

**Prepared for
RESIDENTIAL STREET AD HOC COMMITTEE
APRIL 2005**

**- PAST COST-CUTTING EFFORTS –
CITY OF ROCHESTER HILLS**

The following information was compiled at the request of the **Trust Subcommittee** of the **Residential Streets Ad-Hoc Committee**. The information provided was prepared by all Directors and those members of staff that Directors conferred with.

Following is a list of “**Cuts**” that the City has implemented over the years. Some of the elements contained in the following list are also increases in service without adding costs or any additional staff. An example includes the “Good Neighbor Guide” developed by the Building Department to provide guidance and assistance in property maintenance and rights. These types of guides have been produced to deal with advancing efficiencies as many residents have the same inquiries. By providing such a manual as much as two to three hours of staff time can be freed to address other issues.

For some of the staff positions that have been eliminated or “frozen” an estimated savings is shown. This number is an estimate of salary or wages, benefits, and costs. The costs associated with any position might include a desktop computer, a pickup truck, specialized computer equipment or software such as ArcMap or desktop publishing, and other unique equipment.

The positions eliminated, as discussed herein, do not include the 23 positions that are currently budgeted but remain unfilled.

- After-hours meetings pay eliminated for Directors. Est. annual savings \$25,000.
- City Vehicles are only provided to Directors/Supervisor on Emergency Call-out. (Fire, Water, Roads, Building)
- No car allowance for Directors. Never has been one!
- 2% city match for 457 plan [401(k)] eliminated for new hires since Jan 1, 2001
- Overtime eliminated. Permitted only if emergency, required attendance at after-hours meetings, or funded by fees paid for service. Example Building Department, Engineering Inspection.
- "Zero" based budgeting since 2003. No increase in “bottom line”
- 2005 Parks expenses budget held to level BELOW FY-2001 bottom line ACTUAL cost. Expenses include all personnel, materials, seed, trees, dirt, goals, etc.
- Employee/Employer health care premiums are “shared”. Started in 2003. Est. \$30,000 in annual savings.
- Increased co-pays as part of health care benefits.
- Cost Of Living Allowance (C.O.L.A.) adjustment eliminated.
- Mayor suspended tuition reimbursement June 2004.
- Cash-in-lieu of vacation eliminated Fall 2003. Employee can no longer accumulate excessive vacation and request city payout.

- All travel and seminar requests closely monitored by the Mayor. Approval based on benefit to the City and need for accreditation or certification specific to one's responsibilities.
- MIS relinquished Publishing Specialist. Responsibilities added to support staff in Mayor's Office. Est. annual savings \$70,000. (Salaries, benefits, costs to City).
- Travel to GFOA Education Conference (Finance) eliminated for past two years. Prior Finance Director attended. Est. annual Savings \$5,000.
- The City eliminated contribution towards retirement parties. Past practice eliminated in 2002. (Est. savings up to \$500 per retiree)
- In 1992, the City eliminated the Severance Pay benefit. At that time the staff was paid an accumulated Severance benefit of one week of salary for every year worked. Eliminated.
- In 2001, the Director of Assessing took on the role of a dual director, Director of Assessing and Director of Treasury. Est. annual savings \$125,000. (Salaries, benefits, costs to City).
- Cut the cost of water and sewer billing by moving to a bi-monthly bill (data gathering, printing, mailing expenses).
- Ability to accumulate sick time over several years eliminated.
- Health insurance program increases have been partially offset to the city due to shopping for competitive and different contracts and employee contribution.
- City changed disability and life insurance carried in 2004 and negotiated 2-year contracts for an estimated 2-year savings of over \$300,000.
- Dependent care insurance (over the age of 19) has been limited to a single HMO plan. (Employee must pay unless they choose Blue Care Network that most doctors won't accept)
- Delayed upgrade of our computer network for two years - Was originally scheduled for redesign in 2003, upgrade, etc will now take place in mid 2005
- Delayed upgrade of hardware and software for financial system. From 2005 to 2006
- Extended the replacement life of our PC's and printers by two years. From 3 to 5 years.
- Delayed upgrade of office software for at least 3 years. Originally planned for 2005 will now replace in 2008 or 2009.
- After-hours meeting attendance pay was eliminated for all non-union positions in addition to Directors.
- The City previously sponsored a summer picnic for employees. Eliminated.
- Ten vehicles in the DPS Fleet originally scheduled for replacement in 2005 were deferred to at least 2006 and possibly beyond.
- Development of the good neighbor guide made available by Building Department.
- Development of construction manuals for decks, pools, accessory structures, additions, new houses and commercial projects.
- Cross training of staff to cover emergencies, leaves of absences, and vacations. Eliminates need for temp help or PT clerical.
- Hiring inspectors with state registrations in multiple trades.
- Providing new code training for builders to promote efficiency.
- Organizing pre-plan review, pre-construction, and pre Certificate of Occupancy (CofO) meetings with business owners and developers.
- Developed emergency response procedures for damage assessment.
- Held mock disaster to enable the Building Department to provide quicker response in the event of an emergency.
- Developing policy and procedure manuals to provide for efficient and consistent permit processing.
- Continuous re-evaluation of current procedures to determine how the Building Department can do it better, faster, cheaper, and quicker. Examples: Concurrent plan

reviews for residential and commercial projects, Sign permit process put on computer, Contractor registration process, Bond refunds process, and Plot plans put on computer for inspectors for expediency and efficiency.

- Working on sign ordinance revisions, including fee adjustments to cover costs incurred.
- Evaluating current permit fee structure to insure that fees cover operating costs.
- Ordinance work on weekends performed using flex and comp time with no Overtime pay.
- Providing info on the website that will help customers and allow staff to work on other projects. Examples: manuals, applications, questions and answers, links, fee schedules and phone numbers.
- Development of performance measures to track efficiency of the plan review, inspection, and ordinance operations.
- Evaluating the use of computers for field personnel that could save time and cost of processing inspections.
- Treasury eliminated mailing of paid tax receipts that save over \$12,000 a year - has saved over \$100,000.00 in postal fees alone since inception.
- Treasury switched from tax bill forms to laser printed tax bills - cut cost of tax bill printing in half.
- Treasury added post net bar code to tax bills - saves \$4,000.00 a year in postage - has saved over \$30,000 since inception.
- Changed long-term disability, short-term disability and life insurance carrier at a savings of 36%.
- Changed dental insurance carrier to reduce cost.
- Increased deductible and co-pays in health insurance to reduce cost.
- Reduced the number of memberships to professional organizations that the City will pay for.
- Reduced the number of continuing education classes attended.
- Increased the number of flex and comp hours to reduce the amount of overtime hourly employees receive.
- Brought vendors in for training instead of going off-site.

Personnel Cuts:

- Intern position eliminated and Planning Technician position frozen in Planning and Development.
- City Administrator position not budgeted or filled. Instead, 2 Directors assist Mayor. Est. Annual Savings \$150,000. (Salaries, benefits, costs to City).
- Cut 5000 hours of seasonal Park Attendants in 2005. Est. annual savings \$50,000.
- Cut 1040 hours of Museum Staff Assistant. Est. annual savings \$12,000.
- Full time Parks Department Clerk reduced to part time, no benefits in 2005. Est. annual savings \$32,000. (Salaries, benefits, costs to City).
- Mayor's staff cut from 5 full-time (not including Mayor) to 2 full-time positions (not including Mayor). One part time person one day a week on an as needed basis only! The Mayor's Office also has taken on the duties of a Desktop Publishing Specialist that was located in MIS Department.
- Full-time positions unfilled/on hold including Accountant, Clerk--Planning, Custodians (2), Laborers (2), and Financial Analyst. (Also discussed elsewhere on this list)
- In addition, temporary employment agency contracts have not been renewed. The City now relies on Part-time employee pool and saves agency fee.

- City Administrator's Executive Assistant position has been eliminated. Est. annual savings \$90,000. (Salaries, benefits, costs to City).
- Finance Administrative Secretary and Intern position eliminated. Hiring of Finance Analyst frozen. Est. annual savings \$150,000.
- Treasury deleted 2 positions - Office coordinator and Clerk II. Est. annual savings \$100,000. (Salaries, benefits, costs to City).
- DPS Staff Engineer and Senior Engineer positions were eliminated. Est. annual savings \$200,000 (Salaries, benefits, costs to City).
- Custodian I was eliminated. Est. annual savings \$50,000. (Salaries, benefits, costs to City).
- Mechanic II was eliminated. Est. annual savings \$75,000. (Salaries, benefits, costs to City).
- Engineering Construction Inspector II was eliminated. Est. annual savings \$65,000. (Salaries, benefits, costs to City).
- 2 Laborers positions were eliminated. Est. annual savings \$100,000. (Salaries, benefits, costs to City).
- Eliminated 1 Clerk, 1 Secretary and 1 Seasonal Clerk from DPS/Engineering Services. Est. annual savings \$150,000. (Salaries, benefits, costs to City).
- In 2004, Treasury eliminated 2 full time positions through an office reorganization following a retirement and not filling a vacant position. After other adjustments, the effective reduction was approximately equivalent to a reduction in staff of 1.5 positions. (From 5 to 3.5 staff members). Est. annual savings \$125,000. (Salaries, benefits, costs to City).
- The Facilities Division staffing and budget has been decreased by five janitorial positions. A private company now performs the majority of cleaning at City Hall. Employees that have left are not being replaced. Other custodial staff members have been transferred to other facilities.
- DPS Engineering Field Manager position was eliminated and duties were added to the Project Engineer's responsibilities.
- The number of budgeted positions at the DPS Garage has decreased by seven since 2003. Furthermore, there are also 5 current vacancies (now frozen) in addition to the decreased 2005 approved staffing level. Est. annual savings \$1,000,000 (salaries, benefits, costs to City).
- Eliminated a Deputy Fire Chief Position (2001). Est. annual savings \$120,000 (salaries, benefits, costs to City).

Enhancement of Services w/out Additional Personnel:

- State increases elections/voting to 4 times per year. Clerk's office adds no personnel to offset workload. Estimated each election/ballot costs City \$40,000
- Added systems without adding support staff that need to be installed, implemented and supported; such as Legistar tracking system, functional improvements to financial systems, updates to our Assessing, Building Permit and Tax software, Website redesign, converting GIS (Geographic Information Systems) databases, and lesser efforts for departmental software for Auditing, ID badge (In response to citizen complaints), and updates to Fire Department software. Note: This has been accomplished without filling a position that has been vacant since the end of September 2004

- Improved method or access to network for remote sites (city council, parks, museum, DPS garage)
- Continue to expand the use of GIS (Geographic Information Systems) to make property data better available to residents and operations more efficient. Providing more information and easier access to data for our residents, teammates, businesses and regional partners. This includes: home “footprints”, yard setbacks, utility information and locations, street conditions, wetlands, street sign locations and conditions, pavement markings and conditions and various maps. Without any staffing increases.
- Started Medical Transport Service while maintaining staff levels (2002). Service has become self-supporting.
- Reduced response time to emergency calls by 6 minutes while maintaining staff levels. This was due to providing our own medical transport. (2003 and 2004)
- In general, the fire department improved the Fire and Emergency Medical Service EMS to the community while maintaining staffing levels from 2001 through 2004.
- Addition of a full-time City Landscape Architect, eliminating the dependence on outside consultants, with an estimated savings to the city of \$30,000 per year.
- The Planning Department has functioned with three-planners (Director, Deputy Director and City Planner), reducing the dependence on outside consultants, with an estimated savings to the city of \$200,000 per year.

Cuts Affecting Residents Overall:

- The City previously sponsored an annual Spring Cleanup for subdivision groups. The program and associated additional pay and resource use has been deleted. Lack of interest.
- The City previously sponsored a Recycling Program for residents for about 3 to 4 years. Eliminated due to lack of participation.
- The City published an annual calendar. Eliminated. Savings estimated \$25,000.
- The City published the Hills Herald quarterly. Reduced to twice a year due to budget constraints.