

## **General Fund: Revenues**

1. License & Permits: Building – Are the projected revenues sustainable? What is the actual YTD for 2009?  
The projections used in the budget have been provided by the Building Director based on current trends and what he sees in the future. We have asked all participants in the budget formation process to be conservative with revenues and I believe that is the case here.
2. Federal Grant: CDBG – Has the County received addl. ARRA funds....if so, will there be an allocation for our community?  
We are a Participating community with Oakland County. The funds we receive are HUD-CDBG funds no ARRA funds are included within our allocation.
3. State Shared Revenue – Are our projections aligned with projected state deficit and reductions? I know the 2010 budget has not been finalized....however do we have any information with regards to cuts?  
The estimates we are using are more conservative than the estimates provided by the Department of Treasury web site. We had a cut of about \$250k earlier this year and believe we will see more going forward. We are using a number in our budget that closely matches the Const. amount (a formula that cannot be adjusted).
4. Charge for Service: Planning/Zoning – Are we on target for 2009 projections?
  - Wetland/Environmental – increased in 2009 and 2010.... projections are higher than 2008 actual. Cause?  
The projections used in the budget have been provided by the Department Director. We have asked all participants in the budget formation process to be conservative with revenues and I believe that is the case here.
5. Sales: Cemetery Lots – Projections for 2009, 10 and 11 higher than 2008. Cause? How many lots are available?  
The Sexton believes we will see an increase in lot sales with the addition of the Chapel Building. We have 12,000 plus spaces to sell.
6. Fees: Refuse Administration – (my assumption) revenue from AW. True?  
The number being used represents all 4 quarters and is related to the hazard wasteprogram costs as addressed in the contract.
7. Rental: Golf Course Lease – increased in 2009, 10 and 11.....projections are higher by 50% from 2008. Cause?  
Our percentage share increases in 2010 and 2011 as does our minimum payment amount.
8. Contributions & Donations: Fireworks – Does the revenue cover additional OT for Parks, Fire, Police and DPS?
9. Transfer In: Retiree Health Trust – Is this the annual contribution into the recently established Trust?  
Yes this will be taking place each year until all liabilities have been satisfied. The transfer includes two parts. The first part is the Supplemental Benefit which is

processed through the General Fund and the Trust is the funding source. The second part is the Implicit Rate Subsidy; the Trust is reimbursing this fund and the Fire and Water and Sewer funds for the rate burden experienced by these funds because of having retirees on our plan. By making this reimbursement we are bringing the health care costs down, on average, to what it would have been without retirees on our health care policy.

**Need following information:**

1. Breakdown of all fees/rental schedules for Parks.

All fees charged by the Parks Department as well as all Departments are set by Ordinance. Parks and Forestry Fees can be found in Ordinance No. 534, Sec 110-287. [http://www.rochesterhills.org/reference\\_desk/uploads/534\\_ord.pdf](http://www.rochesterhills.org/reference_desk/uploads/534_ord.pdf)

2. Parks and Forestry expense is 7.7% less than 2009. Need suggestions to achieve a 10% cut in 2010 (additional 2.3%) and a 5% cut in 2011 from 2010 projection (after the 10% cut).

I believe it is more appropriate for City Council to look at services and or service level reductions rather than percentage or dollar reductions. It is true that one approach will lead to the other but when attention is directed to service reductions vs. a percentage reduction, conscience decisions are made related to service delivery. As an example, if Council was considering reducing park hours in the winter months, as a cost saving move, it may request Parks to give them an estimate of the savings. Once they have those numbers, then Council could make a more informed decision. If the change in hours didn't achieve the savings they needed/wanted then Council can further reduce hours, etc. This approach puts service levels related to the budget in the hands of Council

3. Membership Dues: breakdown

I've attached a report that shows the breakdown. As you can see memberships & Dues are down by 3.5%.

4. Travel & Seminars: Reduction by 50% across all city departments and pros and cons of 100% elimination in any specific departments.

I believe the amount of funding provided for off site training (which is what this line item covers) should be left in the hands of the Administrative team. Following established guidelines the Administrative team reviews departmental requests by reviewing agendas, rooms costs (if required), travel plans (to ensure they are the most cost effective) and generally to determine their related need for their position. It is also required that the Department Director and the Mayor approve all travel and seminar programs before they are authorized and again after they have been attended (to ensure that funds were spent correctly). Again, I don't believe reducing costs based on percentages is effective. Requested are reviewed and evaluated on benefits vs. costs basis. Many training programs provided in this area are subject directed, concentrated, related to maintaining certifications and generally not the type of training you can get at a college level. Travel and

Seminars budgets are down 14% in FY 2010 as compared to the Amended FY 2090 budget.

5. **Community Promotions in Mayor's Dept.**

The majority of the dollars included in the Mayors Community Promotion line item is related to the Festival of the Hills. Of the \$78,030, \$4,500 is for various Community Promotions, \$1,500 is for Welcome Packets and \$500 is for the Memorial Day Parade. This is the expenditure side of the Festival of the Hills. There is a like amount on the revenue side (675002) in General Fund. The net result is zero costs related to the Festival.

**CITY OF ROCHESTER HILLS  
2010-2011 PROPOSED BUDGET DOCUMENT**

Memberships		2009 Budget	2010 Proposed	2009 / 2010 % Change	2011 Projected	2010 / 2011 % Change
850000	Memberships & Dues	32,900	32,400	-1.5%	31,900	-1.5%
	Mayors					
	Elections					
850000	Memberships & Dues	300	300	0%	300	0.0%
	Accounting					
850000	Memberships & Dues	780	610	-22%	590	
	Assessing					
850000	Memberships & Dues	2,280	2,280	0.0%	2,280	0.0%
	Clerks					
850000	Memberships & Dues	1,070	920	-14.0%	920	0.0%
	HR					
850000	Memberships & Dues	3,390	3,350	-1.2%	3,320	-0.9%
	Treasury					
850000	Memberships & Dues	560	560	0.0%	560	0.0%
	Cemetery					
850000	Memberships & Dues	250	250	0.0%	250	0.0%
	Building					
850000	Memberships & Dues	5,800	5,300	-8.6%	5,300	0.0%
	Ordinance					
850000	Memberships & Dues	1,020	1,020	0.0%	1,020	0.0%
	Planning Commission					
850000	Memberships & Dues	\$ 500	\$ 500	0.0%	\$ 500	0.0%
	Planning					
850000	Memberships & Dues	4,250	3,900	-8.2%	3,250	-16.7%
	Zoning Board of Appeals					
850000	Memberships & Dues	\$ 350	\$ 350	0.0%	\$ 350	0.0%
	Parks					
850000	Memberships & Dues	1,300	1,170	-10.0%	1,070	-8.5%
	Forestry					
850000	Memberships & Dues	500	900	80.0%	900	0.0%
	HDC					
850000	Memberships & Dues	200	200	0.0%	200	0.0%
	MR - Traffic Service					
850000	Memberships & Dues	23,780	24,030	1.1%	24,030	0.0%
	LS - Traffic Service					
850000	Memberships & Dues	100	100	0.0%	100	0.0%
	Fire - Admin					
850000	Memberships & Dues	700	700	0.0%	700	0.0%
	Fire - Suppression					
850000	Memberships & Dues	3,000	3,000	0.0%	3,000	0.0%
	Fire - POC					
850000	Memberships & Dues	-	-	-	-	-
	Fire - Prevention					
850000	Memberships & Dues	1,500	1,500	0.0%	1,500	0.0%
	Fire - Training					
850000	Memberships & Dues	1,800	300	-83.3%	300	0.0%

CITY OF ROCHESTER HILLS  
2010-2011 PROPOSED BUDGET DOCUMENT

Memberships	2009 Budget	2010 Proposed	2009 / 2010 % Change	2011 Projected	2010 / 2011 % Change
850000	950	740	-22.1%	1,170	58.1%
850000	2,500	2,500	0.0%	2,500	0.0%
850000	-	-	-	-	-
850000	12,960	13,000	0.3%	13,000	0.0%
850000	6,300	6,000	-4.8%	6,000	0.0%
850000	20,000	19,000	-5.0%	19,000	0.0%
850000	370	370	0.0%	370	0.0%
850000	1,230	980	-20.3%	980	0.0%
850000	480	250	-47.9%	250	0.0%
<b>Total</b>	<b>131,120</b>	<b>126,480</b>	<b>(2)</b>	<b>125,610</b>	<b>0</b>

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