooks Road from the bridge over M-59 to Hamlin and questioned what the estimate would be for an overlay of that portion of roadway.

Mr. Davis commented that unless the City were to undertake funding, there was nothing new planned. Crooks Road is owned by the RCOC and the RCOC has indicated that they do not have funding to undertake this estimated \$2 million project. He pointed out that work on the interchange is moving so fast that the design most likely could not be accomplished for completion at the same time. He noted that after proposals for the Interchange work are received by MDOT, if funds remain from the budgeted \$10 million, MDOT will consider allocating monies toward this road.

Mr. Webber questioned why the forecasted budgeted amount for the purchase of salt remains stagnant while the price of salt is increasing.

Mr. Rousse responded that the City has installed brine tanks on its trucks to pre-wet salt and minimize the bounce off of the roads to lower salt usage. He noted that a 10 to 20 percent reduction in salt volume should be realized. He commented that the City must purchase a certain volume of salt to guarantee pricing. He noted that in a year of heavy use, less salt will remain for stockpiling. In a year of light use, more salt will be stockpiled for future use.

President Hooper questioned what monies will remain in the City's Tri-Party Funding balance after the Walton Boulevard Project is complete.

Paul Davis stated that the City's Tri-Party Funding balance will be zero.

See also Legislative File 2010-0331.

Discussed.

2010-0331 Discussion of the Capital Funds (400's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)

See also Legislative File 2010-0329.

Discussed.

(RECESS 8:11 p.m. to 8:38 p.m.)

2010-0329 Discussion - Special Revenue Funds (200's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)

Council Discussion:

LOCAL STREET FUND, PATHWAY, and WATER RESOURCES (DRAINS) FUND:

Mr. Yalamanchi commented that while the entire Budget Document encompasses good planning, a key component missing is an allocation for Local Road Construction. He pointed out that the City proposes four years without reconstruction and noted that this will place a heavy burden on maintenance activities. He stated that the Administration should look for \$1.5 million in the Budget to allocate to reconstruction and suggested that \$1 million be utilized from the Capital Improvement Fund.

President Hooper stated that he would support the transfer out to the Water Resources Fund to instead go to Local Roads, providing \$806,000. He noted that this transfer moves to zero in 2012 and 2013.

Mr. Webber concurred, stating that he receives many e-mails throughout the year from residents stressing the importance of street reconstruction.

Mr. Rosen commented that he disagrees with this transfer, pointing out that the Mayor's Budget Message stressed stepping up to funding challenges earlier rather than later.

Mr. Rousse stated that the City has regulatory obligations for drain maintenance.

Mr. Sawdon stated that the General Fund has been contributing to Drain Fund maintenance costs, while the Drain Fund has covered construction and capital

improvements. He commented that maintaining this transfer for 2011 will allow the development of a plan to move the General Fund away from subsidizing drain maintenance.

Mayor Barnett recalled that the Drain Fund balance was the result of a millage collection that ended in 2007. He commented that the Drain Fund has no dedicated funding source and as it dwindles down, the only source of funds for Drain activities will be the General Fund.

Mr. Sawdon noted that if this money is transferred to Local Roads, the Drain Fund will then be required to cover its maintenance activities. He estimated that the fund would be depleted in five to seven years.

Mr. Yalamanchi commented that the recently-passed Local Road Millage is only a short-term limited source of funds. He stated that use of the Drain Fund for drain maintenance activities would carry the Fund for four to five years and provide some flexibility to utilize the General Fund monies for other activities. He commented that the City must come up with a solution to fund Local Roads.

Mayor Barnett responded that if Council wished for the Administration to allocate \$1.5 million for road reconstruction, it would most likely be from the General Fund Fund Balance. He commented that \$1.5 million would not allow for much reconstruction, noting that most subdivision projects are \$2 million to \$4 million each. He stated that the City needs approximately \$5 million each year to allow for an adequate reconstruction program.

President Hooper noted that removing the Drain Fund transfer allocation from the General Fund this year would just start the elimination of this transfer one year earlier.

Discussed.

2010-0331 Discussion of the Capital Funds (400's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)

See Legislative File 2010-0329 for Council Discussion.

Discussed.

2010-0329 Discussion - Special Revenue Funds (200's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)

See discussion regarding the Pathway Maintenance Fund held earlier in the meeting.

Discussed.

2010-0331 Discussion of the Capital Funds (400's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)

See Also Legislative File 2010-0329.

Discussed.

2010-0329 Discussion - Special Revenue Funds (200's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)

See discussion regarding the Water Resources Fund (Drains Fund) held earlier in the meeting.

Discussed.

2010-0332 Discussion of the Water and Sewer Funds (500's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)

See Legislative File 2010-0332 for Water and Sewer Fund and Fleet Fund Presentations.

Council Discussion:

WATER AND SEWER FUND:

President Hooper acknowledged that Water Reservoirs were not included in the Proposed FY 2011 or Projected FY 2012 and FY 2013 Budget.

Mr. Yalamanchi stated that the City has seen results from enforcement of its False Alarm Ordinance and suggested that one Ordinance Inspector be allocated for one year to enforce the City's Watering Ordinance for residential and commercial violators. He commented that this enforcement could begin immediately for the remainder for 2010 and carry into 2011.

President Hooper questioned what Fund would cover the cost of the Inspector.

Mr. Yalamanchi suggested that the Water and Sewer Fund would carry this cost.

Mayor Barnett stated that Ordinance Enforcement is down one Ordinance Inspector's position in the FY 2011 Budget and allocating one Inspector to Water and Sewer Ordinance violations would cut Ordinance staff in half. He noted that Council consensus was to not enforce this Ordinance.

Scott Cope, Director of Building/Ordinance Compliance, responded that Ordinance Enforcement in other areas of the City would be impacted.

Mayor Barnett commented that he would provide Council with the pros and cons of enforcing the Watering Ordinance.

Mr. Pixley questioned why there was a 45 percent increase in Operating Supplies for Water and Sewer and why \$35,000 is allocated for Legal Fees.

Joe Snyder, Senior Financial Analyst, responded that this increase was due to the Grinder Pump Replacement Program. He explained that every other year, ten grinder pumps are replaced or rehabilitated.

Mr. Rousse responded that Legal Fees are allocated for the Labor Attorney, noting that two contracts will open for negotiation.

FLEET FUND (661):

President Hooper questioned why three tandem-axle plow trucks are included for this year, and if these purchases will complete the replacement of the plow trucks for the time being. He questioned whether replacement of dump trucks was also included and when the Vactor Truck would come up for replacement.

Bruce Halliday, Fleet Manager, responded that these trucks are under a staggered replacement schedule and noted that this replacement timeframe was extended from eight to 15 years. He explained that there are three trucks in the FY 2011 Budget, and two singles and two tandems in the Projected FY 2013 Budget. He noted that a number of dump trucks will be in the schedule every couple of years and commented that one Vactor Truck was purchased this year and one will be set for purchase in FY 2012.

President Hooper questioned whether there is a full-time need for two Vactor Trucks and if these trucks could be shared with other municipalities.

Mr. Halliday responded that the City currently has three Vactor Trucks, and will pare this number down to two.

Mr. Rousse explained that the City will have one older and one newer Vactor Truck. He noted that the City cleans a large amount of sewers proactively and as such has experienced few backups in past years. He commented that crews inspect manholes at the same time; and it is essential to have two vehicles in service. He explained that while there are some avenues for shared

services, Vactor Trucks would not be available for sharing unless municipalities move to staggered shift times. He commented that other pieces of equipment, such as the City's easement machine and sewer-lining equipment owned by Auburn Hills are better-suited for sharing between municipalities.

Bud Leafdale, General Superintendent, commented that crews have cleaned 557,000 feet of sewer thus far and stated that the trucks go out every day.

Mr. Rosen commented that newer vehicles have a much longer life and lower maintenance costs than older vehicles and his recommendation would be to reevaluate and revise the replacement policy during this coming year. He mentioned that a reliable vehicle should not be replaced merely because the replacement monies are in the Fund.

Mr. Halliday explained that if the life-cycle of a vehicle can be extended, its replacement is deferred. He noted that 2013 will see a higher number due to deferred replacement. He commented that the Administration strives to keep Capital Replacement costs to \$1 million or less. He stated that as the Preventative Maintenance Program increases, repair costs decrease.

Mr. Rouse explained that the City uses Act 51 Schedule Rates as a requirement of receiving Act 51 funds. He noted that for all DPS equipment, once funds are accumulated, the vehicle is replaced. Other user-departments in the City purchase the vehicle and pay a monthly fee to depreciate it. Once the vehicle is fully depreciated, the department is only charged Insurance, Operation and Maintenance costs. Departmental vehicles are evaluated and replaced only when necessary.

President Hooper questioned whether all Departments are charged on the basis of the ten-year Act 51 depreciation cycle and if the charge is continued after the vehicle is fully depreciated.

Mr. Halliday responded that DPS vehicles continue to be charged on the basis of hourly use; however, other Departments are not charged after ten years.

Mr. Rouse stated that the City could apply for an amended Act 51 Rate Schedule based on a detailed history of costs incurred.

Mr. Yalamanchi questioned whether the City was moving toward purchasing smaller vehicles with more fuel efficiency or battery-operation.

Mr. Halliday explained that the capital cost for energy-efficient vehicles is very high. He commented that these technologies are still in their infancy and the current economic situation is not conducive to this investment.

Mr. Yalamanchi requested that the Administration look into the rate of return and longevity of moving toward energy-efficient vehicles. He questioned whether the City has any infrastructure for plug-in vehicles.

Mr. Halliday responded that large cities on the east and west coast receive a lot of Federal funding to invest in new energy technologies and commented that

smaller cities are just beginning to explore these possibilities.

Mayor Barnett commented that many cities utilize their Energy Efficiency and Community Block Grant (EECBG) funding to purchase these vehicles; however, the savings are currently minute and the payback period long. He commented that the City's Fund Balance has grown in part because of the management of the City's Fleet and noted that a small expenditure is proposed for FY 2011, a little more for FY 2012, and more for FY 2013. He commented that all Fleet purchases are reviewed from a global perspective of all City expenditures.

Mr. Rouse took a moment to comment on his years as Director of DPS/Engineering.

Discussed.

2010-0333 Discussion - Internal Service Funds (600's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Facilities Fund Presentation.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl MIS Presentation.pdf](#)

See Also Legislative File 2010-0332 for Council Discussion on the Fleet Fund.

Discussed.

President Hooper requested that discussion on MIS Fund (636), Special Police Funds (Special Police Revenue - 207; Special Police Fund - 207) and Crossing Guards (315) be held this evening.

2010-0333 Discussion - Internal Service Funds (600's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Facilities Fund Presentation.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl MIS Presentation.pdf](#)

Bob Grace, Director of MIS, reviewed the Department's Proposed FY 2011 Budget and Projected FY 2012 and FY 2013 Budget and noted that the proposed Departmental Budget is down approximately 14 percent for FY 2011:

MIS FUND (636)

Significant Changes:

- Operating Equipment decreased by 67 percent. The Department continues to extend the life of personal computers (PCs) and commented that 76 computers are in service that are five to 12 years old. Monitors are only replaced when they fail. Forty-one monitors are nine years old or older, and 154 are seven years old and over. The City was able to take advantage of a bundled deal to purchase PCs and monitors for less than the cost of the PCs alone and the Department does not

anticipate purchasing any monitors for this budget cycle.

- Contractual Services decreased by 9 percent predominantly because of new contracts for LAN and Internet services. These contracts will expire in 2012. This provided a \$9,000 savings. Some services will be shifted, including e-mail, which will now be a hosted service and is part of the Network Upgrade.
- Equipment Maintenance increased by 13 percent. The current contract will expire in 2011 and as the equipment gets older, maintenance costs increase. A Request for Proposal will be issued shortly for the Network Upgrade.
- Software Maintenance decreased by 18 percent due to changing to a third-party vendor. Each Department's use of applications was reviewed and free software utilized to monitor usage. Unused applications are being removed from computers.

Pictometry:

- For the FY 2010 Budget, the City was unsuccessful in efforts to collaborate with surrounding communities.
- For the FY 2011 Proposed Budget, successful collaboration efforts should be realized. The 2010 budgeted amount will be carried forward to FY 2011. The City has an agreement with the Rochester Community Schools to share pictometry services.

MIS Cost-Cutting Measures:

- Continue to see benefits from contracts negotiated in 2009 (\$55,000).
- Complete server upgrades (consolidation, virtualization, and hosted services).
- Changes to internal processes and use of free products. Printing is defaulting to copiers to save printer costs. Ghosting products are used in the process to rebuild PCs, saving hours. \$25,000 is being saved by not purchasing an Adobe upgrade for every user.

Council Discussion:

President Hooper requested a status update for the City website upgrade.

Mr. Grace responded that information is currently being gathered on the current vendor's capabilities and how the Administration wants the new website to look. He noted that \$35,000 is allocated for FY 2010 and \$35,000 is proposed for FY 2011, and stated that RFPs for e-mail services and network upgrades are taking precedent over website upgrades. He projected that changes will be accomplished in mid-2011.

Mr. Yalamanchi questioned whether Google Earth could be used as a source for pictometry and whether the City could partner with financial institutions for the information they gather.

Mr. Grace responded that pictometry allows more flexibility and provides measuring tools unavailable with Google Earth.

Mr. Yalamanchi questioned whether a hosted network was considered.

Mr. Grace commented that virtualization of networks and management of disk capacity is being evaluated as a part of the network upgrade.

Discussed.

2010-0329 Discussion - Special Revenue Funds (200's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl DPS Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)

SPECIAL POLICE FUND

Special Police Revenue (207)
Special Police Fund (207)

Keith Sawdon, Director of Finance, reviewed the Organizational Chart for the Oakland County Sheriff's Office in Rochester Hills and highlighted the significant changes for the Special Police Fund.

Significant Changes:

- Taxes decreased 11 percent (\$481,060) due to decreasing Taxable Value.
- False Alarms decreased 50 percent (\$40,000) due to a decrease in the number of false alarms.
- Fines decreased 48 percent (\$23,000) due to recent actual revenue trends.
- Interest and Dividend Earnings decreased 62 percent (\$27,930) due to projected lower interest rates.
- General Fund Transfer increased 8.4 percent (\$321,380) due primarily to decreases in Taxable Value and increasing contract costs (even after proposed Sheriff's Deputy reductions).
- Contractual Police Services decreased 3.2 percent (\$263,920) due to the proposed elimination of three contracted officer positions in FY 2011 - Two Deputy II and One Patrol Investigator - offset by a 2.5 percent projected increase in contractual police rates.

He provided a chart highlighting the Fund, noting a FY 2010 Amended Budget Total of \$9,019,000 and Proposed FY 2011 Budget Total of \$8,772,090 for Special Police. He explained that as the millage revenue decreases, the General Fund subsidy for Police Services will increase. Expenditures will be held to small increases due to a proposed reduction of five Deputies over the next three years. He commented that this reduction is modest in comparison to reductions proposed in many other communities.

Captain Michael Johnson, Oakland County Sheriff's Office, noted that police officers all over Southeast Michigan are agreeing to cuts. He highlighted the following regarding Police Services in Rochester Hills:

- Calls decreased three percent in 2009. The trend for 2010, however, is for an increase in calls.
- The False Alarm Ordinance is a continued success. False alarms have decreased by one-third over the past four years.
- The School Liaison Program will see an increase in the school systems' share to 25 percent of the costs.
- Command staff has been vigilant in keeping overtime to a minimum.
 - * 2009 Overtime was reduced by \$71,319 over 2008. The 2010 figure will see an additional \$20,000 reduction.

Captain Johnson cautioned that any unforeseen major incident could contribute to overtime costs. He highlighted the following Departmental Goals:

- Continue to interact with local, State and Federal agencies.
- Continue an excellent relationship with the Michigan State Police. Beginning September 1, 2010, a State Trooper will again be assigned to the Rochester Hills Substation.
- A \$16,000 grant for the discouragement of underage drinking will help the Sheriff's Department target youth alcohol violations at community events and continue compliance checks on city businesses that sell alcohol.
- The Sheriff's Department will continue its participation with other communities and the FBI in the Balkans Organized Crime Task Force on a part-time basis.
- The Sheriff's Department was not successful in obtaining a COPS (Community-Oriented Policing) grant for 2008; however, the Department is hopeful that this year's application might be successful.
- The Sheriff's Department continues toward control of illegal drugs in the community.

He explained that a Department Goal and Objective is to attain the most efficiency possible out of its contract with the City. He noted that two positions slated for elimination do not respond to calls for service. He stated that the duties of the Alarm Compliance Deputy will be moved to the Public Safety Aide. Elimination of the Community Liaison Deputy will reduce the Department's participation in community events; however, one day-shift Sergeant will be made a point of contact to continue with a community policing policy. He noted that the School Liaison position will allow that individual to work in the community during the summer months.

He stated that one position slated for elimination does respond to calls for service, with a main focus of traffic/crash reports and commercial vehicle enforcement. He commented that this may lead to a slight increase in response time for non-emergency calls in the City; however, this elimination will have no effect on emergency calls.

Council Discussion:

Mr. Webber questioned what cuts were proposed for FY 2012 and FY 2013.

Captain Johnson stated that while plans for FY 2012 and FY 2013 are not set, road patrol deputies would most likely be cut. He noted that the need is still there for additional deputies. He stated that other communities are eliminating positions that do respond to calls.

Mr. Webber expressed concern over cutting any positions that respond to calls.

Mr. Rosen commented that the City appears to still be in relatively good shape in comparison to surrounding communities. He questioned whether the bulk of the False Alarms are from businesses.

Captain Johnson commented that while some businesses are beginning to address false alarms and repair their systems, others seem willing to pay fines.

Mr. Rosen noted that reducing the amount of False Alarms frees up Deputies to cover other calls. He commented that while he does not wish to penalize businesses, he wants to send a message to businesses to reduce these alarms.

Mr. Yalamanchi questioned whether given upcoming changes to the Sheriff's contract, any expenditures for deductibles should be included.

Mr. Sawdon responded that any deductibles would be a part of the City's Insurance Fund. He commented that the experience with the Sheriff's Department has been very good and it is his opinion that the City does not need to set money aside at this point.

Mr. Yalamanchi questioned why the five-year forecast projected a contract increase of only one percent; yet this increase is now 2.5 percent.

Mr. Sawdon responded that the County restructured its fringe benefit fund and reallocated some of its fiscal labor charges into the fund. This resulted in a contract increase for FY 2011 of 2.5 percent due to the increased fringe benefit factor. He noted that this is expected to be a one-time phenomenon, and the increase projected for FY 2012 remains at 1.5 percent.

Mr. Yalamanchi questioned whether there would be any way to have increased contribution by other entities for the Police School Liaison expenditures.

Mayor Barnett stated that the school systems have stepped up their contribution by five percent, and the proportion of Rochester Hills students in the schools has decreased in proportion to the other communities. He noted that school system budgets are stressed as well and commented that changes may have to be made to the Police School Liaison Program going forward.

Mayor Barnett expressed his appreciation to Captain Johnson for his control of overtime costs. He noted that Public Safety is Council's Number One priority and stated that while every other department in the City has decreased by 18 percent on average, with these cuts, the Police Budget will decrease three percent. He noted that just to keep Police expenditures level, a cut of six officers would have to be made; and the Administrations feels that this is not responsible. He commented that the proposed reductions will have the least impact and will continue to recognize the importance of Public Safety.

Mr. Pixley questioned whether the COPS grant might be a possibility for this year.

Captain Johnson responded that the City's low crime rate hampers the Department's ability to qualify for this grant; however, with the reduction of a Community Liaison Officer, the Department may be viewed more favorably. He noted that receipt of the grant would allow the replacement of this Officer.

Mr. Pixley questioned whether revenues would be impacted by the reduction of a patrol officer, and whether the Police School Liaison Officer could be moved into patrols for the summer.

Captain Johnson noted that approximately 900 less citations would be written and this would impact revenues. He noted that the Southeast Michigan Council of Governments (SEMCOG) also reports that travel is down 13 percent in Southeast Michigan, and this also impacts revenues. He commented that it is his intention to have the Police School Liaison Officer step into the Community Liaison role in the summer.

President Hooper questioned how many patrol deputies the Department has.

Captain Johnson responded that there are seven patrol deputies including the Weighmaster.

Mr. Klomp requested that Captain Johnson comment on the installation of radar speed signs.

Captain Johnson commented that the signs will provide data. He stated that signs will not take the place of an officer; however, drivers do slow down when they see the Department's Smart Carts on the roads.

Mr. Brennan requested Captain Johnson comment on the Deputy's collective bargaining agreement with the County.

Captain Johnson responded that the Deputies have been in negotiations for the current year and no one is asking for a pay raise. He noted that the Deputies went from 2003 to 2009 without a contract and the prior contract was finally settled in fall of last year. He commented that a 2.5 percent increase this year is due to an increase in fringe benefits.

Mr. Rosen thanked the Administration and the Sheriff's Office for not using scare tactics that some cities use such as threatening to lay off an entire police force. He expressed confidence that the cuts will be adequate to get the City through this difficult time.

President Hooper commented that Public Safety has always been his number one priority for the City and he does not want to see it compromised. He stated that while he can support the reduction of the two positions that are not on patrol, he wishes to see changes made to retain the patrol position for 2011.

Mr. Webber questioned how any proposed suggestions for changes to the Budget would be brought forward.

President Hooper stated that a Straw Poll would be undertaken after the next Budget Session on August 23, 2010.

Discussed.

2010-0328 Discussion - General Fund (100's) - 2011 Budget

Attachments: [081610 Budget Presentation Schedule.pdf](#)
[Suppl Gen Fnd Rev - Transfer Out Presentation.pdf](#)
[Suppl Mayors Dept Presentation.pdf](#)
[Suppl Building Ordinance Presentation.pdf](#)
[Suppl Crossing Guards Presentation.pdf](#)

Crossing Guards (315)

Keith Sawdon, Director of Finance, noted that no significant changes are proposed for Crossing Guards for FY 2011.

Discussed.

ANY OTHER BUSINESS

None.

NEXT MEETING DATE

Special Budget Meeting - Monday, August 23, 2010 - 5:30 PM

ADJOURNMENT

There being no further business before Council, President Hooper adjourned the meeting at 10:35 p.m.

*GREG HOOPER, President
Rochester Hills City Council*

*JANE LESLIE, Clerk
City of Rochester Hills*

*MARY JO WHITBEY
Administrative Secretary
City Clerk's Office*

Approved as presented at the (insert date, or dates) Regular City Council Meeting.