



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

**1000 Rochester Hills Dr.
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Legislative File No: 2008-0330

TO: Mayor and City Council Members
FROM: Pamela M. Lee, Director of Human Resources
DATE: June 23, 2008
SUBJECT: Car Allowance for the Mayor

REQUEST:

A review and increase of the monthly car allowance provided for the Mayor has been requested.

BACKGROUND:

In 2006, the 1996 Pontiac Bonneville assigned to the Mayor was due to be replaced with a new vehicle. Instead, Mayor Barnett requested a monthly car allowance in lieu of a replacement. According to the City's Fleet Manager, the cost of providing a new vehicle for the Mayor would be about \$450 per month, including monthly fuel, replacement cost, maintenance/repair and insurance. Since 2006, the Mayor has received \$350 per month and is responsible for all vehicle costs. No replacement vehicle was budgeted in 2007 or 2008. A \$400 allowance would better offset costs associated with use of the Mayor's personal vehicle, including the rising price of gas, while still saving the City approximately \$600 per year over providing a City vehicle.

By comparison, a survey conducted in 2006 by the City of Novi indicated other communities have implemented car allowances as cost-savings options for executives (including department heads) eligible to be assigned City vehicles, including:

Farmington Hills - \$370
Canton Township - \$400
Independence Township - \$600
Waterford Township - \$425
West Bloomfield Township - \$400

In addition, the City of Troy provides a \$425 monthly vehicle stipend to executive employees who live in the City and the City of Rochester now provides a \$400 allowance to its recently appointed City Manager.

RECOMMENDATION:

That the car allowance provided for the Mayor be increased from the present \$350 to \$400 per month.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Council Liaison		

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