



City of Madison Heights, Michigan

City Hall Municipal Offices
300 W. Thirteen Mile Road
Madison Heights, MI 48071

Department of Public Services
300 W. Thirteen Mile Road
Madison Heights, MI 48071

Fire Department
31313 Brush Street
Madison Heights, MI 48071

Police Department
280 W. Thirteen Mile Road
Madison Heights, MI 48071

www.madison-heights.org

November 27, 2023

Re: Elected Officials Compensation Commission (EOCC) Meeting – Monday, December 4, 2023

Dear Commissioner:

As you know, the Commission is scheduled to hold a meeting on Monday, December 4, 2023 at 4:030 p.m. in the Executive Conference Room at City Hall. The purpose of this letter is to provide background information that has been requested by the Commission in the past.

Elected Officials Compensation Commission's Authority

Attached is a copy of Ordinance 454 that established the Commission's authority and responsibilities. As you can see, the Commission's authority is limited to the salary order only and does not extend to benefits or expenses.

Current Compensation Levels

Position	Annual Gross Compensation	Became Effective
Mayor	\$9,312	January 1, 2021
Mayor Pro Tem	\$7,321	January 1, 2021
Councilmember	\$6,653	January 1, 2021

Historical Information

On December 5, 2001, the Commission proposed a two-step increase of two percent (2%) on January 4, 2002 and two percent (2%) on January 4, 2003. As a result, the Mayor's annual compensation would have increased from \$8,687 to \$8,861 in 2002 and to \$9,038 in 2003; the Mayor Pro Tem's compensation would have increased from \$6,696 to \$6,830 in 2002 and to \$6,967 in 2003; and Council's compensation would have risen from \$6,086 to \$6,208 in 2002 and to \$6,332 in 2003. City Council rejected the Commission's Order on December 17, 2001.

On November 13, 2003, November 16, 2005 and November 14, 2007, the Commission voted to leave compensation unchanged.

On November 24, 2009, the Commission voted to decrease the annual compensation of Mayor and Council by ten percent (10%) as follows: Mayor – from \$8,687 to \$7,818; Mayor Pro Tem – from \$6,696 to \$6,026; and Councilmembers – from \$6,086 to \$5,477. On December 14, 2009, Council voted to reject the Commission's Order by a vote of five to two.

Area Code (248)

Assessing..... 858-0776
City Clerk..... 583-0826
City Manager..... 583-0829
Community Development..... 583-0831
Department of Public Services..... 589-2294
Finance..... 583-0846

Fire Department..... 588-3605
43rd District Court..... 583-1800
Human Resources..... 583-0828
Library..... 588-7763
Mayor & City Council..... 583-0829
Nature Center..... 585-0100

Police Department..... 585-2100
Purchasing..... 837-2602
Recreation..... 589-2294
Senior Citizen Center..... 545-3464
Water & Treasurer..... 583-0845

On January 14, 2010, Mayor Swanson authorized a voluntary ten-percent (10%) deduction from his paycheck. In April of 2010, as the City Council was considering the FY 2010-11 Budget, a request was made of staff to facilitate a voluntary five-percent (5%) deduction from City Councilmembers' paychecks for calendar year 2010 and 2011.

On June 27, 2011, the City Council formally adopted the attached resolution recommending that the Mayor and each member of Council voluntarily donate ten-percent (10%) of their gross annual salary, until cancellation by subsequent City Council action, to the City's General Fund or in the name of a City Departments such as the Library, the Senior Center, the Parks and Recreation Department or another City Department.

On November 29, 2011 and December 17, 2013, the Commission voted to leave compensation unchanged. On December 12, 2011 and January 13, 2014, City Council voted to receive and file the Commission's respective orders, leaving compensation unchanged.

On December 1, 2015, the Commission voted to increase the annual compensation of Mayor and Council by two percent (2%) effective January 14, 2016, and one percent (1%) effective January 16, 2017. The resulting wage increases are as follows: Mayor – from \$8,687 to \$8,861, and from \$8,861 to \$8,950; Mayor Pro Tem – from \$6,696 to \$6,830 and from \$6,830 to \$6,898; and Councilmembers – from \$6,086 to \$6,208 and from \$6,208 to \$6,270. On December 14, 2015, Council first voted on a substitute motion to reject the salary order and then voted on an original motion to receive and file the salary order (which would have resulted in the salary order becoming effective). The substitute motion failed as the four to three votes in favor was insufficient to achieve the needed two-thirds supermajority of five votes. The original motion failed with three votes in favor and four against. Because both motions failed, no Council action was taken and the salary order became effective after thirty days. Attached are the 2015 Commission order and pertinent 2015 Council Meeting Minutes.

On November 28, 2017, the Commission voted to increase the annual compensation of Mayor, Mayor Pro Tem and Council by 2% effective January 8, 2018. The resulting wages increases are as follows: Mayor – from \$8,950 to \$9,129; Mayor Pro Tem from \$6,898 to \$7,036; and Councilmembers from \$6,270 to \$6,395.

On December 2, 2019, the Commission voted to increase the annual compensation of Mayor, Mayor Pro Tem and Council by 2% effective January 13, 2020 with an additional increase of 2% effective January 1, 2021. The resulting wage increases are as follows: Mayor from \$9,129 to \$9,498; Mayor Pro Tem from \$7,036 to \$7,321; and Councilmembers from \$6,395 to \$6,653.

On November 17, 2021, the Commission voted to freeze the annual compensation of Mayor, Mayor Pro Tem and Council at the January 2021 rates of Mayor \$9,498, Mayor Pro Tem at \$7,321 and City Council at \$6,653.

City Employees Wages/Benefits

During this period, the City employees have accepted a three-year contract through June 30, 2025, as follows:

1. Wages

- Effective July 1, 2022 – 3.00% wage increase
- Effective July 1, 2023 – 2.50% wage increase

- Effective July 1, 2024 – 2.25% wage increase

Survey Information

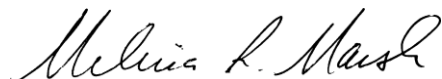
Attached is a spreadsheet of the 2023-24 Michigan Municipal League (MML) Salaries and Wages Report, representing the most recent MML survey data for Mayor and Council compensation.

Cost Information

At prior meetings, the Commission has requested the financial impact of any proposed salary change. Based on the current wages, each 1% increase or decrease in City Council (Mayor, Mayor Pro Tem and Councilmember) salary is attached. Also attached is information on inflation rates that has been requested in the past.

I hope you find this information helpful. Please call me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Melissa L. Marsh".

Melissa Marsh
City Manager

attachments

c: City Clerk