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MUNICIPAL GOVERNANCE - MICHIGAN

Warren City Council v. Fouts

Court of Appeals of Michigan - December 29, 2022 - N.W.2d - 2022 WL 17997585

City council brought action against mayor seeking a writ of mandamus, declaratory judgment, and injunctive relief, alleging that mayor violated city charter, Uniform Budgeting and Accounting Act (UBAA), and recodified tax increment financing act (RTIFA) by spending unappropriated money from city budget.

The Circuit Court granted preliminary injunctive and declaratory relief in city council's favor. Mayor appealed.

The Court of Appeals held that:

- Court properly granted declaratory judgment in city council's favor stating that mayor was not entitled to proceed with his own budget as if it had been passed by city council, and
- City council showed that it was likely to prevail on merits of its mandamus claim against mayor.

City charter permitted city council to unilaterally amend mayor's recommended budget when passing general appropriations resolution, and thus court properly granted declaratory judgment in city council's favor stating that mayor was not entitled to proceed with his own budget as if it had been passed by city council; charter required mayor to prepare and submit a proposed budget to city council, but also stated that city council was required to pass "a" budget and not "the" budget, charter described budget submitted by mayor to city council as "a recommended budget" and as a "budget proposal," and city council had power to "adopt a budget" for next fiscal year.

City council had clear legal right to have mayor act in accordance with city charter and Uniform Budgeting and Accounting Act (UBAA) and recodified tax increment financing act (RTIFA) and mayor had clear legal duty to comply with law authorizing only those expenditures that were approved by city council, and thus city council showed that it was likely to prevail on merits of its mandamus claim against mayor, as required for issuance of preliminary injunction to enjoin mayor's further expenditure of unappropriated money; city charter gave city council sole power within city to appropriate money, mayor's legal duties to follow expenditure rules in charter were ministerial in nature, and mayor had no discretion to determine whether money had been appropriated for particular program or project.