

**THE METROPOLITAN DISTRICT ACT (EXCERPT)**  
**Act 312 of 1929**

**119.17 Duties of legislative body prior to dissolution; plan for disposition of assets and liabilities; resolution; insufficient assets.**

Sec. 17.

(1) Prior to dissolution of a metropolitan district under section 16, the legislative body of the metropolitan district shall do both of the following:

(a) Provide written notice to the legislative body of each city, village, and township included in the district of its intent to dissolve the metropolitan district.

(b) Prepare or cause to be prepared a financial report of the assets and liabilities of the metropolitan district. This report shall include an accounting of all money held by the district, a description of all obligations of the district, an appraisal or inventory of all other assets of the district, and a description of any encumbrances on these assets. A copy of this report shall be provided to the legislative body of each city, village, or township included in the metropolitan district.

(2) If the financial report of the metropolitan district under subsection (1) indicates that the assets of the district are greater than the liabilities, the legislative body of the metropolitan district shall prepare a plan for the disposition of the assets and liabilities of the district. This plan may include the disposal of assets in a manner the legislative body considers prudent to discharge or settle existing liabilities of the metropolitan district. The plan may also include the transfer of an asset or an assumable liability to any person, local unit of government, or other public authority. The plan shall provide for the proportional distribution of the assets remaining after all liabilities to each city, village, and township within the metropolitan district have been satisfied. The legislative body of each city, village, and township in the metropolitan district shall pass a resolution agreeing to a plan required under this subsection and agreeing to the dissolution of the district.

(3) If the assets of the metropolitan district are insufficient to meet existing liabilities, the legislative body of the district shall do either of the following:

(a) Raise taxes in the manner provided in this act to discharge the liabilities.

(b) Enter into a written agreement with the legislative body of each city, village, and township included in the district in which each city, village, and township agrees to assume a proportionate share of the liabilities of the district.

**History:** Add. 1989, Act 98, Imd. Eff. June 21, 1989