

**JOINT MEETING
CITIES OF FARMINGTON AND FARMINGTON HILLS CITY COUNCILS
WITH THE FARMINGTON LIBRARY**

November 15, 2004

A meeting of the Farmington/Farmington Hills City Councils and Farmington Library Board of Trustees was held on Monday, November 15, 2004 at the Farmington Community Library, 32737 W. Twelve Mile Road, Farmington Hills, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 5:50 p.m. by Library Board President Clark Doughty.

PRESENT: Farmington Community Library: C. Doughty, J. McLaughlin, S. Solvick, D. Stoutjesdyk, E. Sauter, P. Haapaniemi, M. Carr, B. Papai, T. Theeke, G. Furi, D. Serresseque

Farmington City Council and Staff: Mayor A. Campbell, Mayor Pro Tem J. McShane, M. Bush, J. Mitchell, V. Knol, City Manager V. Pastue, Clerk-Treasurer P. Cantrell, City Attorney T. Schultz

Farmington Hills City Council and Staff: Mayor V. Barnett, Mayor Pro Tem J. Ellis, R. Bruce, B. Brickner, K. Massey, C. Oliverio, City Manager S. Brock, Assistant City Manager D. Whinnery, City Clerk K. Dornan, City Attorney S. Joppich

ABSENT: J. Soronen, FCL Board Trustee, J. Akouri, FHIL Council

Library Board President Clark Doughty publicly thanked B. Papai for everything she has done for the Library and this community and welcomed Tina Theeke to her new position as Director.

The City Councils were invited to meet at the Library to discuss future funding of the Library. The Farmington Community Library (FCL) is one of the few of its size and status that does not have independent millage for funding.

C. Doughty described a strategic plan which includes three goals set by the Board of Trustees. The first goal describes the responsibility that the Board feels to responsibly handle the operating budget and debt retirement. The second goal is to win the support of the electorate in a spring 2005 election since the FCL is a critical contributor to this community and should be funded accordingly. The third goal says, "The Board, administration and staff are prepared to make significant adjustments in staffing and services should the millage election in 2005 not be successful."

Library Millage Considerations for 2005 Millage, a document included in the packet which was distributed to the Councils, shows issues of immediate concern. A May election date seems most practical and would allow the Board to levy the millage in the summer tax bills which would take the Library out of the Council provisions for the upcoming year. It provides stable funding.

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Discussion continued with school board elections and their chosen date as well as the actual cost of an election. C. Doughty has talked with school board members who thought it would be a positive move to share the election costs with the Library. There will be upcoming conversations with school officials to determine their preference for a date for their election.

C. Doughty continued with the statement that the Library may need some support from the two cities to make some payments toward the end of the year.

When questioned if the Library would have to be an elected Board as opposed to appointed by the City Councils, Board President C. Doughty responded that the Library Board does not have to become an elected Board.

November election is not a preferred option for the Library Board, per C. Doughty. A delay jeopardizes stable funding for FY 2005-06.

Beverly Papai, Library Director, responded to a question about whether the capital improvements include the Farmington branch as well as the Main Library. The Capital Improvements includes replacing PC's at the Farmington Branch among other items. J. McShane stated that the Farmington Council would like to be assured that the Farmington Branch will have equitable funding.

B. Papai recommends that the goal should be to make sure the millage passes so that we can get out of situations like this. V. Knol stated that Farmington voters will want assurances on maintaining services.

FCL Board Trustee, Ernest Sauter, stated that Farmington Hills residents use the Farmington Branch also.

City of Farmington Mayor, Arnold Campbell supports the proposed campaign saying it makes sense that this is the best thing to do.

In order to have a successful millage, C. Doughty requests a couple of things from the Councils. Number one is support in connection with the entire campaign – talking to groups, whatever assistance you can lend to us.

Second would be a resolution from both councils not only supporting millage elections but also acknowledging a rollback from the funding that would otherwise have been in place.

When Mayor Pro Tem Jerry Ellis questioned the reduction, B. Papai stated that the Library has lost \$650,000 in budget cuts. In 2002, \$61,000 was cut mid budget year implementing the Headlee rollback to the agreed-upon funding formula. In December 2003, the Library was cut \$167,000 because of cuts in revenue sharing. In 2004, the budget was reduced \$420,000 with the funding formula used since 1998 eliminated.

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J. Ellis asked how much the Library is asking the Council to roll back so that they can collect 1 mill. B. Papai responded that she would look for support of .8 mills.

When A. Campbell suggested that each Council consider the roll back feature and that it may be different for each City, Farmington City Manager Vincent Pastue suggested that possibly, they could allocate that mill without going through a vote.

The Library will seek legal counsel to guide and suggest the proper ballot language appropriate for the district.

An attorney is verifying the options of a millage under 2 mills may be levied in perpetuity, under the District Library Act. Any millage over 2 mills may be levied for twenty years. The amount of millage to be asked by the Library Board has not yet been decided.

A. Campbell stated that the cities need to know how much the election will cost. V. Knol agreed and stated that the cities need to know what the Farmington Public Schools plan to do for their elections before deciding on a date.

In response to Farmington Hills Council Member Randy Bruce's question about perpetual versus renewal millage and what the levy practice is with other libraries, C. Doughty said that it is common practice for District Libraries to ask for under 2 mills in perpetuity. And not having that language, we would have to come back to ask again ten years from now because the other alternative is to close the library.

City of Farmington Hills Mayor Vicki Barnett suggests that Headlee will continue to erode in perpetuity whatever is voted in, and the Library should ask for higher millage to accommodate that.

B. Papai assured A. Campbell that if the Library receives money directly, Director Tina Theeke would be able to handle the money along with the bookkeeping staff and the Library Board, without hiring additional financial staff.

In response to questions from the Councils, C. Doughty explained that the Library Board would like to create a fund balance and fund some of the unfunded Employee Fringe Benefits liabilities, and would also like to create a Capital Reserve Fund. The campaign strategy begins now as the Library looks for all of the help possible. It cannot be done by the Library alone. The Library is looking for the support and assistance of the Farmington and Farmington Hills City Councils.

Discussion continued regarding the Library's strategy for the election with C. Doughty responding that the Library Board has reviewed their strategy from previous elections and have discussed how to go forward.

Farmington Hills City Manager, Steve Brock, publicly spoke his support as well as Mayor, V. Barnett.

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Mayor V. Barnett stated that she supports a voted millage and understands the selection of a May date if the schools are holding an election in May agreeing that the Library needs a stable funding source.

City of Farmington Council Member, James Mitchell, suggests a levy for 2 mills as being appropriate.

J. Ellis suggests being specific in the request for a millage increase. The Cities cannot promise to roll back and be held to it. "We will roll back for a year in our next budget. If we get hit, we are going to look for funding sources." "We need stable sources of funding for our Library and this is what we need. This is the tax increase. This is what it will cost. This is what we are asking for and it is a tax increase." J. Ellis further suggests that a request be made for a five-year increase to show what the Library can do with that amount. Then go back and ask for ten years.

J. Mitchell agreed with J. Ellis, noting the cities will not necessarily know in May the level of funding they will need.

Because the Library took such severe cuts within the past couple of years, C. Doughty states that it cannot be cut again. At that point, we would be on the verge of risking a storefront library, cut hours, staff, etc. I think what we are asking for the rollback is acknowledgement that if it doesn't pass you are going to continue having the expense of providing library service.

J. Ellis noted that the City of Farmington Hills recreation millage was approved for five years and at the end of five years was re-approved. He feels the Library should ask for a ten year millage and be up front with the voters about funding requirements.

B. Papai stated the Library Board needs to be practical; that the Library took a "lion's share" of the cuts in July and there absolutely cannot be further cuts.

R. Bruce stated that he wants to see school elections held in November and asked if it would hurt the Library to hold the millage election in November. B. Papai stated she was concerned with a November election.

S. Brock stated the voters are enlightened; that a school millage was approved in August; and that the cities will have to agree on reductions as the voters will tie-bar the two issues.

B. Brickner voices his support in the Library campaign and suggests that the Library look inward to see what can be done to raise revenue; possibly charging people to use the computers, raise the video rental fee, etc.

C. Doughty assured the City Councils that the Library Board had heard their suggestions in May and took them under consideration. We have implemented two suggestions. Some we did not because of the negative cost. We are looking inward.

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It was discussed that a resolution must be presented to the City Clerk sixty to seventy days prior to the election for ballot language to be approved. The exact timing will be verified.

A. Campbell states that he will support the Library but that it needs further discussion regarding the Headlee Rollback and a promotions strategy. V. Knol stated that she believes the average voter will assume the worst case.

J. McShane will support the Library, but must have voters trust. She suggests that they must be educated and informed and the Library must be honest and gain their trust.

Discussion continued regarding specifics of a millage, that a voted millage puts more control in the hands of the voters, that a good library system supports a good school system, and how to move forward.

V. Barnett requests the Library proposal to be discussed in January, as well as projections for ballot language. The Library Board will have the information to the Cities by January 7 as requested.

The study session was adjourned at 6:58 p.m.

Respectfully submitted,

Diane Serresseque
Administrative Assistant
Farmington Community Library

Patsy K. Cantrell, Clerk

Arnold T. Campbell, Mayor

Kathryn Dornan, Clerk

Vickie Barnett, Mayor