

Exhibit A

SECTION 3-5. SALARIES.

(A) The council members first elected under this Charter shall receive a salary of \$250.00 annually. The first mayor to serve under this Charter shall receive a salary of \$1,000.00. ~~Thereafter, the salaries of the mayor and council members may be increased or decreased by ordinance. No member of council, including the mayor, shall benefit from any increase in salary during such member's current term of office. Any ordinance changing the salary of members of council, including the mayor, shall be adopted no later than June 1, of any odd numbered year. The mayor's salary always shall be set at a rate not less than double that of the other council members.~~

(B) A Compensation Board is hereby created which shall determine the salaries of the Mayor and Council members. The Compensation Board shall consist of five members who are registered electors of the City appointed by the Mayor subject to confirmation by Council by resolution. Three of members of the Compensation Board shall serve for two years and two for three years, to take office within 30 days after the effective date of this Section. Thereafter, members of the Compensation Board shall be appointed to serve for three years and until their successors have been appointed and have qualified. One member of the Board shall represent organized labor, one shall be representative of business, two shall be members of the city's citizen participation organizations and one shall represent the community-at-large. The seat of a member of the Board shall be forfeited if such member fails to maintain the qualifications of an elector of the city, and a replacement shall be appointed in the manner previously prescribed. No Council member or employee of the City or members of the immediate family of a Council member or employee shall be eligible to be a member of the Compensation Board.

(C) The Compensation Board shall from time to time elect a chairperson from its membership. Within 45 days of its creation, and every odd numbered year thereafter, the Compensation Board shall meet to consider the salary and compensation of the Mayor and Council members.

(D) No later than November 1 of each year that the Compensation Board meets, the Compensation Board shall prepare a report to Council setting forth its recommendations for the Mayor and Council members. Council shall, within 30 days of receiving the report, either approve it by ordinance or, in the event a majority of the Council is not in favor thereof, reject it. The recommendations may not be amended or modified. In the event a recommendation submitted by the Compensation Board is rejected, the Compensation Board may, but is not required to, reconvene and submit a revised report to Council. In the case of rejections, the existing salary shall prevail. In the case of approvals, the salaries shall go into effect on January 1 of the next year.

(E) The Mayor and Council members, in addition, shall receive their actual and necessary expenses incurred in the performance of their official duties.