



Memorandum

To: Livingston County Board of Commissioners
From: Jennifer M. Nash, Treasurer
Date: June 27, 2024
**Re: RESOLUTION APPROVING THE DEFICIT ELIMINATION
PLAN**

As was reported in our 2023 financial audit presentation, we ended the 2023 fiscal year with three funds in a deficit as defined by the State of Michigan's guidelines. The ARPA Fund had a \$312,145 deficit fund balance, the Federal Grant Fund had a \$54,071 deficit fund balance, and the State and Other Grants Fund had a \$54,940 deficit fund balance. In each of these cases, the deficit is the result of timing differences. These three funds fall under the State's definition of an unrestricted fund balance deficit thus requiring the filing of a deficit elimination plan with the State of Michigan.

According to PA 140 of 1971, local units of government who end their fiscal year in a deficit condition are required to formulate a deficit elimination plan and submit that plan in the form of a certified resolution to the State of Michigan for approval.

A projected budget approved by the legislative body showing the projected revenues and expenditures is acceptable evidence supporting the plan.

The attached resolution is in the recommended format provided by the State and the figures provided show the 2024 projected budget in these three funds including the 2nd quarter budget amendment also included in the 7/8/2024 FAM agenda.

I am happy to answer any further questions you may have.