

UPDATED OCTOBER 2008

COST REDUCTION/CONTAINMENT & REVENUE ENHANCEMENT EFFORTS CITY OF ROCHESTER HILLS

The following information was initially compiled at the request of the Trust Subcommittee of the Residential Streets Ad-Hoc Committee in 2005. When staff stated to the members of the Trust Committee that the city had been cost-conscious and efficient the Trust Committee said, "Prove it!" The information provided was prepared by all Directors and those members of staff that Directors conferred with to meet the challenge of the Trust Committee.

This list has been updated to October 2008 since it was first presented to the Street Committee in April 2005.

Cost Reduction/Containment Efforts

- Implementation of False Alarm Ordinance in spring of 2007. Through September 2008, the city has collected \$107,968 in false alarm/non-registration fees.
- Mini-contracts with the Sheriff's Office saved \$187,556 in overtime charges from 2004 through June 2008.
- Traffic Improvement Association (TIA) grants have saved city over \$35,000 in overtime charges. TIA grants such as "You Drink You Lose" have saved the city over \$50,000 in overtime charges through June, 2008
- Cost recovery efforts for processing Operating While Intoxicated (OWI) arrests have resulted in the city being reimbursed for the cost of deputy and Fire Department response to OWI incidents in the amount of \$218,971 through June 2008.
- Enacted the Community Emergency Response Team (CERT) program wherein citizen volunteers have been trained to assist first responders. The city has received over 2200 hours of trained support in the first year of operation being 2006. A \$20/hour value for volunteers has been established for the State of Michigan. This would equate to \$44,000 of trained assistance. Volunteers have provided 3,042 hours of service through December 2007, equating to \$60,840 of trained assistance.
- Sheriff's Office secured assignment of two Michigan State Police Officers to substation to patrol M-59 corridor, freeing time of deputies that would normally be patrolling the corridor.
- Oakland County has taken responsibility for prisoner transport to court, freeing deputies' time to conduct more patrols and police work in City.
- Deputies assigned to the Rochester Hills Substation are now able to seek and obtain warrants through the use of the Oakvideo Warrant System that saves man-hours and overtime costs.
- Use of the newly purchased Smart-Cart, with computer software, allows speed to be monitored/tracked/recorded for identification of areas and times where officers should provide selective enforcement.
- Building Department has revised approach to Certificate of Occupancy (CofO) inspections for existing buildings with new tenants. Previously, CofO inspections were assigned when time was available. Now, CofO inspections are scheduled with the applicant so that all the various inspectors visit the site at the same time on the same day. More convenient for customer and more efficient for Inspectors.

- After-hours meetings pay eliminated for Directors several years ago. Estimated annual savings \$25,000.
- City vehicles are only provided to those on 24/7 emergency call-out. Fire Chief, Deputy Fire Chief, DPS Superintendent, and Water Superintendent.
- No car allowance for Directors. Never has been one!
- 2% city match for 457 plan [401(k)] eliminated for new hires after Jan 1, 2001
- Overtime eliminated. Permitted for necessary project inspections, emergencies and required attendance at after-hours meetings. Example: Building Inspections or Engineering Inspection when work may occur on weekends and recording secretaries for evening meeting support.
- 2009 Parks expenses budget held to level BELOW FY-2003 bottom line ACTUAL cost. Expenses include all personnel, materials, seed, trees, dirt, goals, etc.
- Employee/Employer health care premiums are “shared”. Started in 2003 with an estimated \$30,000 in annual savings.
- Increased co-pays as part of health care benefits.
- Printing of Capital Improvement Plan now done in-house saving professional printing costs.
- All travel and seminar requests monitored by the Mayor. Approval based on benefit to the city and need for accreditation or certification specific to one’s responsibilities.
- City now utilizes “webinars” and local continuing education resulting in few out of town and overnight training sessions.
- The city eliminated contribution towards retirement parties. Past practice eliminated in 2002. (Est. savings up to \$500 per retiree)
- Cut the cost of water and sewer billing by moving to a bi-monthly bill (data gathering, printing, mailing expenses. Cost savings approximately \$58,000 annually in supplies, postage, outside printing services and removing one full time employee from the billing function.
- City changed disability and life insurance carried in 2004 and negotiated 2-year contracts for an estimated 2-year savings of over \$300,000.
- Delayed upgrade of our computer network for two years.
- 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. Average age of printers is 6.50 years and city has 17 printers that are 8 - 14 years old.
- Delayed upgrade of office software for at least 3 years. Originally planned for 2005 will now take place in 2009.
- The city previously sponsored a summer picnic for employees. Eliminated.
- Development of construction manuals for decks, pools, accessory structures, additions, new houses and commercial projects.
- 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 emergency training with a 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 reevaluation of current procedures to determine how the Planning, Engineering, and 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.
- 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.
- 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 (1996).
- Treasury switched from tax bill forms to laser printed tax bills - cut cost of tax bill printing in half (started in 1994).
- Treasury added post net bar code to tax bills - saves \$4,000.00 a year in postage - has saved over \$30,000 since inception (1997).
- Changed dental insurance carrier to reduce cost.
- Prescription brand co-pays were increased in 2007 to \$40 on PPO health plans, resulting in a 21% reduction in prescription claims costs.
- Reduced the number of memberships to professional organizations paid for by city.
- Reduced the number of continuing education classes attended.
- Encouraged by policy the use flex and comp hours to reduce the amounts of overtime pay hourly employees receive including ordinance work on weekends.
- Brought vendors in for training instead of going off-site.
- Building Department reduced the budgeted overtime from 3,395 hours to 900 hours for 2009 budget
- Building Department eliminated 5 vehicles from the 2009 budget, \$5,000 annual savings, \$100,000 long term. Building Department deferred replacement of 3 vehicles
- Building Department reviewed workload of each position and reorganized to adapt to current economic conditions
- Building Department reduced the number of computers
- Building Department reduced the certified mailing cost by not requesting a return receipt
- Building Department developed a Quality Control Manual with stakeholder input, service goals and quality control measures
- New web page to promote and attract film makers to the Rochester Hills/Rochester Area (9/2008)
- Changed power settings to place all city pc's and monitors into sleep mode after 20 minutes of inactivity (8/2008)
- Using new GIS software to view and publish maps – thus purchasing one license to provide this capability instead of purchasing individual user licenses to accomplish the same thing - saving the city approximately \$30,000 (2008)
- Continue to look at and use free software when possible – a few examples are listed below:
 - ArcReader - Free GIS map viewer
 - Windows Server Update System - Used for patch management of our pc's.
 - Mocha Telenet – AS400 emulation
 - Mouse Soft Directory Key - Used to analysis disk space utilization
 - Presentation file compression software
- Settled Fire Union contract in 2007 prior to arbitration, avoiding demand for defined benefit pension, as well as the legal costs associated with a prolonged arbitration.
- Reduced print advertising budget for vacant positions in 2006 as the city's web page has proven to be the best source for recruitment.

- Contract Specialist DPS Engineering
 - Permit Clerk DPS Engineering
 - Permit Clerk DPS Engineering
 - Pump Maint Trainee DPS Water
 - Mechanic II DPS Fleet
 - Dispatcher Fire
 - Landscape Architect Planning and Development
- Treasury Staff Reductions: from 7 Full-time in 2000 to 3.5 Full-time and 2 Part-time in 2008.
 - Assessing Staff Reductions: from 11 Full-time & 1 Part-time in 2000 to 9.5 Full-time and 1 Part-time in 2008.
 - Building Inspection staff was reduced by one position in 2008. Building Department eliminated 3 full time positions and 1 part time position in the 2009 budget.
 - Eliminated Accountant position in 2007 budget. Estimated annual savings \$110,000 (Salaries and benefits). Position remained unfilled since September 2004 and determined unnecessary in 2007.
 - The Planning and Economic Development Department has been reduced from 8 fulltime and 3 part time budgeted positions in 2001 to 7 full time and 1 part time position in 2008 while adding the responsibilities of Economic Development, Brownfield Redevelopment, Landscape Architecture services, and conducting all site plan reviews in-house reducing the dependence on outside consultants saving the city an estimated \$200,000 annually in consultant fees.
 - Cross training of staff to cover emergencies, leaves of absences, and vacations in other Departments. Eliminates need for temp help or PT clerical.
 - 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.
 - Downgraded Parks & Forestry Clerk C to a Clerk B in 2008 and eliminated a Museum Staff Assistant for 2009, a yearly savings of \$16,000.
 - Full time Parks Department Clerk reduced to part time, no benefits in 2005. Est. annual savings \$32,000. (Salaries, benefits, costs to city).
 - MIS relinquished Publishing Specialist position in 2004. Responsibilities added to existing staff in Mayor's Office. Est. annual savings \$70,000. (Salaries, benefits, costs to City).
 - Mayor's Office support staff cut from five full-time to two full-time positions and one part time person three days a week. The Mayor's Office also has taken on the duties of a Publishing Specialist that was located in MIS Department without adding staff.
 - 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 resulting in considerable savings. (Salaries, benefits).
 - Finance Administrative Secretary and Intern position eliminated. Clerk position shared between Finance and Purchasing
 - The Facilities Division has been reorganized eliminating the Facilities manager position, the clerical position, and five janitorial positions. A private company now performs the majority of cleaning at City Hall. DPS staff has absorbed the Facilities responsibilities.
 - Reduced overtime for Firefighter/Paramedics

Enhancement of Services without Additional Personnel:

- State increases elections/voting to four times per year. Clerk's office adds no personnel to offset workload. Estimated each election/ballot costs City \$40,000
- Added systems such as Asset Management, digital drawing software, 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.
- 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.
- Provide in-house training for all employees on many of the applications in use, thereby saving time and expense on training from outside sources.
- Continue to make improvements to city website – making more information and maps available.
- Using software to view aerial photography of the city. Many departments are taking advantage of this software to help them complete their tasks faster.
- City implemented "video streaming" of council meetings for residents to view meetings at their convenience.
- City implemented the Rochester Hills Information Network Online RHINO to assist residents and Homeowners Associations to share information and ask questions.
- Reduced response time to emergency calls by six 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 2005 thru 2008.
- Building Department reduced the used of Consultants for Plan Review and Inspections, resulting in a savings of \$21,000
- Building and Trade Inspectors working with Facilities to reduce repair, maintenance and replacement costs
- MIS and Accounting worked together to place the current water bill on on-line via the city website. (7/2008)
- Continue data sharing with Rochester and Oakland County – this gives us access to data to make more informed decisions and means we do not have to duplicate the effort to gather and maintain data. (2000 – 2008)
- Increased the usage of on-line surveys to reduce the use of paper and increase response. (2008)
- Upgraded Legistar Application providing more information on-line to staff and residents alike (5/2008)
- Resurfaced Clinton River Trail with recycled pulverized asphalt, saving \$300,000 over original estimates.
- Added enhancements to the Clinton River Trail (Rotary Loop, benches, drinking fountain) with donated funds.
- The Velodrome at Bloomer Park was funded by donations and constructed by volunteers in 2000. Further volunteer time and donations created spectator seating, lighting, and

other enhancements. Cyclists and bike racing spectators along with other improvements in Bloomer Park have increased park usage and raised park revenues by 80% since 2001.

- Staffing Station 4 on Walton east of Adams with 24/7 Firefighter/Paramedics reducing the response time in the north sections of the City.
- Conduct more community services for community CPR Classes, Blood Pressure Checks for Senior Developments, and Sound the Alarm Campaign.
- Implemented the Automatic Meter Reading (AMR) system eliminating the need to use laborers to assist meter reading services, improve safety and increase efficiencies
- DPS was awarded a \$5,000 MMRMA grant for the security system at the new DPS Maintenance Facility
- Updated the Engineering Standards to provide developers, builders and consulting firms a resource to use that may result in a possible decrease in plan review time

Revenue Enhancement Efforts

- Increased Park shelter rental revenues by 45% over 2004 revenues by extending the shelter rental period and adding 3 tent rentals.
- Raised Parks sports field rental fees in 2004, increasing revenues more than \$50,000 annually.
- Rochester Hills Museum initiated Endowment, Income, Membership, and Collections Funds through the Community Foundation of Rochester to help fund programs, exhibits, and enhancements, raising \$58,000 in 2007.

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. Scheduled to go to once a year in 2009 and supplemented with an e-newsletter. Effective fall 2009, eliminated publication of Hills Herald and supplemented with an e-newsletter.