

MUNICIPAL LIGHTING AUTHORITY ACT (EXCERPT)
Act 392 of 2012

123.1277 Plan for next 3 succeeding years; contents; acceptance or rejection by local governing body; revised plan; rejection; final proposed plan; adoption.

Sec. 17.

(1) On or before March 15 after the creation of the authority, and on or before March 15 of every second year after the creation of the authority, the board shall prepare and submit to the governing body of the local government a plan for the next 3 succeeding fiscal years. The plan shall contain all of the following:

- (a) The number and placement of streetlights in the local government composing the authority.
- (b) A budget that includes, but is not limited to, the following:
 - (i) Anticipated expenses of administration, operation, and maintenance of the authority and the lighting system.
 - (ii) Any reserve to be established for the administration, operation, and maintenance of the authority and the lighting system.
 - (iii) A statement showing the amounts necessary to retire all principal and interest on any bonds of the authority maturing during the applicable fiscal years.
- (iv) A plan to implement best value practices.
- (v) Any other item specified in the articles of incorporation of the authority.

(c) The budget prepared by the authority shall provide that any money derived from the collection of rates and charges shall be applied and used by the authority in the following manner and in the following priority:

- (i) To provide for the payment during each fiscal year of all current expenses of administration, operation, and maintenance as may be necessary to preserve the lighting system in good repair and working order, including payments required under bonded indebtedness incurred in accordance with the authorization contained in this act.
- (ii) In the discretion of the board, there may be set aside during each fiscal year money to provide a reserve fund for replacements or major repairs and improvements not anticipated or considered to be a part of current expenses of administration, operation, or maintenance of the lighting system.

(2) The governing body of the local government composing the authority may vote to accept or reject the plan. The governing body of the local government does not have the power to amend the plan in any respect. Unless the governing body of the local government votes to reject the plan within 45 days of its submittal, the plan is considered approved.

(3) If the governing body of the local government rejects the plan as provided in subsection (2), the authority shall revise the plan and shall submit the revised plan to the governing body of the local government within 30 days of the vote that rejected the plan.

(4) The governing body of the local government may vote to accept or reject the revised plan within 30 days of its submittal. Unless the governing body of the local government votes to reject the revised plan, the revised plan is considered approved.

(5) If the governing body of the local government votes to reject the revised plan, the governing body of the local government must contemporaneously adopt, by a vote of at least 2/3 of the members of the governing body of the local government elected and serving, a resolution that includes a list of items that, if altered, would result in a vote to adopt the plan. Failure to adopt a resolution in compliance with this subsection is considered acceptance of the revised plan by the governing body of the local government.

(6) If the governing body of the local government votes to reject the revised plan and submits the required resolution as provided in subsection (5), the authority shall prepare a final proposed plan not more than 20 days following the vote to reject the revised plan. The final proposed plan shall be sent to the chief executive officer of the local government, and the chief executive officer shall make the final proposed plan available on the local government's internet website as soon as is practicable. The final proposed plan shall also be made available at a public hearing to be held not more than 10 days after the final proposed plan is complete. Public comment shall be taken at the public hearing concerning the final proposed plan. On or after the tenth day after the public hearing, the authority shall vote on the final proposed plan.

(7) Except as otherwise provided in this subsection, if 2/3 of the board members of the authority vote to adopt the final proposed plan, it is adopted. If the final proposed plan incorporates a majority of the items identified in the appropriate resolution or resolutions adopted by the governing body of the local government, then the final proposed plan is adopted if approved by a majority vote of the board of directors of the authority.

(8) If a plan is not adopted on or before July 1 of the year in which a plan is required to be prepared under subsection (1), then the adopted plan shall be the final proposed plan, except that all changes identified in the resolution of the governing body submitted under this act are considered amendments to the final proposed plan so that the plan as adopted contains all changes listed in the resolution from the governing body.

(9) A plan adopted by the board may be amended by a vote of 4 of the 5 members on the board.

History: 2012, Act 392, Imd. Eff. Dec. 19, 2012