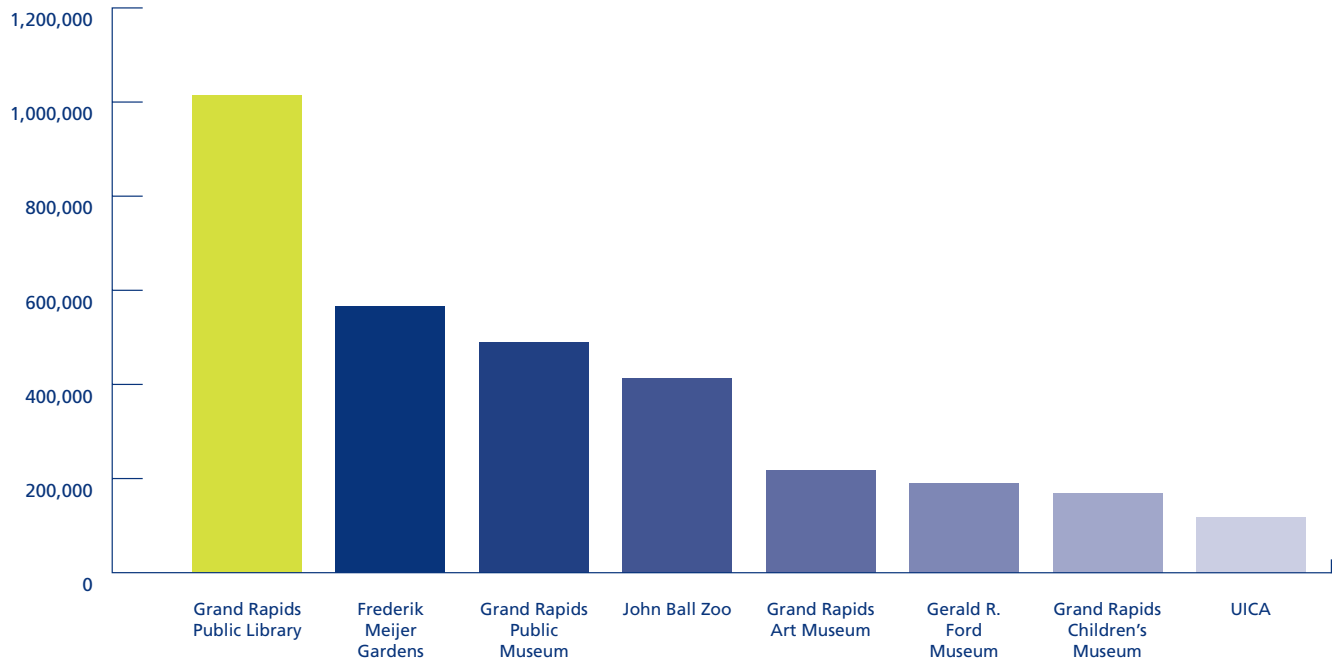
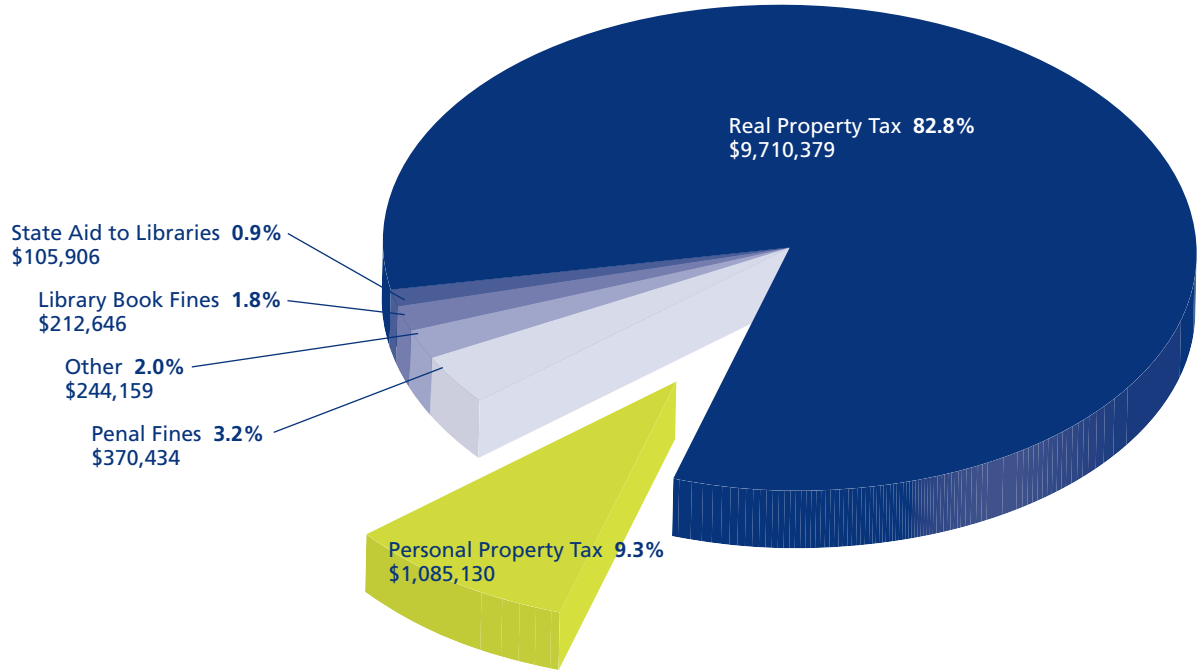


Visitors to Cultural Organizations in 2010



Grand Rapids Public Library FY 2011 Revenue



Potential **Impact** to the Citizens of Grand Rapids

The elimination of the Personal Property Tax would mean a 9% funding cut to the Grand Rapids Public Library. The library would need to do one of the following to recover from this loss:

1. Close 4 of the 7 branches and eliminate 21 employee positions.
2. Cut the purchase of materials for the library by 55% and eliminate 13 employee positions.
3. Close Mondays at all locations, cut the purchase of materials by 16% and eliminate 27 employee positions.
4. Eliminate all library programs including job training classes, pre-reading classes for children under 5, and community-based literacy initiatives. Eliminate all promotion and printing for the library and 15 employee positions.



State Legislature's Track Record **Promises Made, Promises Broken**

- State Aid to Public Libraries – PA 89 1977

By law: \$15 million (\$1.50 per capita)

Actual funding 2011–2012: \$5.5 million

- Michigan Renaissance Zone Act 376 of 1996

By law: Statutory requirement to reimburse renaissance zone funding

Actual funding 2011–2012: \$3 million eliminated for libraries

\$26 million total eliminated for schools, libraries and
community colleges in 2011–2012

- State tax capture laws divert \$10–\$15 million annually from dedicated locally
voted library millages.

Consequences for failing to secure full replacement of the Personal Property Tax

- Total loss to Michigan libraries nearly \$30 million. Comparatively, state aid to libraries is \$5.5 million.
- Average Michigan library loss would be 9% of their total revenues.
- Over the past two fiscal years, the Grand Rapids Public Library has lost 10.4% of its revenue.
- The Grand Rapids Public Library has already implemented the following expense reductions to counteract this revenue loss:

Employee pension and health concessions	6.6%
3.5 employee positions eliminated	2.2%
Lean management reductions	1.8%

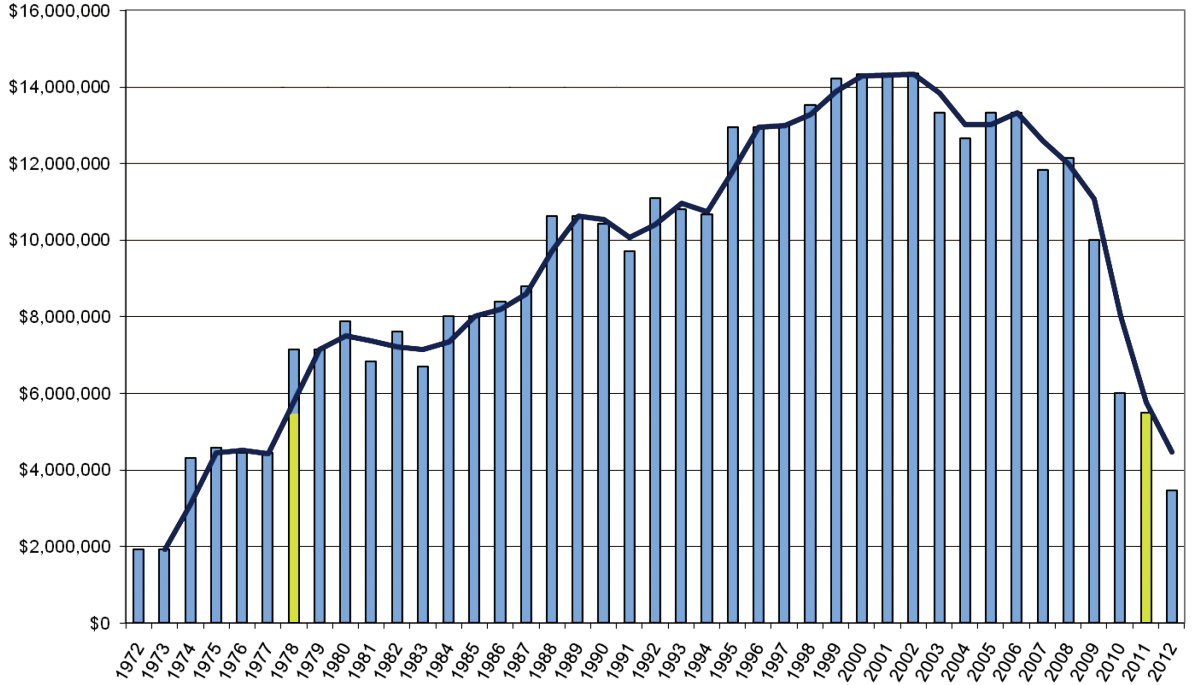


Bond Default and Shifting Burden

- Bonds were voted and sold based on projected revenue.
- Millages were approved based on revenue projections including Personal Property Tax and are now being dismantled by the legislature without citizen recourse.
- Bonds must be paid and if the total revenue decreases, the millage rate must increase to cover the payment.

This is a tax shift from businesses to homeowners.

Shared Sacrifice – 76% Cut in State Aid to Public Libraries Since 2000



Source: Michigan Library Association

Consequences of Not Investing in Grand Rapids Libraries

8,652 job seekers

who will lose access to skill building workshops, technology, materials and training to find jobs in Michigan

74 child care providers

who will lose early literacy training

5,869 children ages 0-5

who will not gain the pre-reading skills essential to future success in school

26,498 urban teens

who will not have a safe place to go after school and in the summer

124 high school students

who will have a difficult time going to college because of the loss of volunteer opportunities and training for the ACT and other college admission tests

2,284 senior citizens

who will lose technology training and access to computers and the internet

29,699 recent college graduates

who will leave the area because of the lack of a vibrant city,
which includes a strong library system

16,725 school-age children

who live in poverty will lose their only access to books, technology,
and educational resources that will help them succeed in life



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