CITY MANAGER'S OFFICE

MESSAGE FROM THE CITY MANAGER

Dear Residents,

As your City Manager, I am committed to keeping you informed about two important ballot proposals that City Council has unanimously approved for the November 5 election. My credentials through the International City Council Management Association (ICMA) underscore my dedication to ethics and professional development. Tenet 9 of the ICMA code of ethics emphasizes the importance of keeping the community informed and encouraging active engagement and communication.



Joseph Gacioch City Manager jgacioch@ferndalemi.gov

PROPOSAL 1: GENERAL OPERATING MILLAGE INCREASE

This proposal aims to raise the City's general operating millage to 20.0000 mills—the maximum allowed by the City Charter. If a majority of voters approve, this would increase the millage rate by 4.3048 mills next year over the rate shown in your upcoming summer tax bill.

PROPOSAL 2: FUNDING ALLOCATION

This proposal is a Charter Amendment that would ensure 4 mills of the increase are permanently earmarked for:

- A new combined Public Safety Facility on E. 9 Mile
- A new Recreation Facility at Martin Rd.
 Park near the splash pad
- Parks & Recreation and public safety operations

What Approval Means:

Approving Proposals One and Two would sustain the expiring 4.2808 millage and add an additional 4.3048 mills earmarked for public safety and recreation. This results in a total of 8.5856 mills, restoring the operating millage to 20.0000 mills. Essentially, you would see a net increase of 4.3048 mills from your current tax rate, with the increase dedicated to public safety and recreation.

Modern Recruitment and Retention

The competition for hiring police, fire, DPW, and civil servants has become much tougher in recent years—particularly those of Ferndale's caliber. Michigan's *Bridge Magazine* highlights the shortages of police officers across the state; governments are increasingly offering substantially higher wages to attract and retain staff.

Our current police and fire facilities were built in the 1950s and 60s—when we thought differently about women in the workplace, the health of our employees, and more. We could not build these same facilities today because, thankfully, our standards have dramatically improved over the past 70 years. In this competitive environment, facilities also play a factor in recruiting for talent. Learn more at bit.ly/3X6MYVB.

IMPACT ON TAXES: THE "YES" SCENARIO

Taxable Value = 50% of your property's Assessed Value. Your property's taxable value will be identified on your summer tax bill. The Resident Finance Committee provides an excellent explanation on how to estimate your taxes. A direct link to their report is called out at the end of this article.

4.3038 mill increase impact scenarios:

| Taxable Value | Estimated Annual Tax Increase | Estimated Monthly Tax Increase |
|---------------|-------------------------------|--------------------------------|
| \$50,000 | \$215 | \$18 |
| \$75,000 | \$323 | \$27 |
| \$100,000 | \$430 | \$36 |

Consequences of Not Approving the Proposals

If Proposals 1 and 2 are not approved, the 4.2808 mills will be removed from your summer tax bill. This reduction will cut the City's general fund operating budget by \$4 million, leading to an estimated 34 positions being cut, reducing staffing levels back to what we saw following the 2009 recession, and decreasing city service levels. You can watch my budget cut scenario planning presentation to the City Council to see how these cuts would be managed. The DPW and Police & Fire Departments would be the last to face cuts.

FYE 26-27 BUDGET-CUT PRESENTATION

Learn more at bit.ly/3VIFZGX or scan the QR code.



3 Learn about the "No" Scenario on the next page.

IMPACT ON TAXES: THE "NO" SCENARIO

You would see a decrease of 4.2802 mills on your summer 2026 tax bill.

4.2802 mill decrease impact scenarios:

| Taxable Value | Estimated Annual Tax Decrease | Estimated Monthly Tax Decrease |
|---------------|-------------------------------|-----------------------------------|
| \$50,000 | -\$214 | -\$18 |
| \$75,000 | -\$321 | -\$27 |
| \$100,000 | -\$428 | -\$36 |

RESOURCES FOR MORE INFORMATION





I have endeavored to provide the factual information and links to resources so voters have the best information to make decisions on behalf of themselves and their households. The Resident Finance Committee's work is an excellent resource for understanding Michigan tax law and how your property tax bill is calculated.

Thank you for staying informed about these important proposals.

Sincerely, Joe Gacioch