



Closing the Budget Gap

Valuing Customer Feedback
City of Rochester, NY
March/April 2012

Thomas S. Richards, Mayor

City of Rochester
Voice
of the customer

Below are the eight primary topic areas the public is invited to discuss at the Voice of the Customer sessions. Each topic includes a definition of the issue, and some possible expense reductions and revenue increases that are under consideration to close this year's budget gap.

Taxes, Fees and New Revenues

Definition: Property taxes levied on residential and commercial/industrial properties, as well as fees paid by property owners for water, refuse collection, snow and ice control and other environmental services. Also includes fees paid for selected services such as parking.

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| Increase property tax levy by 2% | \$3,200,000 |
| Increase water rate by 3.5% | \$970,000 |
| Increase local works rate by 3% | \$525,000 |
| Increase parking fees by \$9 per month at 5 garages | \$374,800 |
| Increase daily parking maximum to \$8 per day at all parking garages | \$37,500 |
| Increase cost of ticket for parking meter non-payment by \$10 to \$35, illegal parking by \$10 to \$45 and handicapped spaces by \$30 to \$130 | \$492,300 |
| New revenue from West Brighton for Fire Protection Services to raise | \$750,000 |
| New revenue from Rural Metro to reimburse RFD for EMS support | \$300,000 |
| Reduce interest rate for late payments on taxes (from 18% to 12%) | -\$810,000 |
| Reduce interest rate for late payments on water charges (from 20% to 12%) | -\$548,000 |
| Reduce interest rate for late payments on commercial refuse charges (20% to 12%) | -\$30,700 |

Police, Fire, 911

Definition: Expenses for the Rochester Police Department, Rochester Fire Department and Emergency Communications Department (911).

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| Net savings from RPD reorganization: | \$503,800 |
| • net reduction of 3 Police Officers | |
| • reduce recruit class | |
| • create downtown detail | |
| • transfer 10 Officers from narcotics and investigations to patrol | |
| Discontinue Mounted Unit resulting in the reduction of 7 Police Officers and related expenses | \$826,600 |
| Eliminate vacant RPD Public Relations Manager position | \$100,700 |
| Restructure towing contracts to reduce towing expenses | \$100,000 |
| Reduce RFD force by 16 Firefighters and reduce recruit class (close one Fire Company) | \$1,918,000 |
| Reduce Pathways to Peace activities due to cut of federal SNUG program | \$171,300 |

Police, Fire, 911 (con't)

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| Defer Chestnut Street firehouse plumbing work | \$680,000 |
| Eliminate capital funding for police video surveillance for one year | \$435,000 |
| Reduce 911 overtime due to changing project needs | \$184,300 |
| Create efficiencies in 311 One Call to City Hall | \$44,900 |
| Fully charge the RCSD for the cost of School Resource Officers | \$300,000 |

Employee Benefits: Pensions and Health Care

Definition: The City's pension expenses are required by NYS law, or mandate. We face an increase in pension costs from \$31.3M to \$54.8M (75% increase) in 2012-13. Health care benefits are negotiated for nearly 90% of employees, representing 10% of the annual budget.

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| Amortize these costs with the state at an interest rate of an estimated 3.75% | |
| Defer the partial payment of Police and Fire pensions and amortize over 10 years (total 2012-13 pension bill: \$54.8 million) (total to pay back: \$8,409,200) | \$6,969,700 |
| Defer the partial payment of civilian pensions and amortize over 10 years (total 2012-13 pension bill: \$54.8 million) (total to pay back: \$6,463,900) | \$5,358,700 |
| N.Y. State has passed a Tier VI pension system to reduce pension costs | \$8.4M over 10 yrs. |
| Seek increase in employee contributions to their health care benefits | |
| Explore self-insurance and other funding arrangements for City employee health care | |
| Evaluate health care plan design such as benefit level and co-pay | |

Infrastructure: Roads and Buildings

Definition: Design, construction and repair of public realm infrastructure including streetscapes and roads, trails, bridges and buildings.

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| Defer Lake Avenue reconstruction (City share of federal project) | \$1,152,000 |
| Reduce residential street rehabilitation projects by 36% | \$866,000 |
| Reduce investigation and remediation of properties with environmental concerns by 75% | \$450,000 |
| Defer roof replacement at central maintenance facilities | \$200,000 |
| Forego Genesee Valley Park Ice Rink slab and Arena renovations | \$1,600,000 |



Infrastructure: Roads and Buildings (con't)

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| Forego structural repair of Parks Maintenance building | \$2,200,000 |
| Forego asbestos removal to enable private sector development at former Pulaski library building | \$150,000 |
| Forego parking garage maintenance program | \$1,500,00 |
| Defer Public Market Winter Shed improvements | \$1,000,000 |

Neighborhood and Business Development

Definition: Real estate development and rehabilitation, neighborhood revitalization, business technical and financial support, workforce development.

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| Reduce capital funding for Focused Investment Strategy (FIS) by 10% | \$100,000 |
| Reorganize Neighborhood Service Center personnel | \$51,100 |
| Eliminate one Neighborhood Service Center | \$435,000 |
| Fund an additional 500 vacant home board-ups | -\$159,000 |
| Defer planned Cash Capital for public art | \$300,000 |
| Close soccer stadium | \$415,700 |
| Reduce vacant building demolition program by 50% | \$1,500,000 |
| Reduce seasonal graffiti removal crew from two to one | \$57,600 |

Youth and Library Neighborhood Services

Definition: Programs provided by the Department of Recreation and Youth Services, and library services provided in the neighborhoods.

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| Eliminate funding for Hillside Work Scholarship Program | \$100,000 |
| Close one recreation/community center | \$200,000 |
| Close one library | \$325,000 |
| Close Durand Eastman Beach | \$200,000 |
| Eliminate partial funding for special events | \$14,500 |
| Continue charging for parking (\$3) at Durand Eastman Beach | \$150,000 |

\$2.1 Million Federal Reduction in Community Development Block Grant Funds and HOME Program Funding

Definition: Either cut \$2.1 million from our federally-funded programs, or cut \$2.1 million in other City services.

To offset the 11% CDBG grant reduction of \$878,500 we will eliminate or reduce the Emergency Assistance Repair Program, HOME Rochester (home rehab and resale program for low-income families), demolition funding, lead rehab funding, youth programs, neighborhood planning activities.

To offset the 40% HOME Grant reduction of \$1,224,000 we will eliminate or reduce housing development, affordable housing and buyer assistance funding.

Organizational Efficiencies

Definition: Internal efficiencies that result in budget savings but are not visible to the external customer.

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| Defer computer process upgrade (cash capital) | \$2,108,000 |
| Energy savings as a result of lower contract costs and reduced consumption | \$310,000 |
| Eliminate purchase of a second tow truck | \$139,000 |
| Reorganize Bureau of Business and Housing Development staffing | \$150,900 |
| Create personnel efficiencies in the Department of Information Technology | \$99,900 |
| Create personnel efficiencies in the Law Department | \$81,600 |
| Create personnel efficiencies in the Bureau of Human Resource Management | \$42,700 |
| Reduce water treatment chemicals due to covering the reservoir | \$100,000 |
| Utilize technology to reorganize HVAC activity | \$78,600 |
| Contract City sign shop services | \$47,500 |
| Contract City welding activity | \$39,400 |
| Contract for internal City services such as payroll, human resources at a savings to be determined | |

For more information call 311.
Outside the city call (585) 428-5990.

www.cityofrochester.gov