

THE FOURTH CLASS CITY ACT (EXCERPT)
Act 215 of 1895

87.40 Ordinance establishing alternate procedure for determining salaries; local officials compensation commission; resolution; petition for referendum; changing procedure by charter amendment or revision.

Sec. 40. (1) In lieu of the procedure in section 38, as amended, for determining salaries of elected officials, the council by ordinance may establish the procedure described in this section, in which case the restriction contained in section 39 with respect to changing salaries during term shall be inapplicable. The ordinance shall provide:

(a) A local officials compensation commission is created. It shall determine the salaries of city elected officials. The commission shall consist of 5 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 council. The terms of office shall be 5 years, except that of the members first appointed, 1 each shall be appointed for terms of 1, 2, 3, 4, and 5 years. All first members shall be appointed within 30 days after the effective date of the ordinance. Thereafter members shall be appointed before October 1 of the year of appointment. Vacancies shall be filled for the remainder of an unexpired term. No officer or employee of any government agency or unit or member of the immediate family of such an officer or employee shall be eligible to be appointed to the commission.

(b) The commission shall determine the salaries of the city elected officials which determination shall be the salaries unless the legislative body by resolution adopted by 2/3 of the members elected to and serving on the council rejects the determinations. The determinations of the commission shall be effective 30 days following their filing with the city clerk unless rejected by the 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.

(c) The commission shall meet for not more than 15 session days in 1973 and every odd numbered year thereafter and shall make its determination within 45 calendar days of its first meeting. A majority of the members of the commission constitutes a quorum for conducting the 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 shall be entitled to actual and necessary expenses incurred in the performance of their duties.

(2) The council may implement the provisions of the ordinance by resolution including the date for convening the commission.

(3) Within 60 days after the effective date of the ordinance, a petition for a referendum on the ordinance may be filed with the city clerk containing the signatures of at least 5% of the registered electors of such city on the effective date of the ordinance in which case the election shall be conducted in the same manner as an election on a charter amendment. If a petition for referendum is filed, any determination of the commission shall not be effective until the ordinance has been approved by the electors.

(4) After 1 year following the effective date of the ordinance, the procedure for establishing the compensation of city elected officials may be changed by charter amendment or revision.

History: Add. 1973, Act 39, Imd. Eff. June 28, 1973.