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Local Officers Compensation Commission

2007 Session 1 Agenda

Tuesday, October 9, 2007 - 2 p.m.

Conference Room B, Midland City Hall

333 W. Ellsworth

1. Call to Order (Tisdale)
2. Oath of Office (Tisdale)
3. Election of Officers
 - a. Chairperson (Tisdale)
 - b. Chairperson Pro Tem (Chair)
4. Approval of Minutes from November 9, 2005 LOCC Meeting (Chair)
(first session meeting minutes also included for review)
5. Review of:
 - a. LOCC per City Charter (Tisdale)
 - b. Commission Responsibilities & Limitations (Tisdale)
 - c. City's Ethics Ordinance (Tisdale)
6. Review of 2005 Determinations' Report and resolution presented to City Council (Tisdale)
7. Discussion of 2005 Compensation and types of measures needed by the LOCC (Chair)
 - a. Comments from the public
 - b. 2007 Local Board Survey
 - c. 2007 survey of selected Michigan Cities
 - d. Former and current council responses
 - e. Other measures that LOCC might want to consider
8. Public Comments
9. Adjournment



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BY COMMISSION MEMBER _____

RESOLVED, that _____, be named Chairperson for the 2007 Local Officers' Compensation Commission.

Yeas:

Nays:

Absent:

I, Selina Tisdale, Midland City Clerk and Staff Liaison to the LOCC, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a _____ yea vote of all the LOCC members present at a meeting of the LOCC held Tuesday, October 9, 2007.

Selina Tisdale, City Clerk
Staff Liaison to LOCC



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BY COMMISSION MEMBER

RESOLVED, that _____ be named Chair Pro-Tem for the 2007 Local Officers' Compensation Commission. Chair Pro-Tem to conduct meetings in the absence of the Chair.

Yeas:

Nays:

Absent:

I, Selina Tisdale, Midland City Clerk and Staff Liaison to the LOCC, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a _____ yea vote of all the LOCC members present at a meeting of the LOCC held Tuesday, October 9, 2007.

Selina Tisdale, City Clerk
Staff Liaison to LOCC

**MINUTES
LOCAL OFFICERS COMPENSATION COMMISSION
CITY OF MIDLAND
NOVEMBER 9, 2005
Second Session**

The second session day of the Local Officers Compensation Commission (LOCC) was called to order by Chairman Bruce Peck on November 9, 2005 at 2:40 p.m. in the Engineering Conference Room of Midland City Hall.

Commission Members Present: G. Geyer, R. O'Hara, B. Peck, D. Thompson
Commission Members Absent: G. Chandra
Others Present: Tony Lascari, Midland Daily News reporter

Approval of Minutes from 10/25/05 meeting:

O'Hara noted that a reference to Penny Kovacevich needed to be changed to Tisdale under the *Review of 2003 Determinations Report* portion of the first session minutes. Geyer moved, seconded by Thompson that the minutes be adopted as amended. Motion carried 4:0.

Survey Results

Reviewed Survey of selected Michigan Cities
Reviewed Updated Survey results from local boards
Tisdale provided Council travel information for 2003 and 2004
Tisdale reviewed issues before Council within last two years

Public Comments

No members of the public were present for public comments.
Tisdale reported that no public comments were received in response to the request for comments distributed through the media and through City of Midland communications and that one additional comment was received by Councilman Rokosz in response to the request for comment from current and former council members.

Draft of 2005 LOCC "Findings of Fact"

Commission reviewed and approved the 2005 LOCC Findings of Fact.

LOCC Determinations

Peck reviewed the comments and a recommendation sent via e-mail LOCC Commission Member Grish Chandra who was unable to attend the second session meeting. Chandra recommended that the council compensation be increased by \$200 to \$400 and that the mayoral compensation be increased by \$500 to \$700

The commission discussed compensation options.

O'Hara moved that a recommendation that no increase in compensation for council members and a \$200 increase in the compensation for mayor be forwarded to Council. Motion died for lack of second.

Geyer moved, seconded by Thompson. that the annual council compensation be increased by \$200 and that the mayoral compensation be increased by \$300. (Motion adopted by a 4/0 yea vote. Yeas: Geyer, O'Hara, Peck, Thompson. Nays: None.)

Findings of Fact

O'Hara moved, seconded by Thompson, to accept the "2005 Findings of Fact" with annual wages for Council Members at \$3,800 annually and \$5,900 annually for the Mayor. (Motion adopted by a 4/0 yea vote. Yeas: Geyer, O'Hara, Peck, Thompson. Nays: None.)

Commission members determined that a third session was not necessary.

ADJOURNMENT –

Being no further business the Second Session of the LOCC was adjourned at 3:15 p.m.

Selina Tisdale, City Clerk

_____, Chair of 2007 LOCC

MINUTES
LOCAL OFFICERS COMPENSATION COMMISSION
CITY OF MIDLAND
OCTOBER 25, 2005
First Session

The first session day of the Local Officers Compensation Commission (LOCC) was called to order by City Clerk Selina Tisdale on October 25, 2005 at 2:30 p.m. in City Hall Conference Room B.

Commission Members Present: G. Chandra, G. Geyer, B. Peck, D. Thompson
Commission Members Absent: R. O'Hara,

Opening comments: Tisdale announced that James Tierney had recently resigned from the commission because he has moved from the Midland community since the last LOCC meetings. This leaves him ineligible to serve on the commission. Dale Bement will also no longer be serving on the commission as he is now an employee of the City of Midland.

OATH OF OFFICE – Tisdale administered the Oath of Office to each LOCC member present.

ELECTION OF CHAIRPERSON – Thompson moved, seconded by Chandra, that Bruce Peck be named Chairperson for the 2005 Local Officers Compensation Commission. (Approved by a 4/0 yea vote).

ELECTION OF CHAIR PRO-TEM – Peck moved, seconded by Thompson, that Gerald Geyer be named Chair Pro-Tem for the 2005 Local Officers Compensation Commission. (Approved by a 4/0 yea vote).

APPROVAL OF MINUTES FROM NOVEMBER 6, 2003 – Geyer moved, seconded by Thompson, to approve the November 6, 2003 meeting minutes. (Approved by a 4/0 yea vote).

REVIEW OF RESPONSIBILITIES AND DEADLINES, ETHICS POLICY, AND PENDING ISSUES - Tisdale, City Clerk, reviewed documents on the Commissions responsibilities, deadlines, and the ethics policy.

REVIEW OF 2003 DETERMINATION'S REPORT – the commission reviewed each item under the "2003 LOCC Findings of Fact". For the "2005 LOCC Findings of Fact" Kovacevich will update item nos. 3, 5, 6, 7, and 8 to reflect current figures and present to Commission members at the next meeting to be held on Friday, October 31, 2003.

Commission requested that Tisdale initiate additional notices to solicit public feedback on compensation. In addition to the regular advertisement, the commission suggested publishing an ad in the newspaper, issuing a press release, including an announcement on MGTV and in the city's e-newsletter.

COMPENSATION DATA - Chair Bruce Peck reviewed survey documents from selected Michigan cities with the Commission. After reviewing the documents the Commission requested that the following items be researched:

- ◆ Midland's survey numbers be corrected for council and mayor compensation;
- ◆ Additional completed survey's be sought;
- ◆ Local board compensation survey be updated;
- ◆ Gather travel expense information for the 2003 Council;
- ◆ Get input from present council on how much non-reimbursable travel they do for the city;
- ◆ Does the city pay for the internet connection for the councilmen's computers?
- ◆ Review of budget data, trends from past five years;

Public Comments

Dale Bement commented that he supports incremental increases of Council compensations but discouraged one-time large increases.

ADJOURNMENT - The 2nd session of the LOCC meeting will be held on Wednesday, November 9, 2005, in the Engineering Conference Room at 2:30 p.m.

Being no further business the meeting was adjourned at 3:30 p.m.

Selina Tisdale, City Clerk

Bruce Peck, Chair of 2005 LOCC

ARTICLE IX.

LOCAL OFFICERS' COMPENSATION COMMISSION*

* **Charter References:** Salary of members of council, § 4.3.

Sec. 2-210. Local officers' compensation commission--Creation; composition; qualifications; terms of office; time of appointment; vacancies; eligibility restriction.

A local officers' compensation commission is created which shall determine the salaries of the mayor and members of the city council. The commission shall consist of seven (7) members who are registered electors of the city, appointed by the mayor subject to confirmation by a majority of the members elected and serving on the city council. The terms of office of members of said commission shall be seven (7) years, except that of the members first appointed, one each shall be appointed for terms of one (1), two (2), three (3), four (4), five (5), six (6) and seven (7) years. All first members shall be appointed within thirty (30) days after the effective date of this article. Thereafter members shall be appointed before October 1 of the year of appointment. Vacancies shall be filled for the remainder of the unexpired term. No member or employee of the legislative, judicial or executive branch of any level of government or members of the immediate family of such member or employee shall be eligible to be a member of the commission.
(Ord. No. 832, § 1, 5-13-74)

Sec. 2-211. Determination of salaries; rejection by council; effective date; existing salary; expenses.

The commission shall determine the salaries of the mayor and councilmen, which determination shall be the salaries unless the city council, by resolution adopted by two-thirds (2/3) of the members elected to and serving on the council, reject them. The determinations of the commission shall be effective thirty (30) days following their filing with the city clerk unless rejected by the city council. In case of rejection, the existing salary shall prevail. Any expense allowance or reimbursement paid to elected officials in addition to salary shall be for expenses incurred in the course of city business and accounted for to the city.
(Ord. No. 832, § 1, 5-13-74)

Sec. 2-212. Meetings and time of determination; quorum, chairman; session days; compensation and expenses.

The commission shall meet for not more than fifteen (15) session days after September 15, in the year 1975, and every odd numbered year thereafter and shall make its determination within forty-five (45) calendar days of its first meeting. A majority of the members of the commission constitute a quorum for conducting business of the

commission. The commission shall take no action or make determinations without a concurrence of a majority of the members appointed and serving on the commission. The commission shall elect a chairman from among its members. "Session days" means any calendar day on which the commission meets and a quorum is present. The members of the commission shall receive no compensation, but they shall be entitled to their actual and necessary expenses incurred in the performance of their duties and shall not have the power to expend public funds.
(Ord. No. 832, § 1, 5-13-74)

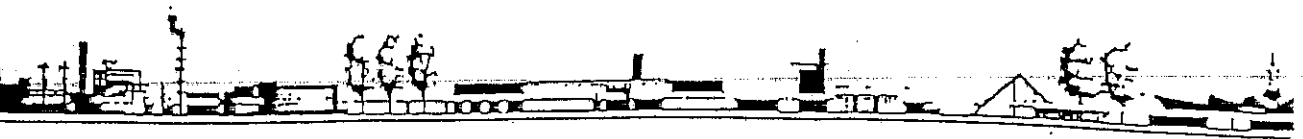
Sec. 2-213. Change of procedure, time and method.

After one year following the effective date of this article, the procedure for establishing the compensation of elected officials may be changed by charter amendment or revision.
(Ord. No. 832, § 1, 5-13-74)

Sec. 2-214. Referendum or other petition; signatures of electors; conduct of election; effectiveness of determination.

Within sixty (60) days after the effective date of this article, a petition for a referendum on the ordinance adopting this article may be filed in accordance with the procedures provided in chapter 6 of the Midland City Charter by filing a petition with the city clerk containing the signatures of at least five per cent (5%) of the registered electors of the City of Midland on the effective date of this article, in which case the election shall be conducted in the same manner as an election on the charter amendment. If a petition for referendum is filed pursuant to the provisions of this section, any determination of the commission shall not be effective until the ordinance has been approved by the electors.
(Ord. No. 832, § 1, 5-13-74)

5



CITY OF MIDLAND 202 ASHMAN STREET 48640

COMMISSION RESPONSIBILITIES AND LIMITATIONS
Excerpt from the September 25, 1975 Minutes of the Commission

"At the request of the Commission, the City Attorney discussed the responsibilities and limitations of the Commission. A summary of points includes:

Charter provision establishing the current salaries for Mayor and Council written in 1944.

State legislature allowed cities to use local officers compensation commissions to set salaries in line with current economic realities in lieu of cumbersome and difficult charter amendment method.

The Commission will review and make a determination every two years.

The Commission itself determines its own procedures including what information to consider.

It does not have subpoena power but may ask past, present and future Council members and other community representatives to testify.

A change of salaries is not required.

The Commission is not the final word because the City Council can reject the recommendation.

The recommendation of the Commission as to the salaries of the Mayor and Councilmen must be made within 45 calendar days (December 12, in 1981) and in not more than 15 session days."

10

Chapter 32 ETHICS

Sec. 32-1. Public policy.

It is hereby declared to be the policy of the city that all public officials and employees must avoid conflicts between their private interests and those of the general public whom they serve. To enhance the faith of the people and the integrity and impartiality of all public officials and employees of the city, it is necessary that adequate rules be provided for separating their roles as private citizens from their roles as public servants. Where government is based on the consent of the governed, every citizen is entitled to have complete confidence in the integrity of his or her government. Each individual official, employee, or advisor of government must help to earn, and must honor that trust by his or her own integrity and conduct in all official duties and actions.

(Ord. No. 1337, § 1, 1-22-96)

Sec. 32-2. Definitions.

Whenever used in this chapter, the following terms shall have the following meanings:

City means the City of Midland.

Compensation means any money, thing of value or other compensatory or pecuniary benefit received or to be received in return for, or as reimbursement for, services rendered or to be rendered.

Controlling authorities means those persons identified in section 32-5 to whom inquiries must be directed.

Decision making means exercising public power to adopt ordinances, regulations or standards, rendering quasi-judicial decisions, establishing executive policy, or rendering a governmental decision as that term is defined in Section 2a [MSA 4.1700(72a); MCLA 15.342a] of Public Act 196 of the Public Acts of the State of Michigan of 1973, as amended [MSA 4.1700(71) et seq; MCLA 15.341 et seq.].

Economic interest means any interest valued or capable of valuation in monetary terms.

Employee means an individual employed by the city, whether part-time or full-time, but excludes elected officials and city contractors.

Gift means anything of value given without consideration or expectation of return.

Official means any person holding any elected office of the city or any appointed, non-employee member of any city board or commission.

Official duties or Official action means a decision, recommendation, approval, disapproval, or other action or failure to act which involves the use of discretionary authority.

Person means any individual, entity, corporation, partnership, firm, association, union, trust, estate, and any parent or subsidiary of any of the foregoing, whether or not operated for profit.

Relative means a person who is related to an official or employee as spouse or as any of the following,

whether by blood or by adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister, half-brother or half-sister.

(Ord. No. 1337, § 1, 1-22-96)

Sec. 32-3. Code of ethics.

(a) Gift, compensation or economic interest. No official or employee of the city shall solicit, accept or receive, directly or indirectly, any gift, compensation or anything of an economic interest, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under any circumstance in which it can reasonably be inferred that any of the foregoing is intended to influence him or her in the performance of his or her official duties or is intended as a reward for any official action on his or her part.

(b) Preferential treatment. No official or employee of the city shall use, or attempt to use, his or her position to unreasonably secure, request or grant, any privileges, exemptions, advantages, contracts, or preferential treatment for himself or herself, a relative or any other person.

(c) Use of information. No official or employee of the city who acquires information in the course of his or her official duties, which information by law or policy is not available at the time to the general public, shall use such information to further the private economic interests of himself or herself, a relative or any other person.

(d) Full disclosure. No official or employee of the city shall participate, as an agent or representative of the city, in approving, disapproving, voting, abstaining from voting, recommending or otherwise acting upon any matter in which he or she or a relative has a direct or indirect economic interest without disclosing the full nature and extent of the interest. Such a disclosure must be made before the time to perform his or her duty or concurrently with the performance of the duty. If the official or employee is a member of a decision-making or advising body, he or she must make disclosure to other members of the body on the official record. Otherwise, a disclosure will be appropriately addressed by an appointed official or employee to the city manager or by an elected official to the general public. In the case of the city manager and the city attorney, he or she shall make such a disclosure to the mayor.

No official or employee or relative shall engage in any business transaction whereby the official or employee or relative may benefit financially from confidential information which the official or employee has obtained or may obtain by reason of that position or authority.

(e) Doing business with the city. No official, employee or relative shall engage in any business with the city, directly or indirectly, without filing a complete written disclosure statement for each business activity having an economic interest to any of the foregoing. Such a disclosure shall be made on an annual basis or prior to any decision-making not previously disclosed by an annual disclosure.

(f) Use of city property. No official or employee of the city shall, directly or indirectly, use or permit a relative or other persons to use city property of any kind for his or her private economic interest or that of a relative or other person. City officials or employees shall strive to protect and conserve all city property including equipment and supplies entrusted or issued to them.

(Ord. No. 1337, § 1, 1-22-96)

Sec. 32-4. Intention of code.

It is the overall intention of section 32-3 above that officials and employees and their relatives shall avoid any action, whether or not specifically prohibited by section 32-3, which might result in, or create the appearance of:

- (1) Using public employment or office for his or her economic interest;
- (2) Giving or accepting preferential treatment to or from any person;
- (3) Impeding city efficiency or economy;
- (4) Losing independence or impartiality of action;
- (5) Making a city decision outside official channels;
- (6) Affecting adversely the confidence of the public or integrity of the city government; or
- (7) Giving or accepting preferential treatment in the use of city property.

Section 32-3 is intended to be both preventative and punitive. It should not be construed to interfere or abrogate in any way with the provisions of any Michigan Statutes, the city Charter, the Code of Ordinances of the city, the rules and regulations of the merit system board or any collectively bargained agreement.

In addition, section 32-3 is not intended to prevent any official or employee of the city from receiving compensation for work performed on his or her own time as a private citizen which does not involve city business. Nor is section 32-3 intended to apply to contributions to political campaigns which are governed by state or federal law.

(Ord. No. 1337, § 1, 1-22-96)

Sec. 32-5. Violation, enforcement and advisory opinions.

(a) All matters concerning the code of ethics set forth in section 32-3 shall be directed to one (1) of the two (2) following controlling authorities depending upon the employment status of the city official or employee involved:

(1) Elected and appointed officials of the city to the mayor, city manager and city attorney. In matters concerning the mayor, city manager or city attorney, the mayor pro-tem will assume the controlling authority position in place of the affected official.

(2) Employees, full- and part-time, of the city to the city manager and city attorney.

(b) The above-listed authorities, when requested, shall take appropriate action on the basis of consensus upon any complaint or request for information concerning the code of ethics of the city. The appropriate action to be taken in any individual case shall be at the discretion of the controlling authority involved, which may include but is not limited to any of the following:

(1) Referral of the matter to a higher authority.

(2) Pursuing further investigation by the controlling authority.

(3) Recommending appropriate disciplinary action, including removal from office, appointed position or employment, in accordance with the city Charter, the city Code of Ordinances, the regulations or policies of the city or the requirements of any collectively bargained agreement.

(4) Deeming no action to be required.

(5) Pursuing such other course of action which is reasonable, just and appropriate under the circumstances.

(c) The above listed controlling authorities may render written advisory opinions, when deemed appropriate, interpreting the code of ethics as set forth in section 32-3 above, subject to the following:

(1) Request for opinions shall be in writing.

(2) Advisory opinions may include guidance to any employee or official on questions as to:

a. Whether an identifiable conflict exists between his or her personal interest or obligations and his or her official duties.

b. Whether his or her participation in his or her official capacity would involve discretionary judgment with a significant affect on the disposition of the matter in conflict.

c. What degree his or her personal interest exceeds that of other persons who belong to the same economic group or general class.

d. What effect his or her participation would have on the confidence of the people in the impartiality of their city officials and employees.

e. Whether a disclosure of his or her personal interests would be advisable and, if so, how such disclosure should be made so as to safeguard the public interest.

f. Whether it would operate in the best interest of the city for him or her to withdraw or abstain from participation or to direct or pursue another course of action in the matter.

(d) Notwithstanding the foregoing, section 32-5 shall be considered as only supplementary to Rule XII, Section D, of the merit system board rules and regulations as to all matters concerning employees of the city.

(Ord. No. 1337, § 1, 1-22-96)

Sec. 32-6. Adoption of principles and guidelines concerning public service ethics.

(a) The Summary— Principles of Public Service Ethics published by the Josephson Institute (Government Ethics Center), copyright 1990, hereinafter referred to as the "summary," is hereby incorporated by reference and adopted as a guideline for all public officials and employees of the city to aid in the performance of their duties.

(b) The adoption of the summary is intended to be utilized only as a guideline and, except as the

language found in the summary may be useful to the controlling authorities in fulfilling their responsibilities as set forth in section 32-4, the summary shall not be considered as a part of the code of ethics set forth in section 32-3. To the extent that the language found in the summary may differ from the language found in sections 32-1 through 32-5, the language of the latter shall be controlling.

(Ord. No. 1337, § 1, 1-22-96)

**2005 DETERMINATIONS
CITY OF MIDLAND
LOCAL OFFICERS' COMPENSATION COMMISSION**

**COMPENSATION DETERMINATION FOR
MEMBERS OF THE MIDLAND CITY COUNCIL**

2005 LOCC MEMBERS:

Bruce Peck, Chair

Gerald Geyer, Chair Pro-Tem

Grish Chandra

Robert O'Hara

Doug Thompson

2005
LOCAL OFFICERS' COMPENSATION COMMISSION
FINDINGS OF FACT

1. The Commission accepts the philosophy that the purpose of compensation here is not to enrich members of the Council at civic expense nor induce anyone to run for the Council for monetary motives, but to cover incidental, out of pocket costs of such service and to provide some reimbursement for time taken away from family and business.
2. While positions on the Midland City Council are not "in competition" with other positions in the public or private worlds in terms of salary, reasonable recognition of the importance of this job, although voluntarily assumed, must be a consideration.
3. Since the writing of the City Charter in 1944, the compensation for council members had remained at \$200 annually plus an additional \$100 for the Mayor until 1975. At that time, a significant adjustment to what the Commission felt was an equitable level, \$1,200 for councilmen and \$1,500 for the mayor, was made. In 1977 compensations for councilmen and the mayor were raised to \$1,350 and \$1,650 respectively. In 1979 compensation levels were raised to \$1,500 for each councilman and \$1,900 for the mayor. No change in compensation levels was made in 1981 but a comprehensive expense reimbursement policy was detailed and ordered. The compensation level was changed to \$1,800 in 1983 for councilmen and the mayor received an additional \$600. No compensation change was made in 1985. In 1987 council compensations were increased to \$2,000 with the mayor receiving an additional \$1,000. No change was made for council in 1989 but the additional amount the mayor received was increased to \$1,500. In 1991 council members received an increase to \$2,400 and the mayor's compensation was changed to \$4,000. No change in compensation levels was made in 1993, however the travel policy was changed - mileage reimbursement is now the prevailing IRS rate and all expense forms are to be submitted within fourteen (14) calendar days after the return of the council member. In 1995 each councilman was given a compensation increase, each member received \$2,700 per year and the mayor received \$4,300 per year. No change in compensation levels was made in 1997. In 1999 council members received an increase to \$3,300 and the mayor's compensation was changed to \$4,900. In 2001 council members received an increase to \$3,600 and the mayor's compensation was \$1,800 more than council members for an annual mayor's compensation of \$5,400. In 2003 the LOCC recommended a \$200 increase to the annual council compensation adjusting it to \$3800 annually and also recommended that the mayor's annual salary be increased by \$200 bringing the mayors total annual compensation to \$5600. This was presented to Midland City Council on November 24, 2003. City Council rejected this compensation increase at its second public hearing on December 8, 2003.
4. The Commission agrees with previous findings that compensation levels do not attract or inhibit candidates to city council positions. Instead, the numbers of candidates for the City Council and the number of candidates attracted to other Midland area elected

positions probably reflects differences in prestige, length of terms, degree of partisanship, public visibility, personal involvement, and incumbents' performance.

5. The average annual salary level of council members in a group of representative cities is now at \$3,551 with salaries ranging from \$250 to \$7,500.
6. The average annual salary of mayors in the same group of representative cities is \$5,847 with salaries ranging from \$250 to \$15,000.
7. Four of six Midland area governments pay their commission members. Upon approval six of six have mileage and travel reimbursement to conferences and workshops.
8. In 2004 Midland City Council met 60 times and held:
 - **25 regular council meetings** with an average length of three hours per meeting. The average number of regular meetings held by the cities surveyed was 24.
 - **21 special council meetings** with an average length of two hours per meeting. The average number of special meetings held by the cities surveyed was eight.
 - **14 closed session meetings.**
9. Midland compares well with other cities as to travel related expense reimbursement and as to so-called fringe benefits.
10. No city indicated paying for spouse's travel expenditures or child care. The Attorney General of the State of Michigan, in opinions issued in 1972 and 1978, has interpreted constitutional and statutory provisions as prohibiting reimbursement of such expenses.
11. The Commission continues to reject the concept of payment of a per meeting amount.
12. The Commission rejects the concept of a direct linkage between the CPI and compensation.
13. The Commission has taken due note of comments it has received and appreciates those that shared their views.
14. The Commission is aware of the hours certain council members devote to their positions and commends the Council on their intergovernmental relations. The Commission also understands that the time devoted is highly variable and a choice of each individual member.
15. The Commission believes that extra responsibilities and obligations of the mayor warrant compensation greater than that of council members.
16. The Commission discussed extra compensation for mayor pro-tem on a monthly basis and came to the conclusion that no extra pay is warranted.
17. Upon resignation of the mayor, the Commission believes that the resigning mayor should receive the mayor's compensation for the last month served.

18. The Commission rejects the idea that the mayor pro-tem receive the mayor's pay for the time he/she acts as mayor on a short term basis.
19. The Commission rejects the idea of considering performance of Council when considering compensation. Quality of Council's work is the responsibility of the electorate.
20. Having considered all relevant data, the Commission has exercised independent judgment, making the following determinations for which it alone is responsible.

MAYOR AND COUNCIL TRAVEL EXPENSES
A Policy Approved by the
City of Midland Local Officers' Compensation Commission
Adopted November, 1981 as amended 1983, 1985, 1989, 1991 & 1993

1. Expense reimbursement by the City to the Mayor and Councilmen will be limited to travel outside the corporate limits in order to attend meetings, conferences, conventions and training sessions which will contribute to the ability of the City Council to more effectively deal with community issues. Reimbursement for certain inside-the-city meetings may also be permitted.
2. Travel expense payments must be in accord with amounts budgeted for this purpose.
3. The City's practice of both pre-payment of certain meeting expenses, and advances to the individual, may continue.
4. Within fourteen (14) calendar days after the return of the Council member, expenses for the out of town travel shall be itemized on a form provided by the City and submitted to the City Manager's Office. Receipts for the hotel bill, registration fee, transportation expense and any single expenditure of \$25 or more, or evidence thereof shall accompany the expense statement.

Prepaid items should be included in the expense report. If the Council member intends to travel out of state by private automobile, the allowance for the use of the vehicle will be the cost of air travel, coach or equivalent class, not including airport limousine costs, or automobile mileage at the rate specified, whichever is less.

The following are specific guidelines for travel reimbursement developed by the Commission for the Mayor and Council:

REIMBURSABLE

Mileage will be reimbursed at the prevailing IRS rate used per mile if personal car used for out of City trips to attend meeting.

Actual cost of room including tax and tips (single room rate if that rate established or proportionate share if shared with other city officers).

Actual cost of food and beverages consumed, taxes and tips paid, while on travel outside of the city.

Air fare for out of state meetings – coach or equivalent class (invoice required).

Parking and tolls.

Bus, taxi or limousine, including tips.

Meeting registration fees and activity charges.

For in-the-city meetings, registration, food and beverages including taxes and tips paid, for meetings called by a non-city organization when the Council member is representing the City.

Expenses related to interviewing City Manager or City Attorney applicants.

NOT REIMBURSABLE

Any spouse's or family member expense

Child care (including babysitting), pet or house care.

Expenses reimbursed or which should be reimbursed by other organizations.

Pre or post, meeting excursions.

Personal grooming or clothing expenses

Insurance premiums, including travel and rental car insurance premiums.

Any amount in excess of reasonable and customary.

6. The expense reports shall be reviewed by the City Manager and Mayor (the Mayor Pro tem in cases of the Mayor's expense report). They may disallow all or part of certain expenses as not being in accord with this policy. Expense reports when approved shall have both their signatures.



City Hall • 333 West Ellsworth Street • Midland, Michigan 48640-5132 • 989.837.3300 • 989.835.2717 Fax • www.midland-mi.org

BY COUNCILMAN MCKEAG

WHEREAS, in accord with Article IX of Chapter 2 of the Code of Ordinances, the Local Officers' Compensation Commission has duly met and approved its 2005 Local Officers' Compensation Commission Determinations; and

WHEREAS, said determinations were officially filed by the Chairman of the Local Officers' Compensation Commission in the Office of the City Clerk, 333 W. Ellsworth Street, Midland, Michigan on November 22, 2005; and

WHEREAS, in accord with Article IX of Chapter 2 of the Code of Ordinances the determinations made by the Local Officers' Compensation Commission shall become effective on December 22, 2005 unless said determinations are rejected by a 4/5 vote of the City Council; and

WHEREAS, copies of the 2005 Determinations of the Local Officers' Compensation Commission were on file in the Government Information Center of the Grace A. Dow Memorial Library and the Midland City Clerk's Office for public review; and

WHEREAS, the City Council, on December 19, 2005, heard public comments regarding the Local Officers' Compensation Commissions' 2005 Determinations; now therefore

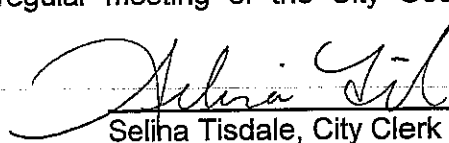
RESOLVED, after hearing public comments the Midland City Council hereby rejects the 2005 Determinations of the Local Officers' Compensation Commission.

YEAS: Adams

NAYS: Johnson, McKeag, Myers

ABSENT: Rokosz

I, Selina Tisdale, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution ~~denied~~ by a 1/3 yeas vote of all the Councilmen present at regular meeting of the City Council held Monday, December 19, 2005.


Selina Tisdale, City Clerk

SUMMARY REPORT TO MANAGER
for City Council Meeting of 12/19/05

SUBJECT: 2005 Local Officers' Compensation Commission (LOCC) Determinations

RESOLUTION SUMMARY: This resolution rejects the 2005 Local Officers' Compensation Commission determinations as filed on November 22, 2005.

ITEMS ATTACHED:

1. Letter of Transmittal
2. Resolution to reject 2005 LOCC Determinations

COUNCIL ACTION:

1. No action required if council agrees with the 2005 LOCC Determinations.
2. 4/5 vote required for approval of the resolution to reject the 2005 LOCC Determinations.

Selina Tisdale - City Clerk / Community Relations Coordinator
12/14/05



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December 14, 2005

Karl S. Tomion, City Manager
City of Midland
Michigan

Dear Karl:

At the December 5, 2005 Council meeting, the Midland City Council received notification that the Local Officers' Compensation Commission (LOCC) filed its 2005 Determinations with the City Clerk on November 22, 2005. At that meeting, Council acknowledged receipt of the determinations and directed copies of the report be filed in the Government Information Center at the Grace A. Dow Memorial Library and the Midland City Clerk's Office for public review. Council also directed the 2005 LOCC Determinations be placed on the December 19, 2005, City Council agenda for the purpose of hearing any public comments prior to any action taken by City Council.

The 2005 LOCC Determinations are as follows (changes in bold):

1. Each Council member will receive as compensation for service to the City the sum of **\$3,800** per year.
2. The mayor shall receive **\$2,100** in addition to the compensation received as a member of the Council, for a total sum of **\$5,900** annually.
3. Such compensation is to be paid in monthly installments.
4. If the mayor were to resign, he/she would receive a full month's compensation for the last month served as mayor.
5. Council members shall be included in the City's group travel insurance coverage, paid for by the City.
6. Meeting and travel expense reimbursement shall be governed by the Mayor and City Council Meeting and Travel Reimbursement Policy as amended in 1993.

Section 2-211 of the Code of Ordinances states:

"The commission shall determine the salaries of the mayor and councilmen, which determination shall be the salaries unless the city council, by resolution adopted by two-thirds (2/3) of the members elected to and serving on the council, reject them. The determinations of the commission shall be effective thirty (30) days following their filing with the city clerk unless rejected by city council. In case of rejection, the existing salary shall prevail. Any expense allowance or reimbursement paid to elected officials in addition to salary shall be for expenses incurred in the course of city business and accounted for to the city."

There were no public comments received following the December 5, 2005, presentation to City Council and prior to the submission of this agenda item.

A resolution is provided should Council decide, after hearing public comments, to reject the LOCC's 2005 Determinations. If no action is taken, any changes made by the LOCC will take effect on December 22, 2005.

Sincerely,



Selma Crosby Tisdale
City Clerk / Community Relations Director