

CITY OF ROCHESTER HILLS



Susan Galeczka, City Council Liaison

DATE: June 3, 2005

TO: AIS Committee Members

RE: Directors Equity Adjustment

The *City Council Policy for Salaries of Department Directors and Mayor and Per Diem Fees for City Boards and Commissions* provides the following information regarding Directors Equity Adjustments:

ARTICLE III: SALARIES FOR DEPARTMENT DIRECTORS

Section 3. The *AIS* Committee shall consider the following salary adjustments:

A. Base Salary Adjustments

2. Equity Adjustment. The dollar amount of increase, in addition to the general adjustment, provided by Council for individual Director salaries where such additional adjustment may be appropriate to correct equity imbalances that may arise on the basis of either internal or external factors affecting particular positions.

The *AIS* Committee shall consider recommendations from the Administration on the need for equity adjustments for any position. The total recommended equity adjustment shall be the amount, if any, that the *AIS* Committee determines should be allocated for equity adjustments to the base annual salaries of Department Directors for the succeeding fiscal year.

Section 4. The *AIS* Committee recommendation may include the carryover of unallocated funds from prior budget years to be included as part of the annual compensation pools.

Section 5. At the last regular meeting of the City Council in the month of June, the *AIS* Committee shall make a written recommendation to the Council concerning the total equity, general, and performance adjustments, if any, for the compensation for the Department Directors as a group for the succeeding fiscal year. This amount, if approved by Council, shall be listed in the Budget for that succeeding fiscal year.

The *AIS* Committee in 2004 made no Equity Adjustments to the 2005 Directors Salaries. If the Committee chooses to do the same this year it will need to report to Council that it is not making any Equity Adjustments for 2006. Council in turn will then receive and file the report.

If you need additional information, please feel free to contact me.