



**COMPENSATION COMMISSION**

November 14, 2023

1. Call to Order – 2:00 P.M. – City Hall Community Room
2. Roll Call
3. Public Comments
4. Approval of Minutes – November 9, 2020 regular meeting
5. New Business – Discuss salaries for the Mayor and Councilmembers
6. Adjournment



**COMPENSATION COMMISSION**

November 9, 2020

A regular meeting of the City of Petoskey Compensation Commission was held in the City Hall Council Chambers, on Monday, November 9, 2020. This meeting was called to order at 1:00 P.M.; then, a roll call then determined that the following were

Present: Gordon Bourland, Chairperson  
Deborah Cadieux  
Anne Chaffee  
John Holec  
Anne Srigley

Absent: None

Also in attendance were City Manager Rob Straebel and Executive Assistant Sarah Bek.

**Approval of Minutes**

Motion by Commissioner Cadieux, seconded by Commissioner Chaffee, to approve the October 21, 2020 regular meeting minutes. Said motion was unanimously approved.

**Approve and Set Salaries for Mayor and Councilmembers**

Commissioners reviewed four separate options including the original option at the last meeting and how they were formulated; discussed that salaries should be set at this meeting so amounts are included in the 2021 budget process which was occurring concurrently; inquired on how often elected officials are paid; concurred that the Commission will have to be able to be clear and concise on explanation for increase to citizens; and inquired how the issue arose.

Chairperson Bourland reviewed that annual increases for elected officials are determined by future Compensation Commissions.

The City Manager responded that elected officials are paid annually; that the timeline and budget process is important for ample opportunity for public comment and allows for transparency; that City Council will conduct a public hearing to discuss the proposed 2021 budget on November 16 with possible adoption at the December 7 meeting; and that City Council discussed possible changes to the City Charter which included elected official term lengths and salaries which is how the matter arose and a Compensation Commission formed.

Commissioners further reviewed that the compensation amount be based upon the Mayor/Elected Officials Compensation Survey staff completed earlier in the year; specifically, three of the five Commissioners had developed a specific and independent salary recommendation by weighing factors of taxable value, annual pay, population, general fund revenues which were all slightly different; all three approaches were similar in the pay range for elected officials; the Commissioners then averaged the three recommendations to determine annual compensation at \$4,827 for the Mayor and \$3,605 for Councilmembers; all members of the Commission felt this was a fair and reasonable approach; the Commission also discussed how there has not been an increase in pay for elected officials since the last Charter revision in August of 1984; and there was consensus that the compensation increase should start on January 1, 2021 with the new budget year.

Motion by Commissioner Holec, seconded by Commissioner Srigley to set the annual salary for the Mayor at \$4,827 and set the annual salary for Councilmembers at \$3,605 based on criteria in the salary survey regarding population, taxable value, general fund revenues, annual pay and that salaries for elected officials have not changed since the last City Charter revision.

Said motion was adopted by the following vote:

AYES: Holec, Srigley, Chaffee, Cadieux, Bourland (5)

NAYS: None (0)

There being no further business to come before the Compensation Commission, this November 9, 2020, meeting adjourned at 1:52 P.M.

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Gordon Bourland, Chairperson

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Sarah Bek, Recording Clerk

DRAFT



**BOARD:** Compensation Commission

**MEETING DATE:** November 14, 2023

**PREPARED:** November 13, 2023

**AGENDA SUBJECT:** Mayor and Councilmembers Salaries Discussion

**RECOMMENDATION:** That the Compensation Commission discuss Mayor and Councilmember salaries

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**Background** On August 3, 2020, City Council adopted Ordinance 779 establishing a Compensation Commission to consider a change in compensation for elected officials. Typically, cities create a Compensation Commission appointed by the Mayor and confirmed by a majority of City Councilmembers to determine salaries of elected officials.

Changes to compensation for elected officials is considered an amendment to the City Charter and therefore does not require a vote of the people.

Ordinance highlights are as follows:

- Principal duty of the Commission is to determine the salaries of all locally elected officials.
- Commission shall consist of five members who are registered electors in the City.
- Terms of Office include one member for one year, one for two years, one for three years, one for four years and one for five years.
- Eligibility of members shall not include any member or employee of the legislative, judicial or executive branch of any level of government or member of the immediate family of such member or employee.
- Duties of the Compensation Commission are established by PA 279 subsection 5(c). The Act states that the Commission will set the compensation of elected officials unless 2/3 of the Councilmembers reject it. If the Council rejects, the existing salary shall prevail.

The annual salary for the Mayor is set at \$4,827 and the annual salary for Councilmembers is set at \$3,605 based on criteria set by the Compensation Commission on November 9, 2020.

**Action** That the Compensation Commission discuss salaries for the Mayor and Councilmembers. According to the Home Rule City Act the Compensation Commission shall meet for not more than fifteen session days in each odd numbered year and shall make its determination within 45 calendar days after its first meeting.

**ORDINANCE NO. 779**

**COMPENSATION COMMISSION**

**AN ORDINANCE TO CREATE A COMPENSATION COMMISSION IN CITY OF PETOSKEY**

**THE CITY OF PETOSKEY ORDAINS**

Chapter 2, Article VII, Sections 2-115 through 2-119 of the Petoskey Code of Ordinances is hereby enacted as follows:

**Sec. 2-115. Establishment; Principal Duty.**

There is hereby established a Local Officers Compensation Commission. The principal duty of the Commission is to determine the salaries of all locally elected officials.

**Sec. 2-116. Members; Appointment; Confirmation.**

The Local Officers Compensation Commission shall consist of five members who are registered electors of the City. Such members shall be appointed by the Mayor and shall be subject to confirmation by a majority of the members elected and serving on Council.

**Sec. 2-117. Terms of Office.**

The terms of office of members of the Local Officers Compensation Commission shall be five years, except that the members first appointed shall each be individually appointed to the following terms: one for one year, one for two years, one for three years, one for four years and one for five years. The first members shall be appointed within thirty days after the effective date of this chapter. Thereafter, the members shall be appointed before October 1 of the year in which the vacancy occurs. When vacancies occur during the term, the appointment shall be for the unexpired term.

**Sec. 2-118. Eligibility of Members.**

No member or employee of the legislative, judicial or executive branch of any level of government, or member of the immediate family of such member or employee, shall be eligible to be a member of the Local Officers Compensation Commission.

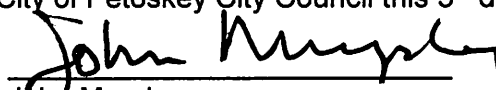
**Sec. 2-119. General Duties.**

After the Local Officers Compensation Commission has been appointed and qualified according to law, it shall perform the duties imposed upon it by subsection 5(c) of Act No. 279 of the Public Acts of 1909, as amended.

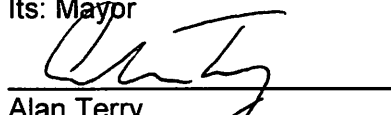
The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

This Ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Adopted, enacted and ordained by the City of Petoskey City Council this 3<sup>rd</sup> day of August, 2020.

  
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John Murphy

Its: Mayor

  
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Alan Terry

Its: Clerk