



**TO:** Members of Troy City Council  
**FROM:** John Szerlag, City Manager  
 John M. Lamerato, Assistant City Manager  
 Tonni L. Bartholomew, City Clerk  
 Lori Grigg Bluhm, City Attorney  
**DATE:** May 12, 2011  
**SUBJECT:** Library Millage Ballot Question and Procedure

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City Council directed the preparation of ballot language for continued library funding at its May 9, 2011 City Council meeting. The direction was to provide language for a 0.70 mill levy for dedicated library purposes, which would be placed on an August 2, 2011 ballot. Following City Council's direction, the following ballot question is proposed for your review:

**CITY OF TROY PUBLIC LIBRARY OPERATING MILLAGE PROPOSAL**

***CITY COUNCIL WOULD BE AUTHORIZED TO LEVY 0.7 MILLS FOR DEDICATED LIBRARY FUNDING WITH THE SUCCESSFUL PASSAGE OF THE FOLLOWING QUESTION:***

*Shall the City of Troy levy new additional millage of 0.7 mills against all taxable property for a five (5) year period of time, 2011 through 2015, inclusive, for the dedicated purpose of operating and maintaining the library? 0.7 mills are equal to \$0.70 on each \$1,000.00 of taxable value. If approved, the additional millage levied will raise approximately \$2,900,000 in 2011, the first year it is levied. Millage revenue would be disbursed to the City for library purposes. Of this amount, state law requires the capture of approximately \$3,383 for Local Development Finance Authority, \$50,020 for Downtown Development Authority, and \$129 for Brownfield Redevelopment Authority purposes. This proposal is authorized under Section 6 of Article IX of the Michigan Constitution.*

Yes: \_\_\_\_\_ No: \_\_\_\_\_

This language has been reviewed by legal counsel and the Attorney General's Office. If approved by City Council, the language would need to be certified to the Oakland County Clerk by May 23, 2011 for an August 2, 2011 election. Additionally, City Council also needs to officially call the August election. A resolution has been provided for your review.

City Council would also need to take action to provide for the temporary or bridge funding in the budget adoption process, in order to keep the library operational until the results of the August election are released. It is estimated that this amount will be \$671,250. Budget adoption (Item E-1) should be postponed until after your consideration of this item. At that point, Council has the option to adopt Budget Resolution B, which incorporates funding to sustain the library should Council decide to call the special election. This amendment is required, since the current budget does not provide for operation and maintenance beyond June 30, 2011. If the ballot question is approved, and the additional millage is collected in the winter tax bills, then this money could be reimbursed to the general fund.

**A. PUBLIC HEARINGS:**

**E-1 Adoption of the 2011/12 Annual City Budget and Three-Year Budget (2012/13 – 2013/14) with Three Month Library Appropriation**

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(b) WHEREAS, Section 8.3 of the City Charter directs the City Council to adopt a budget for the ensuing year, beginning July 1, 2011; and

WHEREAS, City Council directed City Management to also produce a three-year budget;

NOW, THEREFORE, BE IT RESOLVED, That the following listed re-appropriations, operating transfers-in, and operating revenues of the General Operating Fund are anticipated:

Taxes.....	\$30,163,000
Licenses and Permits .....	1,500,200
Federal Grants.....	12,000
State Grants .....	5,302,300
Contributions – Local.....	115,000
Charges for Services .....	6,060,300
Fines and Forfeitures.....	1,072,000
Interest and Rents .....	1,074,340
Other Revenue .....	695,500
Operating Transfers – In.....	6,551,750
Re-appropriation.....	<u>2,610,131</u>
 Total	 <u>\$55,156,521</u> ; and

BE IT FURTHER RESOLVED, That the tax rate for the General Operating Fund shall be six and fifty one-hundredths (6.50) mills on the 2011 taxable valuation; and

BE IT FURTHER RESOLVED, In order to meet anticipated expenditures, amounts from the following listed budgetary centers shall be appropriated from the General Operating Fund:

Building Inspection .....	\$ 1,198,913
Council/Executive Administration .....	2,262,518
Engineering .....	1,949,125
Finance.....	3,732,709
Fire .....	4,214,198
Library /Museum.....	<u>735,510</u>
Other General Government .....	1,806,893

Police.....	27,873,319
Parks and Recreation .....	6,081,412
Streets .....	<u>5,301,924</u>

Total \$55,156,521; and

BE IT FURTHER RESOLVED, That the following listed re-appropriations and revenues of the Capital Fund are anticipated:

Taxes.....	\$ 1,146,100
Federal Grants .....	6,591,000
State Grants .....	9,587,500
Contributions – Local.....	200,000
Charges for Services.....	288,000
Fines and Forfeitures.....	220,000
Interest and Rents .....	127,200
Operating Transfer – In .....	1,100,000
Re-appropriation .....	<u>5,874,360</u>

Total \$25,134,160; and

BE IT FURTHER RESOLVED, That the tax rate for the Capital Fund shall be one and fifty-three hundredths (1.53) mills on the 2011 taxable valuation; and

BE IT FURTHER RESOLVED, In order to meet anticipated expenses, amounts from the following listed budgetary centers shall be appropriated from the Capital Fund:

Executive Administration .....	\$ 50,000
Drains.....	2,610,580
Fire .....	1,265,000
Library .....	<u>106,250</u>
Museum.....	50,000
Other General Government .....	10,073,300
Police.....	567,600
Parks and Recreation .....	139,000
Streets .....	7,728,000
Public Works.....	960,000
Operating Transfer – Out.....	<u>1,584,430</u>

Total \$25,134,160; and

BE IT FURTHER RESOLVED, That the following listed revenues of the Refuse Fund are anticipated:

Taxes.....	\$4,140,180
Charges for Services.....	4,500
Interest and Rents .....	<u>8,000</u>
Total .....	<u>\$4,152,680</u> ; and

BE IT FURTHER RESOLVED, That the tax rate for the Refuse Fund shall be ninety - six one-hundredths (0.96) mills on the 2011 taxable valuation; and

BE IT FURTHER RESOLVED, That the Refuse Fund shall be appropriated \$4,152,680; and

BE IT FURTHER RESOLVED, That the General Debt Service Fund shall be appropriated \$3,128,200; and

BE IT FURTHER RESOLVED, That there shall be a tax levy of fifty one-hundredths (0.50) mills on the 2011 taxable valuation for the General Debt Service Fund; and

BE IT FURTHER RESOLVED, That Troy City Council hereby **APPROVES** the following budgets as shown in the 2011/12 budget document:

Major Road Fund.....	\$ 3,066,930
Local Road Fund .....	\$ 1,662,080
Community Development Block Grant Fund .....	\$ 173,970
Budget Stabilization Fund.....	\$ 305,000
2000 MTF Debt Fund .....	\$ 237,020
Proposal A Debt Fund .....	\$ 834,200
Proposal B Debt Fund .....	\$ 1,472,700
Proposal C Debt Fund .....	\$ 746,800
Special Assessment Fund .....	\$ 356,000
Water Supply System .....	\$19,211,054
Sanitary Sewer Fund .....	\$13,244,354
Aquatic Center Fund.....	\$ 611,044
Sylvan Glen Golf Course Fund .....	\$ 1,881,980
Sanctuary Lake Golf Course Fund .....	\$ 2,110,161
Building Operations .....	\$ 935,800
Information Technology Fund .....	\$ 1,715,530
Fleet Maintenance Fund .....	\$ 6,033,133
Workers' Compensation Fund .....	\$ 200,000
Compensated Absences Fund .....	\$ 3,360,000
Unemployment Insurance Fund.....	\$ 325,000; and

BE IT FURTHER RESOLVED, That the three-year budget (2012/13 – 2013/14) for the General Fund, Debt Service Fund, Refuse Fund and Capital Operating Fund be approved based on the following revenues and expenditures:

General Fund Operating	<u>2012/13</u>	<u>2013/14</u>
Taxes.....	\$28,089,000	\$26,826,000
Licenses and Permits .....	1,506,200	1,506,200
Federal Grants.....	12,000	0
State Grants .....	5,301,000	5,301,000
Contributions – Local.....	15,000	15,000
Charges for Services .....	6,162,300	6,222,300
Fines and Forfeitures.....	1,088,000	1,088,000
Interest and Rents .....	1,129,340	1,139,340
Other Revenue .....	724,000	746,000
Operating Transfers – In.....	7,072,000	4,923,000
Re-appropriation.....	<u>780,660</u>	<u>2,653,160</u>
Total	<u>\$51,879,500</u>	<u>\$50,420,000</u> ; and

BE IT FURTHER RESOLVED, That the tax rate for the General Operating fund shall be six and fifty one-hundredths (6.50) mills on the 2012 and 2013 taxable valuation; and  
 BE IT FURTHER RESOLVED, That in order to meet anticipated expenditures, amounts from the following listed budgetary centers shall be appropriated from the General Operating Fund:

	<u>2012/13</u>	<u>2013/14</u>
Building Inspection .....	\$ 1,200,000	\$ 1,210,000
Council/Executive Admin.....	2,305,000	2,351,000
Engineering .....	1,986,000	2,026,000
Finance.....	3,835,500	3,867,000
Fire .....	4,300,000	4,386,000
Library/Museum.....	174,000	177,000
Other General Government ....	1,842,000	1,880,000
Police.....	24,626,000	23,196,000
Parks and Recreation .....	6,203,000	6,327,000
Streets .....	<u>5,408,000</u>	<u>5,000,000</u>
Total .....	<u>\$51,879,500</u>	<u>\$50,420,000</u> ; and

BE IT FURTHER RESOLVED, That the following listed re-appropriations and revenues of the Capital Fund are anticipated:

	<u>2012/13</u>	<u>2013/14</u>
Taxes.....	\$ 6,120,000	\$ 5,189,000
Federal Grants.....	800,000	1,200,000
Contributions - Local.....	200,000	200,000
Charges for Services .....	288,000	288,000
Fines and Forfeitures.....	220,000	220,000
Interest and Rents .....	127,200	130,000
Operating Transfer-In .....	1,100,000	1,100,000
Re-appropriation.....	<u>2,141,691</u>	<u>646,459</u>
Total .....	<u>\$10,996,891</u>	<u>\$8,973,459</u> ; and

BE IT FURTHER RESOLVED, That the tax rate for the Capital Fund shall be one and fifty-three one-hundredths (1.53) mills on the 2012 and one and thirty-six one-hundredths (1.36) 2013 taxable valuation; and

BE IT FURTHER RESOLVED, That in order to meet anticipated expenditures, amounts from the following listed budgetary centers shall be appropriated from the Capital Fund:

	<u>2012/13</u>	<u>2013/14</u>
Executive Administration ....	\$ 50,000	\$ 0
Drains .....	525,894	475,459
Fire .....	95,000	570,000
Museum.....	50,000	50,000
Other General Government .....	100,000	300,000
Parks & Recreation.....	120,000	170,000
Police.....	350,000	350,000
Public Works.....	465,000	615,000
Streets .....	6,913,000	6,343,000
Operating Transfer-Out .....	<u>2,328,000</u>	<u>100,000</u>
Total .....	<u>\$10,996,894</u>	<u>\$8,973,459</u> ; and

BE IT FURTHER RESOLVED, That the following listed revenues of the Refuse Fund are anticipated:

	<u>2012/13</u>	<u>2013/14</u>
Taxes.....	\$4,248,890	\$4,373,300
Charges for Services .....	4,500	4,500
Interest and Rents .....	<u>4,000</u>	<u>4,000</u>
Total .....	<u>\$4,257,390</u>	<u>\$4,381,800</u> ; and

BE IT FURTHER RESOLVED, That the tax rate for the Refuse Fund shall be one and six one-hundredths (1.06) mills on the 2012 taxable valuation and one and fourteen one- hundredths (1.14) mills on the 2013 taxable valuation; and

BE IT FURTHER RESOLVED, That the Refuse Fund shall be appropriated \$4,257,390 in 2012/13 and \$4,381,800 in 2013/14; and

BE IT FURTHER RESOLVED, That the General Debt Service Fund shall be appropriated \$3,126,800 in 2012/13 and \$3,082,750 in 2013/14; and

BE IT FINALLY RESOLVED, That there shall be a tax levy of fifty one-hundredths (0.50) mills on the 2012 and sixty seven one-hundredths (0.67) mills on the 2013 taxable valuation for the General Debt Service Fund.

Yes:

No: