

RESOLUTION

NO: 2023-07-136

LIVINGSTON COUNTY

DATE: July 31, 2023

Resolution Approving Deficit Elimination Plan – Treasurer

WHEREAS, the ARPA Fund had a \$60,883 deficit fund balance at December 31, 2022; and

WHEREAS, the Veteran Services Grant Fund had a \$37,072 deficit fund balance at December 31, 2022; and

WHEREAS, the Indigent Defense Fund had a \$53,350 deficit fund balance at December 31, 2022; and

WHEREAS, PA 140 of 1971 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury; and

WHEREAS, the deficits in all three funds resulted from the required accounting of prepaid assets recorded as non-spendable fund balance which is not considered in the calculation of unrestricted fund balance.

THEREFORE, BE IT RESOLVED the Livingston County Board of Commissioners hereby authorizes the Deficit Elimination Plan for the ARPA Fund, the Veteran Services Grant Fund and the Indigent Defense Fund:

ARPA Grant Fund - Special Revenue Fund

	2022	2023
Unrestricted Net Position (Deficit) Jan.1	0	(60,883)
Revenue		
Interest on Investments	84,941	634,027
Federal Grants	3,833,641	3,456,368.00
Transfer In From General Fund	37,173	98,281
Total Revenue	3,955,755	4,188,676
Expenditures		
Current Services	3,870,814	3,554,649
Total Expenditures	3,870,814	3,554,649
Nonspendable Fund Balance	145,824	0
Restricted, Assigned and Unassigned Fund Balance (Deficit) Dec. 31	(60,883)	573,144

Explanation: Deficit in Unrestricted Net Position is caused by prepaid expenditures being classified as Nonspendable Fund Balance. When expense is recognized, the related revenue will also be recognized thus eliminating the deficit.

Veteran Services Grant Fund - Special Revenue Fund

	2022	2023
Unrestricted Net Position (Deficit) Jan.1	(16,893)	(37,072)
Revenue		
State Grants	155,804	90,263
Transfer In From Veteran Services Special Revenue Fund	78,088	0
Total Revenue	233,892	90,263
Expenditures		
Current Services	248,371	53,191
Total Expenditures	248,371	53,191
Nonspendable Fund Balance	5,700	0
Restricted, Assigned and Unassigned Fund Balance (Deficit) Dec. 31	(37,072)	-

Explanation: Deficit in Unrestricted Net Position is caused by prepaid expenditures being classified as Nonspendable Fund Balance. When expense is recognized, the related revenue will also be recognized thus eliminating the deficit.

Indigent Defense Grant Fund - Special Revenue Fund

	2022	2023
Unrestricted Net Position (Deficit) Jan.1	0	(53,350)
Revenue		
State Grants	708,831	1,121,444
Transfer In From General Fund	1,477,689	421,059
Total Revenue	2,186,520	1,542,503
Expenditures		
Current Services	2,186,520	1,274,922
Total Expenditures	2,186,520	1,274,922
Nonspendable Fund Balance	53,350	0
Restricted, Assigned and Unassigned Fund Balance (Deficit) Dec. 31	(53,350)	214,231

Explanation: Deficit in Unrestricted Net Position is caused by prepaid expenditures being classified as Nonspendable Fund Balance. When expense is recognized, the related revenue will also be recognized thus eliminating the deficit.

BE IT FURTHER RESOLVED the Livingston County Board of Commissioners hereby authorizes the Livingston County Treasurer to submit the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

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MOVED:
SECONDED:
CARRIED: