Emergency Financial Manager of the City of Ecorse
(Directive No. 062)

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF ECORSE, COUNTY OF WAYNE, STATE OF MICHIGAN, ON THE REINSTATEMENT OF MAYORAL AND CITY COUNCIL COMPENSATION.

WHEREAS, under the Local Government and School District Fiscal Accountability Act, Act 4, Public Acts of Michigan, 2011, as amended ("Act 4") and a Contract (the "Contract") between the State of Michigan and Joyce A. Parker, dated October 30, 2009, Joyce A. Parker has been appointed as the Emergency Manager (the "EM") of the City of Ecorse, County of Wayne, Michigan (the "City") and charged with the power and authority to take all actions necessary to develop and implement financial and operational plans to regulate expenditures, investments and the provision of services for the City of Ecorse in conformity with and using the powers set forth in Act 4; and

WHEREAS, pursuant to Public Act 4 of 2011, Section19a, immediately upon a local government being placed in receivership and during the pendency of the receivership, the salary, wages, including the accrual of postemployment benefits of a chief administrative officer and members of the governing body of the local government are eliminated. However, Section 19a of Act 4 allows an emergency manager to restore in whole or in part any of the salary, wages or other compensation of members of the governing body on terms and conditions the emergency manager deems appropriate.

WHEREAS, in November of 2009 the Ecorse Emergency Manager reduced the six Ecorse City Council members' $15,000.00 annual salary by half (to $7,500.00 annually), but in consideration of the March 16, 2011 enactment of Public Act 4 and the Section 19a mandate to eliminate the salary of council and mayor, the Emergency Manager did not immediately eliminate the remainder of their salary, choosing to first allow the City Council members to have input on this matter in a specially held meeting called by the Emergency Manager on Tuesday, April 19, 2011, at which time the Emergency Manager provided to Council members a survey of 16 comparable Michigan cities' council and mayor compensation rates (attached hereto).

WHEREAS, with City Council input, the Emergency Manager lowered the salary of City Council members to $4,200 annually which was effective April 20, 2011 [Directive No. 050].

WHEREAS, the two year terms of office for all six former Council Members effectively expire once the newly elected Councilpersons and Mayor are properly, legally seated, sworn in or otherwise authorized to assume any portion of the allowable duties of said official positions and Directive No. 061 eliminated or reduced the compensation and/or salary for each Councilperson position to $0.00 effective the day after the November 8, 2011 General Election or November 9, 2011.

WHEREAS, pursuant to this Directive and Order the Ecorse Emergency Manager reinstates the salary of the City Council members to the gross amount of $350 a month, with an annual gross amount of no more than $4,200 annually, and the salary of Mayor not to exceed the gross amount of $19,320 annually. The reinstated compensation amounts will provide the Council and Mayor 28% of their original pay, effective November 15, 2011 and continuing until such time as further action may be taken and subject to any terms and conditions as may be imposed by the Ecorse Emergency Manager.

This Directive is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in Public Act 4 of 2011, the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager and, additionally, is considered necessary to implement the financial plan.

RESOLVED, IT IS HEREBY ORDERED BY THE EMERGENCY MANAGER OF THE CITY OF ECORSE, PURSUANT TO PUBLIC ACT 4 of 2011 AND THE CONTRACT, THAT:

1. The current six Ecorse City Council members salary of $0.00 each is hereby partially restored as follows: The Ecorse 2011 - 2012 budget for City Council salaries shall be amended to reflect gross payment to each of the six City Council Members of $350.00 a month, with an accumulated gross pay out annually of no more than $4,200.00.

2. The annual salary for the Mayor of Ecorse shall not exceed $19,320 and the 2011 – 2012 Ecorse budget shall reflect the reinstated salary for the position of Mayor.

3. As set forth in Section 19a, the current City Council member salaries allowed pursuant to this Order, are subject to compliance with certain terms and conditions as may be set forth by the Emergency Manager.

4. The effective date for all salary adjustments and reinstatements as set forth in this Order is November 15, 2011.

IT IS SO ORDERED this 14th day of November, 2011.

Joyce A. Parker
Emergency Manager
City of Ecorse