

# **Fiscal Year 2011, 2012 and 2013 Proposed Budget Plan Mayor's Message**

# Multi-Year Budgeting Approach

**Goal was to Present to City Council and the Citizens of Rochester Hills, a three (3) year budget plan covering Fiscal Years 2011, 2012 and 2013.**

# Vision Statement

***The community of choice for families and business***

# Mission Statement

**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**

# Our Budget Goal

Made a concerted effort to make the vast majority of personnel decisions needed to sustain the continued downturn in the 2011 budget. This will give our employees, the people who deliver all of the services we pride ourselves in delivering, a sense of stability and direction.

We felt that making reductions in 2011 just to meet 2011 requirements would be short sighted. It would also add a large amount of unnecessary uncertainty to service delivery and to our most valuable resource- our team of employees.



## THE FY2011 PROPOSED MILLAGE RATE

The FY 2011 Proposed Budget recommends a total millage rate of 9.7060, the same rate as FY 2010 rate.

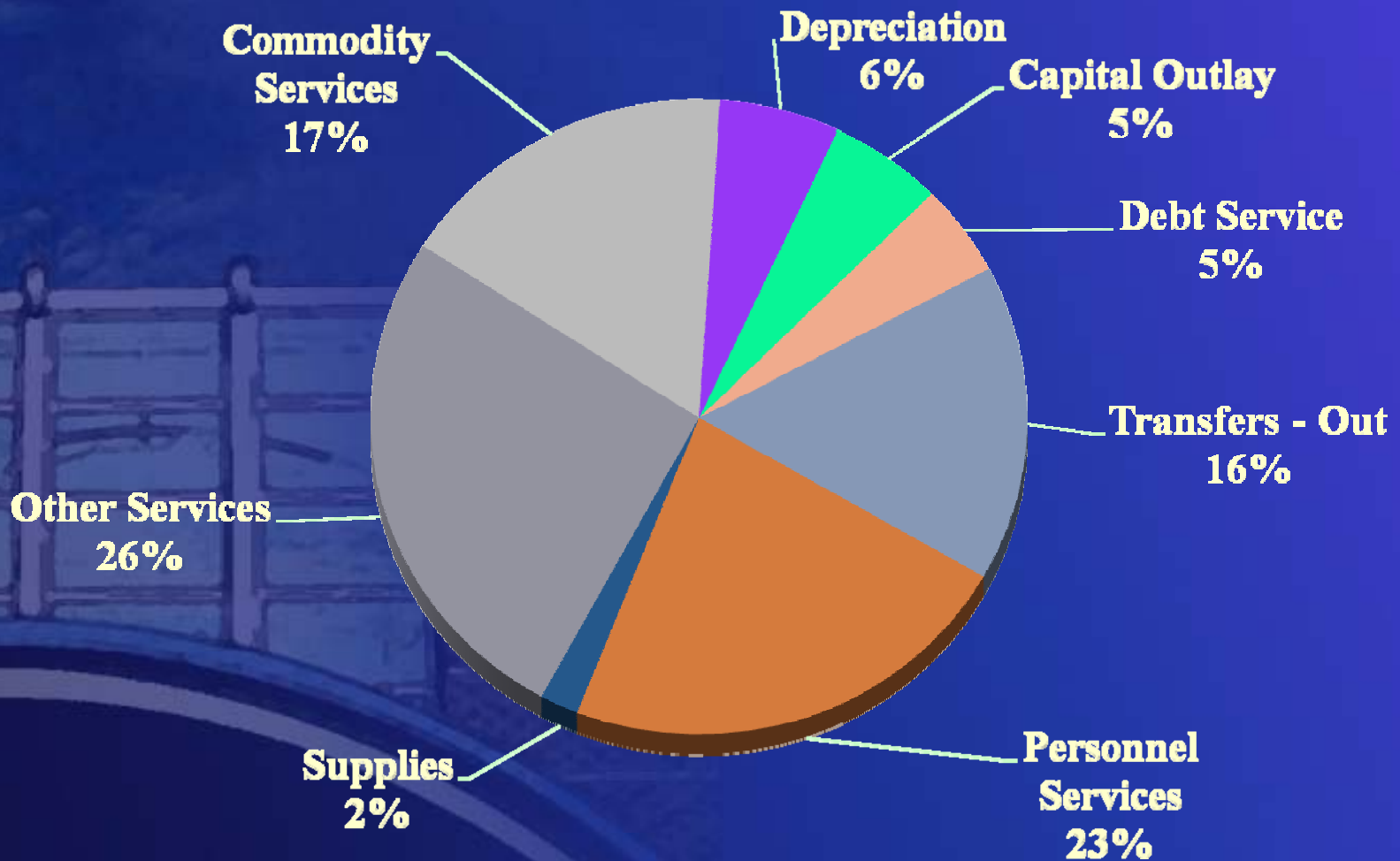
The Proposed rate is one of lowest millage rates for Cities in Oakland County (with a population over 5,000).

No Headlee roll back of the City's millages and No levy of the 1% administrative fee for the City's assessing and tax collection services (Many (75%) Oakland County cities currently do levy this).

# Total Expenditure Budget

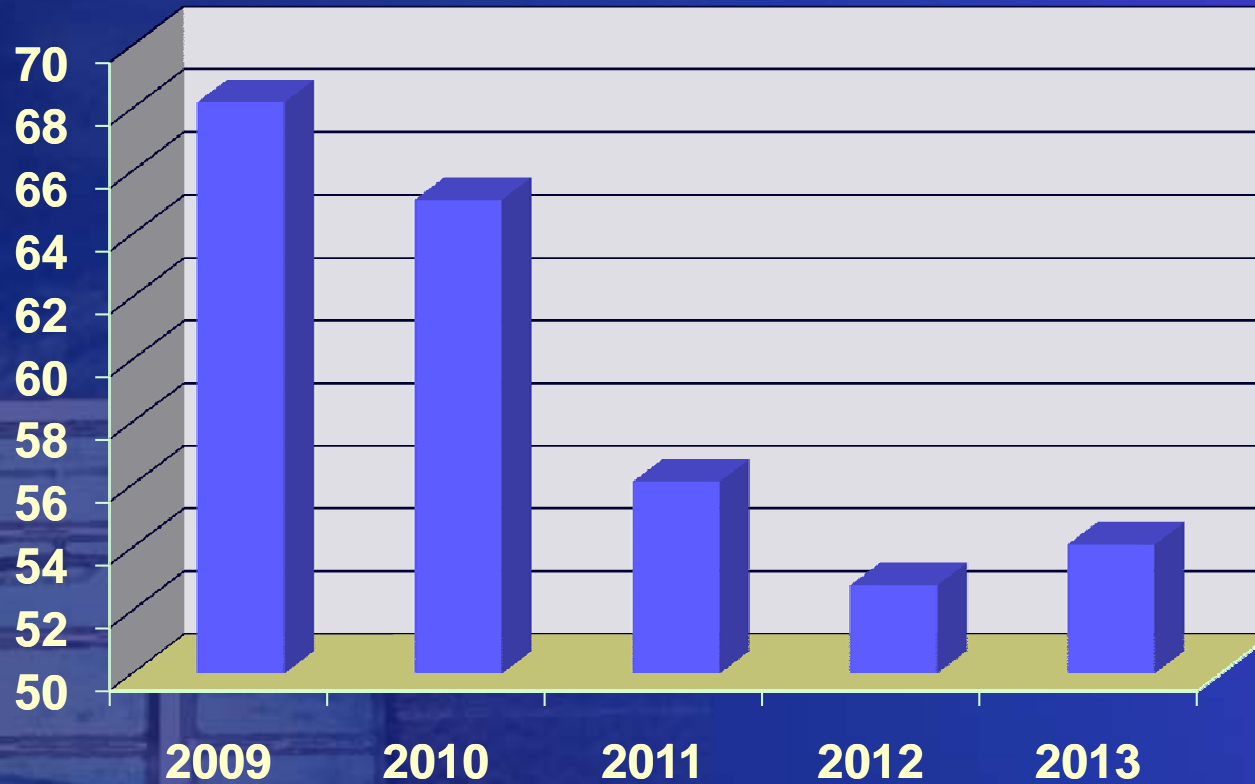
**The FY2011 Budget proposes City-wide expenditures, of \$101,330,190, a decrease of 11.8% from the 2010 *Amended Budget*.**

# Proposed Expenditures- All Funds





# Governmental Funds - Expenditures



FY	Millions	% Change
2009 Actual	\$ 68.2	
2010 Amended	\$ 65.1	-4.5%
2011 Proposed	\$ 56.1	-13.8%
2012 Projected	\$ 52.8	-5.9%
2013 Projected	\$ 54.1	2.5%

# Personnel Costs

**The proposed 2011 budget provides for over \$1.96 million in total personnel cost reductions over the 2010 budget**

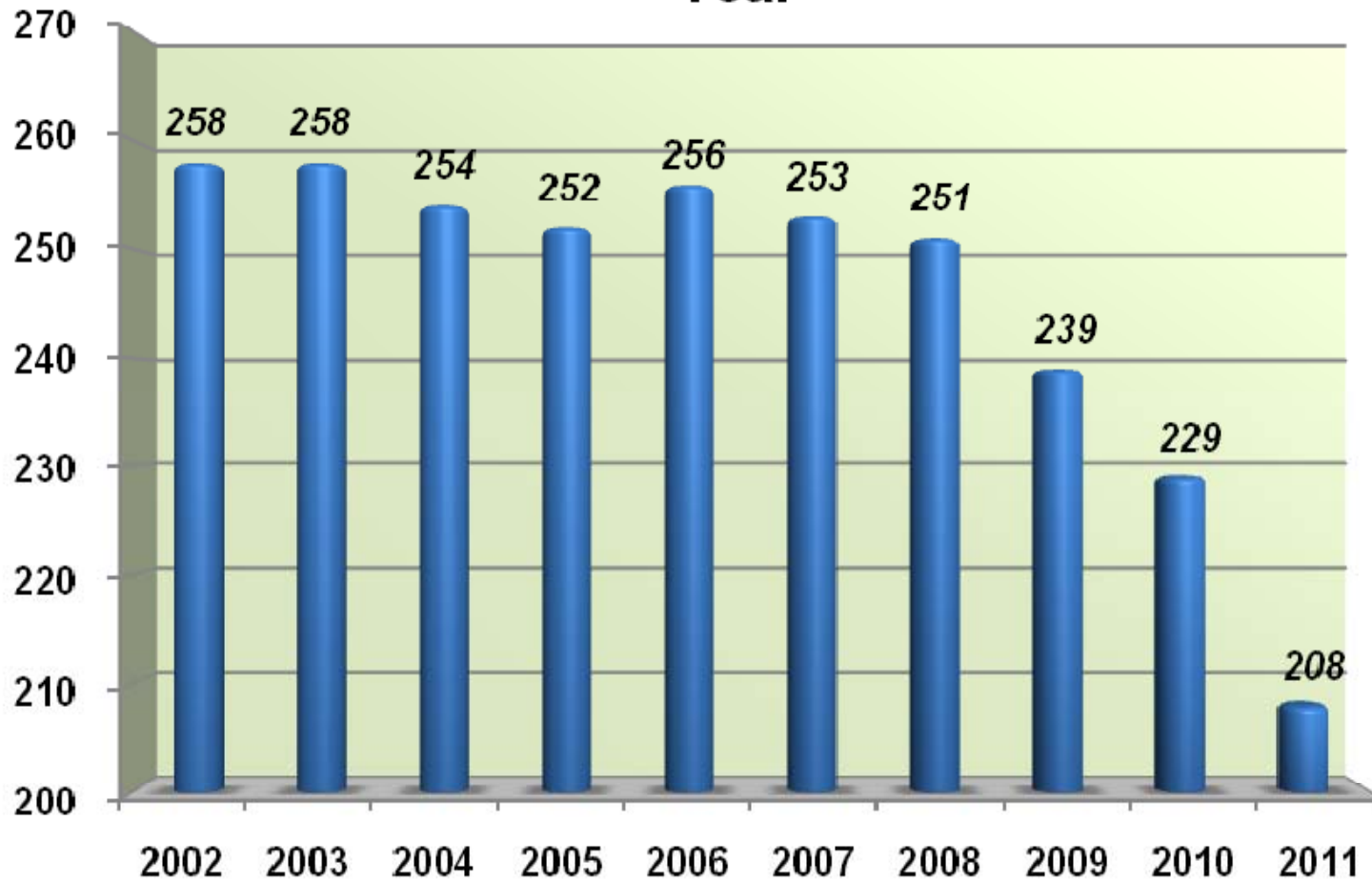
**Since 2006, the City has reduced its full time staff by 18.8%.**

**Twenty-one (21) budgeted positions were reduced in the 2011 budget.**

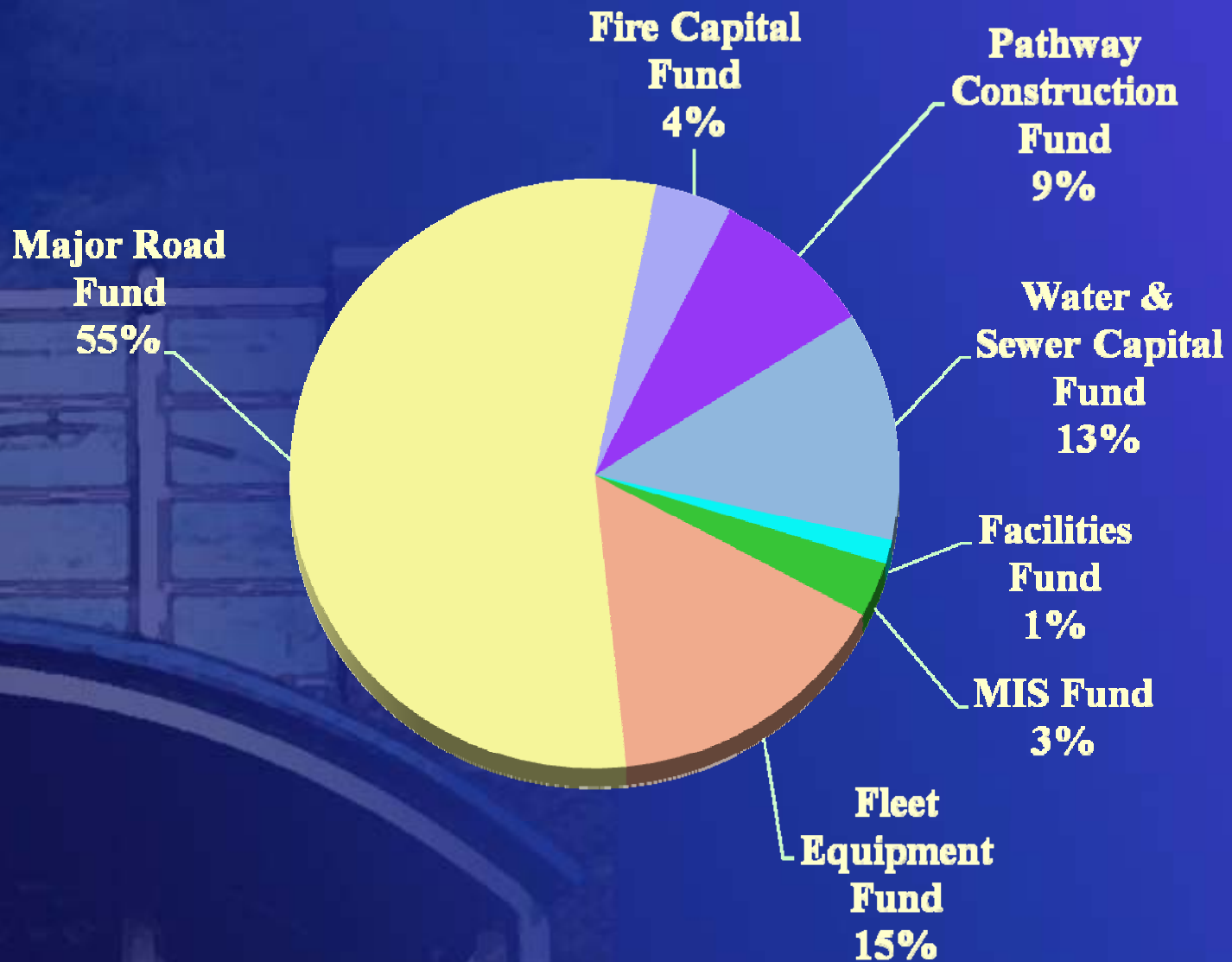
**The city now has 208 full-time positions a 9.2% reduction in the city's staff from the 2010 budget and puts us below 1998 staffing levels.**

# Personnel Costs

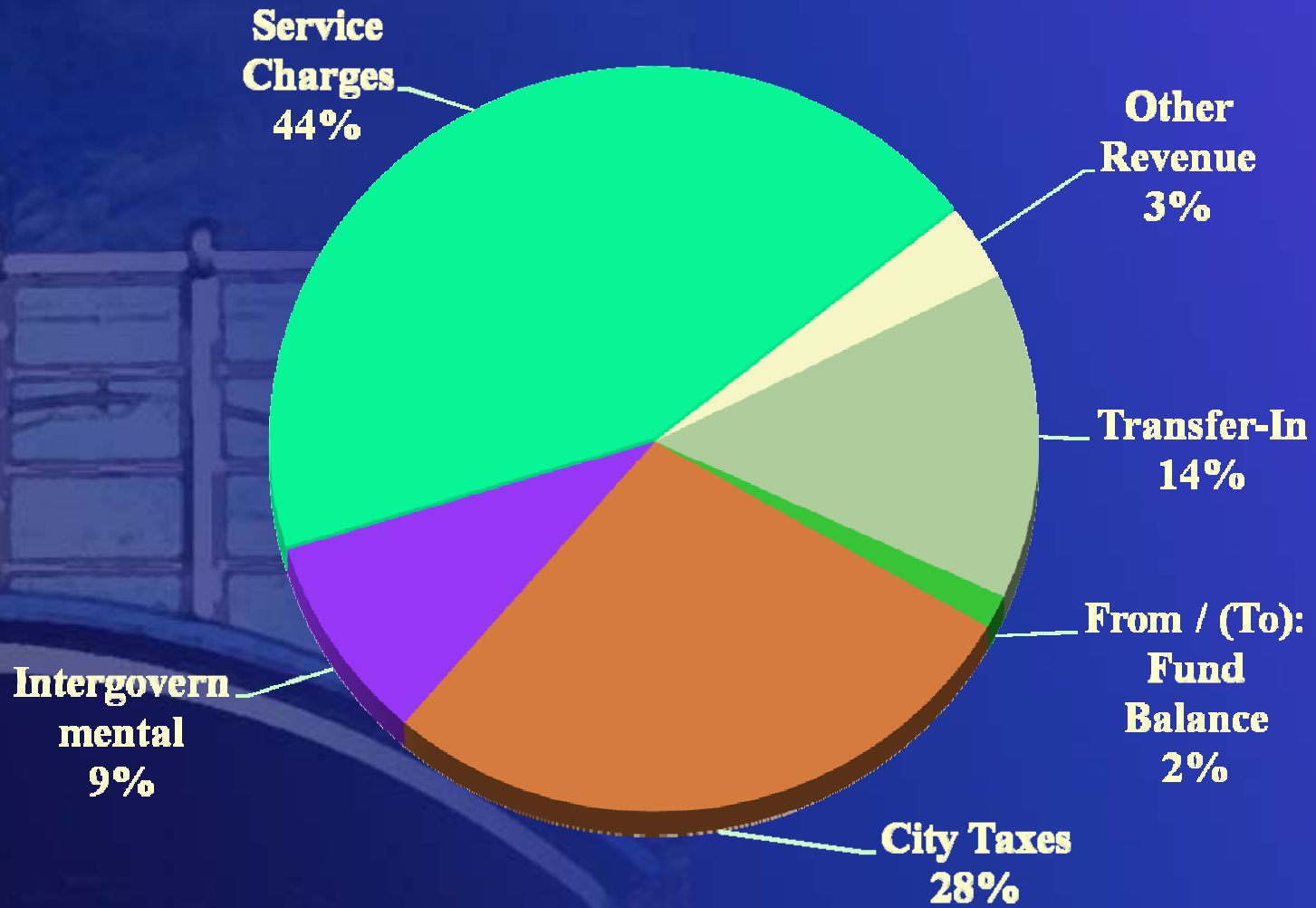
## Budgeted Full-Time Employees per Fiscal Year



# Capital Projects



# Proposed Revenues- All Funds





# 2010 ACCOMPLISHMENTS

**City's Single Trash Hauler for the first 28 weeks of 2010 more than 3,391 tons of material has been recycled and diverted from landfills. Saving 33,910 trees, 54,256 barrels of oil and 14,293,065 gallons of water. Not bad for about half a year of recycling. Not to mention the \$3.3 million staying in residents pockets over the last 18 months!**

**Over \$2 million of Major Road reconstruction is underway throughout the City.**

**The rebuilding of Hamlin Road (Crooks Road - Livernois Road) is nearing completion and should be opening very soon.**

**Construction of the new Cemetery Chapel has been completed and is now available for families and guests.**

**The OPC Building Bonds, the City Hall Building Bonds and Water and Sewer Bonds were refinanced saving the City approximately \$1.3 million on future debt payment.**

# 2010 ACCOMPLISHMENTS

**The Fire Department will be replacing it 3 Heart Monitors and two fire suppression trucks and trailers.**

**The Water and Sewer Capital Fund is continuing its sewer Rehabilitation Program and several improvements to its pump stations.**

**The city's adopted Debt Management Policy received national Certification from Association of Public Treasurers Untied States and Canada (APTUS&C).**

**The city was recognized by GFOA winning our 14<sup>th</sup> consecutive Distinguished Budget Presentation Award, for the City's 2010 Budget document. Rochester Hills is one of only twenty cities in Michigan that received this award.**

**Our Purchasing Division received its seventh consecutive Achievement of Excellence in Procurement Award. Only 59 cities in the United States received this honor this year.**

# 2010 ACCOMPLISHMENTS

**We successfully hosted the 2010 Festival of the Hills Fireworks (the weather couldn't have been better).**

**The city has also been able to secure eleven federal and state grants totaling \$1,989,700, in addition to the several other applications lined up to submit the second half of this year.**

**The employee's Safety Committee continues to show a reduction in worker's compensation insurance premiums, saving the City approximately an additional \$60,000 to their previous years savings of \$100,000.**

**The employee's Wellness Committee raised employee awareness of the importance of living healthier, with 73% of eligible employees participating in the health screening program and 100% of those went on to complete the Health Risk Questionnaire.**

# 2010 ACCOMPLISHMENTS

**Despite a weak but stabilizing economy, economic development activity has become very brisk in 2010.**

- **Development activity is moderate with the recent completion of the 30,000-square-foot Karmanos/Crittenton Cancer Center and 156,000-square-foot Meijer store. In the southeast corner of the city, the 100,000-square-foot Beaumont Wellness Center is under construction.**
- **Residential permits for new construction are on the rise as well.**
- **Leasing activity in the city's industrial and high-technology parks has increased**
- **In addition, by mid-year, seven new companies had moved into the community, creating 639 jobs. In addition, three existing companies with expiring leases chose to remain in the city, retaining 224 jobs.**



# 2010 ACCOMPLISHMENTS

Despite a weak but stabilizing economy, economic development activity has become very brisk in 2010.

- The city's unemployment rate at 7.8% has dropped by a half percentage point over the first six months of 2010 and remains the lowest rate in Oakland County.

*And frankly, the list goes on and on...*



# Conclusion

City-wide revenues for 2011 will go down by 8.9% and we have reduced our expenditures by 11.8%. We clearly are proposing to live within our means and are poised to meet the challenges that lay ahead of us.

There are opportunities to retain and recruit new businesses to our community, and opportunities for better and more efficient ways to deliver services to our customers.

Our success is a shared success. We now invite the Council's full participation in crafting our final FY 2011 Proposed Budget and 2012 and 2013 Projected Budgets to help guide us into the future.

# Budget Workshops

August 16th and 23<sup>rd</sup>  
Starting at 5:30 pm