

SENATE BILL No. 839

November 29, 2001, Introduced by Senator GAST and referred to the Committee on Finance.

A bill to amend 1968 PA 2, entitled "Uniform budgeting and accounting act," by amending section 4 (MCL 141.424), as amended by 2000 PA 493.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

5 (2) The annual financial report shall contain for each
6 fiscal year, all of the following:

7 (a) An accurate statement in summarized form, showing the
8 amount of all revenues from all sources, the amount of expendi-
9 tures for each purpose, the amount of indebtedness, the fund
10 balances at the close of each fiscal year, and any other
11 information as may be required by law.

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

4 (c) If the statement under subdivision (b) is affirmative,
5 an accurate schedule reporting the cost and fiscal year end
6 market value of derivative instruments or products in the local
7 unit's nonpension investment portfolio at fiscal year end. The
8 information required under this subdivision shall be reported
9 both on an aggregate basis and itemized by issuer and type of
10 derivative instrument or product.

11 (d) A statement indicating whether there are derivative
12 instruments or products in the local unit's pension investment
13 portfolio at fiscal year end. Investments of defined contribu-
14 tion plans and deferred compensation plans that are chosen by the
15 employee participating in the plan shall be excluded from the
16 information reported under this subdivision.

17 (e) If the statement under subdivision (d) is affirmative,
18 an accurate schedule reporting the cost and fiscal year end
19 market value of derivative instruments or products in the local
20 unit's pension investment portfolio at fiscal year end. The
21 information required under this subdivision shall be reported
22 both on an aggregate basis and itemized by issuer and type of
23 derivative instrument or product. Investments of defined contri-
24 bution plans and deferred compensation plans that are chosen by
25 the employee participating in the plan shall be excluded from the
26 information reported under this subdivision.

1 ~~(3) The annual report filed under this section shall be in~~
2 ~~lieu of the reporting requirements imposed by section 5(2) of~~
3 ~~chapter III of the municipal finance act, 1943 PA 202,~~
4 ~~MCL 133.5.~~

5 (3) ~~(4)~~ One copy of the annual financial report required
6 by subsection (1) shall be filed with the state treasurer within
7 6 months after the end of the fiscal year of the local unit. The
8 state treasurer shall prescribe the forms to be used by local
9 units for preparation of the financial reports. The chief admin-
10 istrative officer of a local unit may request an extension of the
11 filing date from the state treasurer, and the state treasurer may
12 grant the request for reasonable cause. If the local unit of
13 government requests an extension of the filing deadline, then the
14 local unit of government must provide to the department of trea-
15 sury the unadjusted year end trial balance reports, in a form and
16 manner as prescribed by the department of treasury, to the
17 department of treasury at the time the local unit of government
18 requests the extension. The department of treasury shall post
19 these unadjusted year end trial reports on the department's
20 internet website if the extension is granted.

21 (4) ~~(5)~~ This section does not authorize a local unit to
22 make investments not otherwise authorized by law.

23 (5) ~~(6)~~ For purposes of this section, "pension" includes a
24 public employee health care fund as defined in the public
25 employee health care investment fund act, 1999 PA 149,
26 MCL 38.1211 to 38.1216.