

DETROIT CHARTER REVISION COMMISSION

PROPOSAL/ISSUE REVIEW SUMMARY

ISSUE NUMBER: BF 41

ISSUE CATEGORY: Budget & Finance

SOURCE: City Council

RELATED CHARTER SECTIONS: §8-212 (Deficits in Budget to be Reported)

Letter dated 11/19/10

(New Provision)

RELEVANT ORDINANCE SECTION:

RELEVANT LAW(S):

ISSUE/PROPOSAL STATEMENT: Require city agencies to report post approved budget deficits to Mayor, alert City Council and convene Council meeting to apprise them of the matter and provide remedial actions.

§ 8-212 Deficits in Budget to Be Reported (New Provision)

Where, during the fiscal year, the head of an agency or a city-funded entity determines that his or her budget is in a deficit situation, the head shall immediately notify, in writing, the mayor and the budget director of the circumstances surrounding the deficit. Within ten (10) business days of notification, the budget director shall request a hearing with the city council to apprise the body of the situation and to provide necessary actions to remedy the situation.

RATIONALE: "The proposed language for this new section requires that city department heads that are deemed responsible for deficit spending appear before city council to assure that the State-required balanced budget is maintained."-City Council's Rationale, Letter, dated December 13, 2010.

ANALYSIS:

DISPOSITION/COMMISSION ACTION:

NOTES: