



CITY of NOVI CITY COUNCIL

Agenda Item 3
June 2, 2014

SUBJECT: Approval of Resolution to recognize the City of Novi Administrative Employee Compensation Philosophy.

SUBMITTING DEPARTMENT: Human Resources

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

City Council directed the Administration to develop a comprehensive plan for Administrative compensation during their 2012/13 Goal Setting.

To complete that directive a salary market analysis was conducted by surveying ten communities, eight within Michigan and two comparable communities outside of Michigan.

Results from the survey were compiled and separated by position. For positions with comparable counterparts within the communities surveyed, an average and median salary paid and salary range for each position was calculated.

This collected data will be utilized in order to determine 1) if administrative employees, by position, are being compensated below, at, or above the market rate of pay; and 2) if the salary ranges that are currently being utilized by the City of Novi for each position are comparable with the market data. As explained in the Philosophy, evaluating salaries and salary ranges will occur on a regular basis (at a minimum bi-annually) to ensure internal and external market equitability. Any and all salary adjustments will continue to be tied to the current pay for performance system.

The next phase of the City Council directive was to establish a transparent and well-documented policy that outlines the City's philosophy of employee compensation. The attached Resolution Establishing City of Novi Administrative Employee Compensation Philosophy was prepared and is now before this Council for their formal recognition.

The goal of this Compensation Philosophy is to establish a policy that sets forth a compensation plan for all full-time administrative/exempt staff that is rational, defensible, competitive and able to be effectively administered.

This document will be a valuable tool in the recruitment, retention and stability of administrative employee's compensation plans.

RECOMMENDED ACTION: Approval of Resolution to recognize the City of Novi Administrative Employee Compensation Philosophy.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Markham				
Council Member Mutch				
Council Member Wrobel				

CITY OF NOVI

COUNTY OF OAKLAND, MICHIGAN

**RESOLUTION ESTABLISHING CITY OF NOVI ADMINISTRATIVE EMPLOYEE
COMPENSATION PHILOSOPHY**

Minutes of a Meeting of the City Council of the City of Novi, County of
Oakland, Michigan, held in the City Hall in said City on June 2, 2014, at 7 o'clock
P.M. Prevailing Eastern Time.

PRESENT:

Councilmembers _____

ABSENT:

Councilmembers _____

The following preamble and Resolution were offered by Councilmember
_____ and supported by Councilmember _____.

WHEREAS, the City Council of the City of Novi supports the principles and practices that encourage and enable the City Administration to attract, retain, and reward employees who possess the skills, relevant experience, educational requirements, and emotional intelligence to deliver quality services to the City's residents and businesses, as initially set forth in the City Administration's document entitled "Leadership Philosophy: Our Guide to Manage, Recruit/Select, and Follow"; and

WHEREAS, a key component of this approach is the development and maintenance of a Compensation Philosophy for all full-time,

administrative/exempt staff in order to establish compensation levels that are rational, defensible, competitive and able to be effectively administered.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Novi as follows:

1. The City of Novi's Compensation Philosophy is to attract, motivate, and retain the talented employees who drive the City's success through a pay for performance compensation program. The City will therefore strive to provide a base salary that is within the competitive market when employees are fully proficient and meet all of the expectations set forth in the employee Administrative Evaluation process. In addition to the base salary, the City of Novi may utilize stipends, incentives, and/or merit increases to compensate its employees.

2. The City will seek to devise and implement a compensation program that will be internally and externally equitable, responsive to change in economic conditions, and consistently applied throughout the Administrative employee group that is in compliance with state and federal regulations and does not discriminate against employees based on race, color, religion, sex, sexual orientation, age, national origin, disability, or veteran status.

3. To this end the City of Novi shall survey the market place on at least a bi-annual basis to ensure the pay and salary grade structure is externally equitable while at the same time ensuring internal job equity is maintained. The City will strive to pay a competitive market rate of pay and to compensate all

employees consistently based on demonstrated performance, job skill, and experience.

4. This pay for performance Compensation Philosophy will be implemented through Department heads, overseen by the City Manager's office and the Human Resources Department, who shall work in conjunction with and within approved budgets as approved by the City Council.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

MARYANNE CORNELIUS, CITY CLERK

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this 2nd day of June 2014, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

MARYANNE CORNELIUS, CITY CLERK