

2024-2026 Proposed Budget

City Council Questions / Administrative Responses

General Budget Questions:

Q: *What is the increase in general fund/charter dollars generated? If I take the 2023 residential property value x millage rate = x\$. And then do the same for 2024 - what is the increase in the revenue just for charter mills? We don't have a tax increase in 2024, however the amount of money we have increases. I would like to understand what that \$ increase is.*

A: In FY 2023 the Citywide Taxable Value sat at \$4.1B, in FY 2024 the Citywide Taxable Value will sit at \$4.4B, an increase of +7.2%. This is due to an increase in the City's overall taxable value based upon uncapping of sold properties, the addition of new housing and Commercial/Industrial properties, and the impact of the State of Michigan's Proposal A which states that taxable valuations can only increase by the rate of inflation or 5.0% whichever is less. In FY 2024 (for the first time) the rate of inflation exceeded 5.0% so the City's taxable valuation was capped at 5.0%.

In FY 2023 the General Fund / Charter Millage was set at 2.8285 mill, and in FY 2024 the General Fund / Charter Millage is proposed to be set at 2.8157 mill, a slight decrease of (0.0128 mill) or (0.45%). A slight decrease in the General Fund / Charter Millage is proposed as the Special Police II millage is proposed to increase from 1.1197 mill in FY 2023 to 1.1345 mill in FY 2024 (or +0.0148 mill). The Drain Debt Fund millage is proposed to decrease from 0.0330 mill in FY 2023 to 0.0310 mill in FY 2024 (or -0.0020 mill).

Per the State of Michigan Property Tax Law, each one (1) mill levied equates to \$1.00 in property tax for every \$1,000 of Taxable Value, so the equation is:

- Taxable Value / \$1,000 * Millage Rate = \$\$ Generated

FY 2023:

- \$4.1B / \$1,000 * 2.8285 mill ~ \$11.6M

FY 2024:

- \$4.4B / \$1,000 * 2.8157 mill ~ \$12.4M

The net increase in the revenue for the General Fund / Charter millage is ~ \$800K

Note: For the General Fund, these annual amounts equate to the Taxes Current line item (101.404000) as well as the Personal Property Tax line item (101.405000). [Snyder]

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Q: *What is the change in property values from 2023 to 2024? And with the economy the way it is, could that change (up or down) next year?*

A: In FY 2023 the Citywide Taxable Value sat at \$4.1B, in FY 2024 the Citywide Taxable Value will sit at \$4.4B, an increase of +7.2%.

In working with the Assessing Department, they very conservatively anticipate taxable value growth of +4.4% for FY 2025. This is based upon the analysis of current market sale trends as well as the rate of inflation (CPI) used in the calculation of taxable valuation which based on a 24-month rolling CPI average. [Snyder]

Q: *Home sales prices are increasing substantially (nearly \$100k increase since 2021). Is the sales price trend sustainable? Is the Assessing Department forecasting any downturn in home values (pg 140)?*

A1: In FY 2023 the Citywide Taxable Value sat at \$4.1B, in FY 2024 the Citywide Taxable Value will sit at \$4.4B, an increase of +7.2%.

In working with the Assessing Department, they very conservatively anticipate taxable value growth of +4.4% for FY 2025. This is based upon the analysis of current market sale trends as well as the rate of inflation (CPI) used in the calculation of taxable valuation which is based on a 24-month rolling CPI average. For FY 2026+, the City is very conservatively projecting annual taxable value increases of +2.5% per year. [Snyder]

A2: The current sales trend has slowed slightly and is less aggressive. The Assessing Department is not forecasting any downturn in home values. In fact, residential sales indicate our 2024 Assessed Values (2025 FY), which mirror market value, will increase on average between 12% and 13%. [Taylor]

Q: *What percent of the 2024 budget has already been encumbered thru 2023 authorizations (ex. we extended contracts to adjust for inflation or supply chain issues)?*

A1: The City of Rochester Hills uses the term ‘encumbered’ as funding which the City is contractually obligated. For encumbered purchases in FY 2024, the following are what is estimated to be items/services that will be received by the City in FY 2024 which have had orders placed, and/or authorizations for anticipated orders.

- Four (4) Hook Lift Trucks \$695,887
- One (1) Dump Truck \$353,007
- One (1) Pierce Enforcer Pumper Truck \$787,813
- City Hall/OCSO HVAC Equipment \$401,660
- 2024 Vehicle Purchases \$914,180

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- (possibly to occur prior to year-end based on order deadlines) a maximum not-to-exceed remaining amount from the blanket authorization City Council provided in 2023, for 2023-2024 vehicle purchases. [Cummins]
- Grand Total / Encumbered: \$3,152,547
- Percent of FY 2024 Budget: 1.51%

A2: Blanket Purchase Orders for the City are not encumbered. They are an allocation for approval of funds to be spent, but aren't actually encumbered until an order is made and a purchase order from that blanket is released. In many cases, a full blanket amount is never spent, unless it is for a project that is specific (e.g. design services, construction services) and even in these cases sometimes there may be funds left remaining on a blanket as less hours may have been needed than what was initially estimated to complete the service. [Cummins]

As of 08/17/2023 the City of Rochester Hills currently has \$44.4M in various Blankets Purchase Orders which will be in place as of the beginning of FY 2024, this would equate to ~ 21% of the FY 2024 Budget. Please note this \$44.M is a point-in-time figure, which changes on a daily basis as funds are released from the various City Blankets:

- This amount does include Blanket Purchase Orders which will continue to be expended through the remainder of FY 2023. Significant funds which are anticipated to be expended through the rest of FY 2023 include:
 - OCSO Contract
 - Water & Sanitary Sewer
 - 2023 Capital Improvements (Roads, W&S, Parks, Facilities)
- This amount does not include multi-year Blanket Purchase Orders which will be presented to City Council for approval throughout the remainder of the year. [Snyder]

Q: *City taxes and general fund - I see different amounts in different charts. Please help me to understand the difference - P 63- 98 - 113 – 122*

A: The City Taxes figure on page #63 of the Proposed Budget Plan Book represent all Governmental Funds which includes City Taxes collected by the General Fund, all Special Revenue Funds (Local Street Fund, Fire Operating Fund, Police Fund, Parks Infrastructure Millage Fund, Pathway Operating Fund, RARA Millage, OPC Millage), and all Debt Service Funds (Drain Debt Fund).

The difference between the FY 2024 Proposed Budget City Taxes of \$43,156,240 on page #63 and the bottom line City Tax Levy Trend dollar amount of \$45,420,700 on page #98 is primarily due to the Library Operating millage dollar amount of \$3,218,400. The Library millage amount is included in the City Tax Levy Trend (as the Library millage levy is included in the City tax bill to residents of the City and passed along to the Library), but the Library's Budget is not included in the FY 2024 Proposed City Budget.

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Also accounting for the difference is the various millages listed on the City Tax Dollar trend on page #98 only include the City individual millage line item, while the City Taxes dollar amount listed on page # 63 include the entire Tax subtotal amounts.

The City taxes dollar amounts on pages #113 and #122 represent only the General Fund / Charter Millage dollar amounts. [Snyder]

Q: *Brownfield - there is no mention of the \$75 million for brownfield redevelopment. Where will that be covered in the budget?*

A: The recent \$75M allocation from the State of Michigan for brownfield clean-up is not currently included in the 2024-26 Proposed Budget. Over the next few months, City staff along with Midwest Strategies will be meeting with officials from the State of MI to get a better handle on how this allocation will work.

At this point we need more direction on:

- If the State will simply send us a check for the \$75M
 - Which we will need to account for as we draw the funds down in the clean-up effort OR
- If the State will reimburse the City as we expend the funds on clean-up OR
- If the State will directly reimburse the clean-up contractor OR
- If the State will want something else that we haven't thought of

"If" these Clean-up and State funds end up flowing through the City's books, we will present a Budget Amendment based upon our best estimates of the work to be performed. As we present Quarterly Budget Amendments, as soon as we know the State's plan we can get that incorporated into our Budget Plan. [Snyder]

Q: *P252 - ARPA - you provide a very clear description of what the ARPA money can be spent on, yet we are spending it on projects that don't appear to align with the description (ex Drexelgate). How do the RH ARPA projects support the description on P252?*

A: The City's utilization of the ARPA Funds received do align with Federal Guidelines pertaining to the eligible uses. The description listed on P252 will be updated in the Final Budget as the rules for allowable uses of ARPA funds have been expanded (and simplified) over the course of the past year. In particular, the following provision allowing for a Standard Allowance and the ability to utilize those funds towards Governmental Services.

Replacing Lost Public Sector Revenue

The final rule offers a standard allowance for revenue loss of \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation. Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.

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The City of Rochester Hills has in total received \$6.2M in total ARPA funding (below the \$10M Standard Allowance threshold), which allows the City to use its entire ARPA allocation towards Governmental Services.

The City is utilizing a portion of its allocation to support prior allowable uses:

Public Health and Economic Impacts

In addition to programs and services, the final rule clarifies that recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response. For example, recipients may build certain affordable housing, childcare facilities, schools, hospitals, and other projects consistent with final rule requirements.

- \$150,000 = CDBG Supplemental Allocation / Minor Home Repair Program:
 - An additional \$50,000 over 3-years (2022-2024), to help supplement the City's Minor Home Repair Program, which is funded through the Federal Community Development Block Grant (CDBG).
 - These supplemental funds will allow for an additional 10-15 Minor Home Repairs for Low-Moderate Income Household each of the next 3-years in addition to the annual Federal CDBG allocation
 - Minor Home Repairs performed are most typically Furnace Replacement, Roof Repairs, or Plumbing / Electrical Repairs

- **Support the COVID-19 public health and economic response by addressing COVID-19 and its impact on public health as well as addressing economic harms to households, small businesses, nonprofits, impacted industries, and the public sector.**

- \$300,000 = Not-For-Profit Assistance:
 - To be awarded via a competitive grant process to local Not-For-Profit Organizations which directly benefit the residents of the community

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SPENDING ON GOVERNMENT SERVICES

Recipients can use SLFRF funds on government services up to the revenue loss amount, whether that be the standard allowance amount or the amount calculated using the above approach. Government services generally include *any service* traditionally provided by a government, unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:

- | | |
|---|---|
| ✓ Construction of schools and hospitals | ✓ Environmental remediation |
| ✓ Road building and maintenance, and other infrastructure | ✓ Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles) |
| ✓ Health services | |
| ✓ General government administration, staff, and administrative facilities | |

Government services is the most flexible eligible use category under the SLFRF program, and funds are subject to streamlined reporting and compliance requirements. Recipients should be mindful that certain restrictions, which are detailed further in the Restrictions on Use section and apply to all uses of funds, apply to government services as well.

As the City of Rochester Hills is able to utilize the Standard Allowance provision, the rest of the City's ARPA Allocation is directed towards various Government Services projects:

- \$1,813,700 = Drexelgate Parkway and Pathway Installation [Contract Awarded]:
 - Reconstruction of Drexelgate Parkway from Livernois to Rochester Roads including the addition of a new Pedestrian Pathway segment along the north side of the roadway, improving pedestrian and motorist safety
 - Please note as this project came in ~ \$607,000 under budget, the additional ARPA funds shall be redirected to the Drexelgate Parkway Water Main Replacement Project
- \$180,100 = Drexelgate Parkway Water Main Replacement [Contract Awarded]:
 - Replacement of the Water Main along Drexelgate Parkway
- \$1,188,000 = Ambulance Replacement (x3) [Contract Awarded]:
 - Replacement of three (3) Ambulances which have been in service for 7-years and are scheduled for replacement, maintaining and potentially improving public safety with new Ambulance advances
- \$575,000 = Innovation Hills / Restroom [In Design Phase]:
 - Construction of a new ADA Accessible Restroom Building at Innovation Hills Park, improving public safety and health
 - Currently the only restrooms in the Park are portable restrooms, do not have running water, and must be cleaned, sanitized, and serviced regularly
- \$550,000 = Parks Entrance Sign Replacement [In Design Phase]:
 - Replacement of all Park Entrance Signs
- \$300,000 = Citywide Gateway & Streetscape Implementation [In Design Phase]:
 - Installation of Citywide Gateways & Streetscape
- \$1,012,000 = City Hall / HVAC Replacement:

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- Replacement of the HVAC System at City Hall which has been in service for over 20-years, key system components are near the end of their serviceable life
- New HVAC System will be more energy efficient, reduce operational and maintenance costs, and will include modern air quality improvements improving the health of City staff and guests to City Hall
- \$239,660 = Citywide / LED Lighting Upgrades:
 - Multi-Year program to replace and upgrades all City lighting to more energy efficient LED lighting and reduce operational and maintenance costs [Snyder]

Q: *There are a few CIP/non CIP projects that changed \$ budgeted however the wording does not change. I would like to know what is different from last year to this year and what her budget covers.*

A: As part of the FY 2024-2029 CIP process, due to inflationary price increases, City staff reviewed and prepared updated conservative budget estimates for each individual project in an effort to try and ensure that each and every capital project which is brought before the City Council for approval in FY 2024 come in under budget. [Snyder]

Mayor's Office / Media Division Budget Questions:

Q: *I see the request to change the Media oversight however I am not seeing a decrease in the Mayor's Office budget as a result. What is being added to utilize that \$64,000*

A: The Senior Strategy & Innovation Advisor position is currently allocated 100% to the (171) Mayor's Office cost center in the FY 2023 Budget. As this position is currently performing supervisory duties for the (271) Media Division it is being proposed to reallocate the position at 25% to the (271) Media Division and 75% to the (171) Mayor's Office cost center.

The 25% reallocation of this position equates to approx. +\$38,000 increase in Personnel Services subtotal of the (271) Media Division with a corresponding decrease to the (171) Mayor's Office. Please note that the Personnel Services subtotal includes Salaries & Wages as well as all Employee Benefits costs including Retirement Contributions, Social Security, Medicare, Health & Optical benefit costs, etc...

Also impacting the (271) Media Division's Personnel Services subtotal is the recent vacancy of the Multimedia Production Specialist position. Whenever there is a vacant position, as a default, the Fiscal Division conservatively budgets the Health, Dental, & Optical benefit for a vacant position at a Family Plan level (more expensive than a Single Plan or Single +1 Plan),

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as we are uncertain what the new staff member’s family arrangements may be. This added approximately \$18,000 to the (271) Media Division’s Personnel Services subtotal as the prior staff member elected a Health Insurance Buy-Out (budgeted at \$0) as the prior staff member’s healthcare was covered under their spouse.

The remaining cost increases to the (271) Media Division Personnel Services subtotal result from +2.75% annual wage adjustments per Union contract, merit based step increases, and associated employee benefits costs.

The overall (171) Mayor’s Office Personnel Services cost center is proposed to increase by +\$16,500 or +0.8% from FY 2023 to FY 2024. The reallocation of 25% of the Senior Strategy & Innovation Advisor from the (171) Mayor’s Office to the (271) Media Division does help to offset a portion of the Mayor’s Office Personnel Services cost, but the +2.75% annual wage adjustments, merit based step increases, and associated benefit costs for the other 12.75 FTE allocated to the (171) Mayor’s Office Personnel Services cost center outpace the reallocation of 0.25 FTE to (271) Media Division. [Snyder]

Ordinance Division Questions:

Q: Under the ordinance and compliance: contractual services increased quite substantially. Can you explain what that contractual service is for?

A: The Ordinance Division’s Contractual Services line item (372.807000) was increased in the FY 2024 Proposed Budget to provide for potential Blight Mitigation Services (if needed). This will provide a funding source to clean-up blighted properties in the City on an as needed basis, where the City will charge a corresponding service fee for the Blight Mitigation services performed. If the budgeted funds are not required to clean-up blighted properties, they will not be spent and remain in the General Fund Balance. [Snyder]

Grounds Maintenance Budget Questions:

Q: *How much to we spend in total for outside grounds maintenance including snow removal, grass cutting, and other grounds maintenance related expenses? What is our budget for these same items that are covered by RH staff?*

A: The total requested in the FY 2024 Budget for the Parks / Grounds Maintenance Division is \$1,321,240. Note that this includes many items that we currently do not contract out for. For instance, it includes setup and takedown of tents and golf carts for most events,

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including major setup for the Festival of the Hills, it also includes lining of sports fields and setup of bases (the distance changes depending on type of game played), repairs on irrigation (Auburn Rd., Parks), benches, bridges, etc. We do not track these functions by budget at this time, but we started tracking labor hours by function a few years ago. [Elwert]

The total requested in the FY 2024 Budget for in the Facilities Fund for various Citywide Grounds Maintenance services totals \$347,000 including lawn mowing, plant health care, and snow removal. [Snyder]

Q: *Will this be part of the Grounds Maintenance study to determine if we should hire within or outsource / what is the goal of the Grounds Maintenance study?*

A: Yes is the short answer. The Maintenance study will help us determine an apples to apples comparison of possible areas we can be more effective by putting a price tag on the hours we put into various functions, such of mowing, snowplowing, etc. It will also help us analyze appropriate levels of service for different zones around the City, as often contract work can degrade quality levels, however that might be okay in some circumstances. Lastly, the Study will help us look at mowing operations city-wide, as we currently have 3 different departments conducting or supervising various mowing operations. This very well may be the most effective for the City, as these functions are very different, but there also may be some areas of better effectiveness. [Elwert]

Parks Budget Questions:

Q: *PK-13 Innovation Hills - has the same description as last year with a slightly lower budget. What is planned?*

A: This is more a placeholder for opportunities that may develop from fundraising based on the Park's overall framework plan that was completed many years ago. Possibilities may develop in the later phases of development, which could include landscaping displays & overlooks. [Elwert]

Q: *Innovation Hills - what is the status of the rope bridge crossing the river to the green space?*

A: The bridge design is currently being re-engineered to reduce the project cost. A statement of qualifications process for steel manufacture is currently out to bid through Purchasing for this project. In addition the wetlands disturbance EGLE permit process is also posted for public review. We hope to get some boots on the ground this fall with City Council's approval. [Elwert]

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Q: *P176 - I think the count column is labeled wrong - Should it be June 2023 instead of June 2022?*

A: Nice catch, this has been corrected for the Final Adopted Budget version. [Snyder]

Q: *PK-01J - Bloomer - has the same description as last year with the same budget. What is being covered by this item?*

A: This project will upgrade the Bloomer Park: Stone Shelter to allow use year round and still maintain its historic nature. This project was deferred pending completion of the FY 2023 Bloomer Park: Parking Lot Project and pending public input about Bloomer Park through the recently approved Park Conceptual Plan. [Elwert]

Q: *Why weren't the Bloomer Park Stone Building Upgrades completed with the initial buildout of the building (PK-01J)?*

A: The City is currently reconstructing the entire Parking Lot at Bloomer Park. With this level of disruption in the Park, it was determined to defer the Bloomer Park Stone Building Upgrade project until FY 2025. Preliminary Engineering and Architectural Services are proposed for the Bloomer Park Stone Building in FY 2024. In addition we are gathering public input about the future vision of Bloomer Park, and thought it best to make sure all future development plans are linked together cohesively. [Elwert]

Green Space Budget Questions:

Q: *P254 - Fence at Auburn Rd Green Space - when will it be installed?*

A: Installation has been completed. Project will be closed out. [Elwert]

Q: *On the green space fund we have the contractual services, but then there's also professional services of \$10,000. What is this charge for?*

A: The \$10,000 budgeted in the Green Space Operating Fund's Professional Services line item (299.801000) is to provide for Appraisal & Environmental Studies related to Green Spaces in the City. [Snyder]

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GIS Budget Questions:

Q: *I am trying to follow the addition of GIS staff and then moving from one department to another. The numbers are not making sense to me. Please provide a simple explanation of where the staff is added, where it is removed and the impact to the respective departments. Thanks!*

A1: All existing GIS costs (people & services) previously allocated to the MIS Fund have been reallocated to the DPS Department and have been split 25% each between the (a) Major Road Fund – Traffic Division, (b) Local Street Fund – Traffic Division, (c) Water Division, and (d) Sanitary Sewer Division. [Snyder]

A2: The proposed GIS Technician position will accommodate the growing demand and expanded utilization of GIS and Asset Management applications within the City. We have a new Asset Management system planned for next year which further underscores the need for adequate staffing to effectively manage and leverage these resources. Building upon our recent successes and recognitions in GIS, this additional FTE will enable us to continue providing high quality services to our residents, optimizing data-driven decision making, and ensuring the seamless integration of these systems into our City operations.

The DPS Department owns an overwhelming majority of the infrastructure data that GIS uses every day. The impact of the move of the GIS function from MIS to DPS is that the GIS staff will now be housed in the DPS Department putting them in closer proximity to the data owners. This aligns the GIS staff with the DPS subject matter experts so the City can strategically grow its GIS presence. GIS staff will continue to support other departments that utilize GIS data, as they do now. The overall change to MIS is negligible. MIS will continue to support the hardware and backend of the GIS systems, and the GIS staff will continue support the software and the environment as we do now. [Lyon]

Q: *I noticed printing and publishing was decreased in the MIS fund but then I noticed in a lot of other departments they actually had added printing and publishing and wasn't sure what those departments were going to be publishing and printing. Was there an offsetting decrease in a publishing and printing budget?*

A: All existing GIS costs (including Printing & Publishing) previously allocated to the MIS Fund have been reallocated to the DPS Department and have been split 25% each between the (a) Major Road Fund – Traffic Division, (b) Local Street Fund – Traffic Division, (c) Water Division, and (d) Sanitary Sewer Division. [Snyder]

Q: *Maintenance software is a new line item for several departments @ a cost of \$ 48,830, was that originally part of MIS or is this something new? For example Page 145 under the water operating and maintenance I see now there is a maintenance of software line*

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item. What software is being maintained?

A: All existing GIS costs (including Software Maintenance) previously allocated to the MIS Fund have been reallocated to the DPS Department and have been split 25% each between the (a) Major Road Fund – Traffic Division, (b) Local Street Fund – Traffic Division, (c) Water Division, and (d) Sanitary Sewer Division. These combined budgets provide for the annual maintenance and support of the City’s GIS system. [Snyder]

Q: *Why is GIS Service moving to DPS? Will the City achieve long term savings and/or efficiencies with this move?*

A: The DPS Department owns an overwhelming majority of the infrastructure data that GIS uses every day. The impact of the move of the GIS function from MIS to DPS is that the GIS staff will now be housed in the DPS Department putting them in closer proximity to the data owners. This aligns the GIS staff with the DPS subject matter experts so the City can strategically grow its GIS presence. GIS staff will continue to support other departments that utilize GIS data, as they do now. MIS will continue to support the hardware and backend of the GIS systems, and the GIS staff will continue support the software and the environment as we do now. [Lyon]

DPS Budget Questions:

Q: *What section of Avon Industrial Dr is being rehabilitated (MR-17)?*

A: The entire section of Avon Industrial Drive is proposed to be rehabilitated, along with water main replacement in FY 2024. [Fritz]

Q: *MR-24D - Brewster - where will the width change? Have the residents/HOA been consulted? If not, when?*

A: No width change is proposed. The road resurfacing is being coordinated with the water main replacement project. [Fritz]

Q: *MR-24D - Brewster - Have the residents/HOA been consulted? If not, when?*

A: Not yet. Preliminary engineering is planned for FY 2024 with construction in FY 2025. The residents will be notified well in advance of construction. [Fritz]

Q: *MR-37A Barclay Circle - the cost in 2023 was \$1.6 million and now is \$4.17 million? What drives the cost to almost double?*

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A: After reviewing the data from the Geotechnical Study analysis on Barclay Circle, the scope of the project changed from a more simple mill and replace to a more involved full reconstruction, including full curb and gutter replacement and placement of edge drain. [Fritz]

Q: *MR-37A Barclay Circle - Why did we wait?*

A: The project became more involved. With change in scope, and present climate of bid inflation, we decided to postpone. [Fritz]

Q: *With the Barclay Circle Rehab project (MR-37a), is there any opportunity here to work on sidewalk/pathways or other pedestrian/walkability improvements as part of the project?*

A: Yes. This project will include adding dedicated bike lanes to Barclay Circle. In addition to the bike lanes and the road diet, we are correcting the sidewalks that go through the driveway approaches to meet ADA standards and replacing failed sections of sidewalk. [Fritz]

Q: *Initial plans for Barclay Circle were to reduce the number of drive lanes and add bike lanes. Is this still the plan (MR-37A)?*

A: Yes. This project will include adding dedicated bike lanes to Barclay Circle. In addition to the bike lanes and the road diet, we are correcting the sidewalks that go through the driveway approaches to meet ADA standards and replacing failed sections of sidewalk. [Fritz]

Q: *No CIP - Walton Blvd - when was Walton Blvd last rehabilitated?*

A: Walton Road from Adams to Livernois was resurfaced by the Road Commission of Oakland County (RCOC) in 2011. Walton is owned and maintained by RCOC. [Fritz]

Q: *Do we have any idea where the school zone flashing beacons will be placed? We had a Stoney Creek student fatality a couple of years ago and I was specifically wondering if a beacon at the crossings on Tienken for Hart and Stoney would be helpful.*

A: There is no location identified at this time for a new flashing beacon. Funds are allocated as a contingency in case a request arises during the budget year. There are two flashing beacons in the vicinity of Stoney Creek High School. One on Tienken near where the fatality occurred and the other on Sheldon between Hart and Stoney Creek. [Fritz]

Q: *On page 216 of the Budget Plan under Special Revenue Funds, 203-Local Street Fund for the 2024 Proposed Budget. TOTAL REVENUE is \$12,712,230 but in the Technical Appendix on page #75 for Local Street Fund - REVENUES it has a total of \$14,158,920. Why are the revenues reflected differently for 2024 in the two different documents?*

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A: The difference between the two (2) numbers is the Fund Balance required to Balance amount of \$1,446,690. The Technical Appendix includes this amount as it ‘balances’ the difference between Revenues & Expenditures. The Plan Book displays the Revenue only total of \$12,712,230, with (\$1,446,690) as the Net Revenue (Under) Expenditures listed on the 3rd to Bottom Line where the Local Street Fund Balance is displayed.

The draw from Local Street Fund Balance proposed in FY 2024 is to set the Local Street Fund Balance level at 25% of annual Local Street Fund expenditures per the City’s Governmental Fund Balance Policy. [Snyder]

Q: *LS-20 - Leach Rd - please explain the increased cost*

A: Originally the CIP estimated a 5% contingency matched LDFA budget at about \$2M. As the project design has progressed, it has been decided a more accurate estimate is a 10% contingency plus additional services identified as needed (eg. ROW acquisition, private utility coordination, geotechnical, etc.). [Fritz]

Q: *What is causing the increase in local street expenditures in 2024 (pg 117)?*

A: The increase in Local Street expenditures proposed in FY 2024 is primarily due to the proposed paving of Leach Road. Funding for the paving of Leach Road will be provided from the Local Development Finance Authority (LDFA) as the proposed project is located within the LDFA District. [Snyder]

Q: *PW-01 Pathway rehabilitation – where*

A: In 2024 the pathway along the west side of Adams Rd between Tienken and Dutton will be rehabilitated. [Fritz]

Q: *PW-06D - Auburn Rd pathway - do we own ALL of the right of way in order to put this in?*

A: The portion of Auburn Rd under consideration is under MDOT jurisdiction. MDOT does not currently have the full ROW under their jurisdiction. The City will have to procure pathway easements from a few property owners along the route that have not dedicated the full ROW to MDOT. [Fritz]

Q: *P267 - what projects is the LDFA covering? And why is the Auburn Rd pathway not listed (PW-06D)? Is that the LDFA related project?*

A: The LDFA has agreed to fund the Adams Road @ Clinton River Trailway Pathway Crossing project (PW-07D), as that project lies within the LDFA District. The LDFA currently has the project included in the FY 2023 Budget. This project will be put out to bid shortly and will

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be coming before City Council for approval in FY 2023. However, due to the longer timeline required to fabricate the Trailway Crossing mast arms, installation is not anticipated until FY 2024, so these funds will be carried over into the FY 2024 Budget.

The LDFA is not funding the Auburn Road Pathway Gaps [Walbridge – Hickory Lawn] as that particular project is not located in the LDFA District. [Snyder]

Q: *SS-11 - OMID - why the significant increase?*

A: A decrease in OMID is proposed for FY 2024, as there is only one (1) anticipated Oakland Macomb Interceptor District Special Assessment in FY 2024 anticipated at ~ \$1M as opposed to two (2) Special Assessment notices anticipated in FY 2023 totaling ~ \$3.7M. [Snyder]

Q: *We recently approved funding - the bond issue- for OMID. What else is planned for 2024 (SS-11)?*

A: The Oakland County Water Resources Commission (OCWRC) has informed the City of its plans to issue bonds in FY 2024 for Odor Control Improvements at the Clinton River Water Resource Recovery Facility (CRWRRF). According to the OCWRC's most recent project cost estimates, the \$1M included in the FY 2024 Proposed Budget will provide the funding necessary if the City were to choose to Prepay its proportionate share of the Special Assessment and thus avoid any associated bond issue and interest fees moving forward. [Snyder]

Q: *WS -43 Ascension water - what is the status?*

A: This project is on-hold, as we need to work with Ascension for an easement. Will carry the budget over to 2024 if we proceed. [Fritz]

Q: *WS-45 Judson Park - Status and why the increase?*

A: The Preliminary Engineering Phase for this project is underway in FY 2023, with the Subdivision's Water Main Replacement Construction Phase proposed for FY 2024. The overall project cost remains unchanged as it was in the FY 2023 and the CIP. [Snyder]

Q: *WS - 50 Rochester Knoll - what is the status? I don't see it in 2024.*

A: The Construction Phase of this project was awarded to Bidigare Contractors on April 17, 2023 along with the Drexelgate Watermain Replacement. The Rochester Knoll Phase of the project will commence soon and is anticipated to be completed in FY 2023. [Fritz]

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Q: *Where will the Hook Lift Truck Structure be located (FA-18)?*

A: The Hook-Lift Truck Structure will be located at the DPS Facility located off of Auburn Road. The new structure is proposed to be centrally located (east-to-west), and on the south half of the property, screened from Auburn Road by a thick row of trees. The structure will store the various Hook-Lift Truck accessories out of the elements, and provide a convenient location to load / un-load the various accessories. [Fritz]

Q: *What cost savings or productivity improvements are estimated with the Asset Mgt Software/Hardware Upgrade (IS-06B)?*

A: The proposed Asset Management System replacement is crucial to efficiently maintain the City's asset inventory (water, sanitary and storm, roads, pathways, traffic, safety, fleet, facilities, etc.) The upgrade is needed to provide Work Order management, project management, and tracking of the labor, material, and equipment necessary to optimally manage the City's hundreds of thousands of assets. A new system will incorporate condition assessment data, provide risk-based decision-making tools, will assist in planning how best to utilize City's budgets, and leverage asset lifecycle planning (on-boarding, operation and maintenance, and finally asset retirement). [Fritz]

Q: *There are additional vehicles in the 2024 Fleet Equipment Purchases (pg 303) compared to the 2024 CIP replacement schedule (pg 90). Why are the additional vehicles needed?*

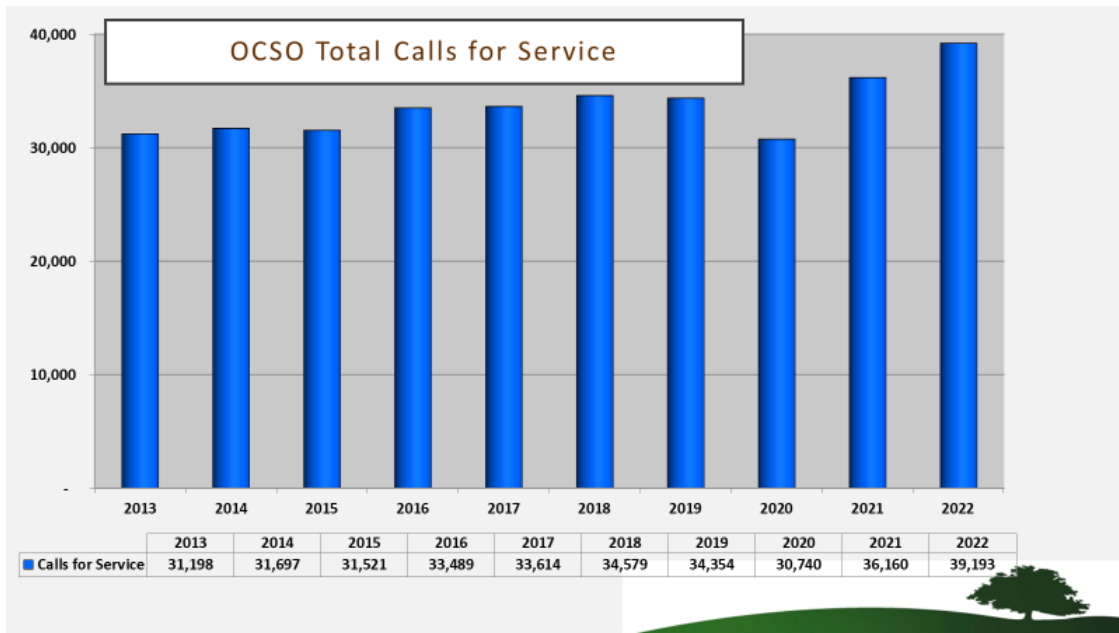
A: The additional vehicles included in the FY 2024 Proposed Fleet Budget which were not scheduled in the most recent CIP for FY 2024 include seven (7) vehicles and equipment pieces initially included in the FY 2023 Budget (and not in the FY 2024 CIP) which were deferred to FY 2024 for replacement due to overall condition and having 1-2 more years of additional service life, or were deferred due to supply chain issues. Please note: One (1) Dump Body insert for the Parks Department was pulled forward from FY 2025 to FY 2024 due to its deteriorated condition. All City equipment and vehicles are continually reviewed and assessed for replacement year and conservative replacement cost. [Snyder]

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Police Budget Questions:

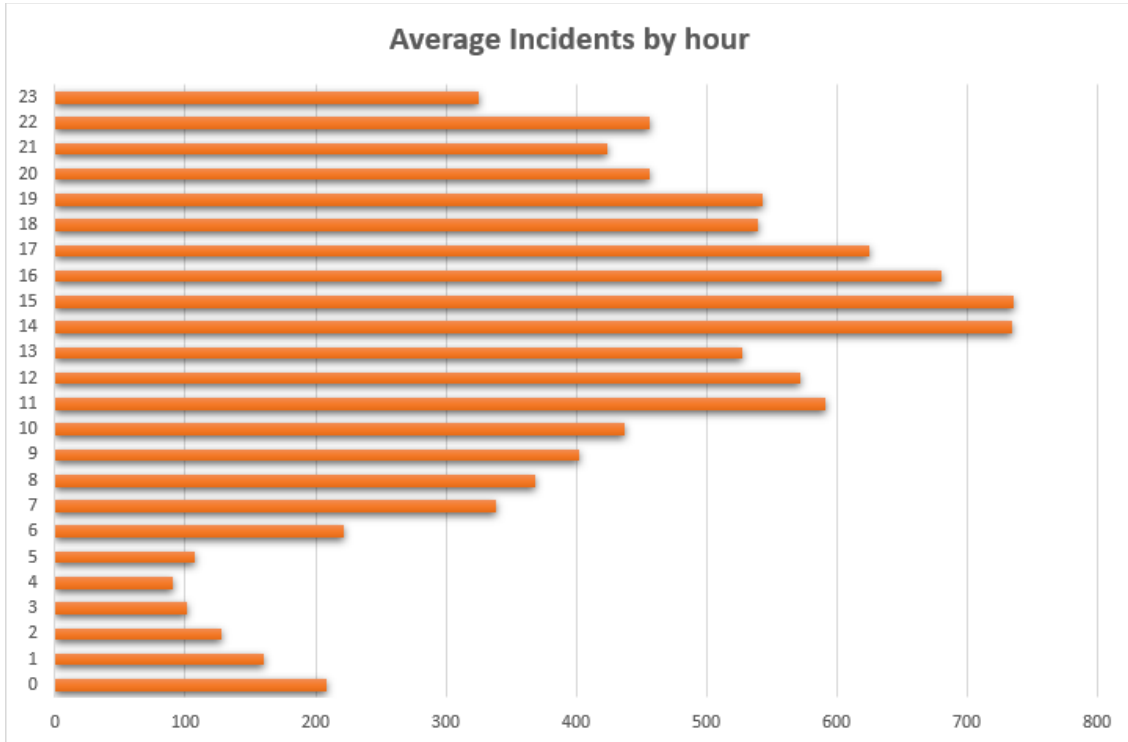
Q: *What data do you have to support the need for 2 more deputies? What will they be assigned to do?*

A: Total calls for service have increased to over 39,000 in 2022. The majority of our calls occur during the afternoon shift, and we frequently have a higher volume of calls than we have deputies on duty which are able to respond. These calls that are placed on hold until there is a deputy available, this causes an increase in our response time and a decrease in customer service.



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As you can see in from the Average incidents by hours graph below, there is a steady increase in call volume starting at 2pm until 10pm with the busiest time periods covering the afternoon period.



Two additional deputies would allow the Sheriff's Office to continue to provide the high level of customer services expected from residence and be instrumental in reducing response time. One deputy would be assigned full time to the front desk Monday – Friday 3 pm to 11 pm., currently the front desk is only open till 6 pm. After 6pm, a citizen that needs assistance from the Sheriff's Office and goes to the substation, must push a button requesting a deputy. That deputy will be dispatched from the road to go back to the substation.

The other deputy would fill a gap on the afternoon shift road patrol on days when we are short staff and will help to improve response times. [Yeiser]

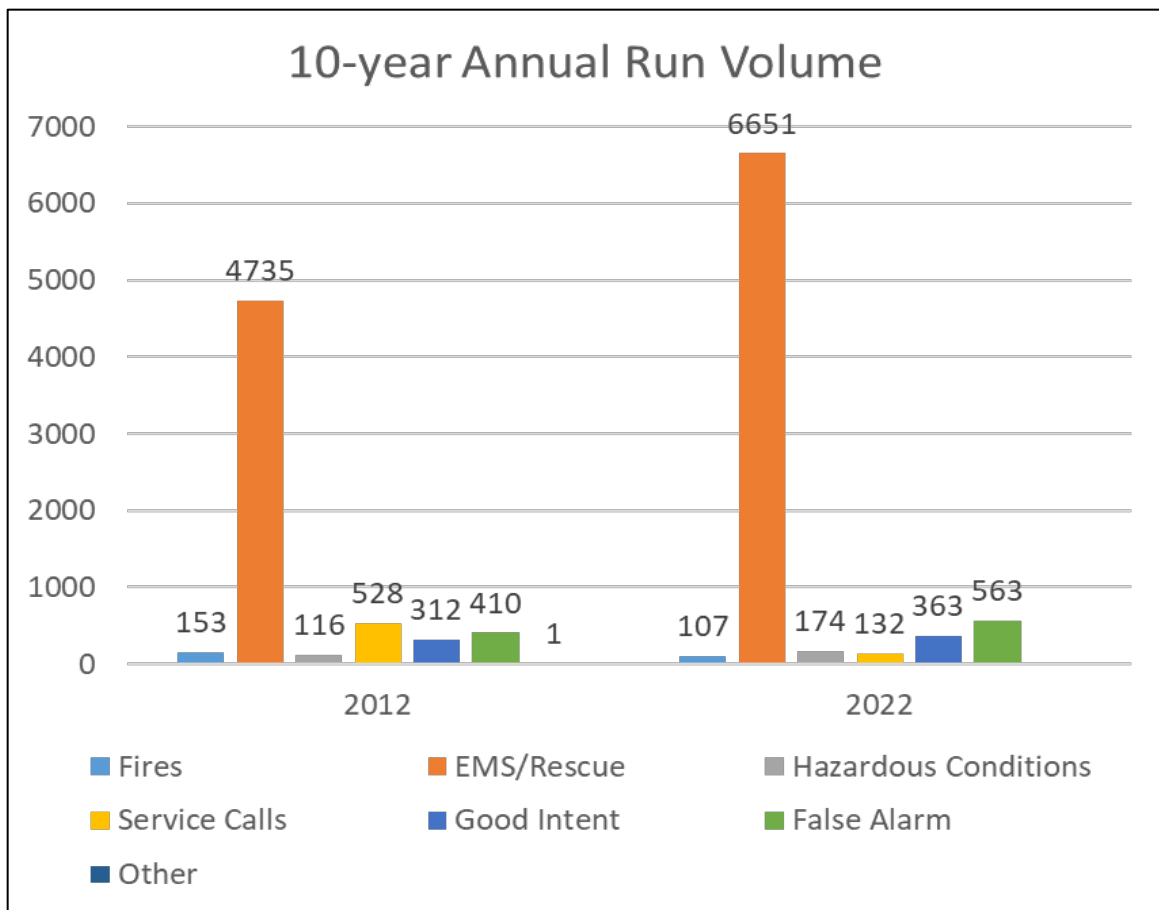
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Fire Budget Questions:

Q: *Regarding the fire budget request, what data do you have to support the need for 10 more fire fighters? And do we have sufficient equipment for them to use?*

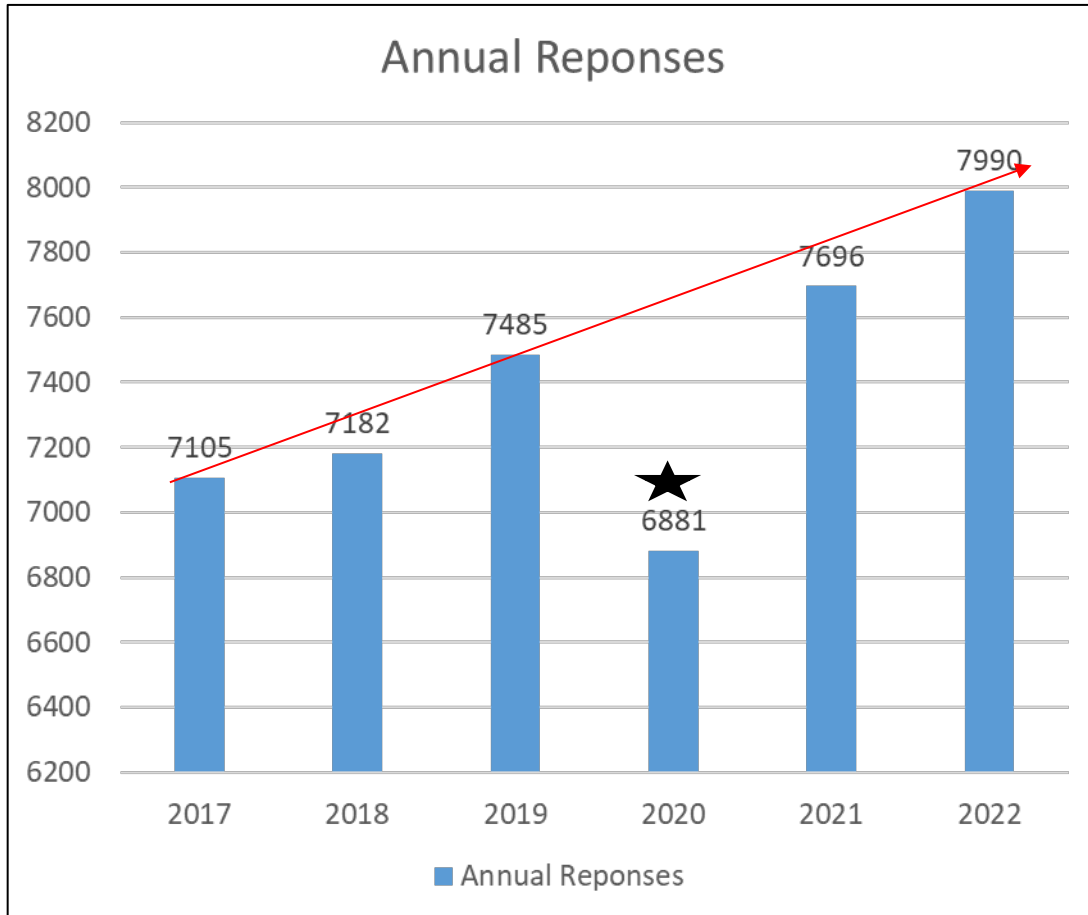
A: The Rochester Hills Fire Department's philosophy is to apply best practices within our industry focusing on meeting the service needs of our community in the most efficient and effective manner possible. The Department recognized the need to develop a 10-year strategic plan and the committee focused on critical areas of concern that directly affects the delivery and quality of public safety service. This plan was approved by City Council in 2019.

In 2012, the Department responded to a total of 6,254 incidents. In 2022, the Department responded to more emergency medical incidents (6,651) than the total number of incidents in 2012. This is certainly a concerning trend as the number of emergency medical incidents continues to climb.



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In the last five (5) years, the Rochester Hills Fire Department incident volume has continued to grow. From 2017 to 2022, the Department has seen an increase of 12 percent. With the steady rise in incident volume, it is conceivable that by 2027 the Rochester Hills Fire Department will be nearing 9,000 incidents annually.



★ - COVID 19 Pandemic

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In 2022, 65 percent (or 4,643) of the 7,103 patients the Rochester Hills Fire Department encountered were aged 65 or older. While several of these incidents possibly involved the same individual more than once, the population of seniors in Rochester Hills 65 years of age and older grew 30 percent in 11 years. If the 65 and older population grows an additional 30 percent in ten years, we would respond to over 7,600 incidents just within that age demographic.

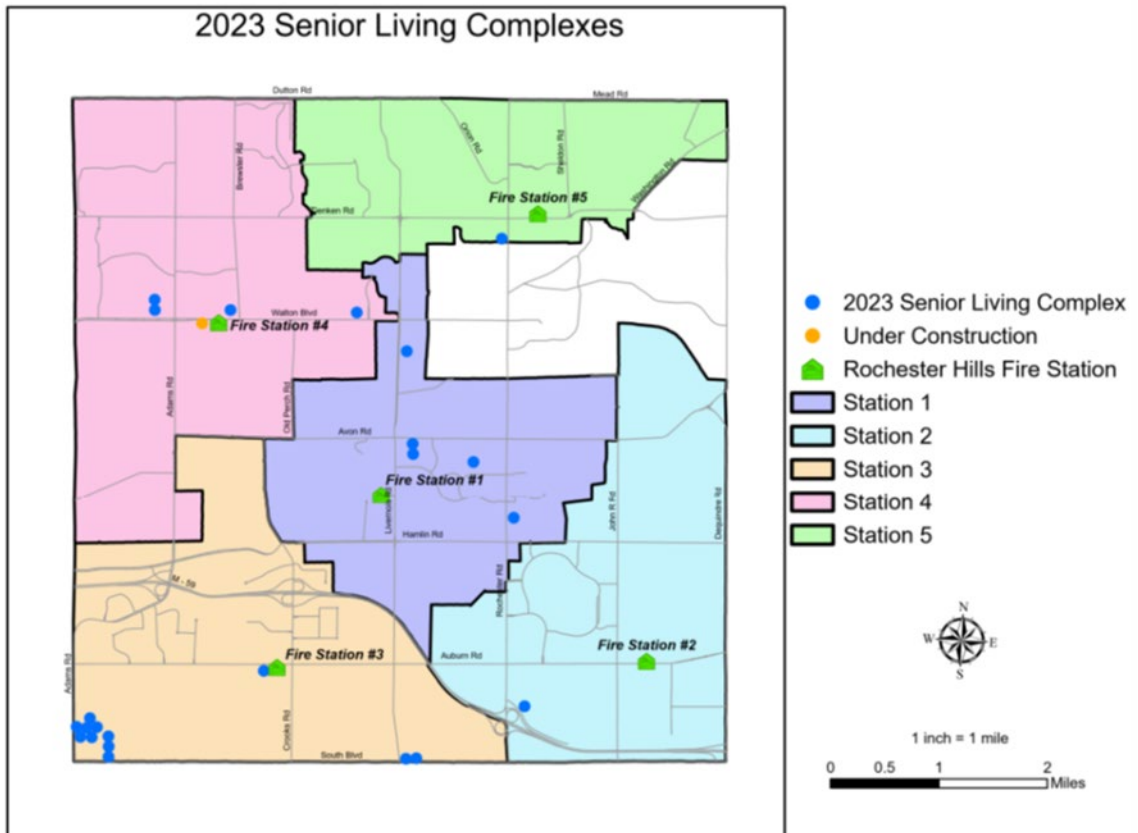
Household Types	Census 2010	ACS 2021	Change 2010-2021	Pct Change 2010-2021	SEMCOG 2050
With Seniors 65+	6,929	9,005	2,076	30%	-
Live Alone, 65+	2,836	3,358	522	18.4%	-

The age group of "65 and over" will continue to increase and as residents age they will require more Fire/EMS services. The numbers below represent patient contacts for individuals 65 years of age and older:

- 2021 = 4,309 of 6,783 patient contacts (63%)
- 2022 = 4,643 of 7,103 patient contacts (65%)
- 2023 YTD = 2,294 of 3,474 patient contacts (66%)

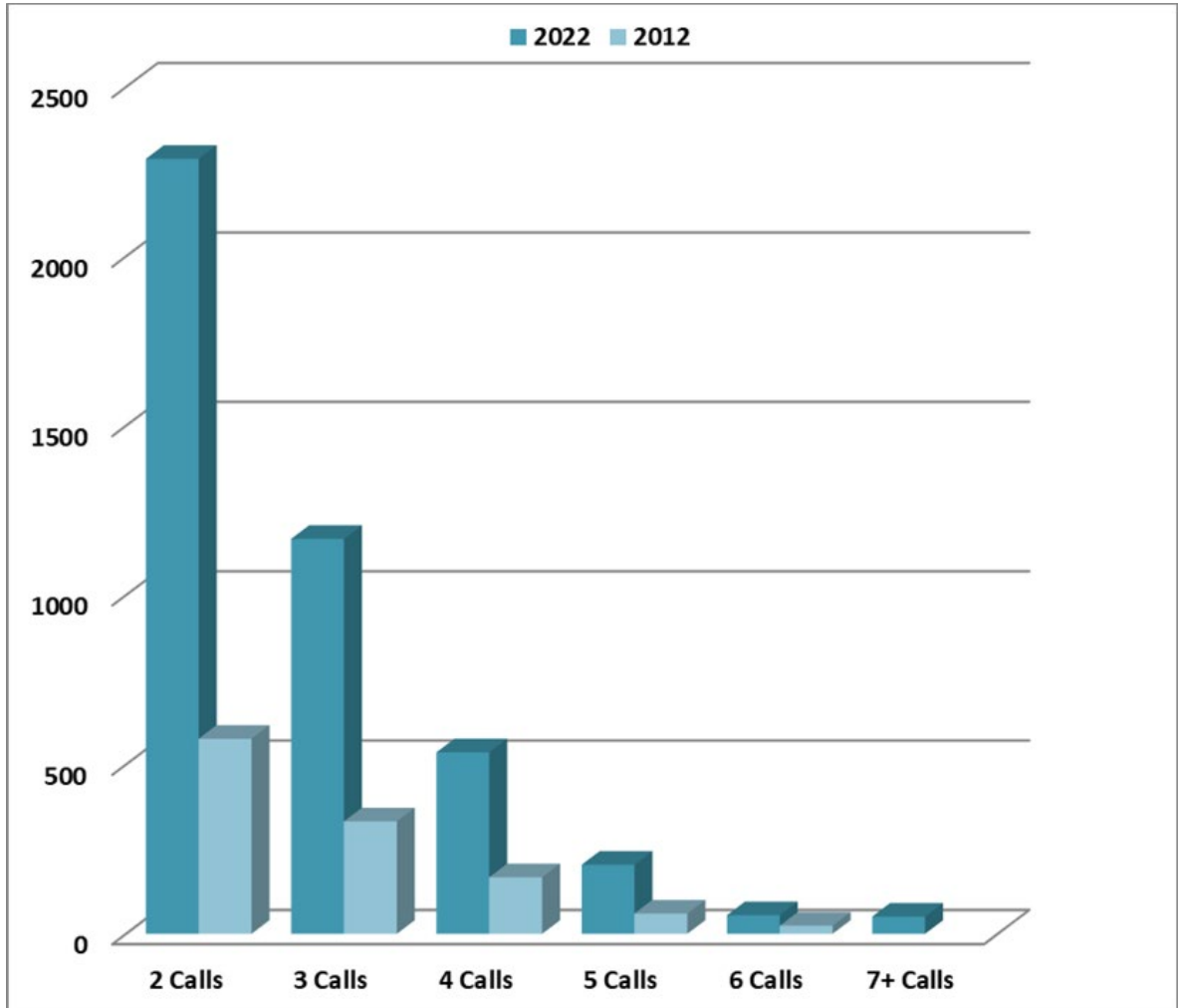
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The City of Rochester Hills has one (1) facility every 1.24 square miles on average. Additionally, we are finding that the assisted living and nursing facilities that had just one (1) bed per room now have rooms with double occupancy. Not only will the growing aging population within these facilities tax our system, aging adults within single and multi-family dwellings tax it as well.



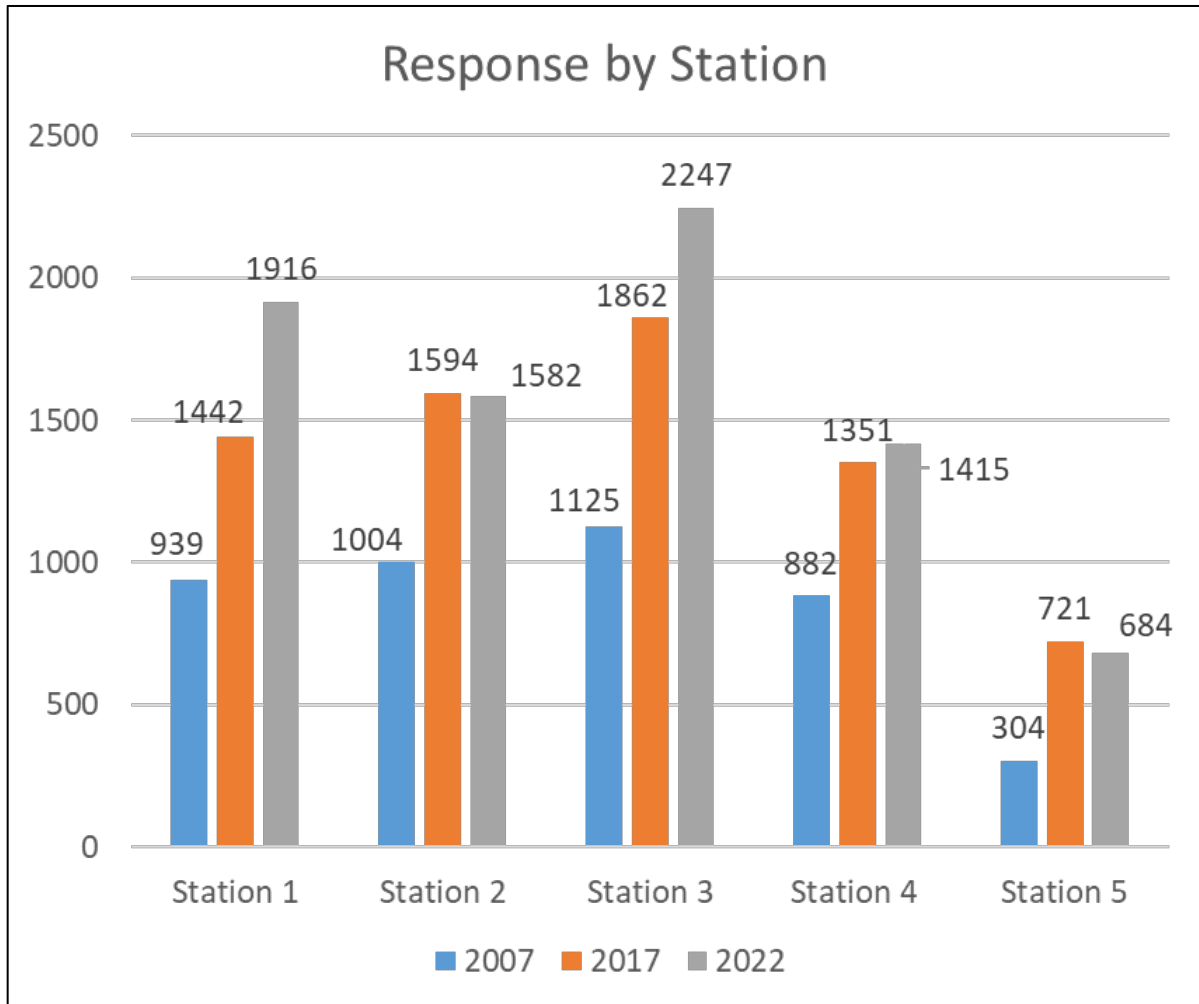
2024-2026 Proposed Budget City Council Questions / Administrative Responses

The Department is also starting to experience instances of more “Concurrent Calls”. This graph details that out of the 7,990 incidents that occurred in 2022, 4,300 times (53 percent) additional incidents (some of which required multiple units) were taking place at the same time. As this happens, the Department’s resources are stretched thin, if not depleted.



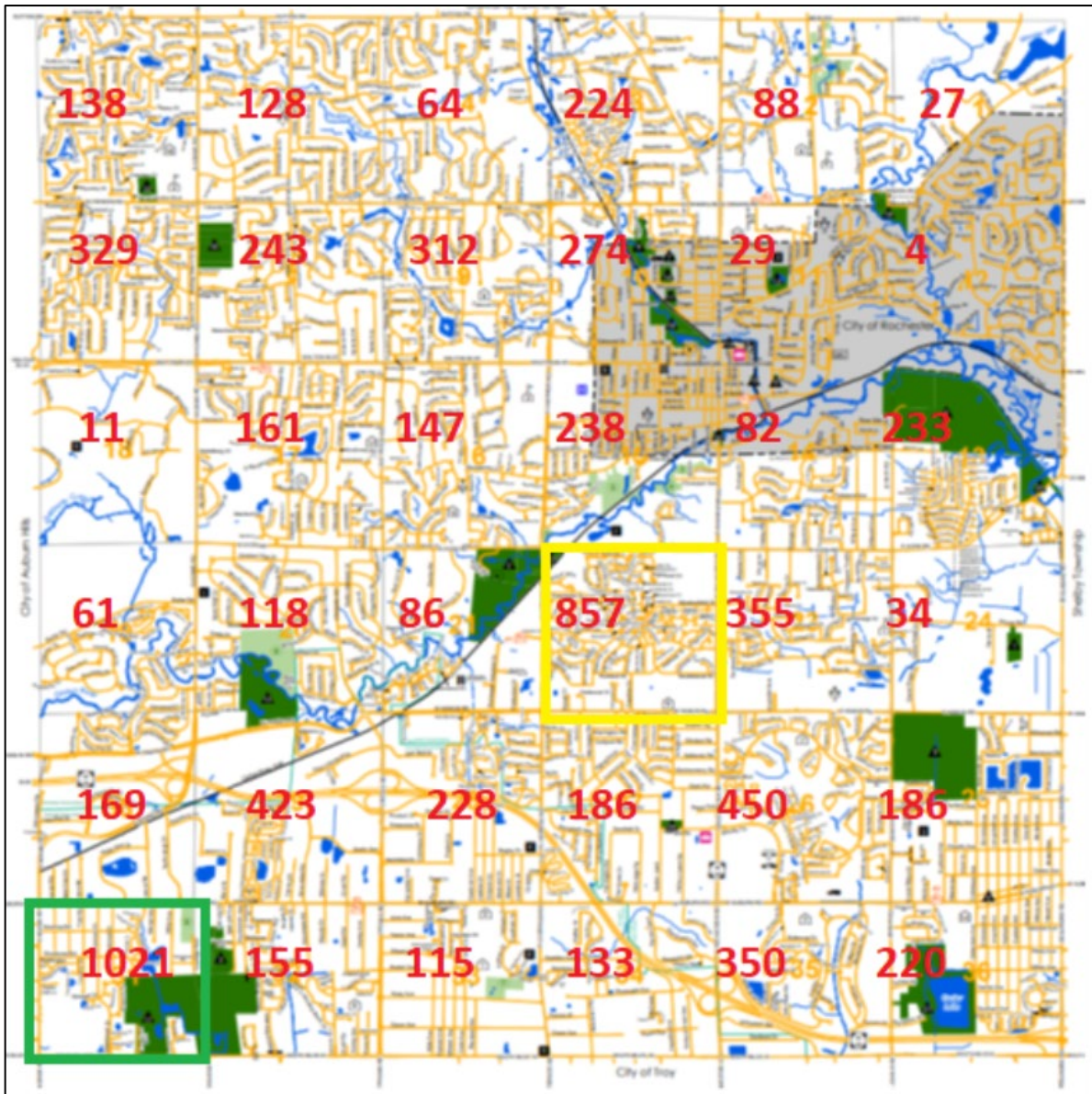
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In the last ten (10) years, each of the Rochester Hills Fire Stations has seen an increase in call volume. Fire Station 3 is the busiest station in the Department followed by Station 1 and 2. The run volume at Station 3 is due to a large concentration of assisted living, nursing and congregate senior living facilities within their first due response area.



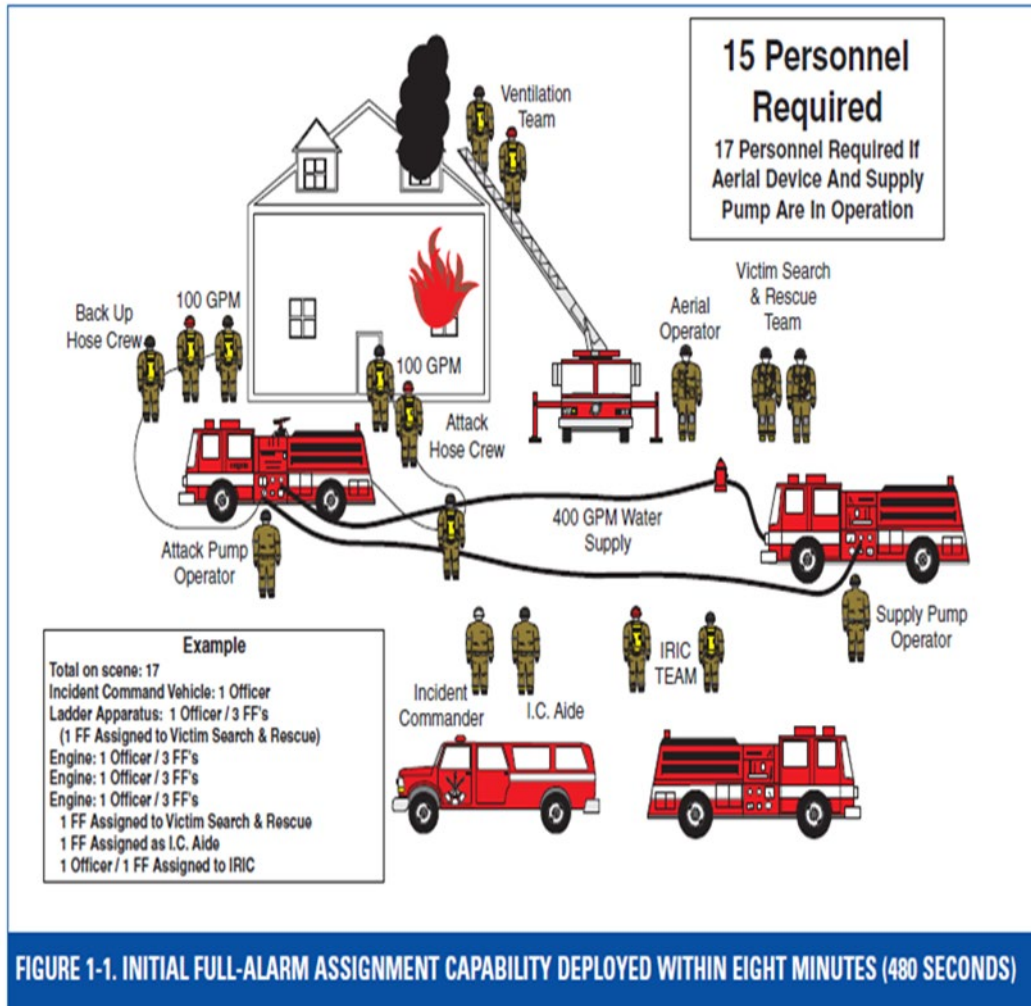
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In 2022, Section 22 had 857 incidents and Section 31 had 1,021 incidents. Within these two (2) square miles, 23 percent of the total call volume of the Rochester Hills Fire Department occurred. This is due to the large concentration of assisted living, nursing and senior congregate facilities within these areas. Two (2) other sections are nearing 500 incidents per year. These busiest areas are within Station 1 and Station 3 response districts.



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In 2022, the majority (65 percent) of structure fires encountered in Rochester Hills occurred during the day (07:00 to 19:00) which also happens to be our busiest time as well. This is also during the time in which our neighbors receive their highest call volume, which means a delayed response, if they are available at all.



Goal #1 of our Strategic Plan outlined the following: Develop and implement a formal human resource plan to include a staffing analysis and needs plan; improve / develop career planning, employee development and succession planning programs; and improve the internal communications practices.

This goal was looking at the resource management side of our organization. In organizational studies, resource management is the efficient and effective development of an organization's resources when they are needed. In researching and preparing the recommendation for Goal 1B, several critical tasks needed to be completed to understand the full picture:

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- Determine the current and anticipated operational workload of the Rochester Hills Fire Department in the next ten (10) years.
- Review applicable local, state and national staffing standards.
- Identify discrepancies between staffing levels, anticipated workload, current statistics and reviewed standards.

The recommendation for the staffing needs of the Rochester Hills Fire Department is based upon assessing information which reflects the community and there are key assumptions that can be formulated. The Department also utilized several relevant information, statistical data and documents in the creation of this plan to include the City's recently proposed Master Plan.

Phase #1- 2019/2020

Change the part-time staffing to the following: Part-time members would work night shifts covering from 7:00pm to 7:00am covering two (2) shifts each night.

Hire eight (8) additional full-time personnel. Eight (8) new full-time positions would operate during our busiest run volume times based on a modified 12-hour work schedule Monday through Sunday.

This would strengthen the Department's manpower levels during the busiest run volume times. Finally, the funds currently established for the part-time members would almost fully fund these positions with the change in their scheduling.

Phase #2- 2024

In forecasting incident volume with the other fire stations, once a station is responding to over 1,800 incidents per year, the station would require a second unit to handle additional incidents within their response area. Our current forecast is that Station 1 will make that call volume estimate by 2022 while Station 3 is already at that number at the time of this report. This would then require the hiring of ten (10) additional full-time members. This would be in conjunction with the eight (8) previous hired members from Phase 1, which would allow for two (2) additional personnel per shift at these stations. This would permit two (2) units (one ambulance and one fire company), both ALS, to be manned at Stations 1 and 3.

Additionally, the Department would be adding two (2) additional jumpers per shift to assist in filling planned and unplanned vacancies. These new positions do not require a tax increase of the current 2.7 mills. Funding for the additional ten (10) personnel in 2024 can be sustained at this millage rate along with the increased EMS revenue. Finally, community growth in relation to taxable property also has the ability to generate additional income through the fire millage.

During the upgrade of the fire stations, all stations were designed to accommodate

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additional personnel into the future. This was done purposefully as part of the organization's strategic vision. No additional equipment will be required with the exception of uniforms and personal protective equipment which are fitted to size. [Canto]

Q: *I expected to see a larger increase in the Fire Operating Fund due to hiring 10 firefighter/paramedics. When will they be hired and how is it reflected in the budget (pg 119)?*

A: The additional ten (10) Firefighter / Paramedics are included in the FY 2024+ Budget including salaries and benefits, uniforms, turnout gear outfitting, and training. In the FY 2023 Budget, there are currently forty-eight (48) FTE in the Fire Department – Emergency Services cost center, that total is proposed to increase to fifty-eight (58) with the addition of the ten (10) additional Firefighter / Paramedics or a +20% increase.

If approved, the City will begin the recruiting process for the ten (10) additional Firefighter / Paramedics in the 4th Quarter of this year (FY 2023) in anticipation of starting the Orientation process for the new Firefighter / Paramedics in the 1st Quarter of next year (FY 2024). [Snyder / Canto]

Q: *The fire stations are on broadband not fiber, right? How closely do we monitor the service levels of these connections, and do we keep a log of outages?*

A: We do not have fiber connections to stations 2-5. It is an additional expense to the city to have fiber to the stations when there has not been an issue to the broadband service provided and the uptime of that connection. The City's Communications Manager has no specific monitoring equipment on sites, but does get alerts from systems at these sites for service drops, and with staff there 24/7 they contact him for any issues. [Lyon / Foisy]

Q: *FA 02P was in the 23 budget and now in the 24 budget at a much higher cost. Why was it not done in 23?*

A: In the FY 2023 Budget the Fire Station #1: HVAC Replacement project (FA-02P) had the Preliminary Engineering phase budgeted in FY 2023 [\$75,000], with the actual HVAC Replacement scheduled for FY 2024 [\$948,750] with an anticipated total project cost of \$1,023,750. This project is planned to be completed in tandem with the Fire Station #1: Roof Replacement project (FA-10C) also scheduled for FY 2023-24.

As part of the FY 2024-2029 CIP process, due to inflationary price increases especially for HVAC components, City staff are now proposing what is felt as a conservative budget estimate for the actual Fire Station #1: HVAC Replacement of \$1,350,000, for a revised total project cost of \$1,425,000. [Snyder]

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Q: *For the Fire Training Tower, where is this and what will it cover?*

A: We take great pride in our ability to provide members with “state-of-the-art” training. Training enables firefighters to learn new skills and techniques to make their jobs safer. Firefighters risk their lives to save others. However, with the right training, some of the risk to our personnel can be managed.

Training enables firefighters to respond more efficiently, hereby reducing property damage, providing the latest medical care available as well as understanding the newest modern techniques existing. This can be essential in situations where fire damage to the community could be substantial. The importance of training cannot be overstated in the world of emergency services. Where life safety is at risk, competence of the responders should be paramount.

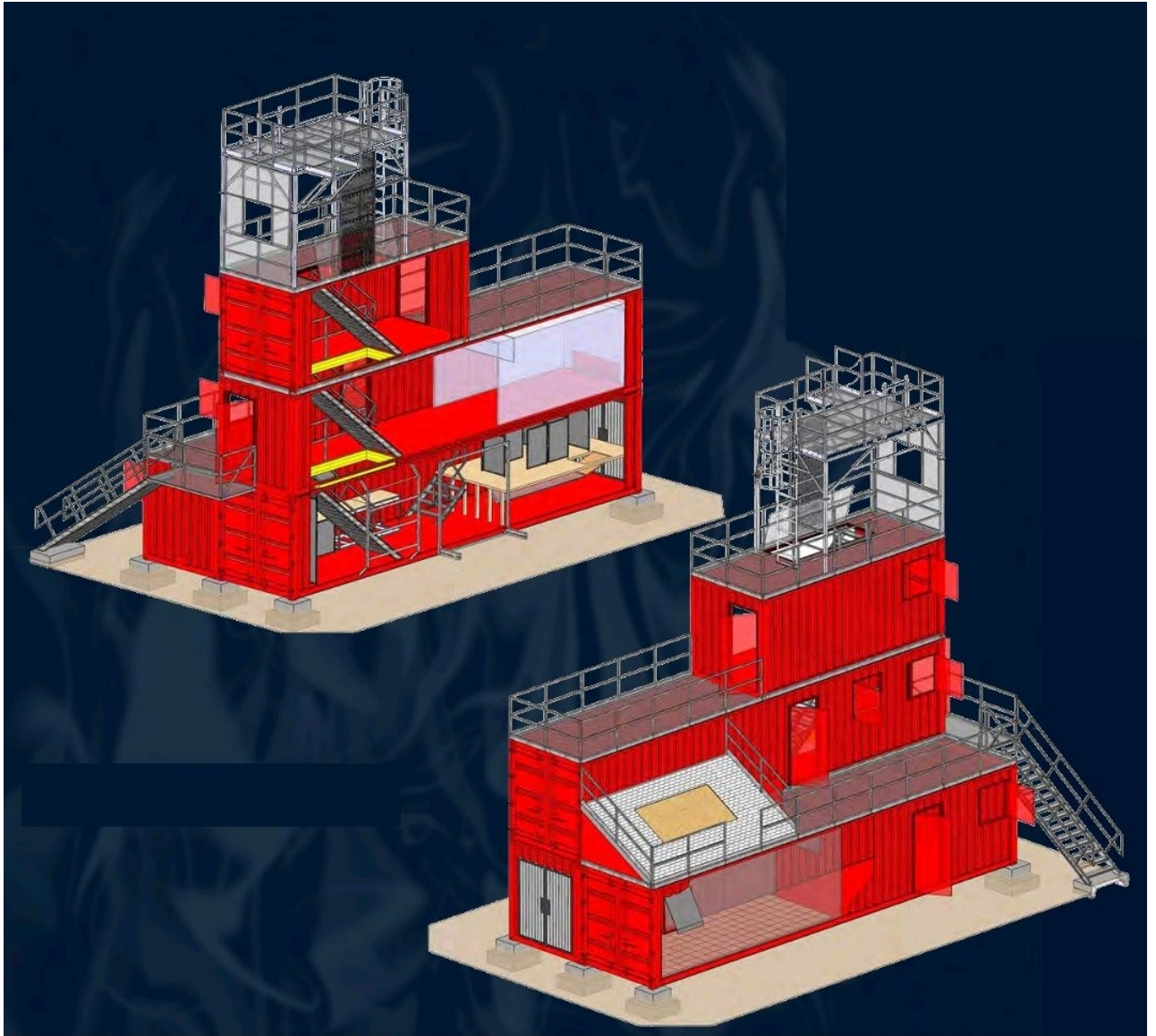
The purpose of our training is to ensure that we can provide the very best service possible to our community. We accomplish this by doing consistent, relevant and quality training of our personnel. Our overall goal is that training should be to support the services our members provide through a safe and effective training program. This helps them provide those services in a safe, efficient and effective manner. To ensure that we provide the highest level of service to our community, we must provide training that consistently maintains and enhances the knowledge, skills and abilities of our members.

Training is the backbone of our Fire Department. This produces a well-prepared force that through repetition increases the speed of an operation and enhances proper execution while reducing injuries. A firefighter who arrives at an emergency unprepared can be faced with life-and-death situations and will find himself or herself under extreme stress to perform his or her duties. Training benefits everyone: the firefighter, the Fire Department and the community.

The budget for training before you covers a wide array of training from community risk reduction, technical rescue, labor and management, leadership, firefighting and emergency medical services. The fire service is an ever-changing profession and the Rochester Hills Fire Department sends our members to applicable training throughout Michigan and the United States. This gives our members the ability to arrive quickly and solve the problem. Additionally, Rochester Hills bring in industry experts for training here at our Department as well. Having the ability to send our members to realistic and relevant training is certainly a huge advantage.

Finally, if the training is outside of a reasonable driving distance, this funding may pay for lodging, travel and meals, if needed.

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The above picture is a very similar Fire Training Structure to what the Fire Department is proposing to have installed at Fire Station #1 to replace the existing Fire Training Structure. [Canto]

Q: *Fire Department Capital Fund: Tanker 5/Fire Engine has an Estimated Replacement Year of 2024 at an Estimated Present Cost to replace of \$620,870. There is no provision in the budget to replace this piece of apparatus next year. What is the current condition of this Tanker 5? When do we anticipate this being replaced?*

A: The taker is currently in good condition. We continue to monitor the condition of the apparatus and saw no reason to include it in this year's budget process. It will be evaluated

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before the next budgetary process, but I see replacement possibly in 2027 or maybe later depending upon condition and maintenance concerns. Fiscal will update the replacement chart for Tanker 5 to 2027 for the final budget. [Canto]
