



Rochester Hills Agenda Report

1000 Rochester Hills Drive
Rochester Hills, MI 48309
(248) 656-4660
Home Page:
www.rochesterhills.org

File Number: 2006-0380

File Number: 2006-0380	File Type: Policy	Status: To Council
Version: 3	Reference:	Controlling Body: City Council Regular Meeting
Requester: Human Resources	Cost:	Introduced: 05/12/2006
File Name: Recommendation of Car Allowance for Mayor in lieu of assigned City Vehicle		Final Action:

Title: Recommendation from Administration & Information Services (AIS) Committee regarding Car Allowance for Mayor in lieu of assigned City Vehicle

Notes:

Code Sections:

Indexes: Benefits, Policy

Sponsors:

Attachments: Agenda Summary.pdf, 3-months mileage reimbursemt - Mayor Barnett.pdf, 052306 Staff Report - Mayor Vehicle.pdf, 2006 Survey - Car Allowances.pdf, 052306 AIS Resolution.pdf, 0380 Resolution.pdf

Agenda Date:

Agenda Number:

Enactment Date:

Enactment Number:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Administration and Information Services Committee	05/23/2006	Postponed				Pass

DRAFT Notes: Ms. Pam Lee, Director of Human Resources, distributed a recent survey listing vehicle allowances from various municipalities and provided background information regarding the recommendation for a car allowance for the Mayor. The following points were noted:

* The Mayor position has a 1996 Pontiac Bonneville available for personal use which includes driving back and forth from home to work. The vehicle was scheduled to be replaced about four years ago due to depreciation. However, the former mayor chose not to have the vehicle replaced. The current mayor would prefer to drive his personal vehicle.

* The survey showed a number of other cities that provide a car allowance which range from \$125.00 to \$600.00 per month.

The Committee briefly discussed the history of how city vehicles were used in the late 1980's and early 1990's as well as the question of whether the position of Mayor warrants any additional compensation other than what any general employee would be eligible for. The following points were noted:

* A city vehicle assigned to the Mayor position may not be an appropriate benefit and may be a taxable benefit.

* Specific City employees within the DPS and Fire Departments along with the Building Director, who may be on call 24 hours 7 days a weeks, have a justifiable need to use a city vehicle. They also have restrictions on how City vehicles may be used.

* In some cases it may be cheaper to be reimbursed for mileage than to use a City fleet vehicle, the cost of which is charged against the department's budget.

* The current Mayor has been made aware that he can be reimbursed at the allowable rate for mileage incurred while conducting City business.

Aye: Duistermars, Holder, Kinker, Rosen and Verschueren

2 Administration and Information Services Committee	10/03/2006	Recommended for Approval	City Council Regular Meeting	Pass
---	------------	--------------------------	------------------------------	------

DRAFT Notes: Ms. Pam Lee, Human Resource Director, gave a brief update and noted the following:

. Any Mayor or CEO of an organization receives a vehicle or a car allowance. A survey of various communities who give car allowances was included for comparison purposes.

. The request was made because of the previous Mayor's decision to not upgrade the assigned City vehicle. It is a fairly old vehicle. The Fleet Manager has inquired if the vehicle should be retired from the fleet pool.

. The current Mayor is comfortable using his own vehicle but is requesting a car allowance in lieu of mileage reimbursement

. At the Committee's request, the Mayor has submitted three (3) months of mileage reimbursements for review which averaged to \$267.59 per month. However, that average may be low due to the fact that he is new in the mayoral position.

. The car allowance would be a cost savings when compared to the purchase of a new city vehicle for the Mayor.

The Committee discussed the following:

. Whether the City is responsible for maintenance and liability if the Mayor's uses his personal vehicle.

. It was suggested to seek an opinion from the City attorney regarding the City's liability. It was also suggested to include, in writing, that the car allowance would assume that the Mayor would maintain his personal vehicle.

. The car allowance could be reviewed next year.

. A \$300 car allowance seems to be a conservative figure when compared to the survey provided by Ms. Lee.

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

Text of Legislative File 2006-0380

..Title

Recommendation from Administration & Information Services (AIS) Committee regarding Car

Allowance for Mayor in lieu of assigned City Vehicle

..Body

Whereas, the Administration & Information Services (AIS) Committee has reviewed and discussed the information provided by the Administration regarding a car allowance for the Mayor;

Whereas, the Human Resource Director provided copies of Mayor Barnett's reimbursement expenses for the three-month period of June, July, August, 2006;

Be It Resolved that the Rochester Hills City Council hereby concurs with the recommendation of the AIS Committee and approves the authorization of a \$350.00 per month car allowance for Mayor Barnett as an optional cost savings measure in lieu of an assigned City Vehicle. The car allowance benefit shall commence beginning October 2006.