



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: August 3, 2020

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Cathleen A. Russ, Library Director

Subject: Library Funding Supplemental Information

The final library survey results were presented during the July 27 regular City Council meeting. City Council then began deliberating toward rendering a decision regarding the library millage rate and duration to be presented at the November general election. This supplemental information is intended to help City Council render that decision.

Exhibit 1 – City Millage Rates, FYE 2011 – FYE 2022

Exhibit 1 shows the City's operating, capital, refuse, debt, and library millage rates from fiscal year ending 2011 (the last year before the library millage began) to fiscal year ending 2022. The debt and library millage rates are blank in fiscal year ending 2022 because each will end without voter approval of a new millage. The other millage rates in fiscal year ending 2022 are estimates.

Exhibit 2 – Total City Millage Rate, FYE 2011 – FYE 2022

Exhibit 2 shows the City's total millage rate from fiscal year ending 2011 (the last year before the library millage began) to fiscal year ending 2022. Two different total millage rates are shown for fiscal year ending 2022 to illustrate what would happen to the City's total millage rate if the library millage rate approved by voters is 1.0 or 1.1 mill.

Exhibit 3 – Library Millage Rates and Taxes

Exhibit 3 shows how the average residential Troy tax bill might change between fiscal year ending 2021 and fiscal year ending 2022 if the library millage rate approved by voters is 1.0 or 1.1 mill.

Exhibit 4 – Library Millage Options

Exhibit 4 shows revenue and expenditure estimates for fiscal year ending 2022 if the library millage rate approved by voters is 1.0 or 1.1 mill.

Exhibit 5 – Average Residential Library Tax Rank

Exhibit 5 shows how Troy's average residential library tax would have ranked among its peers in 2019 if the library millage rate had been 1.0 or 1.1 mill. Communities are ranked in descending order from highest average residential library tax to lowest.

Michigan's public libraries are divided into 6 class sizes based on population served. There are 35 public libraries in Oakland County. There are 17 Class 5 and 6 Libraries in Oakland County. The Troy Public Library is a Class 6 Library.



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Twenty-two (22) cities, villages, and townships levy a dedicated library millage for the 17 Class 5 and 6 Libraries in Oakland County. The number of communities levying a dedicated library millage is greater than the number of libraries because some communities share a library. For example:

- Birmingham, Bloomfield Hills, and Beverly Hills each levy a dedicated library millage for the Baldwin Public Library in Birmingham.
- Farmington and Farmington Hills are in the Farmington Community Library district.
- Rochester Hills and Oakland Township each levy a dedicated library millage for the Rochester Hills Public Library.

In 2019, the average residential taxpayer in these Oakland County communities paid about \$11 per month for library services. The average residential Troy taxpayer paid about \$7 per month for library services. The average residential Troy taxpayer paid less than the average taxpayers in all but five communities (Royal Oak, Waterford Township, Oak Park, Madison Heights, and Pontiac).

Exhibit 5 shows how Troy would have ranked in 2019 based on the millage rate in the top row. Communities are ranked in descending order from highest average residential library tax to lowest.

Exhibit 1 – City Millage Rates

Fiscal Year Ending	Operating	Capital	Refuse	Debt	Library	Total
FYE 2011	6.5000	1.5300	0.8700	0.5000		9.4000
FYE 2012	6.5000	1.5300	0.9600	0.5000	0.7000	10.1900
FYE 2013	6.5000	1.5300	1.0500	0.7000	0.7000	10.4800
FYE 2014	6.5000	1.5300	1.0900	0.7000	0.7000	10.5200
FYE 2015	6.5000	1.5300	1.0700	0.7000	0.7000	10.5000
FYE 2016	6.5000	1.5300	1.0700	0.7000	0.6974	10.4974
FYE 2017	6.5000	1.5300	1.0700	0.6000	0.6989	10.3989
FYE 2018	6.5000	1.4949	1.0700	0.6000	0.6934	10.3583
FYE 2019	6.5000	1.4381	1.0700	0.6000	0.6884	10.2965
FYE 2020	6.5000	1.3896	1.0900	0.5800	0.6841	10.2437
FYE 2021	6.5000	1.3486	1.0900	0.3800	0.6805	9.9991
FYE 2022	6.5000	1.3486	1.0900			8.9386

FYE 2022 debt and library millage rates are blank because both will end without voter approval of new millages.

FYE 2022 operating, capital, and refuse millage rates are estimated.

Exhibit 2 – Total City Millage Rate

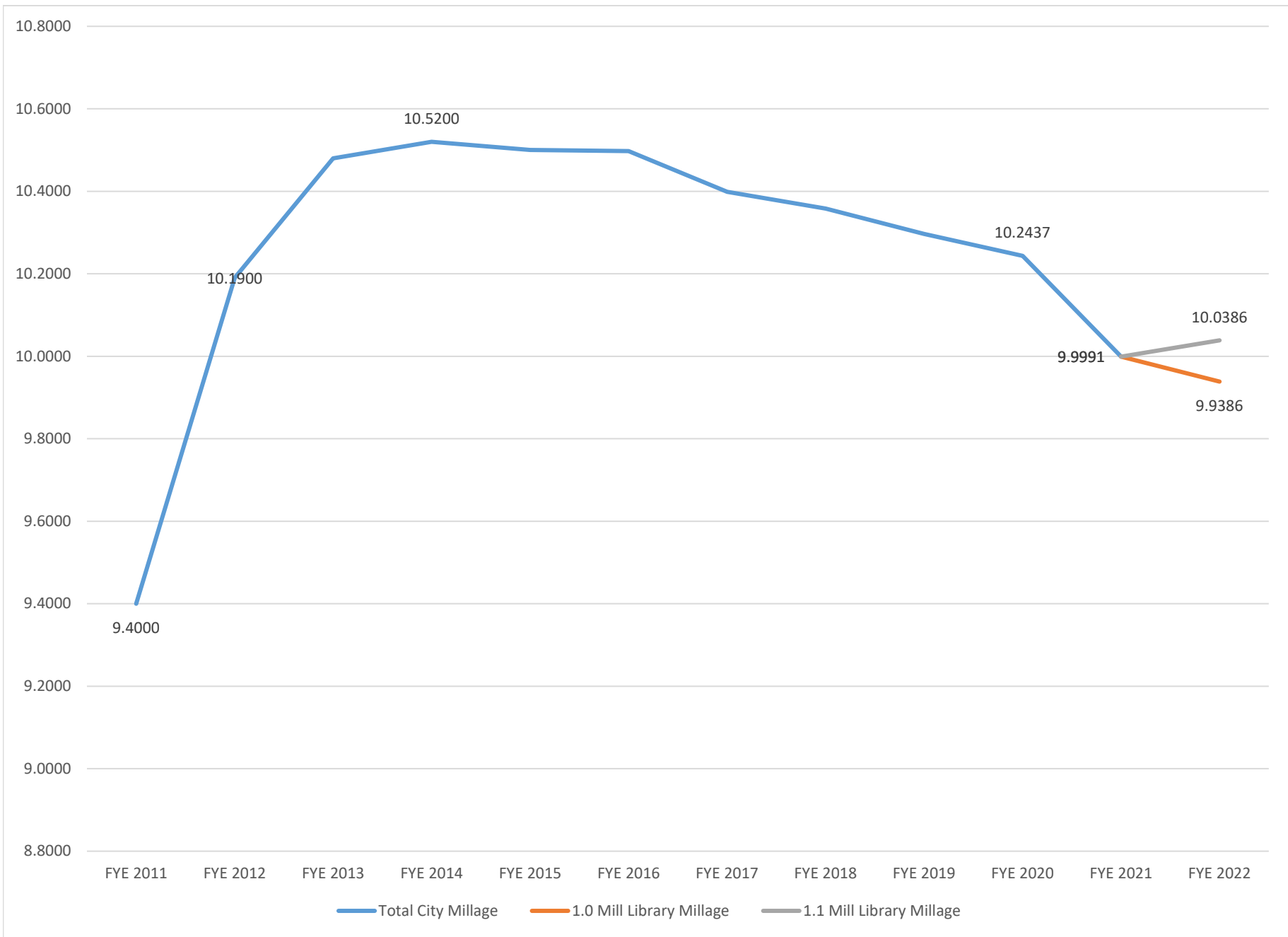


Exhibit 3 – Library Millage Rates and Taxes

Description	FYE 2021 Actual	FYE 2022 Estimates	
		1.0 Mill Library Millage	1.1 Mill Library Millage
Library Millage	0.6805	1.0000	1.1000
Other City Millages ¹	9.3186	8.9386	8.9386
Total City Millage ²	9.9991	9.9386	10.0386
Other Millages ³	19.8416	19.8416	19.8416
Total Millages ⁴	29.8407	29.7802	29.8802
Taxable Value ⁵	\$130,000	\$133,250	\$133,250
Library Tax ⁶	\$88	\$133	\$147
Other City Taxes ⁷	\$1,211	\$1,191	\$1,191
Total City Tax ⁸	\$1,300	\$1,324	\$1,338
Other Taxes ⁹	\$2,579	\$2,644	\$2,644
Total Taxes ¹⁰	\$3,879	\$3,968	\$3,982

1. Includes operating, capital, and refuse millage.

Debt millage ends in 2021.

2. Library Millage + Other City Millages

3. Includes Oakland County and Troy School District PRE millages

4. Total City Millage + Other Millages

5. Assumes 2.5% increase in 2021

6. Taxable Value / 1,000 * Library Millage

7. Taxable Value / 1,000 * Other City Millages

8. Taxable Value / 1,000 * Total City Millage

9. Taxable Value / 1,000 * Other Millages

10. Taxable Value / 1,000 * Total Millages

Exhibit 4 – Library Millage Options

Description	1.0 Mill Library Millage	1.1 Mill Library Millage
Hours 7 days; 65 hours	\$3,000,000	\$3,000,000
Building Maintenance & Upgrades	\$500,000	\$1,000,000
Collection	\$600,000	\$600,000
Computer Services	\$500,000	\$500,000
Everything Else	\$500,000	\$500,000
Total	\$5,100,000	\$5,600,000

Average Residential Library Tax
Based on \$130,000 Taxable Value \$10.83 monthly \$11.92 monthly

Exhibit 5 – Average Residential Library Tax Rank

1.0 Mill Library Millage	1.1 Mill Library Millage
9 of 22	6 of 22
1. Bloomfield Township	1. Bloomfield Township
2. Birmingham	2. Birmingham
3. West Bloomfield Township	3. West Bloomfield Township
4. Bloomfield Hills	4. Bloomfield Hills
5. Farmington Hills	5. Farmington Hills
6. Orion Township	6. TROY (\$11.40 monthly)
7. Independence Township	
8. White Lake Township	
9. TROY (\$10.37 monthly)	

Rankings based on 2019 millage rates and Taxable Values
Based on average Troy residential Taxable Value of \$124,403