



City of Hamtramck

3401 Evaline Street Hamtramck, Michigan 48212

Telephone 313-876-7700

Cathy L. Square, Emergency Manager

Dated: July 8, 2013

ORDER NO. S-001

RE: Restoration of Compensation

**TO: City Clerk
Mayor
City Manager
City Council**

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.1541, et. seq.) in Section 10(1) states that “[a]n emergency manager shall issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of [the] act, including, but not limited to, orders for the timely and satisfactory implementation of a financial and operating plan... or to take actions, or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan.” Any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 12(1) provides that an Emergency Manager may take one or more of the following actions: **(g)** Make, approve, or disapprove any appropriation, contract, expenditure, or loan, the creation of any new position, or the filling of any vacancy in a position by any appointing authority; **(n)** Consolidate or eliminate departments of the local government or

transfer functions from 1 department to another and appoint, supervise, and, at his or her discretion, remove administrators, including heads of departments other than elected officials; (ee) Take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities; **Section 13** The Emergency Manager may restore, in whole or in part, any of the salary, wages, other compensation, or benefits of the chief administrative officer and members of the governing body during the pendency of the receivership, for such time and on such terms as the Emergency manager considers appropriate, to the extent that the Emergency manager finds that the restoration of salary, wages, compensation, or benefits is consistent with the financial and operating plan; and **Section 19(2)** Except as otherwise provided in this act, during the pendency of the receivership, the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the emergency manager.

It is hereby ordered:

1. That the compensation and benefits of the City Manager shall be reinstated, pursuant to the Employment Agreement dated September 11, 2012. Further, the Employment Agreement shall continue on a day-to-day basis until further notice.
2. That the Mayor and City Council Members shall have their monthly stipend reinstated, as previously established.
3. That the Mayor and City Council Members shall not receive any other form of salary, wages, compensation, or benefits.

The Order shall have immediate effect.

Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (Public Act 442 of 1976, MCL 15.231, et. seq.).

This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.

A handwritten signature in black ink, reading "Cathy L. Square", written over a horizontal line.

Cathy L. Square

City of Hamtramck

Emergency Manager

cc: State of Michigan Department of Treasury