



Legislation Text

File #: 15-0006, **Version:** 1

Resolution to Approve Deficit Elimination Plan as of June 30, 2014

Pursuant to State of Michigan law, the City must prepare and authorize a deficit elimination plan for the Market Fund. As of June 30, 2014, the Market fund had an unrestricted net asset deficit of \$3,455.

The unrestricted deficit is due to the closing of the Market Fund into the General Fund as of June 30, 2014. The fixed assets and long-term liabilities of the fund remain in the fund until the next audit where they will be removed.

The City of Ann Arbor is requesting the City Council approve the City's Deficit Elimination Plan for fiscal year ended June 30, 2014.

Prepared by: Karen Lancaster, Finance Director

Reviewed by: Tom Crawford, Chief Financial Officer

Approved by: Steven D. Powers, City Administrator

Sponsored by: Mayor Taylor

Whereas, The City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014 indicated the presence of a unrestricted net asset deficit in the Market enterprise fund;

Whereas, The City is required by the Michigan Department of Treasury to file a formal plan for the elimination of any such deficit (which must be approved by the Department); and

Whereas, The City closed the Market Fund as of June 30, 2014;

RESOLVED, That the closure of the Market Fund will constitute the City's Deficit Elimination Plan for purposes of the Michigan Department of Treasury; and

RESOLVED, That a certified copy of this resolution be forwarded to the Michigan Department of Treasury.