



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

June 27, 2023

**Notice of Intent To  
Withhold State Payments**

Municipality Code: 600000  
APR Form ID Number: 143194  
Report ID Number: 143243

**Sent Via Email**

Chief Administrative Officer  
Montmorency County  
awilliamson@montcounty.org

Dear Chief Administrative Officer:

The Glenn Steil State Revenue Sharing Act of 1971, Public Act 140 of 1971, Section 21(2) states that units of local government (local units) that end their fiscal year in a deficit condition shall formulate a deficit elimination plan. Any assessment of a local unit’s deficit condition should be made using the guidelines provided in [Treasury Website \(Numbered Letter 2016-1\)](#). An additional resource is our [online video library](#) which explains what a deficit elimination plan is, why it is important, and how to file.

The Community Engagement and Finance Division received an audit report from your local unit for the fiscal year ending 2022. Your Certified Public Accountant has indicated a deficit in one or more funds as follows:

<u>FUND NAME</u>	<u>AMOUNT</u>
SHERIFF	-\$42,080.00


If a deficit exists in the General Fund, the General Fund plan should include a monthly breakdown of revenues and expenditures for the first two years of the projection and annual detail for the remaining years. For example, a five-year plan would show monthly detail for 24 months, and annual detail for the remaining three years. When a revised plan is submitted in the subsequent year, it would include a monthly breakdown for two years and an annual breakdown for the remaining two years. The monthly breakdown shall be for actual revenue and expenditures expected that month. For example, property taxes should be included in the months the taxes are projected to be actually collected. It shall not be merely the annual revenue and expenditures divided by 12 months. This will allow for a more meaningful picture of how the municipality is progressing on a monthly basis. In addition, for General Fund deficits the Department of Treasury highly recommends the municipality use its [Multi-Year Budget Projection Tool](#).

Except where indicated “No Plan Necessary,” within 30 days from the date of this letter

please upload a deficit elimination plan for all funds listed above and a certified resolution online by visiting [Michigan.gov/MunicipalFinance](https://Michigan.gov/MunicipalFinance) and select Deficit Elimination Plan Upload. Should a plan not be filed within 30 days, we may withhold 25% of the local unit's State Incentive Payments or payments issued under Public Act 140 of 1971, the Glenn Steil State Revenue Sharing Act of 1971. Once withheld, payments are not released when a plan has been *filed*, but when a plan has been *evaluated and certified* by Treasury.

After receiving your plan, we will notify you by email if additional information is needed or that your plan has been certified. If you would like to speak with a member of our team, please email our office at [Treas\\_MunicipalFinance@Michigan.gov](mailto:Treas_MunicipalFinance@Michigan.gov).

Sincerely,

A handwritten signature in black ink that reads "Harlan Goodrich". The signature is written in a cursive style with a large initial "H".

Harlan Goodrich, Municipal Finance Manager  
Community Engagement and Finance Division