BOARD OF SINKING FUND COMMISSIONERS
Act 161 of 1923

AN ACT to provide for the establishment of county sinking funds and to create a county sinking fund commission; to prescribe the powers and duties thereof; to prescribe penalties and provide remedies; and to repeal all acts and parts of acts contravening the provisions of this act.

History: 1923, Act 161, Eff. Aug. 30, 1923;—Am. 1998, Act 163, Eff. Mar. 23, 1999.

The People of the State of Michigan enact:

141.31 Bond issues; requisite sinking funds.

Sec. 1. That from and after the passage of this act, before any county in the state of Michigan shall issue any bonds except serial bonds and bonds having a special security, the legislative body of such county shall pass a resolution providing for the levying and assessment in each year during the life of the bonds to be issued of a tax which shall raise annually a sufficient sum to pay the interest on said bonds as the same shall accrue and to pay the principal of said bonds at maturity. Said resolution may contain a proviso that the amount levied and assessed in any 1 year under the provisions of the resolution may be reduced by the amount of money earned by the sinking fund during the immediately preceding year. The county treasurer shall keep a separate and distinct account for each item of the sinking fund set aside and pledged to the retirement of each issue of county bonds.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1246;—CL 1948, 141.31.

141.32 Sinking fund commissioners.

Sec. 2. The county treasurer, the county clerk, the register of deeds, the chairman of the board of supervisors and the chairman of the finance committee of the board of supervisors of the several counties of this state shall constitute and be a board of sinking fund commissioners: Provided, however, That in counties having a board of auditors, the board of sinking fund commissioners shall consist of the county treasurer, the county clerk, chairman of the board of supervisors and the chairman of the board of county auditors.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1247;—CL 1948, 141.32.

141.33 Sinking fund commissioners; control of fund, application; payment, manner.

Sec. 3. The said board of sinking fund commissioners shall have exclusive control of the money of the sinking fund and shall faithfully apply the same whenever possible, or it may appear to the county's interests, to the payment of the principal and interest of the bonded indebtedness of the county, and to no other purpose whatever, excepting as herein otherwise provided. The moneys in the sinking fund and the various accounts thereof shall be held by the county treasurer but no warrant shall be paid from said fund except in compliance with the resolution duly passed by said board of sinking fund commissioners, appearing upon the minutes of said board, and upon a warrant countersigned by the chairman of the board of sinking fund commissioners: Provided, however, That the countersigning of any warrant by the chairman of the board of sinking fund commissioners shall be invalid unless the signature include the designation “chairman of the board of sinking fund commissioners.”

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1248;—CL 1948, 141.33.

141.34 Sinking fund commissioners; handling of funds, investment; bonded debt.

Sec. 4. The said board of sinking fund commissioners shall from time to time, as it shall deem expedient, purchase or pay the outstanding bonded debt of the county or such part thereof as it may be able to purchase or pay until the full amount thereof be fully purchased or paid. Whenever the board of sinking fund commissioners cannot arrange for the purchasing or paying of said debt or any part thereof, it shall temporarily, or until it can so arrange, invest the moneys belonging to the sinking fund in such interest bearing securities issued by the state of Michigan or by any municipal subdivision thereof or by the United States government as it may deem advisable; and all matured bonds or evidences of debt so purchased shall be delivered to the county treasurer and shall become and be the property of the county, held and controlled by said board of sinking fund commissioners, and the interest thereon as it thereafter becomes due shall be credited and belong to the sinking fund.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1249;—CL 1948, 141.34.

141.35 Sinking fund commissioners; annual meeting, procedure; rules; authorizing vote; clerk, records.

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Sec. 5. The annual meeting of the said board of sinking fund commissioners shall be held on the first Tuesday of each year. Said board may, however, meet from time to time for the transaction of business and may adopt rules of procedure for its meetings. A majority of the whole board shall constitute a quorum for the transaction of business but they shall not purchase or pay the outstanding debt of said county, or invest any of the money belonging to the sinking fund as above provided, unless by affirmative vote taken by yeas and nays, entered upon the record, showing a 3/5 vote of all the members-elect at a regular meeting or a special meeting called for such purpose. The county clerk shall be clerk of the board of sinking fund commissioners and the chairman shall be either the chairman of the board of supervisors or the chairman of the board of county auditors as the case may be. The records of the sinking fund commission shall be kept on file in the office of the county clerk as part of his official records.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1250;—CL 1948, 141.35.

141.36 Sinking fund commissioners; condition reports to board; tax recommendations.

Sec. 6. The board of sinking fund commissioners shall from time to time, but at least annually, and whenever requested by the board of supervisors, make report of the condition of the sinking fund, which report shall be made to the board of supervisors and then referred to and filed with the county clerk and be recorded by him. It shall recommend to the board of supervisors the sum of money that in its judgment should be raised by direct taxation for the benefit of the sinking fund.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1251;—CL 1948, 141.36.

141.37 Bond sale; interest, credit; expenses of commissioners.

Sec. 7. Whenever any issue of the bonds of the county shall be sold for more than par value all the premium and accrued interest shall be credited and belong to the sinking fund. All the interest paid to the county on securities held by the county shall belong to and be placed in the sinking fund. The board of sinking fund commissioners shall receive their actual expenses incurred in the performance of their duties which shall be a proper charge against the county to be paid from the general fund.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1252;—CL 1948, 141.37.

141.38 Suit on securities.

Sec. 8. The said board of sinking fund commissioners shall have power and authority to bring suit for the purpose of enforcing the collection of any bonds or securities taken by it for the benefit of the sinking fund or for any purpose within the scope of their duties, but said suits shall be instituted and carried on in the name of the county.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1253;—CL 1948, 141.38.

141.39 Saving clause; construction of act.

Sec. 9. In any county within the state of Michigan, which may have elected to act under the provisions of Act No. 42 of the Public Acts of 1913, the provisions of said act shall continue in force in said county until said county shall by referendum elect to operate under the provisions of this act. This act shall not be construed to supersede the provisions of any local or special act relating to the establishment or maintenance of a county sinking fund effective in any county of the state of Michigan until such county by referendum shall elect to come under the provisions of this act. Such referendum may be had by resolution of the board of supervisors, either of its own motion or upon the petition of 10 per centum of the electors of the county.

History: 1923, Act 161, Eff. Aug. 30, 1923;—CL 1929, 1254;—CL 1948, 141.39.

Compiler's note: For provisions of Act 42 of 1913, referred to in this section, see MCL 141.11 et seq.

141.40 Violation of MCL 168.1 to 168.992 applicable to petitions; penalties.

Sec. 10. A petition under section 9, including the circulation and signing of the petition, is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A person who violates a provision of the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, applicable to a petition described in this section is subject to the penalties prescribed for that violation in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

History: Add. 1998, Act 163, Eff. Mar. 23, 1999.

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