

THE HOME RULE CITY ACT (EXCERPT)
Act 279 of 1909

117.5e Municipal water or sewage system; annual audit; public hearing before proposed rate increase.

Sec. 5e. A municipal water or sewage system established by a city incorporated under this act which serves more than 40% of the population of the state shall:

(a) Be audited annually by an independent auditor designated by the legislative auditor general. No charter provision shall require an annual local audit for the same period. The auditor shall be paid by the system. The results of the annual audit shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws. The annual audit shall be submitted to the governing body of each city, village, or township served by the system and to the legislature before December 1 of each year. Each city, village or township served by the system shall be audited annually by an independent auditor. The auditor shall be paid by that city, village, or township served by the system. The results shall be made available to the public.

(b) Hold at least 1 public hearing at least 120 days before a proposed rate increase is scheduled to take effect. Each hearing shall be conducted in compliance with Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Notice of the time, date, and place of each hearing shall be given in the manner required by Act No. 267 of the Public Acts of 1976, shall be prominently printed in a daily newspaper of general circulation within the area, and shall be mailed to each city, village, or township served by the system not less than 30 days before each hearing. A final vote by the governing body of the city to implement a proposed rate increase shall not be taken until the hearings provided for in this subdivision are concluded and the results of those hearings are considered by the city's governing body. This section shall not be construed to impair the obligations of a contract. A city shall not be required to hold a public hearing before the establishment of a water or sewer rate which is necessary for debt retirement under outstanding bond obligations.

History: Add. 1978, Act 383, Imd. Eff. July 27, 1978.