TO: ALL OFFICERS, EMPLOYEES, AGENCIES, BOARDS, AUTHORITIES, AND DEPARTMENTS OF THE CITY OF LANSING

RE: EXECUTIVE ORDER 2006-01 – DECLARATION OF AN IMMEDIATE HIRING FREEZE AND OTHER COST REDUCTION MEASURES

For the last two fiscal years, the expenses of the City of Lansing have exceeded revenues, causing the City to utilize its financial reserves. In the FY06 fiscal year, the City's budget anticipates the use of an additional \$2.1 million in reserves. As a result, the City's credit rating and financial stability will be at risk if this trend continues.

Accordingly, I have determined that immediate and deliberate steps must be taken to reduce the City's expenditures in this fiscal year. Additionally, I have determined that the budget to be presented to the City Council for the next fiscal year will be balanced without the use of reserves.

Therefore, pursuant to the direction and mandate given to me by the people of the City of Lansing, as expressed in the City Charter, I hereby issue the following Executive order to conserve financial resources and to reduce costs, effective immediately:

1. A HIRING FREEZE is hereby enacted. No currently vacant positions will be posted or filled, unless specific authorization is granted from my office.

It is recognized that certain vacant positions must be filled in order for the City to carry out its essential functions. Department Heads who have identified such critical positions and wish to request approval to post and fill such a position shall make their request in writing to the Personnel Director. The Personnel Director shall convene a Critical Needs Committee consisting of the Personnel Director, the Deputy Director of the Finance Department, and the Mayor's Chief of Staff or their designees to consider the request. Such consideration shall take into account all appropriate factors, including:

- Whether the position is to be filled internally or externally
- Impact on the health and safety of employees and citizens
- Impact on revenue generation within the department
- Impact on other associated costs, including overtime
- The number of other vacancies within the department
- Requirements of the collective bargaining agreements
- Funding status and source of the position

The Critical Needs Committee shall provide its recommendation on such requests to the Mayor, who shall approve or disapprove the request.

2. PRIOR APPROVAL IS REQUIRED FOR ALL TRAVEL involving an overnight stay, the purchase of airline or train tickets, or reimbursable travel outside a radius of 200 miles. The request for such approval is to be made to the Critical Needs

Committee in the same manner as the request for an exception to the hiring freeze. The Committee shall take into account the need for the travel and the benefit to the City, and the availability of budgeted funds. However, in the event that an emergency or urgency exists requiring an immediate decision, a request may be made to the Mayor's Chief of Staff who is authorized to grant approval if circumstances warrant.

- 3. Department Heads shall take all reasonable steps to REDUCE THE VOLUME AND COST OF PRINTING AND COPYING, and to utilize the least expensive means of printing and copying. The utilization of color printing or copying is prohibited, except as required by law, ordinance or regulation, or as may be necessary to perform the essential functions of the department. Each Department Head shall present to the Critical Needs Committee a report that describes their department's utilization of color printing and copying and the specific purpose for each use of color copying or printing.
- 4. Department Heads and employees are encouraged to identify additional cost saving measures and to provide them to the Critical Needs Committee. Any such suggestions received shall be evaluated by the Committee, who shall provide their recommendation on the suggestion to the Mayor, with a copy to the Department Head or employee making the suggestion.

This Executive Order, signed this 18th day of January, 2006, shall remain in effect until July 1, 2006.

Virg Bernero, Mayor of the City of Lansing