

Golden Township's Contract with the Hart Area Public Library (HAPL)

- Michigan public libraries are funded by local millages and tax appropriations. HAPL is a district library funded primarily by a millage (about 2 mills) from its legal service area of Hart Township and the City of Hart (This millage provided roughly 74% of all library income last fiscal year).
- The Hart Library's service area in addition to the City of Hart and Hart Township is made up of four contract townships: Golden, Crystal, Elbridge, and Weare Townships. These townships have had a yearly contract for services with the Hart Area Public Library since at least 1979. The last contract with Golden Township ended on April 1, 2024.
- The HAPL Board met with each of the contracted township boards on this topic for the first time in the fall of 2022. HAPL Board members discussed current library services and proposed changes to the cost of the yearly contracts to address the issue of no increases to the contract amounts for over 20 years. HAPL Board members have met with Township officials several times since then.
- The HAPL Board met with Golden Township on November 15, 2022 to offer yearly adjustments to incrementally increase toward the **minimum** fair market value of services set by the state at 0.3 mill over the course of several years in understanding of the impact on the contracted Township budgets. Golden Township paid the equivalent of 0.1 mills in 2023 in comparison to the 1.95 mills paid by the legal service area.
- The State Aid to Public Libraries Act, 1977 PA 89, MCL 397.511 et seq., provides requirements that libraries must meet to receive state aid monies. One of those requirements is that libraries must receive an amount equal to 3/10 of a mill in local support from the communities they serve. The 3/10 of a mill amount Golden Township would need to meet for Hart to receive the state aid monies for the Township population served by the library (as of the state aid application completed in the 2022/2023 reporting period) is \$61,592 (or, 3/10 mill of the taxable value of Golden Township). Currently, money from the City of Hart and Hart Township millage subsidizes this amount and allows the Hart Area Public Library to receive state aid as well as federal reimbursements for technology through ERate and other grants.
- The library is governed by a board of trustees. This board of public officials (The District Library Establishment Act, 1989 PA 24, MCL 397.171 et seq) are bound by a fiduciary duty to act only in the best interests of the library. Offering services for less than the minimum statutory fair market value is arguably not fiscally sound, and not in the best interests of the library. Neither is having the taxpayers of one community pay for another community's service.
- The HAPL staff and Board of Trustees are deeply saddened by the potential end of the the decades long relationship with the residents of Golden Township. The \$25,000 contract fee proposed by the Library Board represents a large discount and reflects a fraction of the true cost of library service. We are not obligated to contract with townships, nor are they required to contract with us.

