

Category: 200
Number: 223

Subject: **CAPITAL IMPROVEMENT FUND POLICY**

1. PURPOSE: The Gratiot County Board of Commissioners hereby creates and establishes a Capital Improvement Fund pursuant to MCLA 141.261, et seq., for the purpose of appropriating, providing for, setting aside and accumulating monies to be used for acquiring, constructing, extending, altering, repairing or equipping public improvements or public buildings, which the County by the provisions of general law is authorized to acquire, construct, extend, alter, enlarge, equip or repair.
2. AUTHORITY: The Gratiot County Board of Commissioners.
3. APPLICATION: This policy applies to all County Elected Offices, Agencies, Authorities, Boards, Commissions and Departments of Gratiot County.
4. RESPONSIBILITY: The Administrator will have the responsibility of administering the fund.
5. DEFINITION(S):
 - 5.1 Capital Improvement: A “capital improvement” is a County facility or item such as a building, structure, physical improvement, facility repairs, road, parking lot, utility, land acquisition, equipment, vehicle or capital indebtedness with a nonrecurring cost of \$5,000 or more.
6. POLICY:
 - 6.1 Purpose
 - 6.1.1 This fund is used to account for earmarked revenue set-aside for statutory public improvements.
 - 6.2 Character
 - 6.2.1 This fund is classified as a special revenue fund of limited usage (for capital improvement) of its assets.
 - 6.3 Distinguishing Features
 - 6.3.1 Once money is placed in this fund, it becomes restricted and cannot be expended or transferred for purposes other than the capital improvements specified by statute and local ordinance or by specific Board of Commissioner action.

6.3.2 Monies accumulated in said Capital Improvement Fund shall not be transferred, encumbered or otherwise disposed of, except for the purpose of acquiring, constructing, extending, altering, repairing or equipping public improvements or buildings, which the County under the general law is authorized to acquire, construct, extend, alter, repair or equip.

6.4 Establishment and Authorization

6.4.1 The fund shall be made part of the annual County Budget and shall be approved by the Gratiot County Board of Commissioners prior to the expenditure of funds. The Administrator is authorized to adjust funds between approved projects within the fund in amounts not to exceed \$20,000 per approved project.

6.5 Operation and Present Use

6.5.1 The revenues placed in this fund are used only for the specified purpose(s). Any portion used for a major construction project normally financed through a Capital Projects Fund will be identified as to the Capital Projects Fund it is funding.

7. ADMINISTRATIVE PROCEDURES: NONE

8. ADMINISTRATOR/LEGAL COUNSEL REVIEW: The Administrator has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. The County Civil Counsel has determined that this policy as submitted complies with all applicable laws, rules and regulations.

Approved as to Substance:

Approved as to Legal Content:

Gratiot County Administrator

Gratiot County Civil Counsel