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# M E M O R A N D U M

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**DATE:** May 26, 2009  
**TO:** City Council Members  
**FROM:** Jennifer Bruno, Budget and Policy Analyst  
**RE:** Discussion of tax increase for Library system

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The Library's proposed budget for FY 2010 does not include a tax increase for the Library fund.

The Library Administration has accepted the City's recommendation to pay for the increased on-going costs associated with the shared boiler system with one-time money out of reserves for FY 2010 (\$103,000).

Library staff has indicated that a general Library system tax increase is needed to offset the increased costs associated with the boiler, an increase in usage due to the economy, increasing health care costs, a decline in available resources for material purchases, and security needs. Library Staff can provide further information if needed.

## **DISCUSSION POINTS**

- Some Council Members have indicated an interest in pursuing a tax rate increase to support Library system operations.
- *The Council may wish to discuss if a majority is interested in pursuing a tax increase for the Library Fund for FY 2010.*
- If a majority of the Council is interested in adopting a tax increase for the Library Fund for FY 2010, they may wish to discuss the amount of a proposed tax increase with the Library Staff and/or Library Board.

## **PROCESS**

- A truth-in-taxation hearing for all City funds has been scheduled with the County for Tuesday, August 11<sup>th</sup> at 7pm.
- The Administration's proposed budget for the general fund for FY 2010 includes a "Property Tax Stabilization" item which will require a truth-in-taxation hearing, regardless of the Council's decision regarding the Library Fund tax rate.