

FACTS ABOUT THE FEBRUARY 28th BALLOT PROPOSAL IN CLAWSON:

WHAT HAS HAPPENED TO CAUSE CLAWSON TO ASK FOR THIS MILLAGE?

- We have lost \$100 million in taxable property value since 2008
- We have lost property tax operating revenue of over \$1.3 million since 2008
- We have used fund balance reserves of \$1.2 million over the past four years to complete capital projects and balance the budget

WHAT HAS CLAWSON PERSONNEL DONE TO HELP CUT COSTS?

- We have reduced full-time employees from 62 to 47 since 2000 and we still provide the same quality services that we did back in 2000, all with 15 less full-time employees
- All full-time employees have taken a 10% wage cut
- All full-time employees are paying more for health care costs
- We are closed on Fridays to help cut operating costs
- All employee legacy costs have been removed for new hires since 2004 to save money for now and for the future
- We have combined several full-time administrative positions to help cut personnel costs
- Retirees have agreed to health care plan cuts that have saved over \$1 million in costs

HOW MUCH WILL THIS MILLAGE COST ME & WHY THIS AMOUNT?

- The average Clawson resident will pay 25 to 30 cents more per day for this millage or \$90-\$110 per year than what they paid last year
- Here is a fact that surprises everyone when they hear it: **Nearly every Clawson taxpayer who has owned their home since 2008 will still pay LESS in General Operating taxes with this proposed 15 mill levy than what they paid in 2008 when the millage was 12.6834!** This is because the taxable value of nearly every homeowner in Clawson has dropped significantly since 2008.
- Even though the ballot language says you are approving 4.2398 mills, only 2.3166 mills is additional millage since we are currently already levying 1.9232 mills in Headlee override millage approved in 2003
- This 1.9232 operating millage approval would drop off two years early and the total available levy would be 15 mills
- Even if the millage passes, we would still be down \$1 million in our General Operating Revenue

WHY ARE YOU ASKING FOR 10 YEARS APPROVAL INSTEAD OF 5 YEARS?

- This decision was discussed for a long time and ultimately the decision to ask for 10 year approval was chosen over a shorter term because the property value projections for the next 10 years are expected to increase at a very slow rate. The decision was made for 10 years, because the forecast over the next 5 years for home value increases was so slight that there was absolutely no doubt in our minds that would have to be back to the voters again in 5 years asking for another increase
- The good news to property owners is that no matter whether the term of the levy is 5 years or 10 years, we are limited by both the Headlee Amendment that rolls back our millage rate to keep our tax levy at or near inflation and Proposal A which also limits an individual property owner to increases at the rate of inflation or 5% whichever is lower. More good news is that since 1994, when Proposal A was approved, the rate of inflation has never even exceeded 4%
- Since the City Council and Administration simply wish to maintain our level of services where they currently are, this 10 year levy does not lock us into anything that would allow for any wasteful or carefree spending.
- Over \$1 million has been cut from the operating budget since 2008 and we plan to keep the budget at that level while the economy tries to stabilize and improve

WHAT SERVICES COULD BE CUT IF THE MILLAGE FAILS?

- Since the City has only one combined General Operating millage fund, every department could see cuts or elimination of services
- Since we are currently operating every department with minimal staffing levels, any personnel cuts would result in service cuts
- Police cuts would mean less Police Officers to patrol Clawson on each shift and therefore reduced public safety
- Fire Department volunteers could be reduced leaving less firefighters on each team per shift
- DPW personnel perform numerous day-to-day activities that the people of Clawson have come to count on and expect. Snow plowing, leaf pick-up, tree trimming, street cleaning, park and grounds maintenance, special city event set up, staffing, and clean up, water & sewer system maintenance and equipment operations and maintenance are just some of the services our DPW employees perform every day
- Parks and Recreation and Senior Citizen programs could be reduced or eliminated.
- Hunter Community Center could see reduced hours or complete closure if the money is not available to sustain the operations
- Additional reduction of City Hall hours and services could be a result of personnel cuts

The severe loss in operating revenues due to the drop in taxes has brought us to the point where cuts alone will no longer fill the operating budget gap. This millage would save our services and maintain the employment level we currently have while maintaining the budget cuts that we have already made of \$1 million.