

ORDINANCE # 146

BUDGET ORDINANCE

AN ORDINANCE to establish a budget system for the Village; to define the powers and duties of the village officers in relation to that system; to provide that the chief administrative officer shall be furnished with information by the departments, boards, commissions, and officers relating to their financial needs, receipts and expenditures, and general affairs; to provide for an annual budget resolution; to prescribe a disbursement procedure; and to provide penalties for refusal or neglect to comply with requirements of this ordinance.

THE VILLAGE COUNCIL OF THE VILLAGE OF CONCORD RESOLVES:

SECTION 1. Title.

This Ordinance shall be known as the Village of Concord Budget Ordinance.

SECTION 2. Fiscal Year.

The fiscal year of the Village shall begin on Jan. 1st in each year and close on the following Dec. 31st.

SECTION 3. Chief-Administrative Officer and Fiscal Officer.

The president shall be the Chief Administrative Officer referred to in this ordinance, and shall be responsible for the performance of the duties of that officer enumerated in this ordinance. The president may appoint a fiscal officer and delegate to that officer any or all of the budgeting duties specified in Sections 5 through 8. The fiscal officer shall be responsible to the chief administrative officer for the performance of budgetary duties.

SECTION 4. Budget Policy Statement.

No later than Oct 1st of each year, the chief administrative officer shall send to each officer, department, commission, and board of the local unit, a budget policy statement for the use of those agencies in preparing their estimates of budgetary requirements for the ensuing fiscal year.

Amendment to Ordinance # 130 SEWAGE, Section 4: Billing.

Billing for sewage charges shall be monthly and sewage bills shall be sent to owners monthly and shall become due and payable upon receipt. For all bills not paid by the 15th of the month, a ten (10%) percent penalty will apply. A 1% per month charge shall be added on delinquent balance.

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SECTION 5. Budget Estimates Required.

Any officers, elected or appointed, departments, commissions and boards of the local unit financed in whole or in part by the local unit shall, on or before Nov. 1st of each year, transmit to the chief administrative officer their estimates of the amounts of money required for each activity in their agencies for the ensuing fiscal year. They shall also submit any other information deemed relevant by the chief administrative officer.

SECTION 6. Budget Forms.

The chief administrative officer shall prescribe forms to be used in submitting budget estimates and shall prescribe the procedures deemed necessary for the guidance of officials in preparing such budget estimates. The chief administrative officer may also require a statement of the purposes of any proposed expenditure and a justification of the services financed by any expenditure.

SECTION 7. Agency Budget Review.

The chief administrative officer shall review the estimates with a representative from each agency. The purpose of the review shall be to clarify the estimates, ensure their accuracy, and to determine their adherence to the policies enumerated by the chief administrative officer pursuant to Section 4.

SECTION 8. The Budget Document.

The chief administrative officer shall prepare a budget, which shall present a complete financial plan for the ensuing year, utilizing those estimates received from the various agencies. The budget will be prepared in such a manner that shall ensure that the total of estimated expenditures including an accrued deficit in any fund does not exceed the total of expected revenues including a unappropriated surplus.

The budget shall consist of the following parts:

- (a) Detailed estimates of all proposed expenditures for each department and office of the village showing the expenditures for corresponding items for the current and last preceding fiscal year.
- (b) Statements of the bonded and other indebtedness of the village, showing the debt redemption and interest requirements, the debt authorized and unissued, and the condition of sinking funds, if any.

(c) An estimate of the amount of surplus expected in the current fiscal year.

(d) An estimate of all anticipated income of the village which will be necessary to meet the proposed expenditures and commitments during the ensuing year. This should include: (1) sources other than taxes, (2) income from borrowing, (3) current and delinquent taxes and (4) bond issues. Included in the above estimate should be corresponding figures for the current and preceding fiscal year.

(e) Such other supporting schedules as the Council may deem necessary.

(f) An informational summary of projected revenues and expenditures of any special assessment funds, public improvement or building and site funds, intragovernmental service funds, or enterprise funds, including the estimated total cost and proposed method of financing each capital construction project, and the projected additional annual operating cost and the method of financing the operating costs of each capital construction project for three years beyond the fiscal year covered by the budget.

SECTION 9. Transmittal of Budget to Council.

No later than Nov. 30 of each year, the chief administrative officer shall transmit the budget to the council. The budget shall be accompanied by:

(a) A draft resolution for adoption by the council, consistent with the budget, which shall set forth the anticipated revenue and requested expenditure authority for the ensuing fiscal year in such form and in such detail deemed appropriate by the chief administrative officer, provided that it is consistent with the uniform chart of accounts prescribed by the State of Michigan. No budget resolution shall be submitted to the council in which estimated total expenditures, including an accrued deficit, exceed estimated total revenues, including an available surplus.

(b) A budget message which shall explain the reasons for increases or decreases in budgeted items compared with the current fiscal year, the policy of the chief administrative officer as it relates to important budgetary items, and any other information that the chief administrative officer determines to be useful to the council in its consideration of the proposed budget.

SECTION 10. Consideration of Budget by Council.

The Council shall fix the time and place of a public hearing to be held on the budget and proposed budget resolution. The Clerk shall then have published, in a newspaper of general circulation within the Village, notice of the hearing and an indication of the place at which the budget and proposed budget resolution may be inspected by the public.

The Council may direct the chief administrative officer to submit any additional information it deems relevant in its consideration of the budget and proposed budget resolution. The Council may conduct budgetary reviews with the chief administrative officer for the purpose of clarification or justification of proposed budgetary items.

The Council may revise, alter, or substitute for the proposed general budget resolution in any way, except that it may not change it in a way that would cause total appropriations, including an accrued deficit, to exceed total estimated revenues, including an unappropriated surplus. An accrued deficit shall be an item or items of expenditure in the general appropriations measure.

SECTION 11. Passage of the Budget Resolution.

No later than Dec. 28 the council shall pass a resolution providing the authority to make expenditures and incur obligations on behalf of the Village.

The Council may authorize transfers between appropriation items by the chief administrative officer within limits stated in the resolution. In no case, however, shall such limits stated in the resolution or motion exceed those provided for in Section 16 of this ordinance.

The village budget may include information concerning the amount of tax levy expected to be required to raise those sums of money included in the budget resolution. In conformance with state law, and, at such times as the Council shall determine to be appropriate, the Council shall order to be raised by taxation, those sums of money necessary to defray the expenditures and meet the liabilities of the village for the fiscal year. The Council may take such action after the value of the property in the Village as finally equalized has been determined.

SECTION 12. Procedure for Disbursements.

No money shall be drawn from the local unit treasury except in pursuance of budget authorization.

Each warrant, draft, or contract of the local unit shall specify the fund and appropriation designated by number assigned in the accounting system classification establishing pursuant to law from which it is payable and shall be apid from no other fund or appropriation.

Expenditures shall not be charged directly to any contingent or general account. Instead, the necessary amount of the appropriation from such account shall be transferred pursuant to the provisions of this ordinance to the appropriate general appropriation account and the expenditure then charged thereto.

SECTION 13. Limit on Obligations and Payments.

No Obligation shall be incurred against, and no payment shall be made from, any appropriation account adopted by the budget resolution unless there is sufficient unencumbered balance in the account and sufficient monies are or will be available to meet the obligation.

SECTION 14. Periodic Finance Reports.

The chief administrative officer may require the appropriate agencies to prepare and transmit to him monthly, a report of village financial obligations, including but not limited to, the following:

- (a) a summary statement of the actual financial condition of the general fund at the end of the previous month.
- (b) A summary statement showing the receipts and expenditures

and encumbrances for the previous month and for the then current fiscal year to the end of the previous month.

(c) a detailed listing of the expected revenues by major sources as estimated in the budget, actual receipts to date for the current fiscal year, the balance of estimated revenues to be collected in the current fiscal year and any revisions in revenue estimates occasioned by experience to date.

(d) a detailed listing for each organizational unit and activity of the amount appropriated, the amount charged to each appropriation in the previous month and the current fiscal year to date, and the unencumbered balance of appropriations, and any revisions in the estimate of expenditures.

The chief administrative officer shall transmit the above information to the council on a monthly basis.

SECTION 15. Transfers.

Transfers of any unencumbered balance, or any portion thereof, in any appropriation account to any other appropriation account may not be made without amendment of the budget resolution as provided in this ordinance, except that transfers within a fund and department may be made by the chief administrative officer within limits set by the budget resolution.

SECTION 16. Supplemental Appropriations.

The Council may make supplemental appropriations by amending the original budget resolution as provided by this ordinance, provided that revenues in excess of those anticipated in the original resolution become available due to:

- (a) An unobligated surplus from prior years becoming available.
- (b) current year revenue exceeding original estimates in amounts great enough to finance increased appropriations.

The Council may make a supplemental appropriation by increasing the dollar amount of an appropriation item in the original budget resolution or by adding additional items. At the same time, the estimated amount from the source of revenue to which the increase in revenue may be attributed shall be increased, or a new source and amount added, in a sum sufficient to equal the supplemented expenditure amount. In no case may such appropriations cause total

estimated expenditures, including an accrued deficit, to exceed total estimated revenues, including an unappropriated surplus.

SECTION 17. Appropriation Adjustment Required.

Whenever it appears to the chief administrative officer or the Council that actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, the chief administrative officer shall present to the Council recommendations which, if adopted, will prevent expenditures from exceeding available revenues for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues, or both.

Within 15 days of receiving this information, the Council shall amend the budget resolution or motion to reduce appropriations or shall approve such measures necessary to provide revenues sufficient to equal appropriations, or both. The amendment will recognize the requirements of state law and collective bargaining agents. If the Council does not make effective such measures within this time, the chief administrative officer shall, within the next five days, make adjustments in appropriations in order to equalize appropriations and estimated revenues and report such action to the Council.

SECTION 18. Penalties.

Any violation of Sections 12, 13, 14, 15, 16, 17, or 18 may be cause for removal of any elected or appointed officer or employee in the manner prescribed by the Council for the removal of such officer or employee.

Adopted by the Village Council on Dec. 22, 1981

Halcyon D. Kaban
Village President

John R. Penn
Village Clerk