



**City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS**

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Legislative File No: 2006-0380

TO: Mayor and City Council Members
FROM: Pamela M. Lee, Director of Human Resources, ext.2521
DATE: October 12, 2006
SUBJECT: Mayor's Car Allowance

REQUEST:

It is recommended that a car allowance in the amount of \$350 per month be provided to the Mayor through the end of the current administration in lieu of replacement of the Mayor's assigned City vehicle.

BACKGROUND:

The current vehicle assigned to the Mayor is a 1996 Pontiac Bonneville. The former Mayor deferred replacement, which was due five years ago. The vehicle is fully depreciated and its replacement has been budgeted. The Fleet Manager intends to replace it with a new vehicle or place it in the vehicle pool, if an allowance is provided in lieu of a vehicle replacement. The cost of operating a \$20,000 City vehicle would be about \$300 per month plus fuel, maintenance and insurance. A vehicle allowance would be intended to cover the cost of fuel and maintenance of the Mayor's personal vehicle; the Mayor would be responsible for insurance coverage under his individual policy.

By comparison, other communities have implemented car allowances as cost-savings options for executives (including department heads) eligible to be assigned City vehicles. Troy and Farmington Hills pay \$370 per month; West Bloomfield, \$400 and Independence Township, \$425 per month.

RECOMMENDATION:

Approval of a \$350 per month car allowance effective October 1, 2006 through the end of the 2007 budget year for the position of Mayor is recommended. It is further recommended that for future administrations, the Mayor be given the option of a car allowance or the assignment of a City vehicle.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA
