

Overview of August 6th Library Millage Request

Rochester Hills Public Library (RHPL) was established under Public Act 164 of 1877 and derives a base of governance and tax support from the citizens of Rochester Hills. Community founders pledged 1 mill in perpetuity in 1924 and this millage rate has not increased in over 100 years. The City of Rochester and Oakland Township contract for service with RHPL, and pay annual fees based on the same formula of 1 mill (Headlee reduced).

On April 9, 2024, the RHPL Board of Trustees passed a resolution to submit a ballot question for the August 6 election asking voters in Rochester Hills to consider a .39 millage increase for 10 years. This would result in a total millage levy of 1.12 for Rochester Hills residents. If approved, it will yield a per-capita rate of \$64 per resident of property tax revenue. The RHPL Board authorized discussions with both the City of Rochester and Oakland Township to bring contract fees into parity with Rochester Hills.

The chart below outlines how the millage reduction factor has rolled back the original millage rate, the current property tax revenue raised, and what is proposed:

	Current Millage Rate	Current Property Tax Raised	Proposed millage rate increase	Total Property Tax Raised (if approved)
Rochester Hills	.73	\$3,222,042	.39	\$4,930,998
City of Rochester	.68	\$575,504	.20	\$840,697
Oakland Township	.57	\$1,038,036	.14	\$1,291,039

Communities that contract with RHPL receive uniform library services but cannot have a voting representative on the board because of how the library is legally established. To establish voting representation, a wholly new library would have to be formed as a district library and a uniform tax rate would be applied identically across the communities that make up the district. Recognizing the uniqueness of how RHPL operates, the Board of Trustees works collaboratively to build consensus among all stakeholders, especially from the contract communities, and has devised a formula to propose equitable library funding based on a per capita fee.

The City of Rochester could consider two mechanisms of additional funding for library services: pay from the general fund, as has been the practice since 1967, or appeal to voters in the City of Rochester to approve a new millage for .8852 mills for 10 years as dedicated library funding. For the City of Rochester, this would yield \$840,697 (\$64 for each resident), commensurate with the Rochester Hills per capita rate. Note that if the City of Rochester pursues a new, dedicated millage, by default, it would be exempt from DDA tax capture.¹

Oakland Township Library Board funds their library through two separate millages for library service. Since the smaller of their two millage expires at the end of 2025, it is conceivable that

¹ The Recodified Tax Increment Financial Act, PA 57 of 2018 exempts any library millage approved by voters after January 1, 2017 from tax capture.

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they would ask residents to renew the existing millage and add a new millage (.14) to raise a total of \$1,291,039 in property tax revenue.

This chart illustrates potential costs for City of Rochester Hills residents with a millage request:

Market Value of Home ²	Current - .73 mills		Proposed - .39 mills	
	Current Annual Cost	Current Monthly Cost	Proposed Annual Cost	Proposed Monthly Cost
\$200,000	\$73.00	\$6.08	\$39.00	\$3.25
\$300,000	\$109.50	\$9.12	\$58.50	\$4.87
\$400,000	\$146.00	\$12.16	\$78.00	\$6.50
\$500,000	\$182.50	\$15.20	\$97.50	\$8.12
\$600,000	\$219.00	\$18.25	\$117.00	\$9.75

Key Points

- If the millage is approved and contracts are renegotiated, the materials budget will expand to over \$1M with priority given to eMaterials. Sunday hours will be added year-round, program offerings will increase, building renovations will begin (with a possible new café), the building will become fully ADA accessible, the roof will be replaced, the heating and cooling systems will be modernized, and new bookmobiles will be put into service for the 70-square mile service area.
- The millage rate has remained unchanged for over one hundred years, and the library has never had an increase from what the community first pledged in 1924.
- RHPL's millage ranks in the bottom five of libraries in the region. The only communities that pay a lesser millage rate on property are Ray Township, Romulus, Chesterfield, and Lincoln Park.
- Inflation increases, limited investment opportunities, rising payroll costs, and vendor fees have contributed to stagnated revenue growth for Rochester Hills Public Library.
- The library building is 30 years old and needs crucial updates to meet ADA compliance and modernization. The bookmobile vehicles are at the end of their useful life.
- Comprehensive analysis indicates the library will need to invest \$7.5M (in 2024 dollars) over the next 10 years for capital improvements. Projecting for inflation, the true amount will be closer to \$9.5M by year 10 if upgrades are delayed or deferred.
- If the library millage is not approved, necessary building upgrades will have to be prioritized at the expense of operations such as staffing, the materials budget, and programming. The result will be longer wait times for popular items, cuts to eBooks and physical book purchases, less assistance for technology training, and fewer programming opportunities for children, teens, and adults.

² The taxable value of a home is about half of the market value depending on how long an individual has owned the property.

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Use of the library is expected to grow in the future:

- 1.5 million items are checked out each year.
- The library has over 1,150 visitors every day.
- In a 2024 survey of residents, 97% indicated they would use the library with the same *or more* frequency in the next five years.
- There is a net gain of 553 new library cards issued each month on average.
- Demand for electronic materials like eBooks has grown substantially (20% increase in use over last year, and almost doubled from the year prior.)
- Meeting and study room needs have exploded, with over 10,000 reservations last year. The library is on track to hit 12,000 this year.

People of all ages and backgrounds use the library for all sorts of reasons:

- On average the library welcomes 7,000 visitors each week to the library.
- Over 10,000 study room and meeting room reservations each year.
- The library has over 360,000 items in its collections.
- Everyone knows the library has books, but the library also provides access to:
 - eBooks and eAudiobooks for download on personal devices
 - Meeting rooms for nonprofit organizations and educational groups
 - Drop-in and appointment-based technology help
 - Bookmobile visits to preschools
 - Mini-branch libraries in senior residence facilities and the OPC
 - 35mm slide digitizer, 8mm film converter, VHS to DVD converter
 - Do-it-yourself book club kits
 - Magnification devices to try out at home for those with vision challenges
 - Popular magazines for downloading at home
 - Storytimes for five different age groups
 - Teen advisory committee that plans teen-oriented programs
 - Civil service/GED online test preparation service
 - Automatic placement of holds on new books by your favorite authors
 - Videogames and gaming consoles to check out
 - Innovative equipment such as tools, instruments, and hobby kits
 - Interlibrary loan access to over 45 million items from libraries of all types
 - Demographics research tool for business startups
 - Books by mail for eligible customers
 - Sunday concerts, history lectures, craft programs, summer reading for all
 - Play-to-learn activity room to encourage early literacy

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The Library Board has kept a tight rein on the library's funds, strategically cutting and avoiding major impacts to services to the public and finding other sources of revenue to try to make up for the losses:

2010 - 2019

- Froze staff wages for three years.
- Cut the library's retirement contribution by 40%.
- Cutback staff health care plans (medical, prescription, and dental).
- Cut budgets for supplies and specialized consulting.
- Reupholstered furniture and re-laminated study tables.

2020 - present

- Reduced staff from 135 positions to 105.
- Outsourced a five-person custodial department to a nightly cleaning service.
- Eliminated 2.5 FTE positions with benefits (did not replace).
- Deferred furniture upgrades by acquiring second-hand furniture disposed of from other libraries.
- Redesigned and coded website with internal team (did not outsource).
- Developed in-house strategic plan and defrayed fees for research, surveys, metrics, and tracking tools.
- Managed major IT and facilities projects with the internal team and eliminated consulting and installation fees.
- Eliminated or re-bid service contracts (maintenance, internet, supplies, etc.).
- Garden landscapes are maintained by volunteer gardeners at no cost to taxpayers.
- Deferred replacement of Community Bookmobile and purchased a small utility van to transport materials with abbreviated service.
- Eliminated a long-term care insurance benefit for staff.
- Installed LED lighting with the internal team as a way to reduce utility costs over time.

For further information please visit www.rhpl.org/millage or contact Juliane Morian, Library Director at director@rhpl.org or 248-650-7122