



MAYORAL PROCLAMATION: The City of Brighton Support of Fiscal Sanity to Save Michigan's Communities

WHEREAS, all Michigan cities and villages are facing unprecedented fiscal stress; and,

WHEREAS, the Michigan Legislature has systematically failed to fully fund statutory revenue sharing; and,

WHEREAS, since 2002, the State of Michigan has diverted \$7.5 billion dollars away from local service delivery and used those dollars to fund state operations; and,

WHEREAS, the City of Brighton would have received \$2.3 million more in statutory revenue sharing from 2003 to 2015 had the Legislature fulfilled its obligation to fully fund the program; and,

WHEREAS, for fully-developed communities, property taxes can represent fifty percent or more of a local government's General Fund budget; and,

WHEREAS, the Headlee Amendment and Proposal A combine to lock-in a huge fiscal deficit in a community's property tax revenue; and,

WHEREAS, the City of Brighton's gap between residential state equalized value and residential taxable value in 2017 is \$52,524,476, projecting a loss of \$828,337 in residential real property tax revenue for 2017; and,

WHEREAS, the Proposal A eliminated "roll-ups" as provided for in the Headlee Amendment, the elimination of this self-correcting mechanism creates an almost permanent reduction in the millage authority of local government; and,

WHEREAS, the elimination of Headlee roll ups takes away a self-correcting tool that was historically viewed as part of the Headlee formula until 1994. As a result, millage capacity is in decline; and,

WHEREAS, the Headlee Amendment, while intended to constrain taxation, was never intended to destroy the fiscal viability of Michigan's local governments; and,


WHEREAS, Michigan's cities and villages are the CENTERS OF OUR ECONOMY and maintain the infrastructure and services that support the vast majority of our state's jobs; and,

WHEREAS, a recent study found that MICHIGAN'S METROPOLITAN AREAS ACCOUNT FOR 89% OF THE STATE'S JOBS and 88% of gross domestic product; and,


WHEREAS, the future of Michigan depends on its cities and villages being successful competitors in the 21st Century economy, and since they cannot do so without sufficient resources – including the full amount of state statutory revenue sharing; and,

NOW THEREFORE, that the Brighton City Council and the City of Brighton urges both chambers of the Michigan Legislature, their leaders, and the Governor to immediately restore the full amount of statutory revenue sharing to Michigan's cities and villages.





Jim Muzzin, Mayor



Pamela Stewart, City Clerk

April 20, 2017