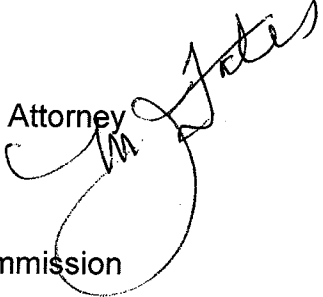


CITY OF ANN ARBOR
CITY CLERK
REC'D

2009 MAY 26 AM 11:21

MEMORANDUM

TO: Jacqueline Beaudry, City Clerk

FROM: Mary Joan Fales, Senior Assistant City Attorney 

DATE: May 26, 2009

RE: 2009 Local Officers Compensation Commission

Attached for filing is the Determination of the 2009 Local Officers Compensation Commission.

The LOCC convenes in odd years to make statutorily required determinations of salaries for elected local officials. State law requires the Determination of the LOCC be filed with the City Clerk.

Attachment

cc: Mayor and City Council
Roger Hewitt, LOCC Chair
Roger Fraser, City Administrator
Tom Crawford, CFO
Stephen Postema, City Attorney

CITY OF ANN ARBOR
CITY CLERK
REC'D

**2009 Determination of the Local Officers Compensation Commission
for the City of Ann Arbor**

2009 MAY 26 AM 11: 09

Introduction

The Local Officers Compensation Commission (LOCC) was created to determine the salaries of the Mayor and City Council. The LOCC authority by statute is limited to the establishment of the salary amount for these positions. Salary as defined by State statute does not include fringe benefits. Local charter and/or ordinance provisions control the payment of fringe benefits to elected officials. In Ann Arbor, Section 12 of the Ann Arbor City Charter prohibits the payment of fringe benefits to elected officials.

The LOCC consists of seven members who are appointed by the City Council for staggered seven-year terms. The 2009 LOCC members are: Eunice Burns, Martha Darling, Roger Hewitt, Williams Lockwood, Fred McDonald, and Michael Schippani. Currently there is one vacancy on the Commission. LOCC members do not receive compensation for their service.

The LOCC is required to meet every two years, in odd-numbered years for no more than 15 sessions. The LOCC must render a determination on salaries within forty-five days of its first session. Four members of the LOCC constitute a quorum for conducting business. The LOCC may not take action or make any determinations without concurrence of a majority of the members appointed and serving.

A chairperson is elected by the members of the LOCC from among its own members and an Assistant City Attorney acts as the staff to the LOCC. The 2009 LOCC Chair is Roger Hewitt and Mary Joan Fales, Senior Assistant City Attorney, serves as staff.

LOCC Determination Process

Several criteria are used by the LOCC when considering appropriate salary levels. The following provides an example of criteria, which may be used:

- Public Service
- Consideration of responsibility level for the position
- Sufficient compensation to attract persons of different socio-economic backgrounds who possess the necessary qualifications
- Compensation and benefits comparisons with similar position within the State of Michigan
- Financial condition of the City of Ann Arbor
- Cost of Living
- Community expectations

After the LOCC makes its decisions on salaries, the determination must be filed with the City Clerk. Copies of the determination are provided to the Mayor and members of Council and made available to the public upon request.

LOCC determinations become effective thirty (30) days after filing with the City Clerk unless the City Council rejects all of the determinations or a specific determination for a specific position. The City Council may reject determinations by concurrent resolution—if the resolution is adopted by a two-thirds vote of the members. In the event that determination(s) are rejected, the existing salary or salaries remain in effect.

The Resolution to Reject the 2007 Local Officers' Compensation Committee Salary for the Mayor was defeated on December 12, 2007. The Resolution to Reject the 2007 Local Officers' Compensation Committee Salary for Mayor Pro Tem was approved on December 12, 2007 (Resolution No.: R-07-602). The Resolution to Reject the 2007 Local Officers' Compensation Committee Salary for Councilmembers was defeated on December 12, 2007.

2009 LOCC Meeting

The salary designated by the LOCC for the Mayor, Mayor Pro Tem and members of Council are stated below together with specific factors considered when salary deliberations took place.

The following table shows salary determination for each of the above offices.

2009 LOCC Determination Summary

	Current	FY2009 Council Individual Total	\$ Increase	FY2010 & FY2011 Determination	\$ Increase
Mayor	42,436	42,436	0	42,436	0
Mayor Pro Tem ¹			0		0
City Council	15,913.50/143,221.50	15,913.50/143,221.50	0	15,913.50/143,221.50	0
Total	\$185,657.50	\$185,657.50	0	\$185,657.50	0

On May 12, 2009, the Local Officers Compensation Commission (LOCC) met to determine salaries for the mayor, mayor pro tem, and members of the city council. The LOCC has concluded its proceedings for 2009. This Determination Report provides notice of the LOCC's determinations, as required by Public Act No. 8 of 1972 and Chapter 22 of the Ann Arbor City Code.

The LOCC has determined that no increase (e.g. salary freeze) is appropriate for the mayor, mayor pro tem, and members of the city council. The salary determination for local elected officials is responsive to the present economic climate and is not reflective of the time, energy and leadership roles that the mayor and members of city council have and continue to participate in on regional and state levels.

Further, in making its determination the LOCC recognized that on-going local budget constraints have resulted in continuous staffing and services restructuring in an effort to provide cost effective services with a decreasing work force. Additionally, the City Administration, in

¹ Although the LOCC has proposed a separate salary for the Mayor Pro Tem based on the additional duties of the past sessions; it has consistently been rejected by City Council.

preparing recent fiscal year budgets, has worked to reduce whenever and wherever possible budgetary expenses, including labor costs.

The Determination of the Commission shall be effective thirty (30) days following its filing with the City Clerk unless rejected by City Council. City Council, by resolution adopted by 2/3 of the member elected to and serving on the City Council may reject the salary determination. However, pursuant to Section 1:800(1) of Ann Arbor City Code, in case of rejection, the existing FY09 salary shall prevail. Since the LOCC recommended no increase in the current salary for any of the elected positions, rejection would not alter the effect of the Determination.