



## Alcona County Treasurer's Office

Kimberly Ludlow  
*Treasurer*

720 West Chisholm, Ste. #3  
Alcona, Michigan – 49707-2456  
Telephone: (989)354-9534  
Fax: (989)354-9645

Dec. 10, 2024

The County of Alcona adopted a FUND BALANCE POLICY in December of 2009 that was amended December 2013 to read in part as follows:

Once the audited, unrestricted General Operating Fund Balance has been determined from the previous year and there is a gain in value; that gain will remain in the unrestricted General Operating Fund Balance until the minimum requirement of 30.00% unrestricted General Operating Fund Balance is achieved. After achieving the minimum requirement of 30.00%, the Treasurer shall recommend a course of action to the Board of Commissioners for their consideration. The intent of the Treasurer will be to fund Long Term and Short-Term Capital Outlay items until such time as the Treasurer and Board of Commissioners feel those items have been sufficiently funded.

It is the County Treasurer's recommendation that none of the \$3,274,057.09 Projected UnRestricted General Fund Balance for December 2024 be transferred. The Projected UnRestricted General Fund Balance is below the required minimum 30% of the Board Recommended 2025 Budget by \$526,125.71.

Sincerely,

Kimberly Ludlow

Alcona County Treasurer

## **BOARD OF COMMISSIONERS POLICY STATEMENT**

**Purpose:** To establish a written policy for the General Operating Fund

- (1) Annual Budget
- (2) Fund Balance
- (3) Fund Reserves

**Overview:** To assure the ability to withstand cash flow problems because of availability of future funds from Federal, State and local governments. Likewise, the need to establish reserve funds for heating/air conditioning issues, roof replacement or repairs, technology, grants, acquisition of land, buildings and equipment.

### **ANNUAL BUDGET**

The unrestricted General Operating Fund Balance, established by the annual audit no later than June 30th of every year, shall not exceed 24.97% of the Annual Budget set by the Board of Commissioners in December of the previous year. To achieve this goal, the following practices shall occur in developing and administering the Annual Budget.

1. In the approved Annual Budget, expenditures shall not exceed revenues.
2. Any amendment to the approved Annual Budget which causes estimated expenditures to exceed total revenues shall not be passed.
3. The Annual Budget cannot be adjusted, or any deviation of, without formal discussion and amendment by the full Board of Commissioners at a regularly scheduled meeting. Department Heads and Elected Officials may make line item transfers within their budget(s) – *excluding payroll items* – if sufficient funds are available. These transfers must be requested in writing with a date, an amount, activity numbers and the signature of the person making the request. This information then needs to be presented to the County Treasurer for adjustment.
4. Unless specifically defined in the Approved Budget, transfers between funds or departments shall not be allowed without formal discussion and amendment by the full Board of Commissioners at a regularly scheduled meeting.

### **FUND BALANCE**

1. Once the audited, unrestricted General Operating Fund Balance has been determined from the previous year and there is a gain in value; that gain will remain in the unrestricted General Operating Fund Balance until the minimum requirement of 30.00% unrestricted General Operating Fund Balance is achieved. After achieving the minimum

requirement of 30.00%, the Treasurer shall recommend a course of action to the Board of Commissioners for their consideration. The intent of the Treasurer will be to fund Long Term and Short Term Capital Outlay items until such time as the Treasurer and Board of Commissioners feel those items have been sufficiently funded.

2. Any time the audited, unrestricted General Operating Fund Balance falls under the 24.97% minimum requirement, the Treasurer shall recommend a course of action to the Board of Commissioners for their consideration. The intent of the Treasurer and Board of Commissioners will be to fund mandated services first, core non-mandated services secondarily, and other services thirdly.

### FUND RESERVES

- (1) These types of General Operating Fund reserves require long term planning (10 years or more:
  - a. To provide for replacement and/or acquisition of capital outlay items for Buildings, Grounds and Equipment
  - b. To provide for Technology advances in equipment and software
  - c. To provide for Grant Matches
  - d. To provide for Legal Costs associated with bonding or other critical matters
  - e. To provide for Economic Development
  - f. To provide for the Purchase of Land or Buildings
  
- (2) These types of various Fund reserves require short term planning (less than 10 years)
  - a. Equipment Fund
  - b. Building & Grounds Fund
  - c. Budget Stabilization Fund (up to 15% of General Fund Budget)
  - d. Self Insured Funds (Pension, Health, Sick Pay, etc.)

Any one of the Reserves listed above may be added to or subtracted from with formal discussion and amendment by the full Board of Commissioners at a regularly scheduled meeting. To do so, will require a 2/3 vote of the Board of Commissioners. Likewise, it requires a 2/3 vote of the Board of Commissioners at a regularly scheduled meeting to transfer funds from any one of these reserved funds for purposes other than stated.

12/29/09

12/4/2024

GF Balance as of 12/31/2023	\$	3,597,408.00
less Reserves	\$	268,014.00
December 31, 2023 Unrestricted GF Balance	\$	3,329,394.00
2024 Budget as of 12.04.24(Expenditures)	\$	13,358,619.98

<b>January 1, 2025 Budget (to be Set by BOC)</b>	<b>\$</b>	<b>12,667,276.00</b>
30% of 2024 Annual Budget as of 12.04.24	\$	4,007,585.99
<b>30% of 2025 Annual Budget</b>	<b>\$</b>	<b>3,800,182.80</b>

GF Bal 12.04.24(UnRestricted)	\$	4,109,960.73	
Plus Anticipated 2024 Revenue	\$	755,477.89	
Less Anticipated 2024 Expenses	\$	1,591,381.53	
<b>Projected UnRestricted Fund Bal 12/31/24</b>	<b>\$</b>	<b>3,274,057.09</b>	25.85%
30% of 2025 Annual Budget	\$	3,800,182.80	
<b>Difference to be Considered</b>	<b>\$</b>	<b>(526,125.71)</b>	

User: cebulac  
 DB: Alpena County  
 PERIOD ENDING 12/31/2024  
 Fiscal Year Completed: 100.00

GL NUMBER	DESCRIPTION	ACTIVITY FOR		YTD BALANCE 12/31/2024	AMENDED BUDGET	2024	% BDC	
		MONTH	12/31/2024				AVAILABLE	USED
Fund 101 - GENERAL FUND								
Dept 969 - APPROPRIATIONS/OTHER CO FUNDS								
Revenues								
101-969-540.000	JUDGES' SALARY STANDARDIZATION-CC	0.00		24,005.10	32,007.00		8,001.90	75.00
101-969-542.000	STATE COURT EQUITY FUND	0.00		66,346.00	138,261.00		71,915.00	47.99
101-969-553.000	DRUG CASE INFORM.MANAGEMENT ACCOUNT	0.00		12,250.40	7,415.00		(4,835.40)	165.21
101-969-699.000	TRANSFERS FROM OTHER FUNDS	0.00		0.00	77,500.00		77,500.00	0.00
101-969-699.006	TRANSFER FROM 677 FUND	0.00		76,000.00	76,000.00		0.00	100.00
101-969-699.009	TRANSFER FROM ARPA FUND	0.00		1,208,275.23	1,208,197.00		(78.23)	100.01
101-969-699.216	TRANSFER IN-FUND216	0.00		47,584.00	47,584.00		0.00	100.00
101-969-699.217	TRANSFER IN-FUND 217	0.00		24,863.00	24,863.00		0.00	100.00
101-969-699.218	TRANSFER IN-FUND 218	0.00		45,835.00	45,835.00		0.00	100.00
TOTAL REVENUES		0.00		1,505,158.73	1,657,662.00		152,503.27	90.80
Expenditures								
101-969-995.001	FRIEND OF THE COURT	5,996.13		71,954.00	71,954.00		0.00	100.00
101-969-995.002	LAW LIBRARY PROJECT	297.50		3,570.00	3,570.00		0.00	100.00
101-969-995.003	FAMILY DIVISION	4,719.62		56,635.00	56,635.00		0.00	100.00
101-969-995.006	TRANSFER TO PLAZA POOL	0.00		35,000.00	35,000.00		0.00	100.00
101-969-995.007	DISTRICT HEALTH DEPARTMENT	0.00		113,118.00	113,118.00		0.00	100.00
101-969-995.009	CHILD CARE FUND	32,148.37		385,780.00	385,780.00		0.00	100.00
101-969-995.011	CHILD CARE BLENDED FUNDING	0.00		150,000.00	150,000.00		0.00	100.00
101-969-995.012	FAMILY INDEPENDENCE AGENCY	0.00		16,000.00	16,000.00		0.00	100.00
101-969-995.013	FIA CHILD CARE SUB ACCOUNT	0.00		1,333.36	1,334.00		0.64	99.95
101-969-995.015	MULTI COUNTY CIRCUIT COURT	25,960.00		311,520.00	311,520.00		0.00	100.00
101-969-995.023	INDIGENT DEFENSE SYSTEM	0.00		164,640.00	164,640.00		0.00	100.00
101-969-995.208	TRANSFER TO PARKS	0.00		150,000.00	150,000.00		0.00	100.00
TOTAL EXPENDITURES		69,121.62		1,459,550.36	1,459,551.00		0.64	100.00
Net - Dept 969 - APPROPRIATIONS/OTHER CO FUNDS		(69,121.62)		45,608.37	198,111.00		152,502.63	
TOTAL REVENUES		167,698.84		12,547,805.09	13,303,282.98		755,477.89	94.32
TOTAL EXPENDITURES		172,089.27		11,767,238.45	13,358,619.98		1,591,381.53	88.09
NET OF REVENUES & EXPENDITURES		(4,390.43)		780,566.64	(55,337.00)		(835,903.64)	1,410.57

GL NUMBER	DESCRIPTION	2022 ACTIVITY	2023 ACTIVITY	2024 ACTIVITY THRU 12/31/24	2024 AMENDED BUDGET	2025 BOARD APPROVED BUDGET
Dept 969 - APPROPRIATIONS/OTHER CO FUNDS						
ESTIMATED REVENUES						
101-969-699.481	TRANSFER FROM AIRPORT TERM CO	339,116				
	TOTAL ESTIMATED REVENUES	1,119,330	866,502	1,505,158	1,657,662	358,683
APPROPRIATIONS						
101-969-995.001	FRIEND OF THE COURT	44,603	68,602	71,954	71,954	75,552
101-969-995.002	LAW LIBRARY PROJECT	3,570	3,570	3,570	3,570	3,570
101-969-995.003	FAMILY DIVISION	66,768	54,550	56,635	56,635	52,751
101-969-995.006	TRANSFER TO PLAZA POOL	55,000	5,000	35,000	35,000	
101-969-995.007	DISTRICT HEALTH DEPARTMENT	214,195	227,047	113,118	113,118	238,031
101-969-995.009	CHILD CARE FUND	209,691	385,780	385,780	385,780	280,000
101-969-995.011	CHILD CARE BLENDED FUNDING	150,000	150,000	150,000	150,000	200,000
101-969-995.012	FAMILY INDEPENDENCE AGENCY	24,000	23,446	16,000	16,000	
101-969-995.013	FIA CHILD CARE SUB ACCOUNT	2,000	2,000	1,333	1,334	
101-969-995.015	MULTI COUNTY CIRCUIT COURT	324,786	297,613	311,520	311,520	295,096
101-969-995.017	TRANSFER TO EQUIPMENT FUND	206,980				
101-969-995.018	BUILDING/GROUNDS MAINTENANCE	199,732				
101-969-995.023	INDIGENT DEFENSE SYSTEM	161,763		164,640	164,640	164,640
101-969-995.029	TRANSFER TO HOUSING 276	50,000				
101-969-995.208	TRANSFER TO PARKS			150,000	150,000	
	TOTAL APPROPRIATIONS	1,713,088	1,582,248	1,459,550	1,459,551	1,309,640
NET OF REVENUES/APPROPRIATIONS - 969 - APPROPRIATIONS						
		(593,758)	(715,746)	45,608	198,111	(950,957)
ESTIMATED REVENUES - FUND 101						
APPROPRIATIONS - FUND 101						
		11,258,013	12,575,075	12,547,803	13,303,283	12,667,982
		11,301,426	13,479,628	11,767,252	13,358,620	12,667,276
		(43,413)	(904,553)	780,551	(55,337)	706
	NET OF REVENUES/APPROPRIATIONS - FUND 101	4,581,156	4,462,107	3,804,978	3,804,978	4,377,959
	BEGINNING FUND BALANCE	(75,638)	247,420	(207,570)	(207,570)	
	FUND BALANCE ADJUSTMENTS	4,462,105	3,804,974	4,377,959	3,542,071	4,378,665
	ENDING FUND BALANCE					

Fund 101 GENERAL FUND

GL Number	Description	Balance
<b>*** Assets ***</b>		
101-000-001.000	CASH - GENERAL FUND	1,182,490.50
101-000-002.000	CASH-SAVINGS	1,607,805.50
101-000-003.000	CERTIFICATES OF DEPOSIT	1,035,064.92
101-000-004.000	IMPREST CASH	4,550.00
101-000-017.000	OTHER INVESTMENTS	276,712.83
101-000-026.000	TAXES RECEIVABLE-CURRENT R	250,103.00
101-000-084.001	DUE FROM MATERIALS MANAGEM	25,000.00
101-000-084.276	DUE FROM FUND 276	200,000.00
<b>Total Assets</b>		<b>4,581,726.75</b>
<b>*** Liabilities ***</b>		
101-000-202.000	ACCOUNTS PAYABLE	3,201.02
101-000-360.000	UNAVAILABLE PROPERTY TAXES	200,551.00
<b>Total Liabilities</b>		<b>203,752.02</b>
<b>*** Fund Balance ***</b>		
101-000-382.000	REPLACE/ACQUIRE BLDG & LAN	75,000.00
101-000-382.001	ROOF REPLACEMENT RESERVE	268.00
101-000-384.001	TECH RESERVE-JAIL SOFTWARE	8,210.00
101-000-385.000	GF OBLIGATION RESERVE (BOR	100,000.00
101-000-386.000	ECONOMIC DEVELOPMENT RESER	75,000.00
101-000-387.000	AIR QUALITY CONTROL COMMIT	536.00
101-000-388.000	ADULT COURT UNEMPLOYMENT C	9,000.00
101-000-390.000	GENERAL FUND FUND BALANCE	3,329,394.09
<b>Total Fund Balance</b>		<b>3,597,408.09</b>
Beginning Fund Balance		3,804,978.09
Net of Revenues VS Expenditures		780,566.64
Fund Balance Adjustments		(207,570.00)
Ending Fund Balance		4,377,974.73
Total Liabilities And Fund Balance		4,581,726.75