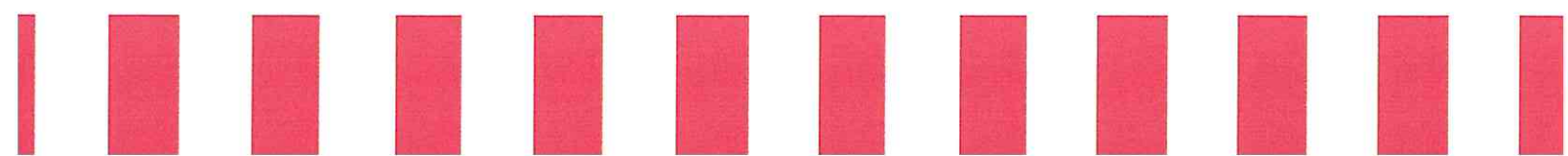




Southfield Township

Fiscal Year

2022/2023



Resolved by Newitt , supported by Oen

03/08/2022 Attachment A (Page 1 of 10)
to adopt the following Resolution:

TOWNSHIP OF SOUTHFIELD
GENERAL/SPECIAL REVENUE
APPROPRIATIONS ACT
APRIL1, 2022/2023

A Resolution to establish a General/Special Revenue Appropriations Act for Southfield Township; to define the powers and duties of the Southfield Township Officers in relation to the administration of the budget; and to provide remedies for refusal or neglect to comply with the requirements of this Resolution;

The Board of Trustees of Southfield Township resolves:

Section 1: Title

This Resolution shall be known as the Southfield Township General/Special Revenue Appropriations Act.

Section 2: Chief Administrative Officer

The Supervisor shall be the Chief Administrative Officer and shall perform the duties of the Chief Administrative Officer enumerated in this Act.

Section 3: Fiscal Officer

The Clerk shall be the Fiscal Officer and shall perform the duties of the Fiscal Officer enumerated in this Act.

Section 4: Public Hearings on the Budget

Pursuant to MCLA 141.412; MCLA 141.413, notice of a public hearing on the proposed budgets was published in a newspaper of general circulation on February 27, 2022 and a public hearing on the proposed budget was held on March 8, 2022.

Section 5: Estimated Revenues

Estimated Township General Fund revenues for Fiscal Year 2022/23, including an allocated millage of 0.60 mills; a General fund balance shall total \$825,370. Special Revenues Fund revenues for Fiscal Year 2022/23 with various miscellaneous revenues shall total as follows: Capital Improvement - \$30.00, Capital Purchases - \$10,085.00, and Internal Service - \$80.00.

Section 6: Millage Levy

The Southfield Township Board shall cause to be levied and collected the general property tax on all real and personal property within the Township upon the current tax roll an amount equal to 0.60 mills as set forth by state law.

Section 7: Estimated Expenditures

Estimated Township General Fund expenditures for Fiscal Year 2022/23 for the various Township activities (cost centers) are as follows:

<u>GENERAL FUND:</u>		<u>SPECIAL REVENUES FUND:</u>	
Township Board	\$17,000	CAPITAL IMPROVEMENT:	
Supervisor	32,650	Site Improvement	\$30
Elections	68,200	CAPITAL PURCHASE:	
Assessor	116,450	Interest	10,085
Clerk	209,770	INTERNAL SERVICE:	
Treasurer	214,800	MESC Payments	80
Building/Grounds	30,650		
Animal Control	79,250		
Other Appropriations	<u>57,100</u>		
TOTAL:	\$825,370	TOTAL:	\$10,195
TOTAL ALL FUNDS \$835,565.00			

Section 8: Adoption of Budget by Reference

The General Fund/Special Revenue Fund budgets of Southfield Township are hereby adopted by reference, with revenues and activity expenditures as indicated in Sections 5 and 7 of this Act.

Section 9: Appropriation Not a Mandate to Spend

Appropriations will be deemed maximum authorizations to incur expenditures. The Fiscal Officer shall exercise supervision and control to ensure that expenditures are within appropriators and shall not issue any Township order for expenditures that exceed appropriations.

Section 10: Periodic Fiscal Reports

The Fiscal Officer shall transmit to the Board, following the end of each month, a report of financial operations including, but not limited to:

- a. A summary statement of the actual financial condition of the General Fund at the end of the previous month;
- b. A summary statement showing the receipts and expenditures and encumbrances for the previous month and for the current Fiscal Year to the end of the previous month;
- c. A detailed list of:
 1. Expected revenues by major source as estimated in the budget; actual receipts to date for the current Fiscal Year compared with actual receipts for the same period in the prior Fiscal Year; the balance of estimated revenues to be collected in the then current Fiscal Year; and any revisions in revenue estimates resulting from collection experience to date.
 2. For each department: the amount appropriated; the amount charged to each appropriation in the previous month for the current Fiscal Year and as compared with the same period in the prior Fiscal Year; the unencumbered balance of appropriations; and any revisions in the estimate of expenditures.

Section 11: Limit on Obligations and Payments

No obligation shall be incurred against, and no payment shall be made from any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligation.

Section 12: Budget Monitoring

Whenever it appears to the Chief Administrative Officer or the Township Board that the actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, and when it appears that expenditures shall exceed an appropriation, the Chief Administrative Officer shall present to the Township Board recommendations to prevent expenditures from exceeding available revenues or appropriations for the current Fiscal Year. Such recommendations shall include proposals for reducing appropriations, increasing revenues, or both.

Section 13: Violations of this Act

Any obligation incurred or payment authorized in violation of this Resolution shall be void and shall subject any responsible official(s) or employee(s) to disciplinary action as outlined in PA 621 of 1978 and the Southfield Township personnel manual.

Section 14: Pre-Authorization to Spend Township Funds

The Township Supervisor, Township Clerk, and Township Treasurer are hereby authorized to make the following disbursements on behalf of the Township without further specific additional Board authority, provided that the disbursements are clearly within the approved budget appropriations and no disagreement exists with respect to the amount or recipient of such disbursements.

- a. The payment of bills that are subject to a penalty for late payment where such payment is necessary to take advantage of such discount or to avoid such penalty.
- b. The payment of routine Township expenses regularly incurred in the operation of the Township such as, but not limited to, utility expenses, insurance premiums, publication costs, operating supplies, necessary operating repairs, established salaries and wages of Township employees and officials.
- c. Distribution of escrow funds, trust or agency funds, intra-governmental service funds, enterprise funds or special assessment funds in accordance with the purposes for which such funds have been received and the statutory or local regulations governing the same.
- d. Purchases for the benefit of the Township costing less than \$10,000.00 provided the purchase was specifically approved by line item in the yearly budget.
- e. Purchases made incident to emergency situations.
- f. Purchases made through state or county cooperative purchasing for the benefit of the Township accomplished without the necessity of advertisement for bids providing they are covered as a line item in the approved budget.
- g. Otherwise, bids will be solicited for items where the cost is \$20,000.00 or more.

Section 15: Township Depositories

The surplus funds as defined in Michigan Public Act No. 367 of the Public Acts of 1982 require this Board to provide by Resolution for the deposit of all public monies, including tax monies coming into the hands of the Treasurer, in one or more banks and or credit unions, hereinafter called bank(s)/credit unions and to be designated in such Resolution. Therefore, the Treasurer is hereby directed to deposit all public monies,

including tax monies now in or coming into his/her hands as Treasurer in his/her name as Treasurer, in the following bank(s) and funds as listed below:

General Fund

Comerica :	Certificate(s) of Deposit
Bank of America:	
CIBC:	Certificate(s) of Deposit
Chase:	
Flagstar Bank:	Checking, Savings
Huntington.Bank:	
Fifth Third:	Certificate(s) of Deposit
Independent:	Certificate(s) of Deposit
Level One	
PNC:	
Superior Bank:	Certificate(s) of Deposit
Chemical Bank:	Certificate(s) of Deposit

Tax Fund

Flagstar:	Checking
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Capital Purchases Fund

Flagstar:	Savings
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Capital Site Improvement

Flagstar:	Savings
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MESC

Flagstar:	Savings
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Section 16: Authority to enter into Automated Clearing House (ACH) arrangements and Electronic transfers of public funds.

The Township Treasurer may enter into an ACH arrangement as provided by Public Act 738 of 2002, effective December 30, 2002, as amended, MCL 124.301-124.305 ("Act").

Southfield Township shall not be a party to an ACH arrangement unless the Southfield Township Board of Trustees has adopted a resolution to authorize electronic transactions and the Southfield Township Treasurer has presented a written ACH policy to the Township Board of Trustees.

An ACH arrangement under PA 738 of 2002 is not subject to the Revised Municipal Finance Act, Public Act 34-of-2001 (MCL 141.2101, *et seq.*), or to provisions of law concerning the issuance of debit by a local unit.

Responsibility for ACH agreements.

The Southfield Township Treasurer and Township Clerk are responsible for Southfield Township's ACH agreements, including payment approval, accounting, reporting, and generally for overseeing compliance with the ACH policy.

The Treasurer or Township Clerk shall submit to the Township Board of Trustees documentation detailing the goods or services, the date of the payment, and the department level serviced by each payment of public funds made by electronic transfer. This report may be contained in the Township's electronic general ledger software system or in a separate report to the Township Board of Trustees.

Internal accounting controls to monitor use of ACH transactions made by Southfield Township.

The following system of internal accounting controls will be used to monitor the use of ACH transactions made by Southfield Township:

- a. The Clerk initiates the transaction upon receipt of an invoice included on the authorized ACH list approved by the appropriate Township Official. ACH invoices will be handled as set forth in Southfield Township's Appropriations Act. The Clerk and Treasurer sign the ACH invoice, which then acts as the warrant.
- b. The Clerk presents the warrants and a list of bills for payment. The Board of Trustees approves all transactions. The Township Board of Trustees has established a policy identifying specific payments that have pre-approved authorization (monthly utility bills, payroll). See currently adopted Appropriations Act.
- c. The Treasurer shall retain all ACH transaction documents for audit purpose
- d. The Clerk shall retain all invoices for audit purposes.

Section D: Investment Policy

1.0 POLICY

It is the policy of the Township of Southfield to invest public funds in a manner which will provide the highest return with maximum security, while meeting daily cash flow demands of the Township and conforming to all state and local statutes governing the investment of public funds.

2.0 SCOPE

This investment policy applies to the investment activities of the Township of Southfield. These funds are accounted for in the Township Annual Audit Report and include the following funds:

General Fund
Intergovernmental Revenues
Capital Project Funds
Trust & Agency Funds Special
Revenue Fund.

Any new fund created by the governing body, unless specifically exempted by the governing body.

This investment policy applies to all transactions involving the financial assets and related activity of all the foregoing funds.

3.0 PRUDENCE

The standard of prudence to be applied by the investment officer shall be the "prudent person" rule which states: "Investments shall be made with judgment and care -under circumstances then prevailing -which persons of prudence, discretion and intelligence exercise in management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent person rule shall be applied in the context of managing the overall portfolio.

Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviation from expectations are reported to the Township Supervisor in a timely manner, and appropriate action is taken to control adverse developments.

4.0 INVESTMENT OBJECTIVES

The following investment objectives will be applied in the management of the Township of Southfield funds:

- 4.1 Safety: Each investment transaction shall seek to ensure that capital losses are avoided.
- 4.2 Liquidity: The Township of Southfield investment portfolio will remain sufficiently liquid to meet all operating requirements.
- 4.3 Return on Investment: The Township of Southfield investment portfolio shall be designed to attain a reasonable market rate of return throughout budgetary and economic cycles while protecting and preserving capital.
- 4.4 Support of the Public Trust: All participants in the investment process shall seek to act responsibly as custodians of the public

trust. Investment officials shall also avoid any transaction that might knowingly impair public confidence in the Township of Southfield's ability to govern effectively.

5.0 DELEGATION OF AUTHORITY

The Township of Southfield Treasurer is designated as investment officer and is responsible for investment decisions and activities. The Treasurer shall develop and maintain written administrative procedures for the operation of the investment program consistent with the investment policy. No person may engage in investment transactions except as provided under the terms of this policy and the administrative procedures established by the Township of Southfield Treasurer.

6.0 ETHICS AND CONFLICT OF INTEREST

The Township of Southfield Treasurer involved in the investment process shall refrain from personal and business activity that could conflict with proper execution of the investment program, or which could impair the Treasurer's ability to make impartial investment decisions.

7.0 QUALIFIED INSTITUTIONS

The Township of Southfield shall maintain a listing of financial institutions which are approved for investment purposes. Banks and credit unions shall provide their quarterly and annual financial statements to enable the Township of Southfield to determine their credit worthiness as a "Qualified Institution".

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following: audited financial statements, proof of National Association of Security Dealers Certification, proof of state registration, completed broker/dealer questionnaire, and certification of having read, understood and agreed to the Township of Southfield's Investment Policy.

A current financial statement is required to be on file for each financial institution and broker/dealer through which the Township of Southfield invests. All qualified institutions will be approved by the Board of Trustees.

An annual review of the financial condition and registration of qualified financial bidders will be conducted by the Treasurer and submitted to the Board of Trustees.

8.0 INSTRUMENTS

In accordance with Michigan Public Act 20 of 1943, as amended, MCL 129.91, the surplus funds of the Township of Southfield may be invested as follows:

- a. Bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States. Authorized depositories shall be designated by the Township of Southfield Board of Trustees annually. 1
- c. Commercial paper rated at the time of purchase within the two highest classifications by not less than two standard rating services, and which matures not more than 270 days after the date of purchase.
- d. Investment pools organized under the surplus funds Investment Pool Act of 1982, PA #367, MCL 129.111 to 129.118.

8.1 INVESTMENTS NOT AUTHORIZED OR SUITABLE FOR DIRECT INVESTMENT

The Township of Southfield will not directly invest in:

- (1) Repurchase agreements
- (2) Bankers acceptances of United States Banks
- (3) Mutual funds

9.0 SAFEKEEPING & CUSTODY:

All securities purchased by the Township of Southfield, under this section, shall be properly designated as an asset of the Township of Southfield, and held in safekeeping. No withdrawal of such securities, in whole or in part, shall be made from safekeeping except by the Township Treasurer, as authorized herein, or by another authorized investment designee.

Securities will be held by a third-party custodian designated by the Treasurer and evidenced by safekeeping receipts.

10.0 INTERNAL CONTROLS

The Treasurer shall establish a system of written internal controls, which shall be reviewed annually by the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes or imprudent actions.

11.0 PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles commensurate with the investment risk constraints and cash flow needs of the Township of Southfield.

12.0 REPORTS

The Township of Southfield Treasurer shall generate investment reports listing the investment institution, maturity date and rate of interest. A quarterly report to the Board of Trustees shall be provided, or more often if requested.

13.0 INVESTMENT POLICY ADOPTION

The Township of Southfield Investment Policy shall be adopted by Resolution by the Township of Southfield Board of Trustees. The policy will be reviewed annually by the Board of Trustees and any modifications made thereto must be approved by the Township of Southfield Board.

14.0 EFFECTIVE DATE AS AMENDED

This policy became effective on July 15, 1998, the day following adoption by the Township of Southfield Board of Trustees.

Section 18: Board Adoption

ROLL CALL:

Ayes: Harryvan, Mooney, Cook, Nelson, Newitt, Oen, O'Reilly

Nay:

Absent: