

**KAREGNONDI WATER AUTHORITY
ACTING IN GENESEE COUNTY, MICHIGAN**

RESOLUTION NO. 2010-11

A RESOLUTION TO ESTABLISH A GENERAL APPROPRIATIONS ACT
FOR THE KAREGNONDI WATER AUTHORITY; TO DEFINE THE
POWERS AND DUTIES OF THE KAREGNONDI WATER AUTHORITY
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

At a regular meeting of the Karegnondi Water Authority Board, acting in Genesee County, Michigan, held on September 13, 2011, at 10:00 a.m., local time.

PRESENT: Jamie Curtis, Greg Alexander, John Freeman, Jeff Wright

ABSENT: Dayne Walling, Dale Kerbyson

The following preamble and resolution were offered by Jamie Curtis and seconded by John Freeman.

Section 1: Title

This resolution shall be known as the Karegnondi Water Authority General Appropriations Act.

Section 2: Chief Administrative Officer

The Chief Executive Officer is designated as the Chief Administrative Officer under the Uniform Budgeting and Accounting Act and is the responsible party for the administration of the Karegnondi Water Authority budget.

Section 3: Fiscal Officer

The Treasurer shall be the Fiscal Officer and shall perform the duties of the Fiscal Officer enumerated in this resolution.

Section 4: Public Hearings on the Budget

Pursuant to MCL § 141.412; MCL § 141.413 notice of the public hearing on the proposed budget was published in The Flint Journal on August 21, 2011; The Sanilac County News on August 17, 2011; and The Lapeer County Press on August 17, 2011, all newspapers of general circulation; the proposed budget has been available for public inspection in advance of the hearing, and a public

hearing on the proposed budget was held on September 13, 2011, at 10:00 a.m., local time.

Section 5: Estimated Revenues and Expenditures

Be it resolved, the expenditures for the fiscal year commencing October 1, 2011 and ending September 30, 2012, are hereby appropriated on a departmental and activity basis as follows:

Expenditures	
Professional Services	10,177,500
Insurances	5,000
Publication Expenses	15,000
Supplies	10,000
Travel Reimbursement.....	1,000
<u>Capital Outlay.....</u>	<u>4,610,000</u>
TOTAL EXPENDITURES	14,818,500.00

And be it further resolved, revenues for the 2011-2012 fiscal year are estimated as follows:

Revenues	
Initiation Fee (Capacity Fee)	2,422,500
Annual Fee.....	2,422,500
Grants and Bonds	10,000,000
Commodity Charge	0
<u>Interest Income</u>	<u>10,000</u>
TOTAL REVENUE.....	14,855,000.00

Section 6: Millage Levy

The Karegnondi Water Authority shall NOT cause any millage to be levied or collected on real or personal property within the district boundaries of the Karegnondi Water Authority.

Section 7: Adoption of Budget by Reference

The budget of the Karegnondi Water Authority is hereby adopted by reference, with revenues and activity expenditures as indicated in Section 5 of this Resolution.

Section 8: Adoption of Budget by Activity/Department

The Board of the Karegnondi Water Authority adopts the 2011-2012 fiscal year budget by Activity/Department. The Karegnondi Water Authority officials responsible for the expenditures authorized in the budget may expend Karegnondi Water Authority funds up to, but not to exceed, the total appropriation authorized for each Activity/Department, and may transfer

among the various line items contained in the Activity/Department appropriation.

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 appropriations, and shall not issue any order for expenditures that exceed appropriations.

Section 10: Transfer Authority

The Chief Administrative Officer shall have the authority to make transfers among the various Activities/Departments without prior board approval, if the amount to be transferred does not exceed fifty percent (50%) of the appropriation item from which the transfer is to be made. The Board shall be notified at its next meeting of any such transfers made, and reserves the right to modify, amend, or nullify any such transfers made. Under no circumstances may the total budget be changed without prior approval from the Karegnondi Water Authority Board.

Section 11: Periodic Fiscal Reports

The Chief Administrative Officer with assistance from the Treasurer shall transmit to the Karegnondi Water Authority Board at the end of quarter a report of financial operations, including, but not limited to:

- a. A cash balance report showing the amount of funds available in each of the various accounts.
- b. A revenue and expenditure report which shows for each Activity/Department in the various funds the original, the amended budget, and the year to date actual amounts.

Section 12: 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 13: Budget Monitoring

Whenever it appears to the Chief Administrative Officer or the Karegnondi Water Authority 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 Karegnondi Water Authority 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 14: Payment of Bills

All claims (bills) against the Karegnondi Water Authority that are budgeted and within the limitations of the appropriated amount budgeted in the Activity/Department in which the expense is budgeted are pre-approved for payment by the Authority Board. The Karegnondi Water Authority Treasurer and Secretary may pay these bills prior to approval by the Karegnondi Water Authority Board. The Karegnondi Water Authority Board shall receive a list of claims (bills) that were budgeted and within the limitations of each Activity/Department in which the expense is budgeted that have been paid by the Karegnondi Water Authority Treasurer and Secretary. This list shall be approved at the next regular meeting of the Karegnondi Water Authority Board. For any claims (bills) against the Karegnondi Water Authority that were not budgeted or that are in excess of the limitations of the appropriated amount budgeted in the Activity/Department in which the expense is budgeted, the Karegnondi Water Authority Board shall approve the claim (bills) prior to being paid.

Section 15: Authorized Salary, hourly and per diem rates

Included in the various Activities/Departments are amounts of the salary, hourly and per diem rates for the officials and employees of the Karegnondi Water Authority as follows:

Per Diem – No individual shall receive a per diem rate to attend meeting of the Karegnondi Water Authority.

CEO – Rate established by Contract, if applicable.

Deputy CEO - Rate established by Contract, if applicable.

Secretary - Rate established by Contract, if applicable.

Deputy Secretary - Rate established by Contract, if applicable.

Treasurer - Rate established by Contract, if applicable.

Deputy Treasurer - Rate established by Contract, if applicable.

Pursuant to Article VII of the Articles of Incorporation of the Karegnondi Water Authority, the members of the Karegnondi Water Authority Board may receive payment for actual expenditures incurred in connection with the business of the Authority.

Section 16: Violations of This Resolution

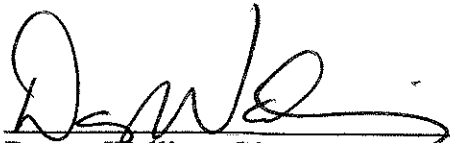
Any obligation incurred or payment authorized in violation of this Resolution shall be void and shall subject any responsible official(s) or employee(s) to disciplinary action as outlined in P.A. 621 (1978).

Section 17: Board Adoption

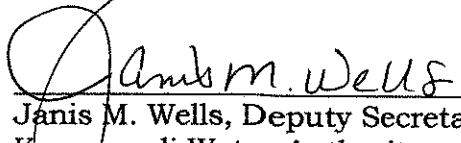
The foregoing resolution was offered by Board Member John Freeman and supported by Board Member Jamie Curtis.

VOICE VOTE: Motion carried on unanimous voice vote.

RESOLUTION DECLARED ADOPTED.



Dayne Walling, Chairman
Karegnondi Water Authority

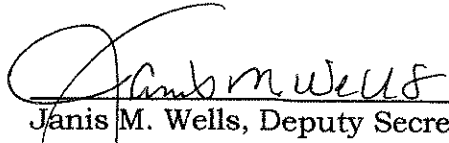


Janis M. Wells, Deputy Secretary
Karegnondi Water Authority

STATE OF MICHIGAN }
 } ss
COUNTY OF GENESEE }

I, Janis M. Wells, Deputy Secretary of the Karegnondi Water Authority Board, do hereby certify the foregoing is a true and complete copy of a resolution adopted by the Karegnondi Water Authority Board, acting in Genesee County, at a regular meeting held on September 13, 2011, and that public notice of said meeting was given pursuant to Act 267 of the Michigan Public Acts of 1976, as amended, including in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

IN WITNESS WHEREOF, I have affixed my official signature on this 21st day of December, 2011.



Janis M. Wells, Deputy Secretary
Karegnondi Water Authority

