
Keith Sawdon <sawdonk@rochesterhills.org>

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To: Leanne Scott <scottl@rochesterhills.org>

Cc: Sean Canto <cantos@rochesterhills.org>, Kurt Dawson <dawsonk@rochesterhills.org>, Greg Hooper <hooperg@rochesterhills.org>, Tina Barton <bartont@rochesterhills.org>

Hi Leanne:

Attached are Fiscal's responses, to the questions asked, that are Fiscal related.

President Hooper also asked what the City has actually spread for Fire related to its Charter approved limit and Headlee reduced limit. I could only find information back to 1989. The attached report shows that the City did not spread the maximum allowed, reduced by Headlee, until 2011, 2012 and 2013 and only then because of the falling Tax Values.

If you have any questions, please contact me.

—
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Tax Year	Charter Allowed	Headlee	Actual Spread	Under Spread
2013	2.5000	1.9564	1.9564	0.0000
2012	2.5000	1.9564	1.9564	0.0000
2011	2.5000	1.9564	1.9564	0.0000
2010	2.5000	1.9564	1.8000	0.1564
2009	2.5000	1.9564	1.8000	0.1564
2008	2.5000	1.9564	1.8000	0.1564
2007	2.5000	1.9564	1.8000	0.1564
2006	2.5000	1.9744	1.8000	0.1744
2005	2.5000	1.9862	1.9000	0.0862
2004	2.5000	2.0013	1.9000	0.1013
2003	2.5000	2.0136	1.9000	0.1136
2002	2.5000	2.0332	2.0136	0.0196
2001	2.5000	2.0569	2.0332	0.0237
2000	2.5000	2.0792	2.0569	0.0223
1999	2.5000	2.0958	2.0792	0.0166
1998	2.5000	2.1013	2.0800	0.0213
1997	2.5000	2.1012	1.8200	0.2812
1996	2.5000	2.1012	1.5200	0.5812
1995	2.5000	2.1012	1.4200	0.6812
1994	2.5000	2.1012	1.4200	0.6812
1993	2.5000	2.1012	1.4200	0.6812
1992	2.5000	2.1325	1.4200	0.7125
1991	2.5000	2.1325	1.4200	0.7125
1990	2.5000	2.0657	1.4200	0.6457
1989	2.5000	2.0573	1.4500	0.6073

Fiscal's Responses

Hooper: If the millage is successful can it be spread in 2015 instead of 2016 that was stated at the meeting.

Kurt Dawson (Assessor) did verify with Oakland County Equalization that an amended L-4029 could be filed which WOULD allow the City to spread the Fire millage on December 1, 2014 (for FY 2015) if approved by the voters this November.

Hooper: If the Charter Amendment was successful, was would the potential millage rates for years 2015 - 2020 and potential rates for 2020 - 2025 to provide for the 15 additional personnel and a reasonable Fire Capital fund balance. This is based on the fact we would not have to levy the full 3.0 mills.

Based on our model and the assumptions used in that model, the millage rate, if approved could be spread at 2.85 mills through the whole period (out to FY2050) and provide the funding needed to cover operations and provide the funding needed for the Fire (equipment) Capital Fund. Anything below 2.85, even in the beginning, will impact Fire Capital in the future.

Morita; Can a SAD, service fee or some other means of revenue be established for the "Senior housing" calls for service.

Morita: Can contract EMS be used for the Senior Housing calls to free up our personnel for other calls

Morita: Contract EMS to do our transfers, what does that do to our response times, revenue, cost?

Morita: Can we contract with a private EMS for supplemental coverage in addition to the Headlee Amendment proposal. What will that cost us? How does that compare to the Charter Amendment of 3.0 mills cost in providing service?

Brown: Is there additional language that would be appropriate to add to the charter amendment to state the \$ available if passed.

If the 3 mills were spread in full for FY2015, it would generate an additional \$3,260,540 in FY2015 for the Fire Fund.

Wiggins/Kochenderfer: Need some specifics on what improvements to response times will be achieved by adding 9 employees, adding something between 9-15 employees, and adding 15 employees.

Brown: What \$ amounts will be needed to add 9 employees in June 2015 for FY 2015 and 15 employees in June 2015 for FY 2015.

For 9 new fire employees the additional cost for FY2015 would be \$1,158,300 (.3842 mills). For 15 new fire employees the cost would be \$1,930,500 (.64028 mills).

Millages and related additional amounts for FY 2015

A 2.50 mill levy would increase the current millage rate by 0.5436 mills and generate an additional \$1,645,590

A 2.60 mill levy would increase the current millage rate by 0.6436 mills and generate an additional \$1,948,310

A 2.85 mill levy would increase the current millage rate by 0.8936 mills and generate an additional \$2,705,110

Note: Any difference between the amount needed for operating costs vs. the additional amount generated by the additional mills would be put into fire capital fund.