

## **City Council Agenda Summary Sheet (Non Purchases)**

**Agenda No:** 2004-0213- Recommendation from Administration and Information Services regarding the Directors Variable Performance (Discretionary) Pool for the 2005 Budget Year

**Date:** June 8, 2004

**Prepared By:** Melinda Hill, AIS Chairperson

**City File No:** N/A

**Meeting Date:** June 16, 2004

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### **PURPOSE:**

Concur with the rates of compensation recommendations of the Administration & Information Services (AIS) Committee for Directors Variable Performance (Discretionary) Pool for fiscal year 2005.

### **DISCUSSION:**

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 the Department Directors and the rates of compensation for Members of Boards & Commissions.

Article III, Salaried for Department Directors, Section 3.B of *City Council Policy For Salaries Of Department Directors And Mayor, and Per Diem Fees for City Boards And Commissions* defines Variable Pay as follows:

#### B. Variable Pay

1. *Performance Bonus. The AIS Committee shall determine the maximum percentage of the adjusted base salaries for Directors to be made available to the Mayor to provide additional compensation in recognition of individual effort and annual performance contributions.*

*The amount shall be based on the Director's annual performance appraisal rating and shall not exceed the maximum percentage established by the AIS Committee.*

*This variable amount shall be considered a bonus opportunity to be paid in a lump sum and will not be added to base pay.*

As directed by the City Council Policy for salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions, the AIS Committee has reviewed the appropriate information and at its Regular Meetings of April 6, 2004 and May 4, 2004 adopted the following resolution at its May 4, 2004 meeting:

A motion was made by Dalton, seconded by Holder that this matter be recommended for Approval to the City Council.

Now Therefore Be It Resolved, that the Administration & Information Services Committee recommends to City Council that a Variable Performance (Discretionary) Pool for Directors of Twenty Thousand Dollars (\$20,000.00) be established to provide for flat bonus pay, separate from base pay, for the Fiscal Year 2005.

The motion carried by the following vote:

Ayes: Melinda Hill, Barbara Holder, John Dalton, Stephen Kirksey and Gerard Verschueren

**FISCAL INFORMATION:**

The approval of the salary recommendations will be reflected in the 2005 budget

**RECOMMENDATION:**

That City Council concurs with the recommendation of the AIS Committee and approves Variable Performance (Discretionary) Pool for Directors of Twenty Thousand Dollars (\$20,000.00) be established to provide for flat bonus pay, separate from base pay, for the fiscal year 2005.

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**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**