

EM SUBMISSION NO.: EME 4272014

PRESENTED: 8-4-14

ADOPTED: 8-5-14

**RESOLUTION TO SUBMIT TO THE ELECTORS OF THE CITY OF FLINT,  
AT THE NOVEMBER 4, 2014 ELECTION THE QUESTION OF WHETHER  
OR NOT TO ADOPT CHARTER REQUIREMENTS FOR  
BUDGETARY BEST PRACTICES**

**BY THE EMERGENCY MANAGER:**

Due to the current and future fiscal challenges that undermine the financial stability of the City of Flint, the Emergency Manager wishes to present to the electors of the City of Flint, in accordance with §2-407 of the Flint City Charter, and MCL A §117.21 of the Home Rule City Act, the opportunity to vote upon the question as to whether or not an amendment providing for budgetary best practices be approved at the upcoming election on Tuesday, November 4, 2014; and,

The population of the City of Flint and the corresponding tax base has deteriorated; and,

The government of the City of Flint is expected to provide the same level of services with less resources; and,

The government of the City of Flint must find creative ways to eliminate unnecessary expenses to facilitate maintaining an adequate level of basic and essential services to the citizenry; and,

Government at all levels has entered into an era of fiscal crisis, including less revenue to the City of Flint from federal and state governmental resources; and,

The government of the City of Flint must maximize the use of tax dollars, and prioritize how City resources are allocated; and,

It is in the best interests of the citizens of the City of Flint to submit to the electors of the City of Flint a proposal requiring that budgetary best practices be adopted.

**BE IT RESOLVED** that an amendment to the Flint City Charter is proposed to replace §7-101 as follows:

**Sec. 7-101 BUDGET.**

A. On or before the first (1st) Monday in April of each year, the Mayor shall submit to the City Council a proposed annual budget for the next fiscal year which shall begin on July 1.

B. The Mayor's message shall explain the budget both in fiscal terms and in terms of the work programs, demonstrating how spending priorities are guided by and adherent to the City's Master Plan. It shall outline the proposed financial policies of the city for the ensuing fiscal year and the impact of those policies on future years. It shall describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the city's debt position, including factors affecting the ability to raise resources through debt issues, and include such other material as the Mayor deems desirable.

C. The budget shall provide a complete three (3) year financial plan of all city funds and activities, with five (5) years of revenue projection, and, except as required by law or this charter, shall be in such form as the Mayor deems desirable or the City Council may require for effective management and an understanding of the relationship between the budget and the city's strategic goals. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures, including debt service, for the ensuing fiscal year; and shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. It shall indicate in separate sections:

1. The proposed goals and expenditures for current operations, detailed for each fund by department or by other organization unit, and program, purpose or activity, method of financing such expenditures, and methods to measure outcomes and performance related to the goals;

2. Proposed longer-term goals and capital expenditures, detailed for each fund by department or by other organization unit when practical, the proposed method of financing each such capital expenditure, and methods to measure outcomes and performance related to the goals; and

3. The proposed goals, anticipated income and expense, profit and loss for each utility or other enterprise fund or internal service fund operated by the city, and methods to measure outcomes and performance related to the goals. For any fund, the total of proposed expenditures shall not exceed the total of estimated income plus carried forward fund balance exclusive of reserves.

D. The City shall establish a budget stabilization fund which shall be separate and distinct from the City's general fund. Appropriations to the fund and expenditures from the fund shall be made in compliance with Act 30, Public Acts of Michigan of 1978, as amended, being MCL 141.441 et seq.

**BE IT RESOLVED** that the existing section of the Flint City Charter to be altered by such proposal, if adopted, now reads as follows:

Sec. 7-101 BUDGET.

On or before the first (1st) Monday in April of each year, the Mayor shall submit to the City Council a proposed annual budget for the next fiscal year which shall begin on July 1.

**BE IT RESOLVED** that the following ballot question be submitted to the electors of the City of Flint, at the Election to be held on Tuesday, November 4, 2014:

PROPOSAL \_\_\_\_\_

AN AMENDMENT TO REQUIRE BUDGETARY BEST PRACTICES

Shall the Flint City Charter be amended to provide that the annual budget presented to Council shall be accompanied by a budget message explaining the budget, to provide for multi-year financial plans and revenue projections and the establishment of a budget stabilization fund?

Yes \_\_\_\_\_

No \_\_\_\_\_

APPROVED AS TO FORM:

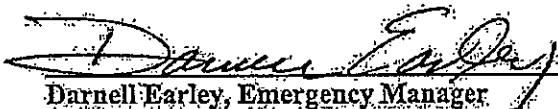
  
Peter M. Bade, City Attorney

EM DISPOSITION:

ENACT ✓

REFER TO COUNCIL \_\_\_\_\_

FAIL \_\_\_\_\_

  
Darnell Earley, Emergency Manager

DATED: 8-5-14