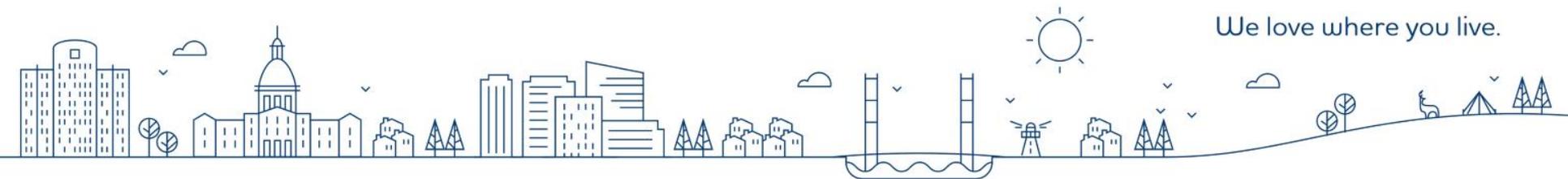




House General Government Subcommittee Revenue Sharing

Michigan Municipal League

February 21, 2017





What Is Revenue Sharing?

Constitutional Revenue Sharing

- Initiated in 1946
- Per Capita

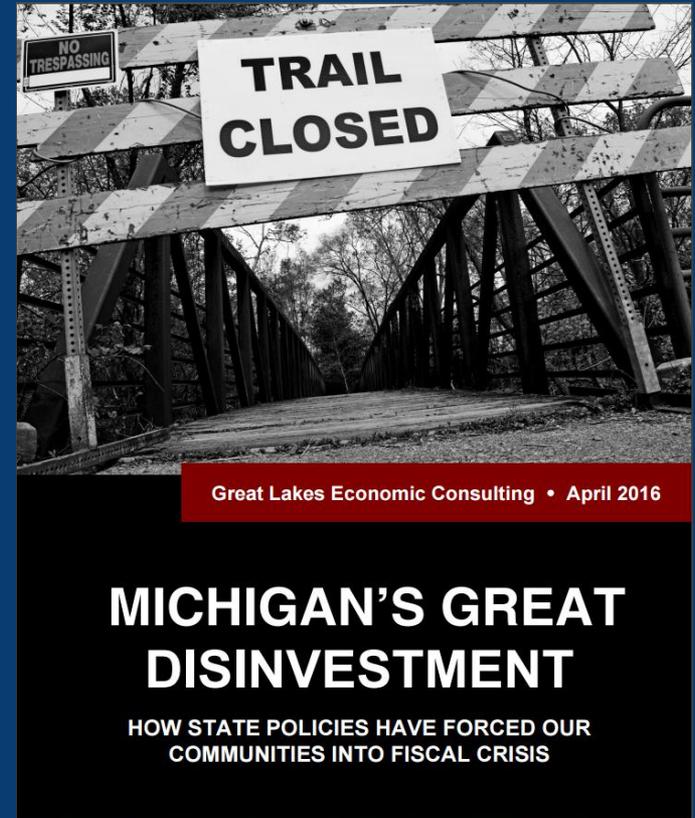
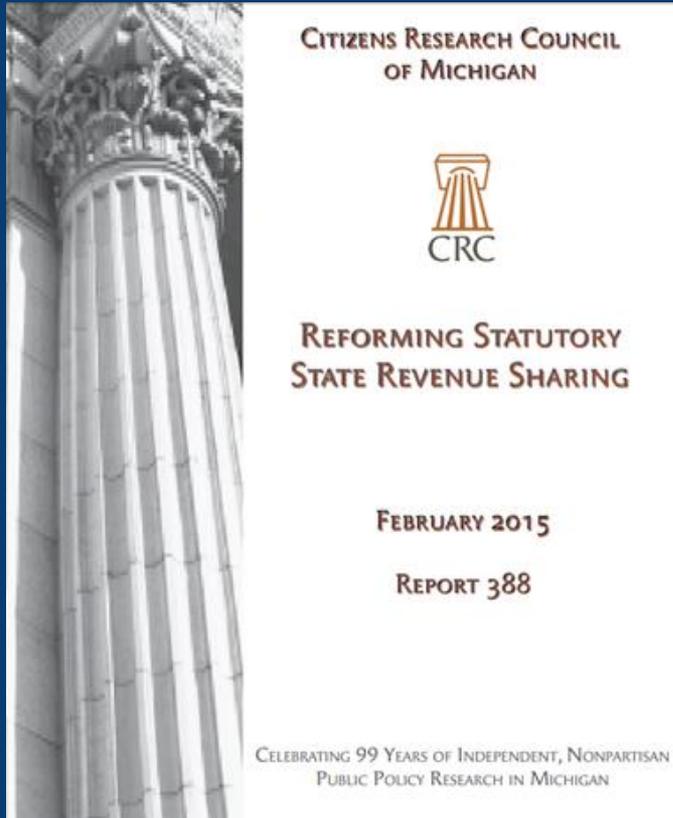
Statutory / CVT Revenue Sharing

- Financial support for local units with greatest needs
- Replacement for preempted or reduced local revenue streams

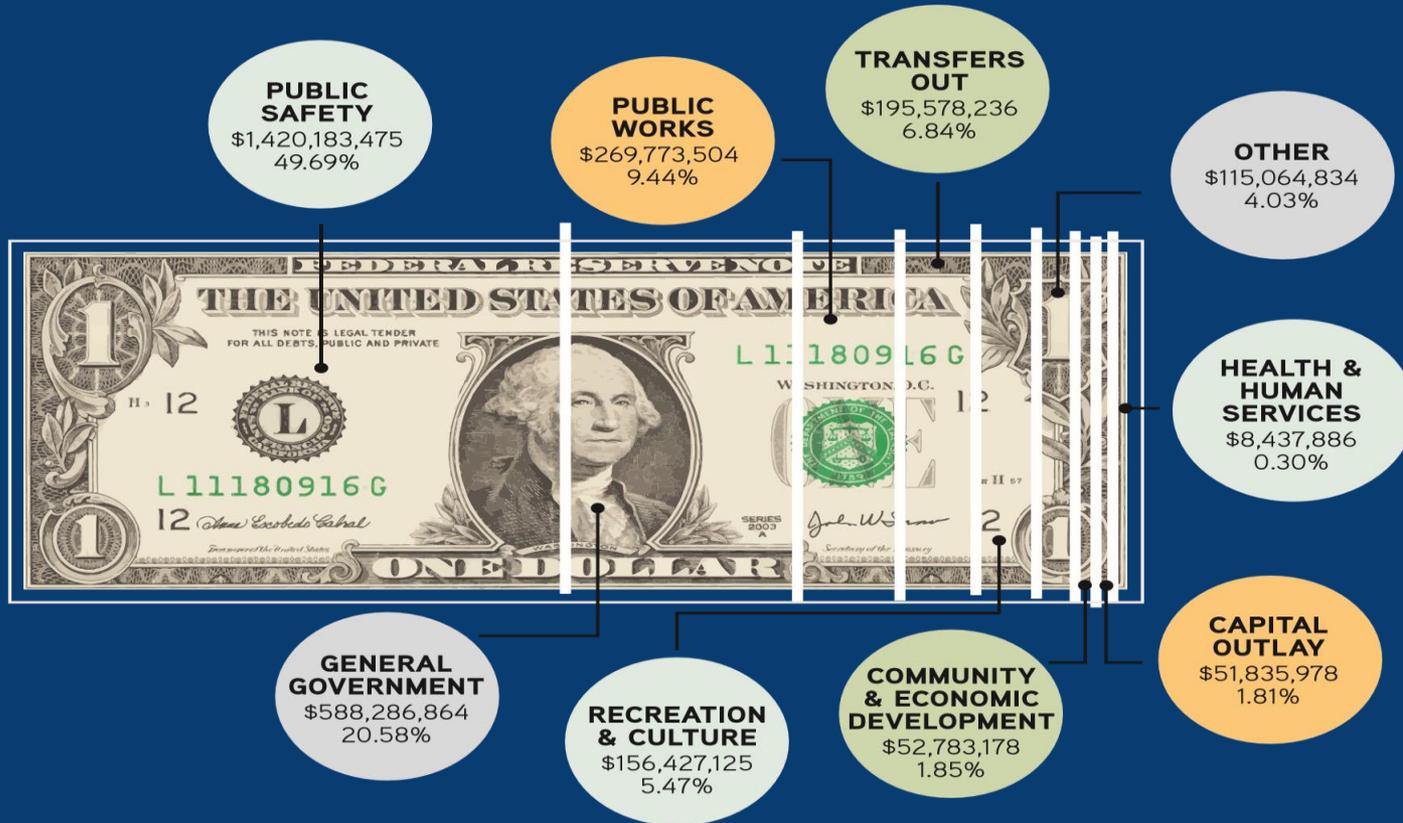




Revenue Sharing Resources



Why Does Revenue Sharing Matter?



2015 CITY GENERAL FUND EXPENDITURES
Data from State of Michigan F65 Portal

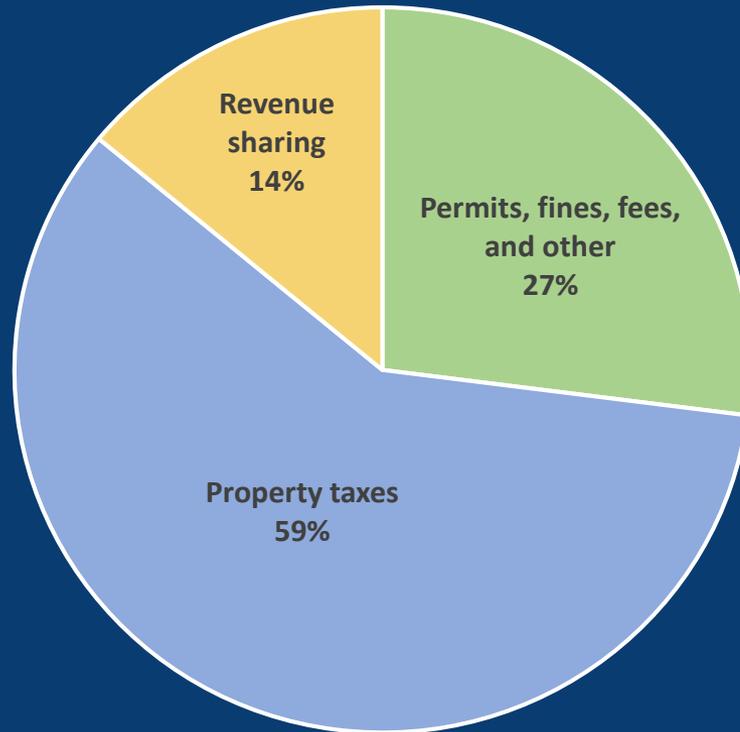


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Local Government Revenue



Municipal General Revenue by Source

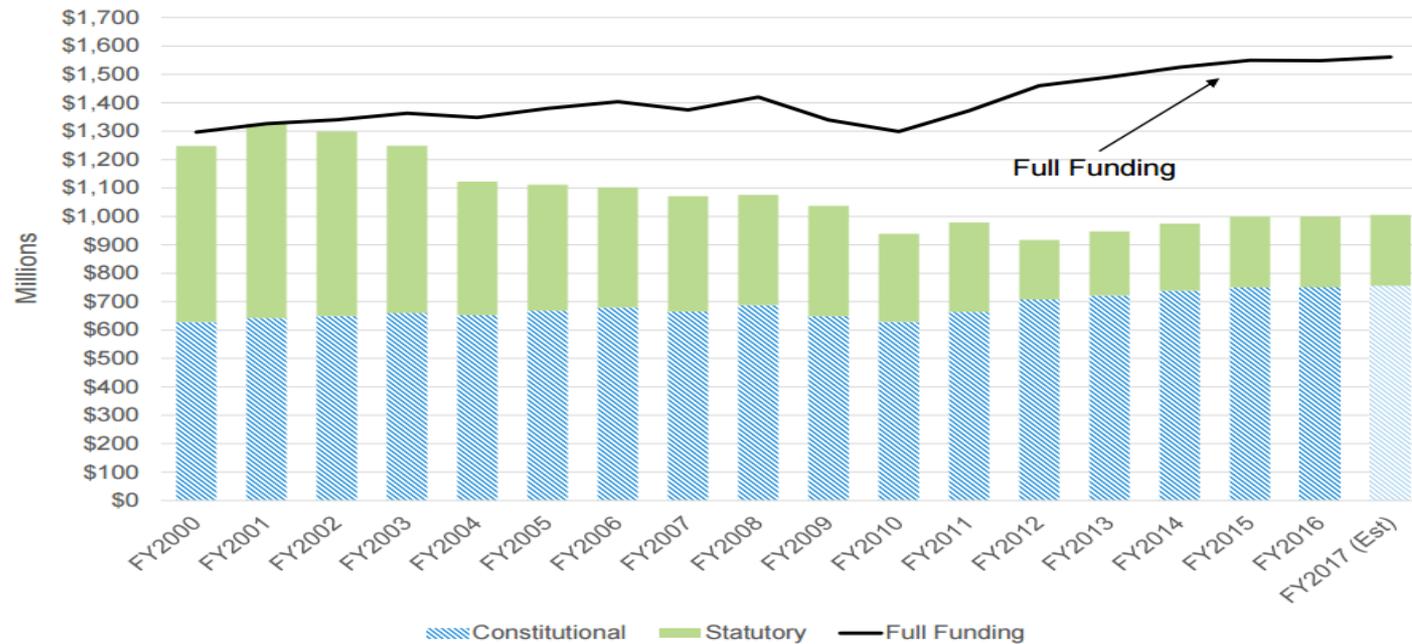


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Revenue Sharing



Total Revenue Sharing Payments to Cities, Villages, and Townships



House Fiscal Agency

17

January 2017

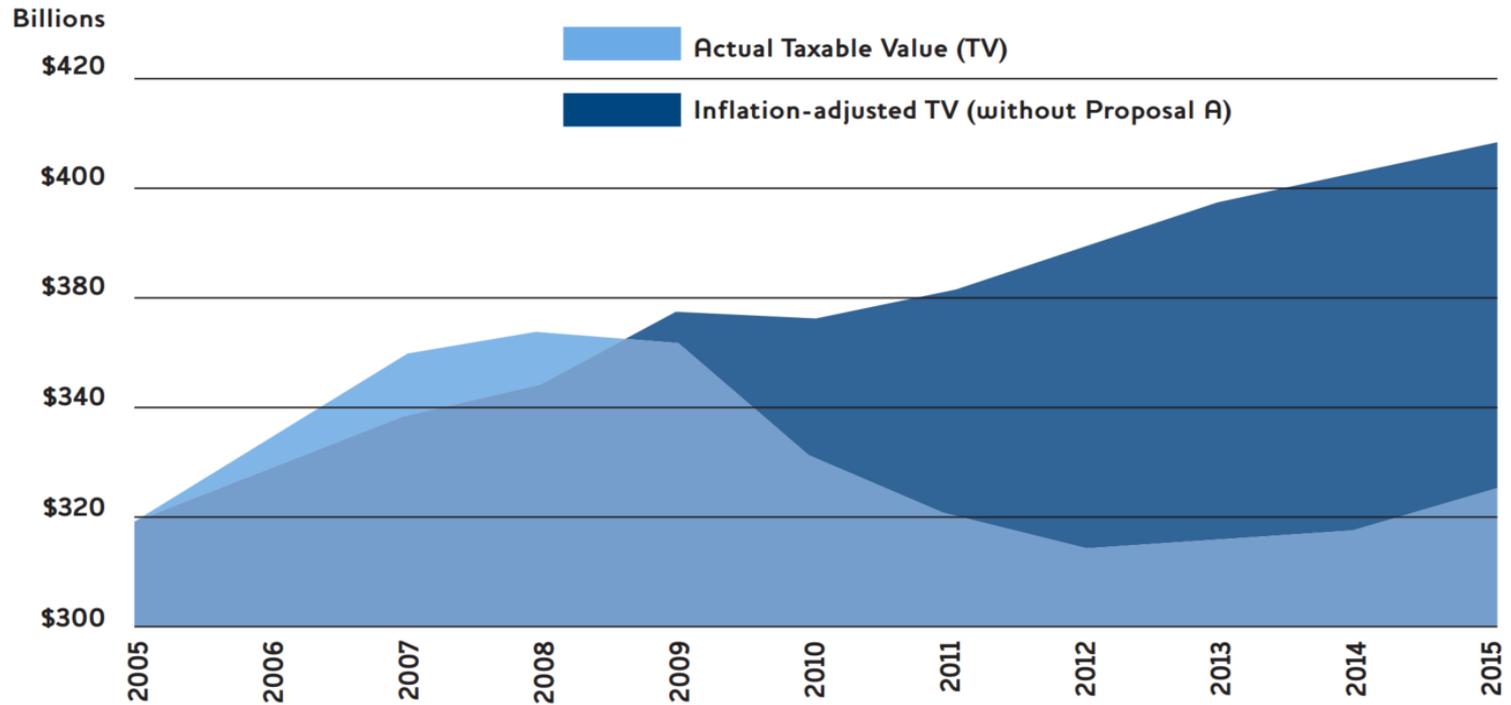


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Property Taxes



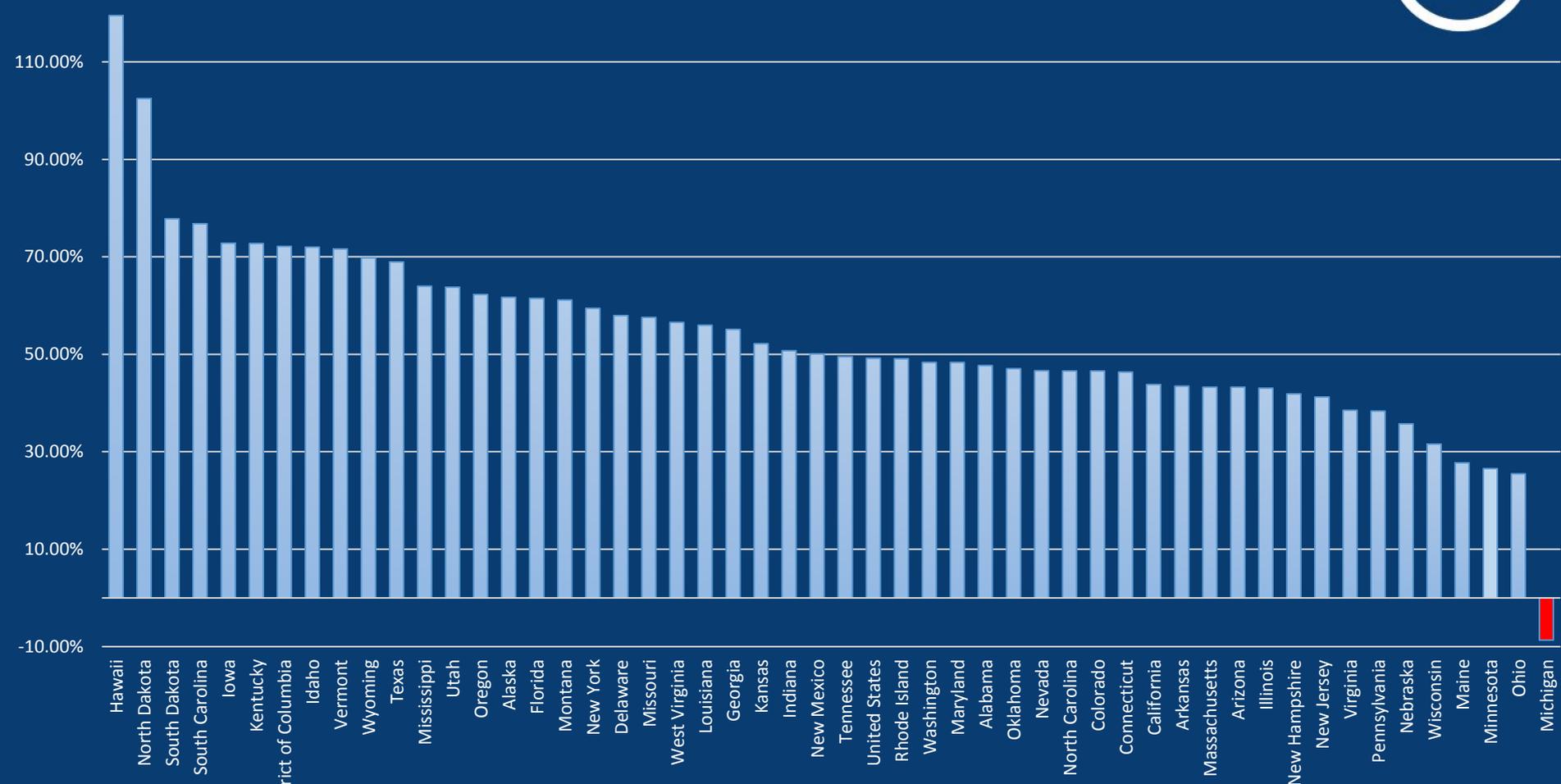
STATEWIDE TAXABLE VALUE (2005-2015)



Source: Adapted from GLEC, 2016

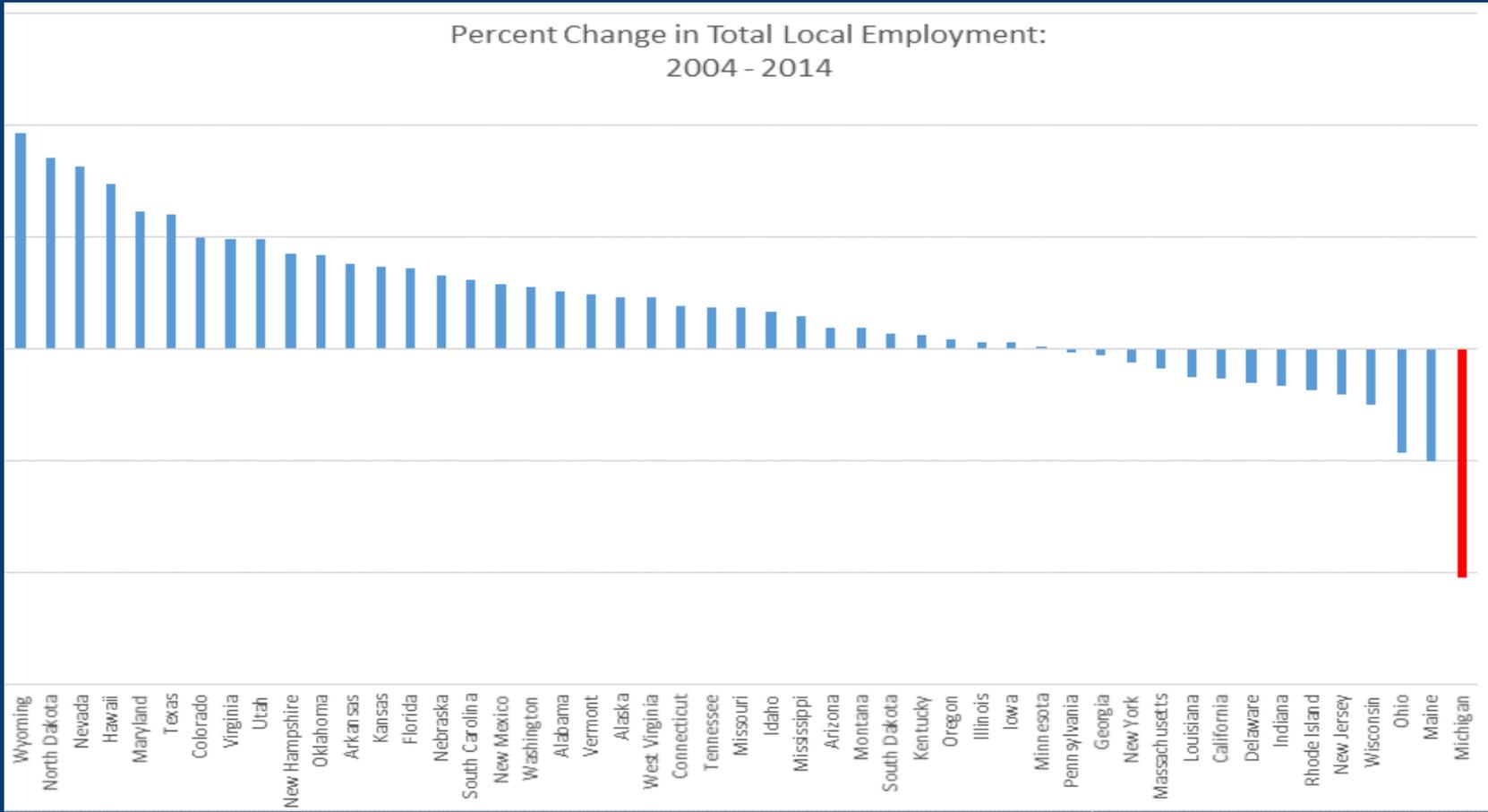


Growth in Municipal General Revenue (2002-2012)





Impacting Services



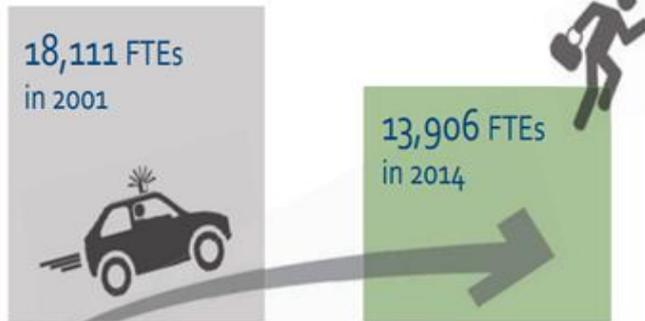
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Impacting Services-continued

DECLINING REVENUES FORCE MI COMMUNITIES TO SLASH POLICE PROTECTION BY 23%



During the same period, U.S. law enforcement numbers grew 3%

FIRE PERSONNEL IN MI LOCAL UNITS HAS DROPPED BY 36%



During the same period, the national firefighter population grew 8%

Source: U.S. Census Bureau, 2001 and 2014

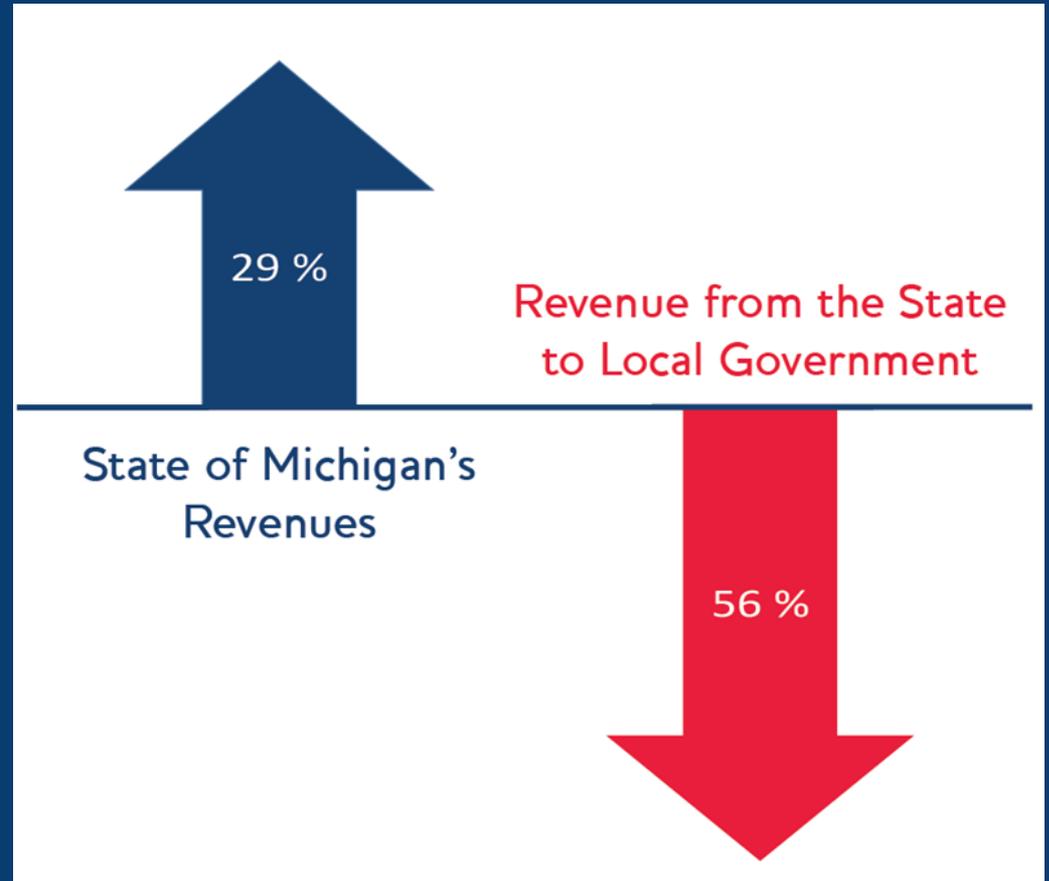


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Disconnected

- State has experienced recovery post-recession
- Local government prevented from same recovery
- Both state and local governments face rising costs





Local Government Challenges

- Cost Drivers
- Tax Policy
- Infrastructure
- Investments to Attract Talent





League Resources – mml.org



Creating 21st Century
Communities

Making the economic case for place

Save
MI
City

www.saveMlcity.org

#saveMlcity

The graphic features a teal silhouette of the state of Michigan on the right side. To the left of the map, the text 'Save MI City' is displayed in a sans-serif font, with 'MI' in a larger, teal font. Below the text, the website URL and hashtag are provided.

We love where you live.



Questions?



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