



City of Rochester Hills  
AGENDA SUMMARY  
NON-FINANCIAL ITEMS

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Legislative File No: 2014-0249

**TO:** Mayor and City Council Members  
**FROM:** Pamela M. Gordon, Director of Human Resources, ext. 2521  
**DATE:** June 16, 2014  
**SUBJECT:** Budget for Variable (Discretionary) Performance Pay for Department Directors in 2015

**REQUEST:**

Approval of the recommendation of the HR Technical Review Committee for department directors' discretionary performance pay for fiscal year 2015.

**BACKGROUND:**

Pursuant to Section 8.8 of the City Charter of the City of Rochester Hills, City Council is required to set in the annual budget, by resolution, the annual salary for Department Directors, Mayor and City Council and the rates of compensation for members of Boards & Commissions.

As directed by Article III, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions, as amended*, the HR Technical Review Committee reviewed and discussed the appropriate information provided by the Administration at its meeting on April 28 and June 2, 2014. Performance pay has not been allocated since 2008. However, current economic conditions support a gradual reinstatement of a performance-based component of pay for directors. On that basis, the committee reached consensus to recommend an \$8000 budget to be utilized by the Mayor for discretionary performance pay in fiscal year 2015.

**RECOMMENDATION:**

That City Council accepts the recommendation of the HR Technical Review Committee to authorize \$8000 to be budgeted for Directors' performance-based discretionary pay for fiscal year 2015.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
Deputy Clerk		