



HOUSE BILL No. 5532

March 21, 2000, Introduced by Reps. Bob Brown, Schermesser, Bovin, Woodward, Switalski, Spade, Jamnick, Thomas, Scott and Hale and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1968 PA 2, entitled
"Uniform budgeting and accounting act,"
by amending section 4 (MCL 141.424), as amended by 1996 PA 439.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) The fiscal officer of each local unit shall
2 make an annual financial report (local unit fiscal report), which
3 shall be uniform for all local units of the same class.

4 (2) The annual financial report shall contain ~~for each~~
5 ~~fiscal year,~~ all of the following FOR EACH FISCAL YEAR:

6 (a) An accurate statement in summarized form ~~—~~ showing
7 ~~the~~ ALL OF THE FOLLOWING:

8 (i) THE amount of all revenues from all sources. ~~—, the~~

9 (ii) THE amount of expenditures for each purpose. ~~—, the~~

10 (iii) THE amount of indebtedness. ~~—, the~~

1 (iv) THE fund balances at the close of each fiscal year. ~~—~~
2 ~~and any~~

3 (v) ANY other information ~~as may be~~ required by law.

4 (b) A statement indicating whether there are derivative
5 instruments or products in the local unit's nonpension investment
6 portfolio at fiscal year end.

7 (c) If the statement under subdivision (b) is affirmative,
8 an accurate schedule reporting the cost and fiscal year end
9 market value of derivative instruments or products in the local
10 unit's nonpension investment portfolio at fiscal year end. The
11 LOCAL UNIT SHALL REPORT THE information required under this sub-
12 division ~~shall be reported~~ both on an aggregate basis and item-
13 ized by issuer and type of derivative instrument or product.

14 (d) A statement indicating whether there are derivative
15 instruments or products in the local unit's pension investment
16 portfolio at fiscal year end. ~~Investments~~ THE LOCAL UNIT SHALL
17 EXCLUDE INVESTMENTS of defined contribution plans and deferred
18 compensation plans that are chosen by the employee participating
19 in the plan ~~shall be excluded~~ from the information reported
20 under this subdivision.

21 (e) If the statement under subdivision (d) is affirmative,
22 an accurate schedule reporting the cost and fiscal year end
23 market value of derivative instruments or products in the local
24 unit's pension investment portfolio at fiscal year end. The
25 LOCAL UNIT SHALL REPORT THE information required under this sub-
26 division ~~shall be reported~~ both on an aggregate basis and
27 itemized by issuer and type of derivative instrument or product.

1 ~~Investments~~ THE LOCAL UNIT SHALL EXCLUDE INVESTMENTS of defined
2 contribution plans and deferred compensation plans that are
3 chosen by the employee participating in the plan ~~shall be~~
4 ~~excluded~~ from the information reported under this subdivision.

5 (3) The annual report filed under this section shall be in
6 lieu of the reporting requirements imposed by section 5(2) of
7 chapter III of the municipal finance act, ~~Act No. 202 of the~~
8 ~~Public Acts of 1943, being section 133.5 of the Michigan Compiled~~
9 ~~Laws~~ 1943 PA 202, MCL 133.5.

10 (4) ~~One~~ THE LOCAL UNIT SHALL FILE 1 copy of the annual
11 financial report required by subsection (1) ~~shall be filed~~ with
12 the state treasurer within 120 days after the end of the LOCAL
13 UNIT'S fiscal year. ~~of the local unit.~~ The state treasurer
14 shall prescribe the forms ~~to be used by~~ THAT local units ~~for~~
15 ~~preparation of~~ SHALL USE TO PREPARE the financial reports. ~~The~~
16 ~~governing body of a local unit may request an extension of the~~
17 ~~filing date from the state treasurer, and the state treasurer may~~
18 ~~grant the request for reasonable cause.~~ The state treasurer
19 shall grant a 60-day extension if the local unit presents evi-
20 dence to the state treasurer that the audit is in progress ~~,~~
21 and will be completed within 180 days after the end of the LOCAL
22 UNIT'S fiscal year.

23 (5) This section does not authorize a local unit to make
24 investments not otherwise authorized by law.