



2014/2015 Budget

# Budget Outline

**April 23, 2014**

- Capital Presentation
- Issues Presentations
  - New Positions and Position Filling Analysis – Jeanette | Gary | Tom G
  - Health Insurance – Tom D | Jeanette
  - Library Advancements – Cathy | Andrew
  - Marketing Initiatives – Cindy | Andrew
  - Golf Course Management & Operations – Don T
  - Detroit Water and Sewer Status – Tim | Rick
- Wrap-up - Brian

**CAPITAL**



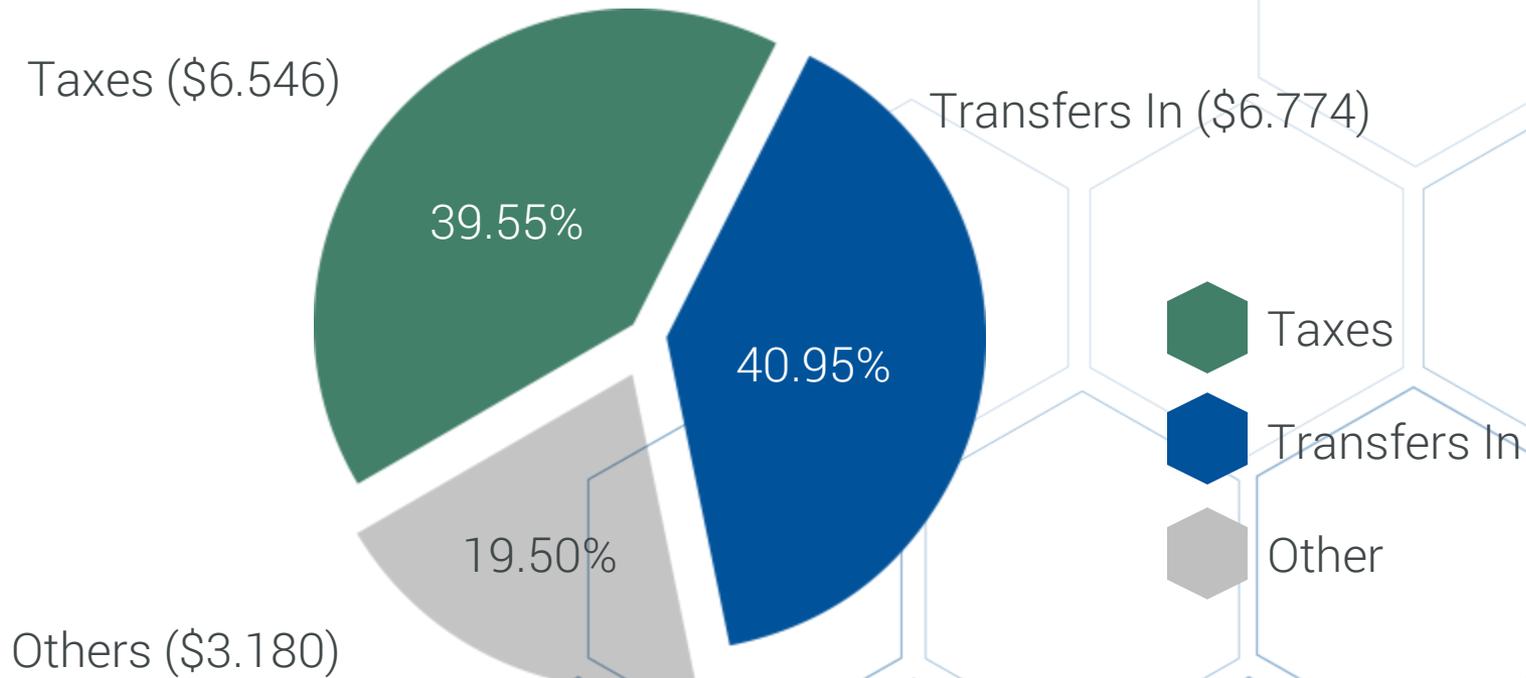


2014/2015 Budget

# Capital Projects

Tax Revenue and Transfers In Account for 80% of Total Revenue Sources. Total Revenue and Other Sources \$16.5 Million.

### Capital Projects Revenue (Millions)



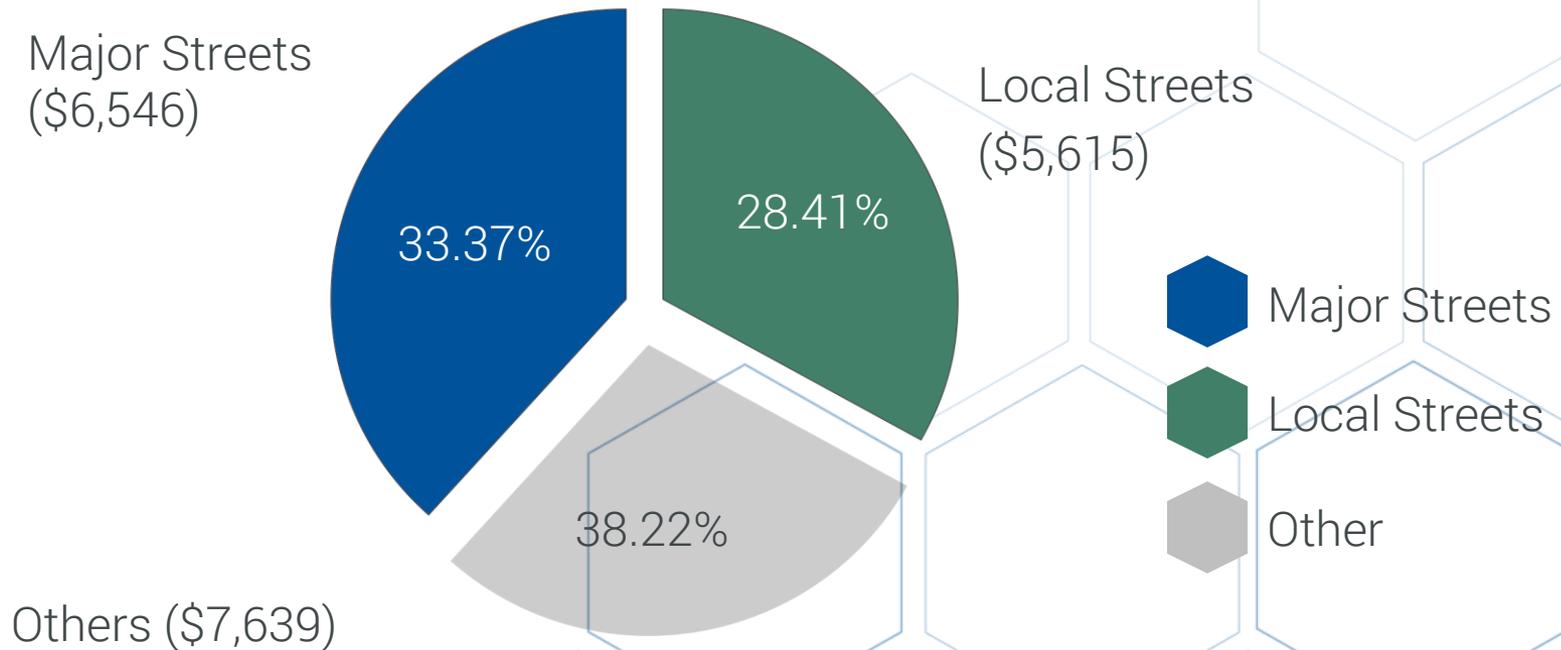


2014/2015 Budget

# Capital Projects

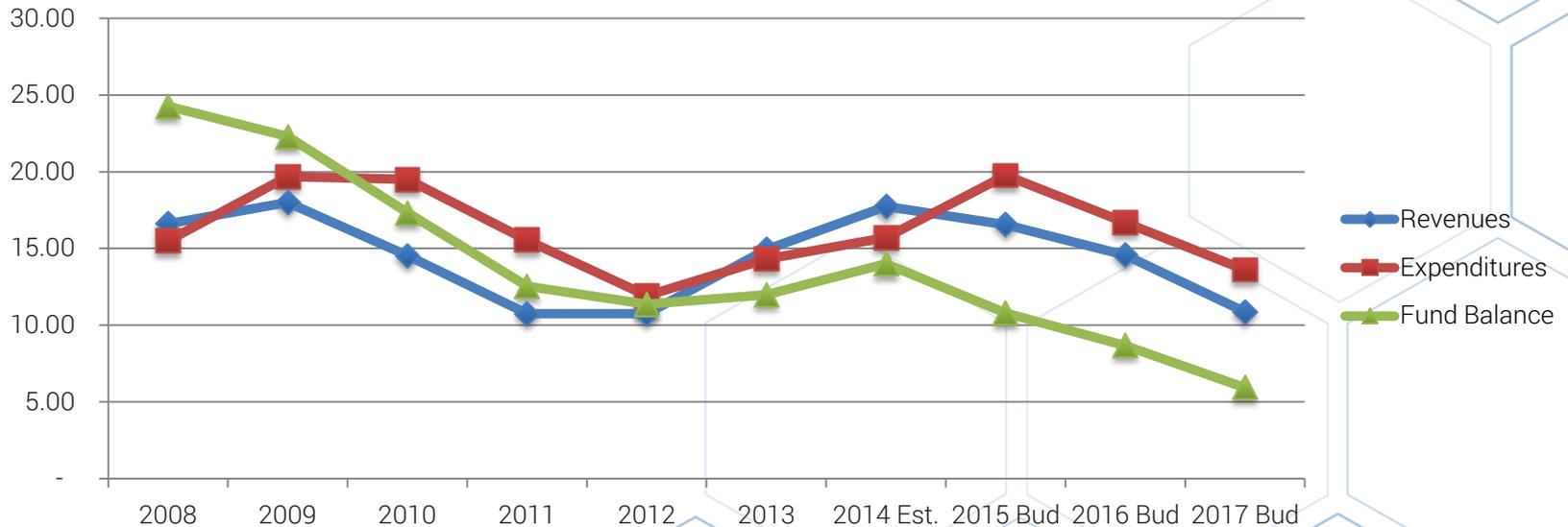
Total Capital Expenditures equal \$19.8 Million

## Capital Projects Expenditures (Thousands)



# Capital Projects

## Capital Projects Fund Revenue, Expenditures and Fund Balance



Fund Balance Decline from \$24.3M in 2008 to \$12.0M in 2013 to \$6.0M in 2017



2014/2015 Budget

# Expenditure Highlights

## Major Streets

- 2015 - *Troy Roads Rock* (\$2.45M)
- 2016 – Wattles Overlays - Coolidge to Rochester (\$1.4M)
- 2017 – Wattles Overlays - Rochester to Dequindre (\$0.9M)

## Local Streets (\$3.5M Per Year)

- 2015 – Asphalt Overlays – East of Adams and South of Wattles (\$1M)
- 2016 – Asphalt Overlays – East of Adams North of Big Beaver (\$0.7M)
- 2017 – Asphalt Overlays – Lake Charnwood (\$0.35M)



2014/2015 Budget

# Expenditure Highlights

## Park Projects

- Trails
  - City funds = \$40K per year (\$120K) through 2017
  - Outside funding required = \$160K per year over 3 years = \$480K
  - Total funding required = \$600K
- Dog Park
  - City funds = \$42K (2015), \$20K (2016), \$14K (2017) = \$76K through 2017
  - Outside funding required = \$380K through 2017
  - Total funding required = \$456K

# ISSUES



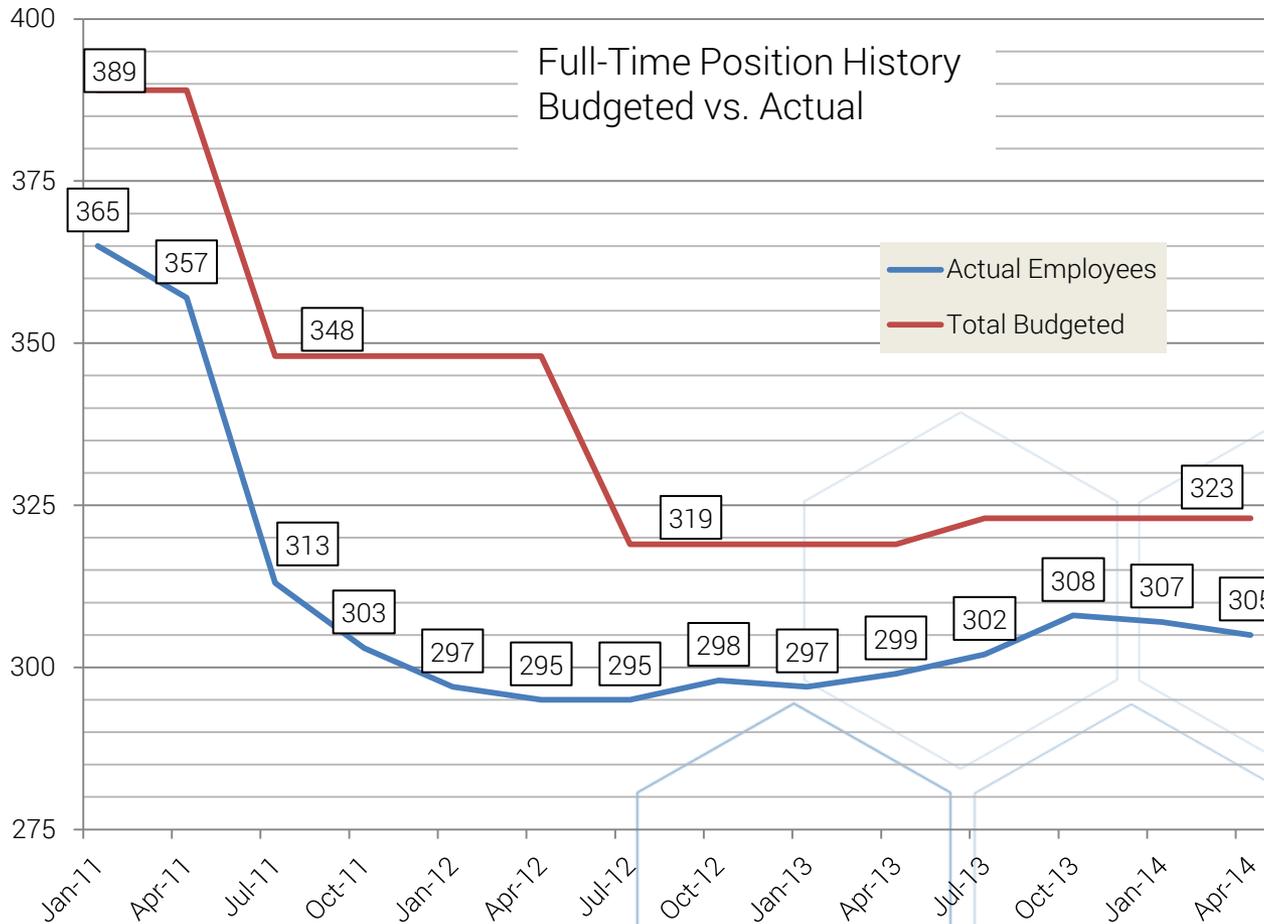
# **NEW POSITIONS AND POSITION FILLING ANALYSIS**





## 2014/2015 Budget

# City-Wide Staffing Trends



### Total Full-Time Employees

Assessing	6
Building Operations	7
City Clerk	4
Engineering	12
Finance	6
Fire	11
Fleet Maintenance	11
Human Resources	4
Information Technology	8
City Attorney	7
Library	9
City Manager	7
Recreation	5
Parks	6
Planning	4
Police	138
Purchasing	2
Streets	22
City Treasurer	4
Water	32
<b>Total</b>	<b>305</b>



2014/2015 Budget

# New Position Summary

Department	Position Title	Quantity	Details	Impact
Human Resources	HR Coordinator	1	Eliminated PT position	+ 0.50
Information Technology	Application Support Specialist	1	Eliminated PT position	+ 0.50
Police	Emergency Operations Planner	1	Eliminated PT position	+ 0.50
Information Technology	PC Specialist	1	Dedicated to Library technology	+ 1.00
Police	Police Officer	2	Crash Prevention Specialists	+ 2.00
Police	Police Service Aide	1	Road Patrol	+ 1.00
Public Works	MSE-F Equipment Operator II	2	Streets Division	+ 2.00
Total positions:		9	Resulting impact:	+ 7.50



## 2014/2015 Budget

How we used  
to do it

Postings with defined closing dates; evaluated all applicants after the posting closed.

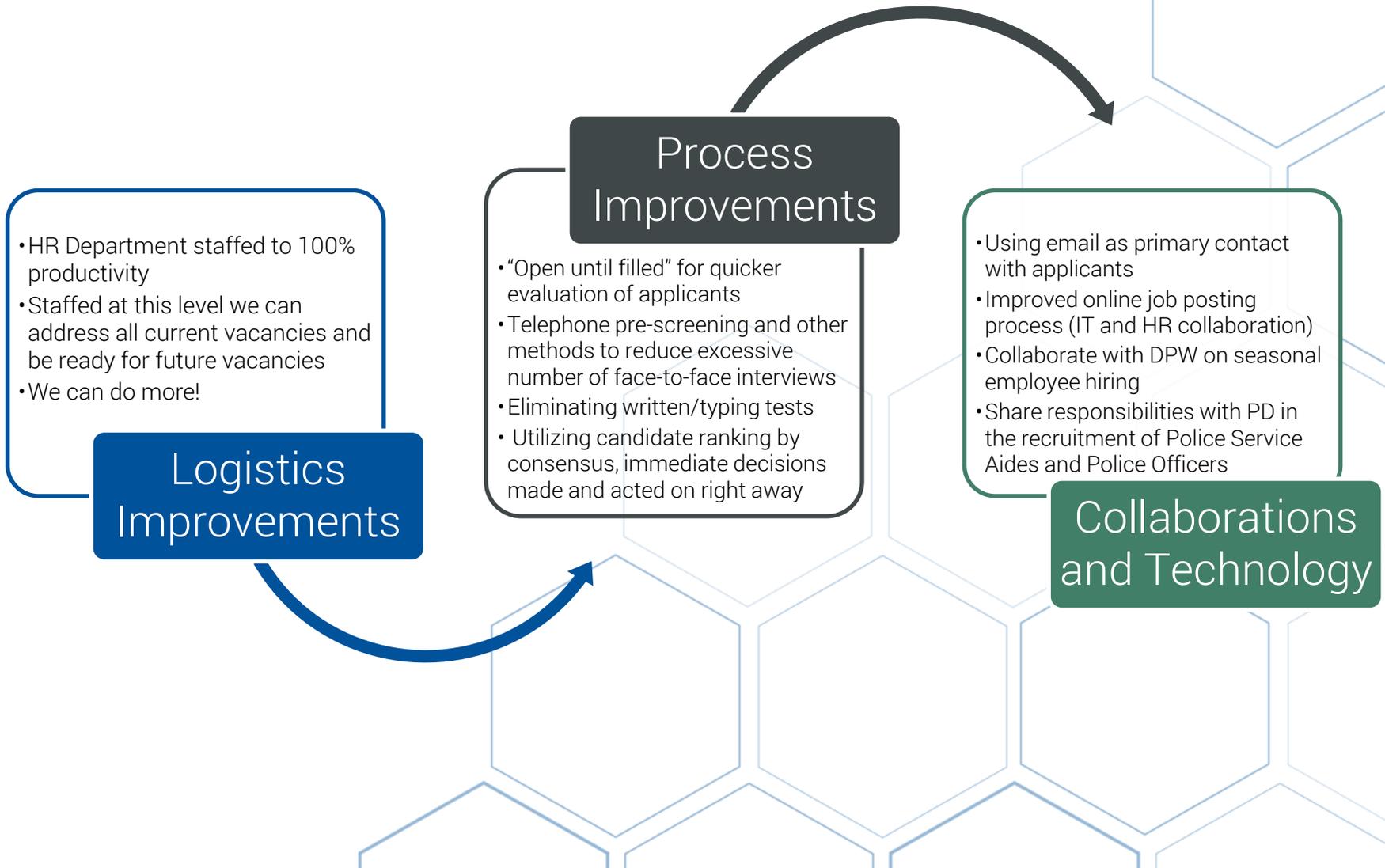
Conducted only face-to-face interviews.

Delays with each phase of evaluation (written tests, typing tests, etc.)

Time-intensive paperwork required from all interview panel members, calculations conducted, could take days to identify top candidate.

Waited for final hire on board before progressing with Act 78 meetings for next list.

# How We are Filling the Gap





2014/2015 Budget

# Geared Up for Success

Average Recruitment number of workdays job posting to job offer

2011	– 42 days
2012	– 64 days
2013	– 44 days
<b>2014</b>	<b>– 28 days</b>

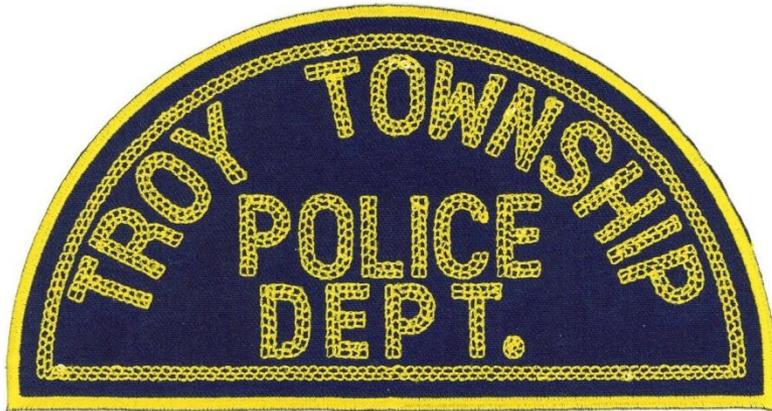
Since January 2014  
(less than 4 months)

Hired:  
5 Full-Time  
35 Part-time/Seasonal

Promoted:  
4 Full-time Employees



**Continue to measure our results and report future achievements**



*"Proudly Serving Troy Since 1952"*

**PROCESS IS THE PROBLEM**



**WANTED**

**DEAD OR ALIVE**

**POLICE OFFICER-  
MUST BE ABLE TO:**

**•ACT 78**

**•TESTING**

**•ORIENTATION**

**•BACKGROUND PACKET**

**•TWO PART-TIME INVESTIGATORS**

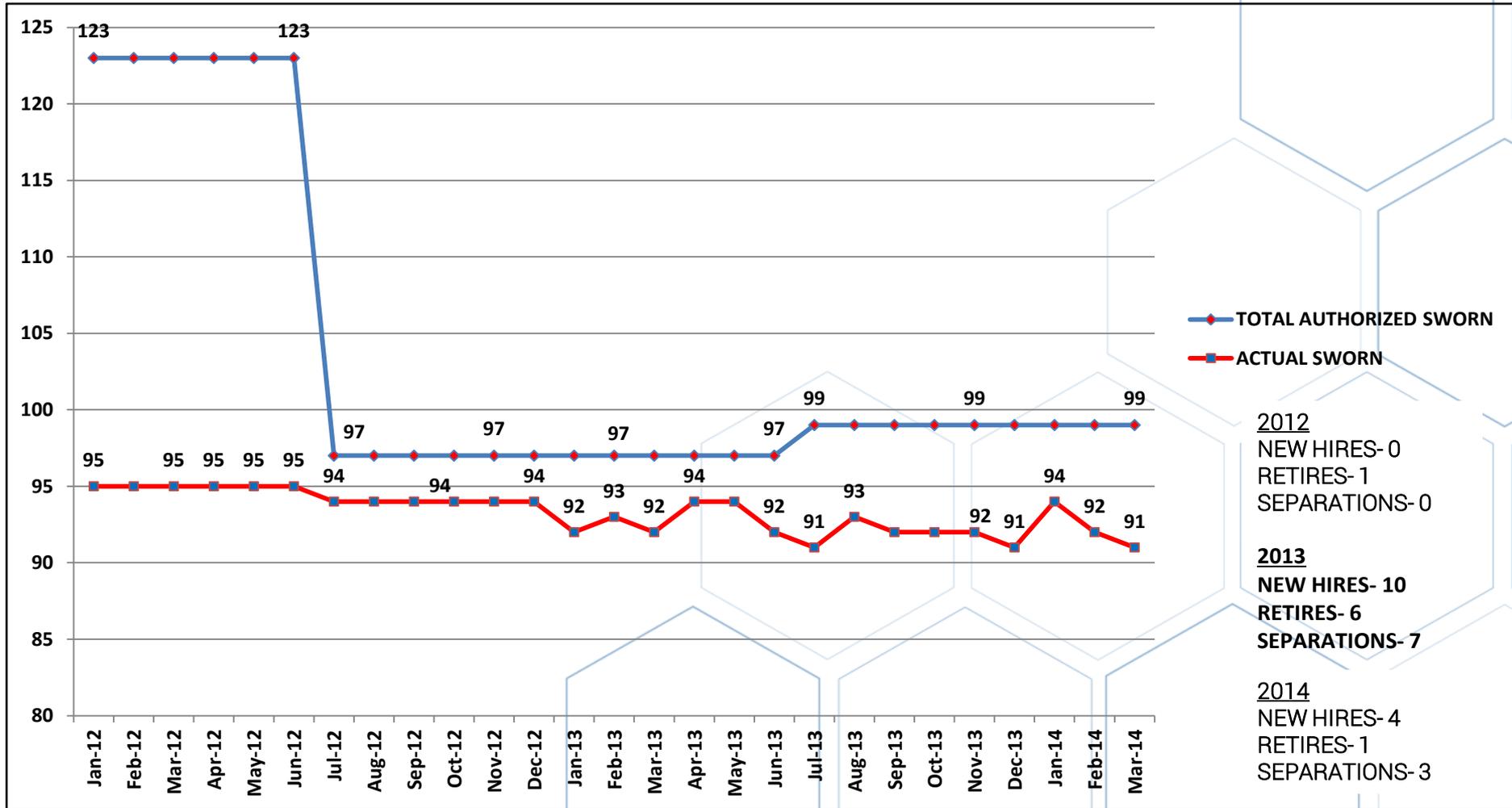
**•SNAIL MAIL USED FOR ALL REFERENCES**

**REWARD \$ 1,000,000**



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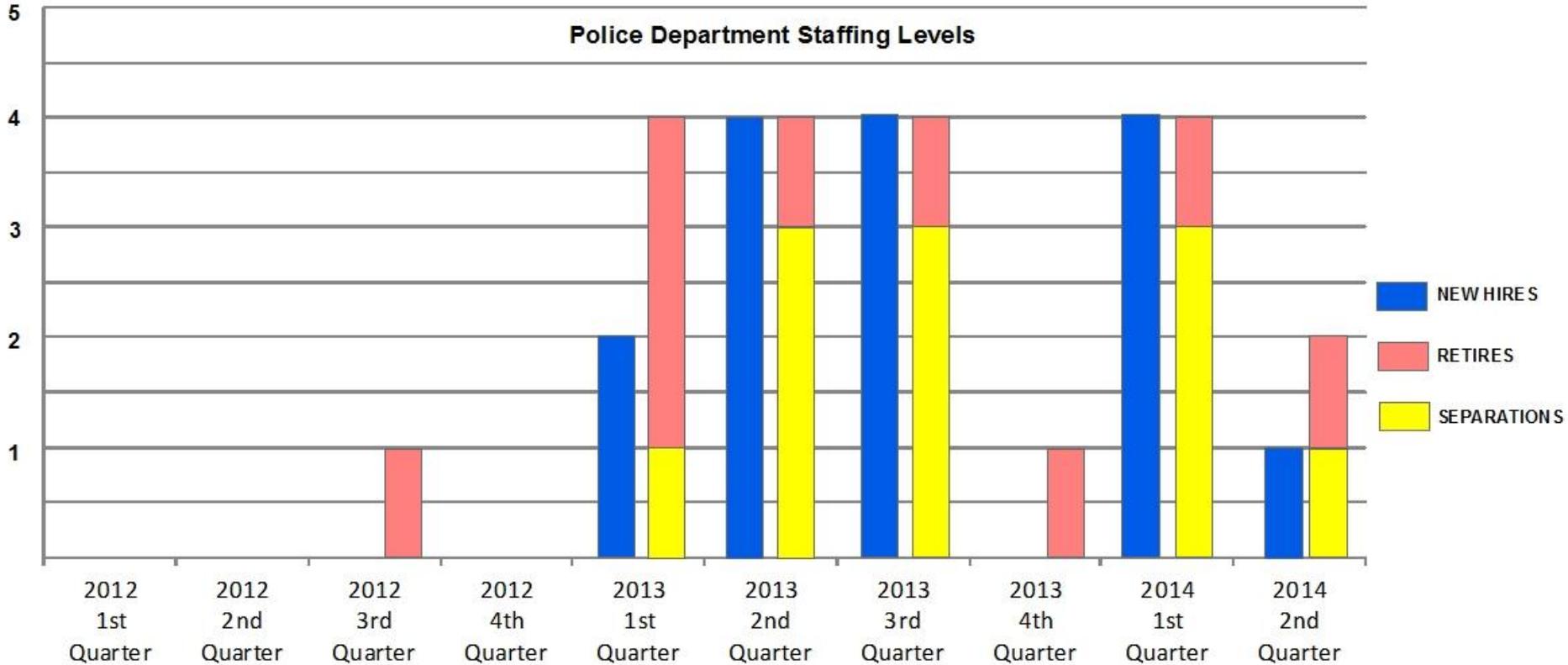
# The Staffing Dilemma





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# Staffing: Hiring vs. Attrition



# HIRING PROCESS CHANGES



# Questions?



# HEALTH INSURANCE





# Health Insurance

## Community Blue PPO

Self-funded

Illustrative rates

City pays actual cost of claims

Wellness plan can have direct impact City costs

## HAP

Fully-insured

Rates set by HAP

City pays monthly insurance rates

## Blue Care Network

Fully-insured

Rates set by BCN

City pays monthly insurance rates

## Participating Groups

Classified & Exempt

AFSCME

MAP

TCOA

TCSA

TFSOA

## Participating Groups

TCOA

TFSOA

TPOA

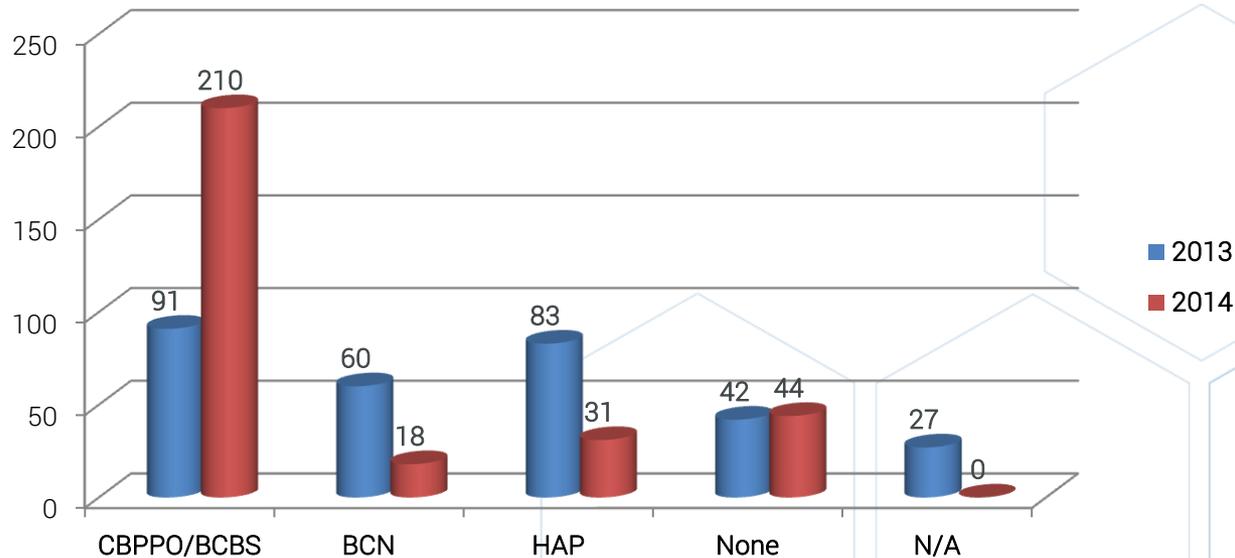
## Participating Groups

TCOA

TFSOA

TPOA

## Active Healthcare Participants



- **CBPPO/BCBS** – Plan is self-funded or claims based. Significant participant increase in 2014. Budget is developed from Illustrative Rates. PA152 directs use of Illustrative rates for Hard Cap & 80/20 purposes. Employee Contributions based on Illustrative rates.
- **BCN** – Plan is premium based. Significant shift to CBPPO in 2014. Budget is developed from Premium Rates. Employee Contributions based on Premium rates.
- **HAP** – Plan is premium based. Significant shift to CBPPO in 2014. Budget is developed from Premium Rates. Employee Contributions based on Premium rates.

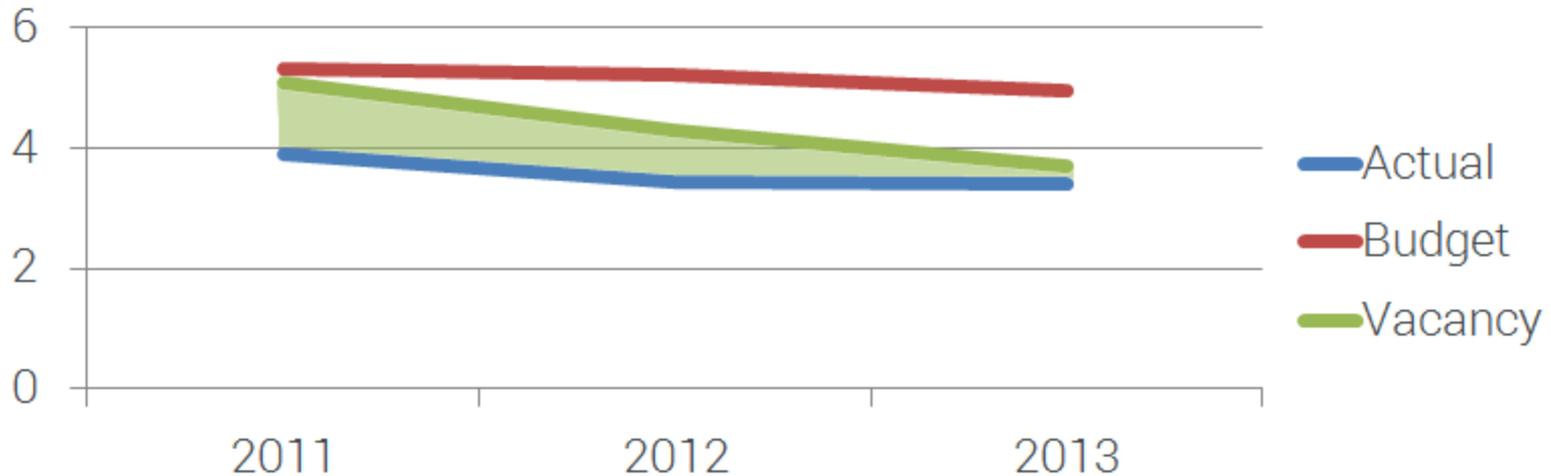


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# Health Insurance

Average Healthcare Budget \$5 Million. Average Premium Cost and Claims Experience \$3.5 to \$4 Million

## Budget vs Claims





2014/2015 Budget

## The Future of Health Insurance Savings

CB PPO is self-insured plan  
City pays actual claim costs

Successful  
wellness  
program

Healthier  
employees

Fewer  
claims

City pays  
less!

It is estimated that 25% of health insurance costs are attributed to *modifiable health risks*



2014/2015 Budget

# Wellness Programs

**2014-15 - \$5000**

Comprehensive Wellness

Program Designed for health issues of our employees

Rewards and Incentives

Physical and Mental Wellness

Expand Desk Active Program

**2013-14 - \$1000**

Desk Active Pilot Program

City Hall Salad Days

HR sponsored Fruit Baskets

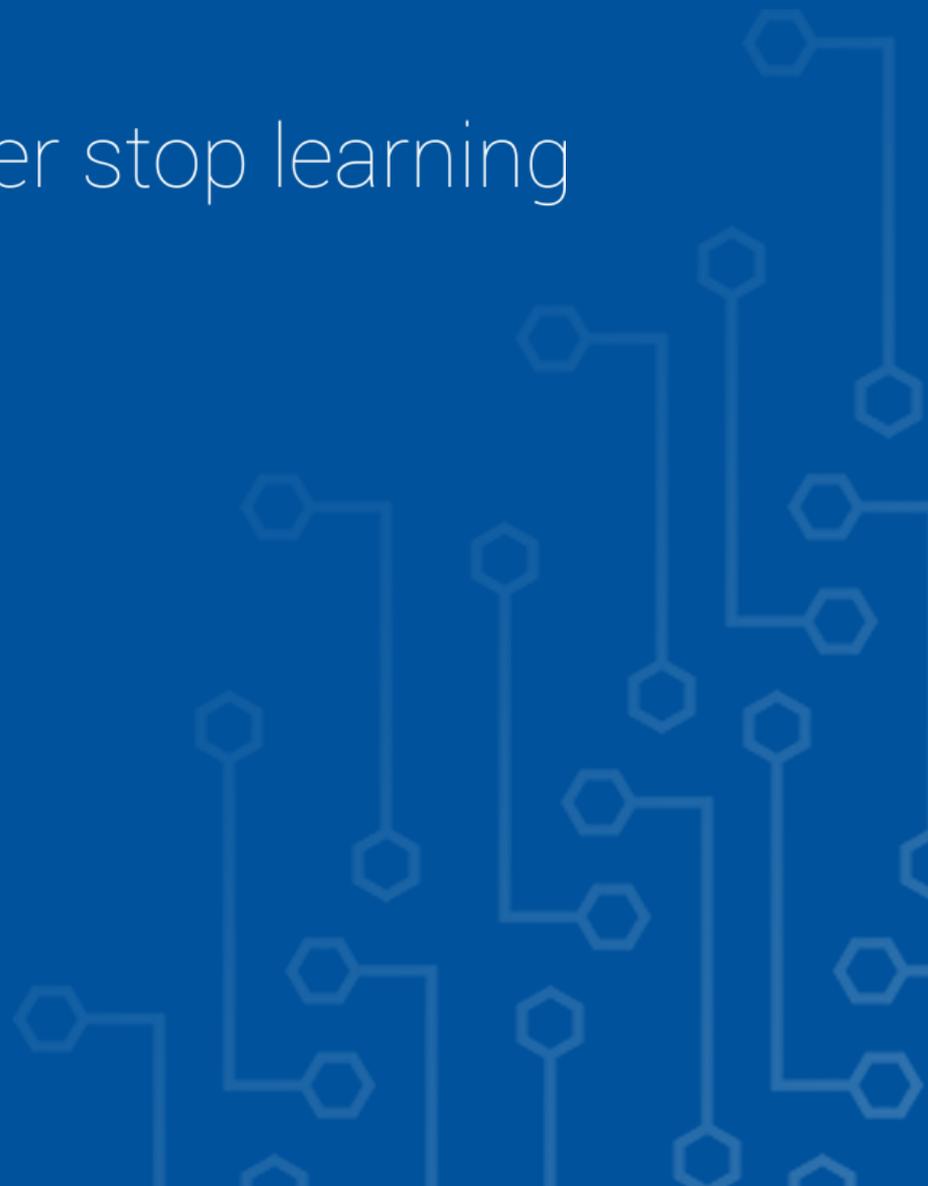
**2012-13 - Unfunded**

Free Fitness Classes for employees

TPL

troy public library

never stop learning



# Implementation of Strategic Plan

- Branding and Marketing
- Website Update/ E-Newsletter/ Social Media Outreach
- Wayfinding Analysis
- Drive – Up Book Drop
- Actively Seeking Grant Funding and Partnerships
- Unique Programming (Taking the Library on the road)
- Staff Training (Murray Feldman, Fox 2 News)



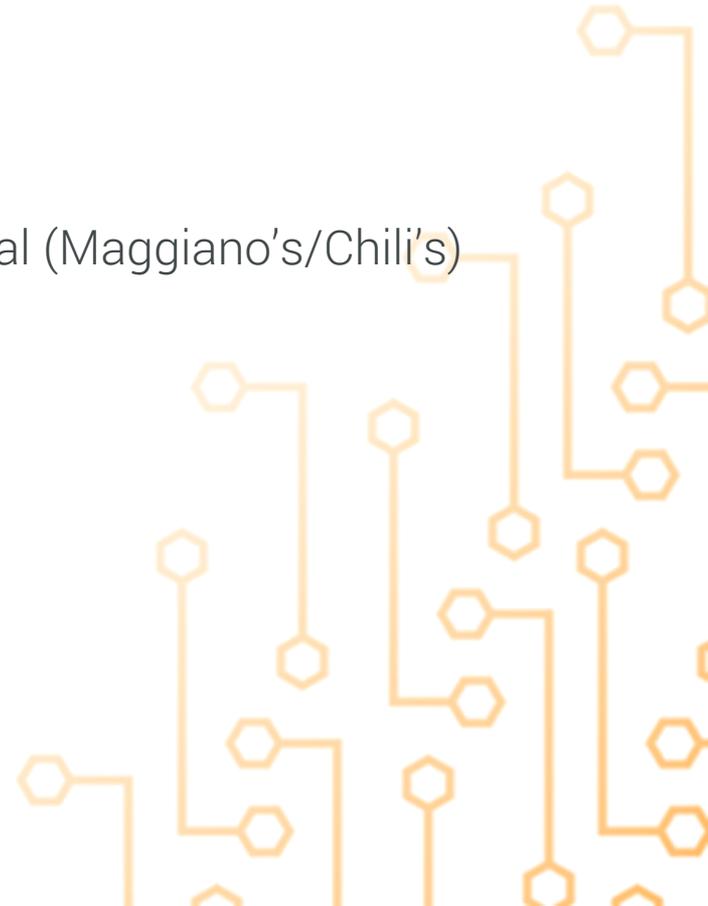
**Books  
&  
Brews**

not your grandmother's book club



# Partnerships

- Friends of the Troy Public Library
- TPL Volunteers
- Partnerships with Troy Businesses
  - Job Seekers Program
  - National Library Card Month affiliations
  - Grant Funding Through Brinker International (Maggiano's/Chili's)
  - Barnes & Noble Fundraiser
  - AARP tax program for seniors
  - Granite City Brewery
  - GaleCengage



# Partnerships

- Troy Schools
  - Youth and Teen Services
  - Technology
  - Library Director Mock Interviews
- Beaumont Hospital
  - One Book One Beaumont



# Partnerships

- Troy Historic Village/Troy Nature Society
- Ridgedale Players
- ALA/FINRA Grant partnerships
  - GreenPath Debt Solutions
  - Oakland University
  - Walsh College
  - Wayne State University
- Troy City Clerk's Office
  - Notary Service
- Information Technology
  - Dedicated Library Staff Position (contract)



# Prioritizing Technology For Increased Connections

- Technology/Marketing Plan
- New Brand
- New Website
- Formal Social Media Strategy
- eNewsletter
  - Format, Frequency
- Loanable eReader Program
- 3M Cloud Library



# Marketing & Technology Initiatives

- Develop Unique Brand
- Improve Internal Marketing Process
- Effective Communication Through Technology



# Develop Unique Brand

- Never Stop Learning
  - Developed with staff, patron, & volunteer input
  - More than books
  - Call to action



# Develop Unique Brand

What does the symbol mean?



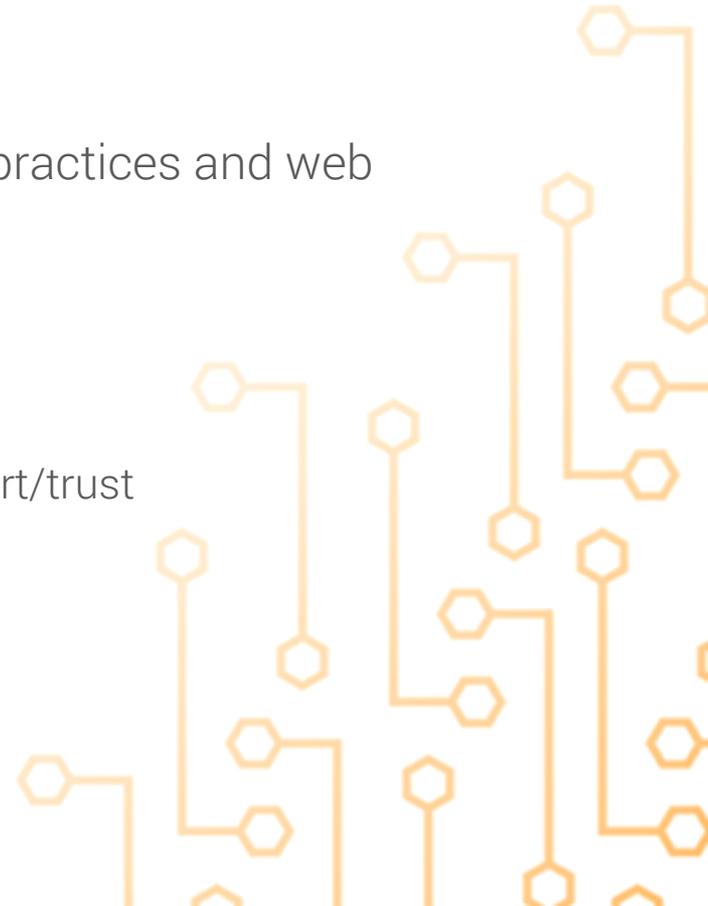
# Develop Unique Brand

It's based on the American Sign Language sign for learning, which looks like you are trying to grab information from the page of a book and place it into your head



# Print and Digital Connections

- New Website
  - Developed/Maintained Internally
    - More Control
    - Cost Savings
  - Designed with the user in mind, using best practices and web standards
- Landing Pages
  - Bridge the gap between print and digital
    - Consistency in advertisements builds comfort/trust



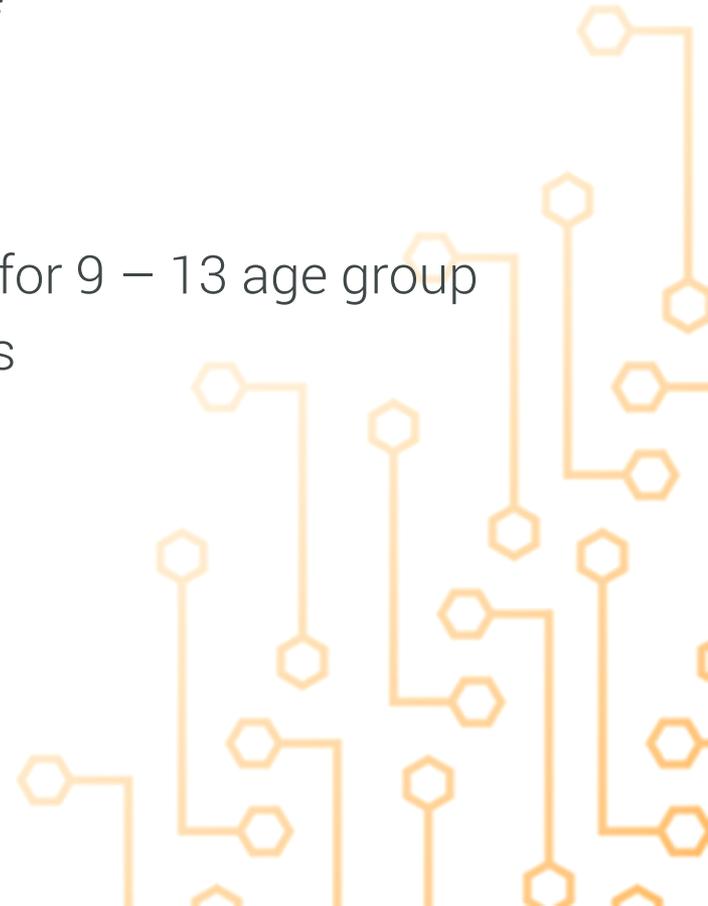
# Print and Digital Connections

- Blog
  - ‘Content Marketing’
- Social Media
  - Formal engagement strategy
    - Conversations > Retweets > Likes
- eNewsletter
  - Focus targeting, analytics, and segmentation



# Position Impact

- Addition of teen librarian, marketing coordinator and technology specialist allows us to move forward with partnerships and innovations. *Thank you!*
- 'Tween' Librarian
  - Contract Position
  - Relationships, Programs and Collections for 9 – 13 age group
  - Strengthen relationship with Troy Schools
  - Fills the youth to teen gap



# Financial Review Summary

**Revenue** | \$3,265,800

**Operating** | \$2,794,200

**Capital** | \$788,000\*

**Total** | **\$3,582,200**

*\*Using \$316,400 of fund balance, primarily for building repairs*



# Library Funding Timeline & Discussion

- The proposed budget covers the 4<sup>th</sup> year of the 5-year millage
  - Continuation Budget
- Millage expires June 30, 2016 (end of 2015-2016 fiscal year)
- Discussion regarding future library funding to take place in Fall 2014



# Questions?



# MARKETING INITIATIVES





2014/2015 Budget

# Initiatives

- Develop Unique Brand
  - Library/City Brand relationship
  - Using our WHY as a guideline
  - Consistency across all Departments
- Connections with residents and businesses
  - Focus Groups
  - Homeowner Association Quarterly Meetings
  - Real Estate Forum
  - Big Beaver Advanced Mobility Symposium
  - Online Tools



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# Initiatives

- Transit Center
  - Marketing Plan
  - Business Opportunities
- eNewsletter
  - Focus on targeting, segmentation, and analytics
- Troy Family Aquatic Center
  - Staff connection with resident groups
  - Web/Social Media Strategy
- Troy MJR Theatre
  - In-theatre advertising



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# The Message

- Provide Excellent Service and Keep Taxes Low
  - Safest City
  - Council Allocated to Fix County Roads
  - Lowest Millage of SE Michigan Cities
- Automating Important Information
  - Map of Snow Removal by Section
  - [troyroadsrock.com](http://troyroadsrock.com)



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# Communicating The Message

- Website
  - Landing Pages
  - Online Payments
- City Hall
  - Wayfinding
- Entrances to the City
  - Signage
  - Branding



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# Communicating The Message

- Social Media
  - Twitter
    - Followers up 16% since February 1, 2014
    - Interactions up 10% since February 1, 2014
    - #troymi
  - Facebook
    - Likes up 40% since September 1, 2013
    - Engagement up 32% since September 1, 2013
    - #troymi
  - Tumblr/Pinterest/Instagram
    - Targeted Communication
- Content Creation
  - Staff Blog covering all disciplines
  - 'Content Team'



2014/2015 Budget

## 60<sup>th</sup> Anniversary Celebrating our Journey since 1955

- Community Affairs is coordinating a year-long celebration, involving
  - Library
  - Recreation
  - Nature Center
  - Historic Village
  - Community Partners

# GOLF COURSE





2014/2015 Budget

# BCG Contract

- Effective Date: June 15, 2010
- Initial Term: Four (4) Years ending June 30, 2014
- Second Term: BCG Option for an additional Four (4) year term from July 1, 2014 to June 30, 2018 which has been executed.



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# BCG Contract

- Net Operating Income (NOI) Guarantee: \$265,000
- Management Fees: Paid monthly as part of the Operating Budget of each course. They are to increase annually by the lesser of the increase local Cost of Living Index and 3%.
- Incentive Compensation to BCG:
  - 20% of Total Revenues exceeding \$2,250,000, with a CAP of 20% of Total Management Fees



## 2014/2015 Budget

# Financial Snapshot

<b>Sanctuary Lake</b>	<b>2012</b>	<b>2013</b>	<b>2014 – Est.</b>	<b>2015 - Budget</b>
Revenue	\$1,442,754	\$1,295,383	\$1,329,782	\$1,500,500
Expenses	\$1,036,332	\$966,688	\$1,032,878	\$1,125,676
Net Operating Income	\$404,406	\$340,743	\$277,604	\$360,324
BCG Management Fees	\$69,528	\$70,716	\$71,064	\$73,200
<b>Sylvan Glen</b>				
Revenue	\$1,295,632	\$1,175,724	\$1,121,474	\$1,278,403
Expenses	\$879,559	\$888,853	\$1,009,639	\$1,062,219
Net Operating Income	\$380,871	\$260,140	\$72,315	\$178,684
BCG Management Fees	\$69,528	\$70,716	\$71,064	\$73,200
<b>BCG Incentive Payments</b>	\$27,180	\$14,500		



2014/2015 Budget

# Combined Financial Snapshot

	2014 Estimate	2015 Proposed
<b>Total Revenues</b>	\$2,451,256	\$2,778,903
<b>Total Operating Expenses</b>	\$2,101,517	\$2,239,895
<b>Total Income from Operations Before Dep/Cap</b>	\$349,739	\$539,008



2014/2015 Budget

# Winterkill at Sylvan Glen

**Primary Culprit:  
The Ice Storm of  
December 21<sup>st</sup> and 22<sup>nd</sup>**



2014/2015 Budget

# Winterkill at Sylvan Glen Putting Green





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# Winterkill at Sylvan Glen #1





2014/2015 Budget

# Winterkill at Sylvan Glen #5





2014/2015 Budget

# Winterkill at Sylvan Glen #12





2014/2015 Budget

# Winterkill at Sylvan Glen #18





2014/2015 Budget

# Winterkill at Sylvan Glen – 2014 # 16



# Financial Impact of Winterkill- 2014

## Expenses

- ~\$30,000 for new golf car batteries
- ~\$6,000 in additional seed, fertilizer and aerification tines

## Revenue Loss

	SG	SL	Total
March	~\$35,000	~\$40,000	~\$75,000
April	~\$65,000	-0-	~\$65,000





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## Strategies during Recovery Period at Sylvan Glen

- 30 – 50% Reduction in Rates
- Give AM leagues the option of moving Sanctuary Lake for all or part of 2014
- Turned off the Call Center in Chicago to better control the tone and consistency of the message delivered to our guests regarding current course conditions and options
- Flyers posted throughout clubhouse detailing the current situation



2014/2015 Budget

# Forecast As of 4/23/14

	<b>Sylvan Glen</b>	<b>Sanctuary Lake</b>	<b>Combined</b>
Revenue	\$970,503	\$1,212,458	\$2,182,961
Expenses	\$921,599	\$961,784	\$1,883,383
Net (Before Debt)	\$48,905	\$250,675	\$299,580



2014/2015 Budget

# Future Capital Expenditures

Year	Amount	Expected Expense
2015	\$38,000 \$50,000	Rotary Mower Tee Mowers
2016	\$78,000	Rotary Mowers (2)
2017	\$50,000 \$50,000	Fairway Mower Utility Vehicles (5)
2018	\$20,000 \$20,000	Bunker Rake Utility Vehicle
Future	~\$600,000	New Irrigation System at Sylvan Glen



## 2014/2015 Budget

# Strategic Pricing

- Strategic Pricing Initiatives
  - Bring new golfers to courses
  - Fill underutilized times
  - Maximize busy times
- Execute in all Channels
  - Online – [golftroy.com](http://golftroy.com)
  - Online – Third Party
  - Phone & In-Shop



For the best prices on golf, book online!

[Click Here for a Tee Time](#)

NO  
Booking  
Fees!



2014/2015 Budget

# New Digital Strategy



OUR GOLF COURSES: [Select Course](#) ▼

513.651.GOLF

GOLF

JOIN

OUTINGS

IMPROVE

## California

California Golf Course is situated on gently sloping terrain overlooking the Ohio River; the course's beauty is only outdone by a spectacular layout.





2014/2015 Budget

# New Digital Strategy

## Launch BCDN – July 2014



f t CONTACT US 703-444-0901

GOLF JOIN OUTINGS WEDDINGS & BANQUETS DINING ACADEMY

### THE BILLY CASPER GOLF DIGITAL NETWORK



TAYLORMADE GOLF  
INNOVATIONS

Watch the science behind TaylorMade's speed pocket

Apr 14 11:14 PM



@BillyCasperGolf

Awesome! RT @SaraElizabeth1: @BillyCasperGolf @FootGolfUSA

2 Retweets  
Apr 14 06:46 PM



Billy Casper Golf

Would you bet almost \$16000 on a player to win the Masters because of what you think you saw in a danish? This guy did.

f Apr 11 10:18 AM



Billy Casper Golf

Congrats to Clay Cooper for winning our #BCGMasters contest. His guess was the winner Bubba Watson and a winning score of 10-under 278 -- just 2 strokes off the actual winning tally!

Clay, send us a message with the best way to contact you.

f Apr 14 10:14 AM



@BillyCasperGolf

Congrats to Clay Cooper, the winner of our #BCGMasters contest. He picked Bubba Watson and -10 to win. Nice going!

t 0 Retweets  
Apr 14 10:14 AM



Billy Casper Golf to Manage Antelope Hills golf courses in Arizona

Apr 14 10:57 PM

# Enhanced Email Program

- Launch NEW Automated Email Program



## Welcome

A welcome series of 3 emails (across 10 days) is sent after a golfer's first round at a BCG course.



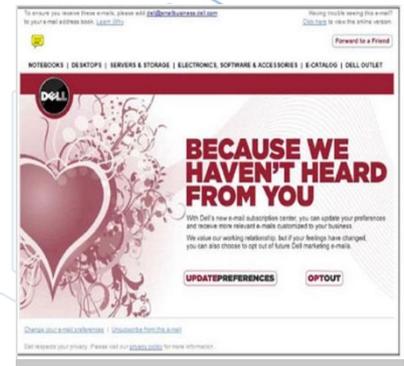
## Thank You!

An email goes out the day after a golfer plays ANY round at a BCG course, thanking them for playing



## Surprise!

A surprise & delight offer is sent based on rounds played thresholds (eg. 10 rounds at 1 course).



## Come Back!

A re-engagement series of 3 emails urges golfers who have been inactive for 6 months/18 months to return.



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# Grow the Game Initiatives

- Women on Course
  - Bring new female golfers to the game
  - Focused on social opportunities

**WOMEN ON COURSE**  
*Golf is more than a game, it's a lifestyle*

Women on Course provides fun and unique opportunities to build friendships and enjoy the business advantages of the golf lifestyle. Whether you've never touched a golf club or play often, we offer a variety of events that encourage women to mix, mingle and enjoy the game of golf.

**JOIN TODAY**  
EXCLUSIVE MEMBERSHIP BENEFITS

- Discounts to Women on Course events
- Business & social networking
- Golf lessons for all skill levels
- Discounts on golf apparel & clubs
- Weekend destination trips
- Bonus gift - Nike golf shoes

Time Tracking

[www.womenoncourse.com](http://www.womenoncourse.com)





2014/2015 Budget

# Grow the Game Initiatives

**Golf**  
FORE  
*Women*<sup>TM</sup>  
Learn. Golf. Grow.

**THANK YOU GOLFERS!**

**WORLD'S LARGEST GOLF OUTING**  
BILLY CASPER GOLF

**\$735,440**  
Donated to Wounded Warrior Project®

**10,499 Golfers**  
Played in 2013 World's Largest Golf Outing

**STAY TUNED FOR 2014**





**Kids Play Free**  
GOLF FOR LIFE

**RANGE** FREE Bucket of Balls EVERYDAY

FREE Round after 3pm EVERYDAY **GOLF**

Free round of golf or bucket of balls with paying adult. Offer must be of equal or lesser value. Limit of 2 kids, ages 17 & under, per paying adult. Maximum 2 riders per golf cart. Must be 18 years or older to drive. Ball Play Free not valid at Harry Semenu Mini-Golf.

16310 S Central Avenue • Chicago, IL 60452  
800-460-0010 • [forestpreservegolf.com](http://forestpreservegolf.com)



# Sanctuary Lake 10<sup>th</sup> Anniversary

**COME CELEBRATE THE  
DEDICATION OF**

**MINI TOURS!**

**FOOD!**

**CONTESTS!**

**PRIZES!**

**SANCTUARY LAKE**  
GOLF COURSE

MONDAY, JULY 19  
4:30 – 7:30 PM

SANCTUARY LAKE GOLF COURSE  
1450 EAST SOUTH BOULEVARD  
(BETWEEN JOHN R AND DEQUINDRE ROADS)

**Live Entertainment  
from St. Andrews  
Pipe Band!**

**Demonstrations  
by Golf Vendors**

**4:30 – 7:30 pm**  
Golf Contests  
Demonstrations

**5:30 pm**  
Dedication Ceremony

**6:00 pm**  
Golf Clinic with Golf Pro

**Mini tours of new facility  
immediately following  
the dedication!**

**Refreshments**

**Golf Contests include:**

- ✓ Putting contest
- ✓ Guess the number of tees in the jar
- ✓ Closest to the pin contest
- ✓ Chipping contest

**Great Prizes!!!**

For more information, please call Troy Parks and Recreation at 248.524.3484 or contact Sanctuary Lake Golf Course at 248.619.7600.







- \$10 Promotions throughout 2014
- 10<sup>th</sup> Anniversary Golf Extravaganza
  - Golf, Putting Challenge, & Driving Range Contests
- Special Guests?
  - From City
  - Others
- Major Sponsor Nike Golf

# **DETROIT WATER AND SEWERAGE UPDATE**





2014/2015 Budget

## Detroit Water and Sewerage Department Status

- DWSD
  - Alternate Water Systems
  - Privatization
  - Regional Water Authority
  - Operations and Activities under the Current Director (Status Quo)
- Alternate Water Systems
  - 2005 Study of Alternatives
  - Karegnondi Water Authority 2009 (Flint)
  - Oakland County Study - Update 2014



2014/2015 Budget

## Detroit Water and Sewerage Department Status

- Privatization
  - Proposals were due April 7, 2014
- Regional Water Authority
  - Proposed members from Wayne, Oakland and Macomb Counties
  - Talks breakdown
  - Judge invokes mediation
- Operations and Activities under the Current Director (Status Quo)
  - Separation from the City of Detroit
  - Reorganization activities

# WRAP-UP

