

THE DRAIN CODE OF 1956 (EXCERPT)
Act 40 of 1956

280.282 Investment of surplus funds; consolidation of drainage district funds; disposition and use of interest; revolving maintenance fund; consolidation with other funds for investment purposes; disposition of interest earned; accounting for principal balances; expenditures.

Sec. 282.

(1) The drain commissioner or drainage board may direct the treasurer of any drainage district to invest any surplus funds belonging to and under the control of the drain commissioner or drainage board as provided in section 1 of Act No. 20 of the Public Acts of 1943, being section 129.91 of the Michigan Compiled Laws.

(2) If 2 or more drainage district funds which are under control of the drain commissioner or drainage board have balances of less than \$1,000.00, those drainage district funds may be consolidated into 1 account for short term investment as directed by the drain commissioner. A drainage district fund shall not be consolidated if there is an immediate and apparent need for expending that fund on the specific drain to which the fund belongs.

(3) The interest earned by a fund consolidated under subsection (2) may be deposited in a segregated revolving maintenance fund which the drain commissioner or drainage board may use for temporarily financing necessary maintenance expenses on an intracounty or intercounty drain within that drain commissioner's or drainage board's jurisdiction. The revolving maintenance fund shall be a fund separate from the revolving drain fund provided for in chapter 12. The revolving maintenance fund shall be accounted for, administered, and reimbursed in the same manner as the revolving drain fund under section 303.

(4) If a drainage district fund has a balance of \$1,000.00 or more, the drain commissioner or drainage board may direct that that fund be consolidated with other funds for investment purposes. The interest earned, whether from a consolidated or separate account, shall immediately be deposited in the drainage district fund to which the principal belongs.

(5) The principal balances of each drainage district fund shall be accounted for at all times and may only be spent by order of the drain commissioner or drainage board on expenses necessary for the operation and maintenance of the drain to which the fund belongs.

History: Add. 1970, Act 144, Imd. Eff. Aug. 1, 1970 ;-- Am. 1984, Act 80, Imd. Eff. Apr. 18, 1984

Popular Name: Act 40