

RE: ADOPTION OF AN ORDINANCE TO PROVIDE FOR A BUDGET STABILIZATION FUND  
PURSUANT TO 1978 P.A. 30

Adopted: April 12, 1983

Resolution No. 83-74

WHEREAS, Act No. 30 of the Public Acts of 1978, as amended, MCLA 141.441, et seq., authorizes counties to establish a Budget Stabilization Fund, and

WHEREAS, this Board of Commissioners believes it would be in the best interest of the taxpayers of this county to have stabilization of the county budget, and

WHEREAS, a Budget Stabilization Fund will assist the Board of Commissioners in stabilizing the budget and providing services to the residents of the county.

THEREFORE BE IT RESOLVED that this Board of Commissioners adopt, and hereby does adopt the Ordinance attached hereto, entitled "Budget Stabilization Ordinance" effective sixty (60) days after its adoption and after approval by the Governor, as required pursuant to MCLA 46.11.

BE IT FURTHER RESOLVED that the County Clerk shall cause a copy of the Ordinance to be published in a newspaper of general circulation within the county and submit a certified copy of the ordinance to the Governor for approval and perform such other duties in relation to this ordinance as required by MCLA 46.11.

BE IT FURTHER RESOLVED that \$3.8 million of General Fund Surplus be earmarked and subsequently allocated by the Board of Commissioners to the Budget Stabilization Fund.

BUDGET STABILIZATION ORDINANCE

AN ORDINANCE TO PROVIDE FOR THE CREATION AND USE OF A BUDGET STABILIZATION FUND FOR THE COUNTY OF INGHAM, AS AUTHORIZED PURSUANT TO 1978 PA 30, AS AMENDED, MCLA 141.441, et seq.

Adopted: April 12, 1983

THE PEOPLE OF THE COUNTY OF INGHAM, MICHIGAN DO ORDAIN:

ARTICLE I

PURPOSE

Section 1.0 Deeming it advisable and in the interest of the County for the stabilization of the budget and for effective use of tax dollars, Ingham County does hereby establish a fund to be known as the Budget Stabilization Fund for the purposes set forth in this Ordinance.

ARTICLE II

DEFINITION

Section 2.0 As used in this Ordinance "Fund" means a budget stabilization fund.

Section 2.1 As used in this Ordinance "County" means Board of Commissioners.

ARTICLE III

CREATION

Section 3.0 There is hereby created a Budget Stabilization Fund to be used for and as set forth in this Ordinance, as authorized by 1978 PA 30, as amended.

ARTICLE IV

CONTRIBUTIONS, APPROPRIATIONS, and LIMITATIONS

Section 4.0 Each fiscal year following the fiscal year of the creation of this Fund, the County may appropriate by a resolution adopted by a two-thirds vote of the members elected and serving of the Board of Commissioners, all or part of a surplus in the General Fund resulting from an excess of revenue in comparison to expenses.

Section 4.1 The County shall not impose additional taxes to produce revenue in excess of that needed in its estimated budget in order to provide for money to be appropriated to the fund.

Section 4.2 The amount of money in the Fund shall not exceed either 15% of the County's most recent General Fund budget, as originally adopted, or 15% of the average of the County's five most recent General Fund budgets, as amended, whichever is less.

Section 4.3 The money in the Fund may be invested as provided by law, with the earnings of the Fund to be returned to the County's General Fund.

Section 4.4 If the money in the Fund exceeds that permitted as set forth in Section 4.2, above, the excess money shall be appropriated in the County's next General Fund budget, but shall not be appropriated to the Fund.

## ARTICLE V

### APPROPRIATIONS FROM THE FUND

Section 5.0 Money in the Fund may be appropriated by a resolution adopted by two-thirds vote of the members elected and serving of the Board of Commissioners for the following purposes:

- a) To cover a General Fund deficit when the County's annual audit reveals such a deficit.
- b) To prevent a reduction in the level of public services or in the number of employees at any time in a fiscal year when the County's budgeted revenue is not being collected in an amount sufficient to cover budget expenses.
- c) To prevent a reduction in the level of public services or in the number of employees when in preparing the budget for the next fiscal year, the County's estimated revenue does not appear sufficient to cover estimated expenses.
- d) To cover expenses arising because of a natural disaster, including a flood, fire, or tornado. However, if federal or state funds are received to offset the appropriations from the Fund, that money shall be returned to the Fund.

Section 5.1 In determining whether the County's revenue is not sufficient to cover its expenses, a reduction in the amount of money received for the fiscal year from any source in comparison to the amount of money received for the previous year, including a reduction in the allocation of state tax money, shall be considered.

## ARTICLE VI

### PROHIBITIONS

Section 6.0 The money in the Fund shall not be appropriated for the acquisition, construction or alteration of a facility as part of a general capital improvements program.

