



Rochester Hills

Agenda Report

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File Number: 2006-0180

File Number: 2006-0180 **File Type:** Finance **Status:** To Council
Version: 2 **Reference:** **Controlling Body:** City Council
Regular Meeting
Requester: Mayor's Office **Cost:** **Introduced:** 02/24/2006
File Name: Salary Recommendation for Directors' Equity Adjustment Pool Recommendation - 2007 **Final Action:**

Title: Salary Recommendation for Directors' Equity Adjustment Pool - 2007

Notes:

Code Sections:

Indexes: Salaries & Wages

Sponsors:

Attachments: Agenda Summary.pdf, 052306 Staff Report - Equity Adj.pdf, 022806 RH Director Salaries.pdf, Director_Deputy Differentials dtd 051506.pdf, Director_Deputy Salary order.pdf, 2005 Directors Survey.pdf, AIS Resolution.pdf

Agenda Date:

Agenda Number:

Enactment Date:

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History of Legislative File

| Ver- sion: | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return Date: | Result: |
|---------------|--|------------|-----------|----------|-----------|-----------------|---------|
| 1 | Administration and Information Services Committee | 03/07/2006 | Discussed | | | | |
| | <p>Notes: Ms. Pam Lee, Director of Human Resources (HR), provided information to begin discussion for salary adjustments for 2007 for Directors, Council and Mayor. The salary items must go forward to Council for action at the last Council meeting in June. The discussion included the following:</p> <ul style="list-style-type: none"> * HR's main responsibility is for the actual employees which may not include Boards & Commissions. * The Director Salary Survey is reflective of 2005 along with updates based on economic data and other communities anticipated adjustments. The attachments are divided into documents relative to general adjustments, discretionary or bonus performance, and equity adjustments for directors salaries. * The Michigan Municipal League (MML) survey revealed that most communities are looking at two percent (2%) adjustments, but this Council is encouraged to review other considerations as well. * The City Council survey has been updated from last year to included the change from 50 to | | | | | | |

32 meetings per year which Council members are required to attend before being compensated per diem for a qualified meeting.

The Committee discussed the following:

- * There are no performance requirements for each type of salary adjustment for directors in place at this time.
- * The cost of living index is one of the attachments to the general adjustment file.
- * There was a wage study performed for 2001 to 2003.
- * Due to economic factors, a two percent (2%) wage increase has been the comparative standard for the last 2 or 3 years.
- * It was suggested that performance requirements should be considered, ie. a growing city may signal high performing directors versus a dying city which would not. Ms. Lee cautioned that that would require a very sophisticated performance evaluation process for directors of which the City does not have one.
- * It was noted that most of the City departments are working with reduced staff due to a hiring freeze for the last two (2) years.
- * The Mayor makes the determination regarding non-union employees which usually follows what directors have been granted and union negotiations.

The Committee will continue discussion at the next AIS meeting.

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| 1 | Administration and Information Services Committee | 05/23/2006 | Recommended for Approval | City Council Regular Meeting | Pass |
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Notes: Ms. Pam Lee, Director of Human Resources, summarized the information provided for a five-percent (5%) equity adjustment recommendation for the Fire Chief position and noted the following:

- * The equity adjustment recommendation, if approved, will affect the Directors' General Adjustment Pool as well.
- * Salary comparisons were provided between Rochester Hills department directors, deputy directors and principal managers. In most cases, the differentials were appropriate when compared to credentials that may or may not be required for specific job titles as well as the longevity of some relatively newly appointed directors such as the City Clerk, the Finance Director and the Fire Chief.
- * The main reason for the equity recommendation for the Fire Chief position is primarily due to the differential between the Fire Chief and the Deputy Fire Chief, which currently is 23%. The equity adjustment would bring the differential more in line by 2008 when the Deputy Fire Chief reaches the end of the grade and step salary plan applicable to non-union employees and not directors.

Aye: Holder, Kinker, Rosen and Verschueren
Absent: Duistermars

Text of Legislative File 2006-0180

..Title
Salary Recommendation for Directors' Equity Adjustment Pool - 2007

..Body

Whereas, pursuant to Article III, Section 5 of the *City Council Policy for Salaries for Department Directors*, "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"; and

Whereas, the Administration & Information Services (AIS) Committee has reviewed, and discussed the information provided by the Administration regarding equity pay for Directors and recommends to City Council that a five-percent (5%) equity adjustment be budgeted for Fiscal Year 2007 to the Department Directors' Equity Pool.

Be It Resolved that the Rochester Hills City Council hereby concurs with the recommendation of the AIS Committee and approves a five-percent (5%) equity adjustment, in the amount of \$4,251.87 for the Fire Chief position to be budgeted for Fiscal Year 2007 to the Department Directors' Equity Pool.