

CHAPTER IX

BUDGETS AND FINANCE

Section 9.1 Fiscal Year.

This fiscal year of the city shall begin on the first day of July and end on June 30.

Section 9.2 Budget Procedure.

On or before the second Monday in April of each year, each officer, department and board of the city shall submit to the city manager an itemized estimate of its expected income, if any, and expenditures for the next fiscal year, for the department or activities under its control. The city manager shall compile and review such budget request and shall then prepare his or her budgetary recommendations and submit them to the city council at its meeting nearest to the third Monday in May of each year.

Section 9.3 Budget Document.

The budget document shall present a complete financial plan for the ensuing fiscal year and shall include those items required by the Uniform Budgeting and Accounting Act 2 of the Public Acts of 1968, as amended. Also to be included shall be such other supporting schedules as the council may deem necessary or the council may require.

Section 9.4 Budget Hearing.

Before its final adoption, a public hearing on the budget proposal shall be held as provided by law. Notice of the time and place of holding such hearings shall be published by the clerk in a newspaper having general circulation in the city at least a week in advance thereof. A copy of the proposed budget shall be on file and available to the public during office hours at the office of the clerk for a period of not less than one (1) week prior to such public hearing.

Section 9.5 Adoption Of The Budget.

The council shall, not later than the second regular meeting in June, adopt by resolution a budget for the ensuing fiscal year and make appropriations therefore. After consideration of probable other revenues, the council shall determine and declare the amount of money necessary to be raised by property taxation, which amount shall not be greater than otherwise limited in this charter or by general law.

Section 9.6 Budget Control.

- (a) Except for trust or agency, internal service, enterprise, debt service or capital project funds for which the council may pass a special

appropriation, no money shall be drawn from the treasury of the city except in accordance with an appropriation thereof for such specific purposes, nor shall any obligation for the expenditure of money be incurred without an appropriation covering all payments which will be due under such obligation in the current fiscal year. The council, by resolution, may transfer any unencumbered appropriation balance, or any portion thereof, from one account, department, fund or agency to another except for funds or accounts required to be segregated by contract or law. Notwithstanding the provisions of Subsection (b) and (d), the council shall not incur a deficit during any fiscal year which is not eliminated by the end of the fiscal year.

- (b) The council may make additional appropriations during the fiscal year for unanticipated expenditures required by the city, but such additional appropriations shall not exceed the amount by which actual and anticipated revenues of the year are exceeding the revenues as estimated in the budget.
- (c) Except in those cases where there is no other logical account to which expenditures can be charged, expenditures shall not be charged directly to the contingency fund (or similar fund). Instead, the necessary part of the appropriation from the contingency fund (or other similar fund) shall be transferred to the logical account, and the expenditure charted to such account.
- (d) At the beginning of each quarterly period during the fiscal year, and more often if required by the council, the city manager shall submit to the council data showing the relation between the estimated and actual revenues and expenditures to date; and if it shall appear that the revenues are less than anticipated, the council shall reduce appropriations except amounts required for debt and interest charges, to such a degree as may be necessary to keep expenditures within the revenue.
- (e) The balance in any budget appropriation which has not been encumbered at the end of the fiscal year shall, subject to restrictions imposed or permitted by law, revert to the general fund.
- (f) The City shall establish a system of accounts that conforms to a uniform system of accounts as required by law.

Section 9.7 Independent Audit.

An independent audit shall be made of all accounts of the city government annually and more frequently if deemed necessary by the council. Such audit shall be made by qualified accountants experienced in municipal accounting. The results of such audit shall be made public in such manner as the council may determine. An annual

report of the city business shall be made available to the public in such form as will disclose pertinent facts concerning the activities and finance of the city government. The council shall provide the funds to defray the cost of the annual audit and the report herein required in each annual budget of the city.

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