



**OFFICE OF THE COUNTY ADMINISTRATOR
MEMORANDUM**

TO: Board of Commissioners

FROM: Daryl Delabbio, Administrator/Controller

SUBJECT: Zoo/Museum Millage Request

DATE: April 8, 2016

As you are aware, the John Ball Zoo, Inc. and Grand Rapids Public Museum (GRPM) have submitted a joint request for a 0.44 mill, 15 year question to be placed on the November General Election Ballot. The Millage Subcommittee (Commissioner Dan Koorndyk – Chair; Commissioners Emily Brieve, Carol Hennessy, Ted Vonk, and Harold Voorhees) has met three times in 2016, and at its meeting held on March 10, 2016, unanimously voted to recommend to the Board of Commissioners to consider placing the Museum/Zoo millage on the November 8, 2016 General Election Ballot.

Background

The John Ball Zoo, Inc. and Grand Rapids Public Museum (GRPM) have submitted a joint request for consideration of a 0.44 mill property tax, the proceeds of which would be split equally between the two entities and used by each organization to fund operations and capital projects. Prior to 2006, the GRPM was operated by the City of Grand Rapids, and received an annual appropriation from the City. In 2006, management and operation was transferred to the Public Museum Foundation. The GRPM has not received any funding from the City since 2007, and has been using endowment income, fundraising and fees to fund operations, building expenses, and exhibits. Until January 1, 2014, the John Ball Park and Zoo was a department of the County. After several years of discussion, the County entered into a lease and operating agreement with the non-profit John Ball Zoo, Inc. to manage the entire operation. Pursuant to that agreement, the County currently provides an annual appropriation to the Zoo of \$2.25 million, which will be reduced incrementally to \$2 million for the year 2020 and thereafter. In the event of a voter-approved millage, however, the County is no longer required to provide an annual General Fund appropriation. The Zoo also has the ability to request funding from the County's Capital Improvement Program (CIP) Fund through 2027, or until it has been appropriated \$2.6 million in CIP funding, whichever comes first. Attached is a copy of the application submitted by the Zoo and Museum.

Process/Timeline

Ballot questions for the November 8, 2016 General Election must be submitted to the County Clerk by August 16, 2016. The Zoo and Museum campaign organizers have requested that the Board of Commissioners take action on the request as soon as possible to allow for them to develop an education campaign about the issue if it is approved for inclusion on the ballot. To accommodate this request the following schedule was established:

Finance & Physical Resources Committee	April 19, 2016
Legislative & Human Resources	April 26, 2016
Board of Commissioners	May 12, 2016

Work Session Follow Up

A work session on the request was held March 24, 2016 to have an initial discussion and review of the proposal. A copy of the presentation by John Ball Zoo and GRPM staff is attached. Following the discussion, there were three questions for which additional clarification had been requested.

1. What is the County's Fiduciary Role?

Response provided by Corporate Counsel Tom Dempsey: The County's role as fiduciary of the Zoo/Museum millage is as the taxing jurisdiction levying the tax and disbursing agent distributing the taxes in accordance with the ballot language. The ballot language is self-executing requiring no exercise of discretion by the County. Taxes collected are to be distributed equally to the Zoo and Museum.

2. What is the board structure of each of the proposed recipient organizations and what audit and financial information do they share with the public?

Response provided by GRPM: The GRPM Foundation is a 501(c)3 non-profit and is the parent corporation of the GRPM. The GRPM Foundation has overall responsibility for the current and long-term viability and success of the institution with its primary function being fundraising.

The GRPM Foundation Board of Trustees, therefore, is the governing body which leads in raising resources and serves as the institution's strategic advisor. It makes appropriations to the Museum's operations and manages the organization's endowment. The Nominating Committee, a committee of the Foundation Board, selects potential trustees whom are then voted on to the Foundation Board. There are 25 available seats on the Foundation Board, 23 of which are currently filled.

The GRPM, a 501(c)(3) entity, is a wholly owned subsidiary corporation of the GRPM Foundation. It has authority to set policy necessary to manage day-to-day operations of the institution and to create plans and goals for future success and viability. The GRPM is governed by a board of directors which has nine available seats, four of which are filled. Members of the Board of Directors are appointed by the Foundation Board of Trustees. With a Kent County millage, a seat on the Board of Directors will be opened to a Kent County Commissioner for the duration of the millage.

The City of Grand Rapids owns the tangible and intangible items which comprise the GRPM's collections and all Museum assets. In the Lease Operation Agreement with the City, the Board of Art and Museum Commissioners is to act as the City's agent in matters pertaining to the lease. The Museum Commissioners function in an important capacity ensuring appropriate operation, management and maintenance of the Museum Assets in such a manner that accreditation of the American Alliance of Museums (AAM) is maintained. Members of the Board of Art & Museum Commission are appointed by the Grand Rapids City Commission upon nomination by the Mayor. The Commission is subject to, and complies with, the Open Meetings Act.

The GRPM Foundation and the GRPM conduct an annual consolidated audit which is posted to the GRPM website and also shared with the City of Grand Rapids appointed Board of Art & Museum Commission. The GRPM will share the very same financial and operational information with the Kent County should a millage be approved by the voters.

Response provided by John Ball Zoo: John Ball Zoo is a 501(c) (3) corporation, organized and operated exclusively for charitable, educational and scientific purposes in furtherance of the zoological facility and related park (the Zoo).

The Board of Directors consists of not less than 21 and not more than 27 Directors. Two of the Directors are directly appointed by the Chair of the Kent County Board of Commissioners. The County- appointed Directors are not subject to recommendation by the John Ball Zoo Board's Nominating Committee. Upon expiration of their terms, their replacements are appointed by the Chair of the Kent County Commission.

The John Ball Zoo Board has the authority to set policy necessary to manage day-to-day operations of the Zoo and to create plans and goals for future success and sustainability. The John Ball Zoo Board hires and oversees the Chief Executive Officer for the Zoo and Park. The Chief Executive Officer is responsible for managing and conducting the day-to-day operations of the Zoo and supervising its staff within the limits of the policies and procedures adopted by the Board of Directors and applicable law, performing duties generally consistent with the role of a CEO of a Michigan nonprofit organization.

John Ball Zoo provides independently audited financial statements signed by a certified public accountant detailing year- end revenues (public, earned, contributed), expenditures (operating and capital), liabilities, and fund balances to the County on an annual basis along with a report detailing its activities. The John Ball Zoo posts on its website a copy of its annual report, 990 tax forms, and audit. The John Ball Zoo has received a 4-star rating from Charity Navigator for the past three years.

3. How will millage funds impact the fundraising and the use of contributions?

Please see attached updated pro-formas from each organization demonstrating the proposed use of millage funds as well as continued fundraising and private investment.

Representatives of the John Ball Zoo and GRPM will be available at both Standing Committee and Board meetings to answer additional questions.

John Ball Zoo

Consolidated Revenues and Expenses 2015 - 2020

	Actual 2015	Budget 2016	Projected Millage 2017	Projected Millage 2018	Projected Millage 2019	Projected Millage 2020
Revenue						
Earned Revenue	\$ 6,402,548	\$ 6,690,864	\$ 6,840,000	\$ 7,180,000	\$ 7,360,000	\$ 7,545,000
Operating Contributions	\$ 641,236	\$ 627,000	\$ 640,000	\$ 670,000	\$ 690,000	\$ 710,000
Capital Contributions	\$ 1,036,500	\$ 953,000	\$ 1,000,000	\$ 1,050,000	\$ 1,100,000	\$ 1,150,000
County Capital Improvement Payment	\$ 25,000	\$ 136,000	\$ -	\$ -	\$ -	\$ -
County Management Fee	\$ 2,400,000	\$ 2,250,000	\$ -	\$ -	\$ -	\$ -
Millage Estimate	\$ -	\$ -	\$ 4,270,000	\$ 4,355,400	\$ 4,442,500	\$ 4,531,350
Total Revenue	\$ 10,505,284	\$ 10,656,864	\$ 12,750,000	\$ 13,255,400	\$ 13,592,500	\$ 13,936,350
Expenses						
Personnel Costs	\$ 4,797,106	\$ 5,522,464	\$ 3,605,000	\$ 3,830,000	\$ 3,930,000	\$ 4,040,000
Millage Covered - animal care ⁽¹⁾			\$ 2,470,000	\$ 2,555,400	\$ 2,642,500	\$ 2,731,350
Fixed Costs ⁽²⁾	\$ 1,550,983	\$ 1,367,190	\$ 1,395,000	\$ 1,440,000	\$ 1,470,000	\$ 1,500,000
Variable Costs ⁽²⁾	\$ 2,442,005	\$ 3,215,349	\$ 2,480,000	\$ 2,580,000	\$ 2,650,000	\$ 2,715,000
Millage Covered - deferred maintenance ⁽³⁾			\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Capital/Construction Costs	\$ 1,466,820	\$ 500,000	\$ 1,000,000	\$ 1,050,000	\$ 1,100,000	\$ 1,150,000
Millage Covered - capital/construction ⁽⁴⁾			\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Total Expenses	\$ 10,256,914	\$ 10,605,003	\$ 12,750,000	\$ 13,255,400	\$ 13,592,500	\$ 13,936,350
Net Operational Activity	\$ 248,370	\$ 51,861	\$ -	\$ -	\$ -	\$ -
Attendance	512,803	493,500	499,000	519,000	524,000	530,000

Notes

(1) Millage contribution for animal care	\$ 3,340,000	Total cost per year (personnel, fixed, variable costs)
(2) Includes Park Maintenance	\$ 200,000	Total per year (fixed and variable costs)
(3) Millage contribution for deferred maintenance	\$ 800,000	Total cost per year (variable costs)
(4) Millage contribution for new capital/construction		

Grand Rapids Public Museum Foundation and Grand Rapids Public Museum

Updated 04/01/16

	Budget FY16	Year 1 Projected Millage FY17	Year 2 Projected Millage FY18	Year 3 Projected Millage FY19	Year 4 Projected Millage FY20
The Operational activity shown below excludes the GRPMF Endowment					
Revenue					
Earned Revenue ¹	3,575,981	3,102,500	3,164,600	3,227,900	3,292,400
Contributions ²	2,467,295	1,100,000	1,122,000	1,144,000	1,167,000
Millage estimate	-	4,270,000	4,355,400	4,442,500	4,531,350
GRPM Foundation Appropriation ³	1,613,182	-	-	-	-
Total Revenue	7,656,458	8,472,500	8,642,000	8,814,400	8,990,750
Expenses					
Personnel costs	3,130,981	3,125,900	3,188,500	3,252,300	3,317,400
Fixed Costs ⁴	2,023,747	-	-	-	-
Millage Covered Fixed - care and access of the collections	-	2,246,800	2,291,800	2,338,000	2,384,700
Millage Covered Fixed- deferred maintenance/asset management ⁵	-	500,000	515,000	530,000	550,000
Variable costs ⁶	2,501,730	1,621,600	1,637,800	1,654,200	1,670,800
Millage Covered Variable - expanded operations, exhibits & programs	-	978,200	992,700	1,007,480	1,018,290
Total Expenses	7,656,458	8,472,500	8,625,800	8,781,980	8,941,190
Net Operational Activity⁷	-	(0)	16,200	32,420	49,560

¹ Earned Revenue includes millage benefits to improve access for Kent County residents

² Contributions for FY16 include \$2 million non-renewable operational transitional funding. With a millage, the GRPM will continue to fundraise.

³ Eliminates annual GRPM Foundation appropriation to allow the endowment to grow

⁴ Fixed costs tie directly to maintaining the Museum collections and assets according to the AAM Accreditation Standards

⁵ 10-year asset management plan/budget (April 2016) estimates \$500K+ per year to fund maintenance

⁶ Variable costs for expanded operations, exhibits and programs will be partially covered by millage dollars

⁷ Excess funds would be held as operating reserve for cash flow

Net Assets (deficit) - Consolidated GRPM & GRPMF - including Endowment					
Unrestricted	(2,931,587)	(2,931,587)	(1,622,427)	(313,443)	1,041,356
Temporarily Restricted - Assumes 3.5% growth on investments ¹	1,314,188	1,309,160	1,308,984	1,354,799	1,437,217
Permanently Restricted ²	39,021,977	39,021,977	39,021,977	40,021,977	42,021,977
Total Net Assets - Consolidated	37,404,578	37,399,550	38,708,534	41,063,333	44,500,550

¹ Assumes Temporarily Restricted funds are released from restriction at year end.

² Shows Endowment Campaign for the continued financial sustainability of the institution beginning in Years 3 & 4

Kent County Board of Commissioners
Jim Saalfeld, Chair
County Administration Building
300 Monroe Avenue NW
Grand Rapids, Michigan 49503

Re: Request to Place a Millage Increase on the Ballot

Dear Chairman Saalfeld:

On behalf of the John Ball Zoo ("Zoo") and the Grand Rapids Public Museum ("Museum"), we ask your consideration of a proposed millage to support these two signature institutions in their mission to serve the residents of Kent County. The Zoo and the Museum are both essential components of our community's continued economic growth and success, attracting a combined 800,000 visitors each year. Both the Zoo and the Museum attract visitors, families, talent, and business and economic opportunities to West Michigan from across the state and beyond. This millage would provide much needed financial support to two treasured community assets so they can continue serving Kent County residents through educational programs and make necessary renovations to aging exhibits. The millage would also foster the preservation of key museum artifacts, establish new exhibits, upgrade technology and increase public access. The millage would include a guarantee that the Museum's publicly owned collections would be preserved and protected. Annual public audits would be conducted to verify that all funds are being used as intended by the millage proposal and the wishes of the voters.

Benefits to Kent County residents would include:

- Free group admissions at the Zoo for Kent County elementary students;
- Reduced admissions for seniors to the Zoo and continued free parking for Kent County residents at the Zoo;
- Free admission to the Museum for Kent County children (age 17 and under); and
- Reduced admissions for adults and seniors to the Museum, and free parking.

Additional benefits from the millage include the following:

- Improved care for and nurturing of Zoo animals and maintenance of the park and the Zoo;
- Repairs to Zoo and Museum infrastructure and existing exhibit spaces, many of which are over 65 years old at the Zoo; and
- Preservation and protection of the Museum's collections.

An independent financial audit of all millage dollars would be conducted each year and reported to the Kent County Board of Commissioners, the Museum and Zoo Boards of Directors, and reported to the community to ensure transparency and accountability.

Pursuant to Part 4 of the Kent County Millage Request Policy, we provide the following information:

4a: **Proposed Millage:** The proposed millage is .44 mill (the Zoo would receive .22 mill and the Museum would receive .22 mill)

4b: **Proposed Election Date:** The proposed election date is November 8, 2016

4c: **Proposed Language:** The proposed ballot language for your consideration is as follows:

JOHN BALL ZOO AND GRAND RAPIDS PUBLIC MUSEUM MILLAGE

This millage proposal will support John Ball Zoo and the Grand Rapids Public Museum in maintaining and providing services and programs for Kent County residents by allowing Kent County to levy an additional .44 mill for 15 years.

Shall the total limitation on the amount of taxes which may be assessed against all taxable property in Kent County be increased by .44 mill (.44 cents per \$1000 of taxable value) on all of the taxable property located within the County for a period of fifteen (15) years, being years 2017 through 2031, which would be allocated equally to the John Ball Zoo and to the Grand Rapids Public Museum. It is estimated that if approved and levied this new millage would generate approximately \$8.9 million in 2017.

In Kent County, there are _____ local authorities that capture and use, for authorized purposes, tax increment revenues from property taxes levied by the County. Such capture could include a portion of the millage levy. The tax increment authorities in Kent County capturing a portion of this tax levy include the following: [List and number of authorities to be finalized and inserted once this request is approved and election date established.]

4d. **Proposed Duration:** The proposed duration of the millage is 15 years.

4e: **Anticipated Funds Generated:** We estimate that the millage would generate approximately \$8.9 million annually to be split equally between the Museum and the Zoo.¹

Anticipated revenues (net of capture) are intended to be used as follows during 2017:

Zoo (approximate numbers): \$4.35M to support:

- Millage Associated Benefits (discounts)
- Operations
- Capital Improvements
- Deferred Maintenance and Infrastructure

Museum (approximate numbers): \$4.35M to support:

- Millage Associated Benefits (discounts, free parking, etc.)
- Operations, Exhibits and Programs

¹ Net of capture, the millage would provide approximately \$8.7 million.

Care & Access to the Museum Collections
Deferred Maintenance/Asset Management

4f: Proposed Fiduciary: The Zoo and Museum propose that Kent County serve as the fiduciary to levy, collect and distribute all funds assessed pursuant to the millage in order to provide much needed financial support to two treasured community assets so they can continue serving Kent County residents. Benefits to Kent County residents would include:

- Free group admissions at the Zoo for Kent County elementary students;
- Reduced admissions for seniors to the Zoo and continued free parking at the Zoo for Kent County residents;
- Free admission to the Museum for Kent County children (age 17 and under); and
- Reduced admissions for adults and seniors to the Museum, and free parking.

The millage will also allow the Zoo and Museum to:

- Continue to offer professional care for Zoo animals and maintain the aging facilities of the park and the Zoo;
- Repair infrastructure and existing exhibit spaces, many of which at the Zoo are over 65 years old;
- Preserve and protect the Museum's collections; and
- Strengthen educational opportunities for Kent County children.

4g: Description of Purpose: The millage would support the services of the Zoo and the Museum so that they may continue to serve Kent County residents. We want to ensure that the Zoo and the Museum are financially sustainable today and into the future and can continue to serve our community and contribute to our local economy.

Zoo

The millage would provide the Zoo with a solid base to continue to operate and constantly improve the institution with innovative programming that has directly benefited Kent County culturally and economically. With a 125th birthday on the horizon, much of the infrastructure and behind-the-scenes areas at the Zoo are in need of renovation and improvements. The millage would allow the Zoo to renovate off-exhibit housing areas for the animals and replace aging plumbing, electrical and heating/cooling systems with energy efficient systems.

The millage would also allow the Zoo to create a new indoor/open-air rays and sharks hands-on exhibit. Due to their sensitivity to cold temperatures, the hugely popular stingrays can only be exhibited for a few months out of the year in the current outdoor exhibit. The new exhibit will mean the animals can be seen throughout the Zoo's season in a greatly expanded pool.

Additional exhibits will be completed at the front entry of the Zoo. These exhibits will include an animal bridge that allows animals to travel over guests while they walk up a gently winding, landscaped path into the rest of the Zoo. These improvements will make

the Zoo more accessible to all members of the community by replacing the 50-year-old animal exhibits and steep visitor walkways that exist in the first section of the Zoo.

The millage would also allow the Zoo to improve and enhance existing infrastructure, including the park entry, playground, picnic areas and park amenities, such as picnic pavilions, an open-air performance space, improved pond and bike paths to better serve families.

Finally, the millage would improve the Zoo's ability to implement the next phase of its master plan, which includes renovations and improvements to the Children's Zoo, new animal exhibits in the Idema Forest Realm, a new primate overlook trail and expanded educational programs for Kent County students and families.

Museum

The millage will give the Museum financial stability, allowing for exhibits and programs that will create new, engaging and frequently changing experiences. The result would showcase the Museum's 250,000 artifacts and specimens to more audiences in new ways, including at the Museum itself and digitally.

The Museum fully embraces Universal Design for Learning in all offerings in order to make the experience as welcoming and accessible as possible for all. Exhibits and programs will be designed to appeal to a diverse range of interests including: veterans and service to our nation, watershed/river interpretation and environmental sciences, and scientific discovery. Core exhibitions would be revitalized, including but not limited to: *West Michigan Habitats*, *Collecting A to Z*, and *Anishinabek: People of This Place*. Preservation and care will continue for iconic artifacts like the Spillman Carousel and Finn Whale Skeleton. The Museum would also leverage the recent Planetarium renovation with the ability to offer and produce shows in support of science education.

In addition, the Museum is the only venue in West Michigan capable of housing large-scale traveling exhibitions such as *Titanic: The Artifact Exhibition*, *Dinosaurs Unearthed*, *LEGO* and *The Discovery of King Tut*. Public support would allow the Museum to showcase these types of world-class experiences in the manner that our region deserves.

The Museum's prime location on the banks of the Grand River also uniquely positions it to support educational programs related to the river. Such a program could serve as both an educational and economic development resource, positioning the Museum as a partner in Kent County's stewardship and preservation of the river.

Finally, the millage would allow the Museum to sustain and broaden the concept of the Museum School to partner with teachers in serving students throughout Kent County, utilizing design thinking, access to artifacts and educational programs. In addition, the Museum's week-long grade school program, known as "Immerse," would also be made more readily available for all school districts in Kent County, as would school and group tours for all ages and grade levels.

4h: **Future Funding:** Both the Zoo and the Museum stipulate and commit to continued community fundraising and involvement. Both organizations will engage in continued efforts to grow their endowments for long-term support, and continue to strictly follow procedures toward prudent fiscal management on all new projects. Millage revenues will be used, as stated previously, for exhibits, infrastructure and programs. These efforts will support and assist in additional donor and fundraising activities.

4i: **Supporting Information:** In exchange for the public's support of the millage, Kent County residents would also receive the benefits of:

- Reduced adult admission at the Museum
- Reduced senior admission at both the Zoo and Museum
- Free admission to the Museum for children (up to age 17)
- Free group admission to the Zoo for all Kent County elementary school students
- Free parking at the Zoo and Museum
- Cutting-edge educational programming so the Zoo and the Museum can continue to be a magnet for learning for seniors, families and children of all ages

4j: **Other Information:**

Attached please find letters of support from interested stakeholders.



Peter D'Arienzo
Chief Executive Officer
John Ball Zoo



Dale A. Robertson
President & CEO
Grand Rapids Public Museum

Cc: Daryl Delabbio
Mary Swanson

John Ball Zoo Board of Trustees Resolution in Support of a 2016 County-Wide Millage for the John Ball Zoo and Grand Rapids Public Museum

At the meeting of the Board of Directors of John Ball Zoo on January 28, 2016, the following resolution was proposed and approved by the board:

Whereas, the mission of the John Ball Zoo is to inspire people to be active participants in the conservation of wildlife and the environment; and

Whereas, the proposed Zoo and Museum Millage supports the mission of John Ball Zoo by:

Generating approximately \$8.9 million annually (as of 2017) to be split equally between the two public institutions, allowing the Zoo to allocate the millage revenue towards operations, capital improvements, and deferred maintenance; and

Whereas, the millage would provide this funding for the Zoo for the proposed fifteen year duration of the millage years; and

Whereas, the County of Kent would act as the fiduciary for the capture and distribution of the millage funds; and

Whereas the funding from the millage would allow the Zoo to:


- Continue to offer professional care for Zoo animals and maintain the aging facilities of the park and the zoo;
- Repair infrastructure and existing exhibit spaces, many of which at the Zoo are over 50 years old, and
- Expand educational and recreational opportunities for Kent County families; and

Whereas the Zoo intends, in exchange for the public's support of the millage, to provide Kent County residents with:

- Free group admissions at the Zoo for Kent County elementary students;
- Reduced admissions for seniors to the Zoo and continued free parking at the Zoo for Kent County residents; and
- Cutting-edge educational programming so the Zoo can continue to be a magnet for learning for seniors, families and children of all ages.

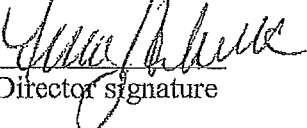
Now, therefore, be it is resolved, that the John Ball Zoo Board of Directors is in full support of the proposed John Ball Zoo and Grand Rapids Public Museum 2016 millage.

The officers of this corporation are authorized to perform the acts to carry out this corporate resolution.


Director signature

Kyle S. Irwin
Printed name

1/28/16
Date


Director signature

Tracey Sprnback
Printed name

1/28/16
Date

January 29, 2016

Kent County Board of Commissioners
Jim Saalfeld, Chair
County Administration Building
300 Monroe Avenue NW
Grand Rapids, MI 49503

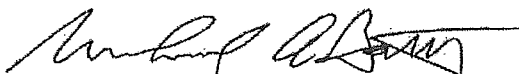
Dear Chairman Saalfeld,

On behalf of the Board of Directors of the Grand Rapids Public Museum, I thank you for the opportunity to apply for a millage to be placed on the 2016 County wide ballot. We respectfully request all due consideration and ask for support by the entire County Commission. The Board of Directors of the Grand Rapids Public Museum is the governing body of the Museum subsidiary of Grand Rapids Public Museum Foundation. It is this legal entity - the Grand Rapids Public Museum - that operates the institution and delivers all of its programs and services.

As such, the Board of Directors fully supports the proposed millage partnership between the Grand Rapids Public Museum and the John Ball Zoo. The millage is necessary to ensure long term sustainability for both the Zoo and the Museum. And, the millage will allow for deeper and broader education programs, refreshed exhibits, and greater community access than ever before.

Thank you for your consideration.

Sincerely,



Michael A. Batts, Chair
Grand Rapids Public Museum
Board of Directors



**Resolution in Support of a 2016 County-Wide Millage for the
Grand Rapids Public Museum and the John Ball Zoo**
Subsidiary Corp: Board of Directors

At the meeting of the Board of Directors of the Grand Rapids Public Museum on December 14, 2015, the following resolution was proposed and approved by the board:

The GRPM board of directors (the "Board") supports and endorses the placing of a millage on the November 2016 Kent County ballot for the GRPM and John Ball Zoo.


The museum has engaged in surveys and collaborated with the City of Grand Rapids, the John Ball Zoo, and Kent County officials to explore a millage. That work has produced results that provide a basis for going forward. Details of the process and of the millage itself have been shared with the directors along the way. The directors have approved certain incentives suggested by voter surveys for millage success.

In January of 2016 the John Ball Zoo and GRPM intend to formally begin the process to seek a spot for the millage on the general election ballot. One of the requests from the county in the application process is evidence of letters, petitions, or resolutions supporting the question. The Board wishes to provide such evidence.

The Board, therefore, confirms its support of the millage having attributes like the following, together with such other additions or modifications that the GRPM election counsel might recommend:

- *.44 mills (.22 for each organization) Kent County wide*
- *15 year duration*
- *Free admission for children up to age 17 that are Kent County residents*
- *Free parking for museum users that are Kent County residents*
- *\$5 adult and \$3 senior admission for Kent County residents*
- *Annual audits*
- *Promise that collections must be maintained and cared for and cannot be sold for non-museum purposes*
- *DDA and TIFA capture will be in effect*

Final ballot language will be prepared by GRPM election counsel and Kent County election counsel. The Board recommends that its parent organization's board of trustees also adopt resolutions to support and pursue this course of action.


Michael A. Batts, Chair
Grand Rapids Public Museum
Board of Directors

1-29-2016
Date

January 29, 2016

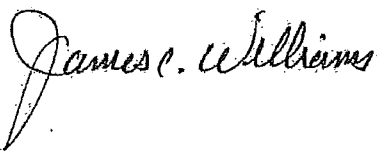
Kent County Board of Commissioners
Jim Saalfeld, Chair
County Administration Building
300 Monroe Avenue NW
Grand Rapids, MI 49503

Dear Chairman Saalfeld,

Thank you for the opportunity to apply to Kent County to appear on the 2016 ballot. The Grand Rapids Public Museum is partnering with the John Ball Zoo to seek a county wide millage. The millage will not only sustain our organizations, but is key in meeting public demand in serving our community. To that end, the Grand Rapids Public Museum Foundation, the parent organization of the museum and the entity that is contracted for care of the museum, fully supports the millage being proposed in this application.

As a board, we would appreciate all due consideration for our application and respectfully request approval by the Kent County Board of Commissioners.

Sincerely,



James C. Williams, Chair
Grand Rapids Public Museum
Foundation Board of Trustees



**Resolution in Support of a 2016 County-Wide Millage for the
Grand Rapids Public Museum and the John Ball Zoo**
Parent Corp: Board of Trustees

At the meeting of the Foundation Board of Trustees of the Grand Rapids Public Museum on December 16, 2015, the following resolution was proposed and approved by the board:

The GRPM Foundation board of trustees (the "Board") supports and endorses the placing of a millage on the November 2016 Kent County ballot for the GRPM and John Ball Zoo.

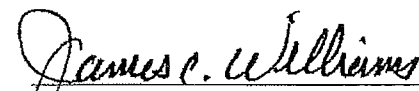
In 2012 the GRPM Board adopted a strategic plan that included a county wide millage as one of its 7 key initiatives. Since then the museum has engaged in surveys and collaborated with the City of Grand Rapids, the John Ball Zoo, and Kent County officials to explore a millage. That work has produced results that provide a basis for going forward. Details of the process and of the millage itself have been shared with the trustees along the way. The trustees have approved certain incentives suggested by voter surveys for millage success.

In January of 2016 the John Ball Zoo and GRPM intend to formally begin the process to seek a spot for the millage on the general election ballot. One of the requests from the county in the application process is evidence of letters, petitions, or resolutions supporting the question. The Board wishes to provide such evidence.

The Board, therefore, confirms its support of the millage having attributes like the following, together with such other additions or modifications that the GRPM election counsel might recommend:

- .44 mills (.22 for each organization) Kent County wide*
- 15 year duration*
- Free admission for children up to age 17 that are Kent County residents*
- Free parking for museum users that are Kent County residents*
- \$5 adult and \$3 senior admission for Kent County residents*
- Annual audits*
- Promise that collections must be maintained and cared for and cannot be sold for non-museum purposes*
- DDA and TIFA capture will be in effect*

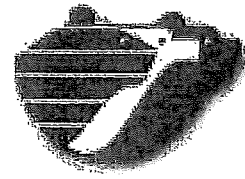
Final ballot language will be prepared by GRPM election counsel and Kent County election counsel.


James C. Williams, Chair
Grand Rapids Public Museum
Foundation Board of Trustees

Date 1/29/2016

Case Statement for John Ball Zoo Millage Proposal

JOHN BALL ZOO
COMMITTED TO CONSERVATION OF WILDLIFE AND OUR
ENVIRONMENT



In 2016, John Ball Zoo celebrates its 125th anniversary. As the 10th oldest zoo in the country, both it and the surrounding park have been enjoyed by many generations of West Michigan families. Memories have been made here by millions of people. In 2014, Kent County and the John Ball Zoological Society signed an agreement that transferred governance and management of the Zoo and the Park to the non-profit organization now called John Ball Zoo. The Zoo had a successful first year as a non-profit entity. In 2015, over 520,000 visitors enjoyed the opening of the Tigers of the Realm, over 22,000 school children engaged in conservation education programs through field trips and zoo programs, the survival of an important endangered species was assisted with the birth of a baby bongo, and hundreds of thousands more memories were made.

There are many reasons to keep John Ball Zoo viable, successful, and healthy including it's over \$30 million economic impact on the community, the jobs it creates, the 700,000 people it reaches with conservation messages annually, the opportunities for families to enjoy nature together, the laughter and fun it always delivers, and the passionate care it gives the animals.

The world faces many challenges in terms of protecting our wild habitats and our ever more endangered wild animals. Accredited zoos are becoming one of the last, best hopes for saving many of these species. What has always been a community treasure is now also an important link in an international wildlife conservation movement.

Under non-profit management and governance, the Zoo currently needs to earn or raise 75% of its operating support and all of its funding for capital maintenance, new exhibits, and projects. A .22 mil levy would raise approximately \$4.6 million annually for John Ball Zoo and Park. These funds would help leverage private donations and earned revenues to implement the 2025 Phase of the new zoo master plan. That plan calls for park and zoo improvements that bring both up to current ADA standards and provides both with much needed upgrades.

In addition, millage support allows for additional staffing to enhance the guests' experiences, broaden zoo educational offerings, and provide exceptional care of the animals and the facilities. Public funds from the millage, additional earned revenues, and private donations combined will offer the following opportunities.

Case Statement for John Ball Zoo Millage Proposal

FOR KENT COUNTY RESIDENTS

With support from Kent County voters, John Ball Zoo will be able to offer benefits reserved solely for Kent County residents:

- Free admission for school groups in grades K-12
- Reduced admission for senior citizens

ENTRY VALLEY - RENOVATION OF THE CURRENT ZOO ENTRY WALKWAY AND EXHIBITS

Imagine strolling along a new gently winding landscaped path (ADA accessible) into the Zoo with large mammals on both the right and left in natural habitats. Overhead the large mammals cross above the visitors from one habitat to another on their own suspended "bridge". The challenging long entry walkway is gone replaced by not just the large mammals but other animal exhibits. "Wow!" what a great start to the Zoo visit.

PLAYGROUND, PICNIC AREAS, AND PARK AMENITIES

The park is a great spot for family reunions, play time for the kids, and community gatherings. Facilities in the park can be upgraded to include new amenities like picnic pavilions, open-air performance space, playground equipment, improved pond, and bike paths.

STINGRAY LAGOON

The Zoo's stingrays are a highlight of a visit. A planned addition to the Zoo's aquarium will create a year round indoor/outdoor stingray lagoon. Due to their sensitivity to cold temperatures, the stingrays can only be exhibited for a few months out of the year. The new exhibit will mean the animals can be seen throughout the Zoo's season in a greatly expanded pool. It also means everyone will be able to touch the rays with no additional charge.

CONSERVATION EDUCATION CENTER

This new facility will allow the Zoo to offer more extensive education programs. Through its current offerings, the Zoo reaches nearly 700,000 people with conservation messages. However, space for providing programs needed for schools and families is scarce. New classrooms and labs will greatly enhance the Zoo's ability to inspire people to be active participants in the conservation of wildlife and the environment.

Case Statement for John Ball Zoo Millage Proposal

CHILDREN'S DISCOVERY ZONE

The Children's Zoo will get a new look. The old favorites like the petting corral and the waterfall will remain but new additions will include an endangered species carousel, a fun, fascinating Bug Building, a natural splash stream, and many hands-on learning and giggle-making activities.

RENOVATIONS AND INFRASTRUCTURE IMPROVEMENTS

With a 125th birthday on the horizon, much of the infrastructure and behind the scenes areas at the Zoo are also in need of renovation and improvements. Priorities include off-exhibit holding areas for the animals, improved staff areas, and replacement of aging plumbing, electrical, and heating/cooling systems. Though costly to replace, the new energy efficient systems will also save the Zoo on operating costs.

PROTECT AND PRESERVE THE PARK AND ZOO FOR FUTURE GENERATIONS

Public funding through a millage gives the Zoo a solid base to continue to operate and constantly improve the institution and programming in which the entire community can take pride. John Ball Zoo is an institution that not only provides conservation education and great family entertainment, but also works to preserve wild animals and wild places for now and forever.

HIGHLIGHTS OF THE JOHN BALL ZOO MILLAGE INVESTMENT GUIDELINES

- Bring all areas of the park and zoo up to current ADA accessibility standards.
- Invest new revenues to provide for increased care and nurturing of our animal collection, and to the operational upkeep of the park and zoo.
- Allocate new revenue to address maintenance and renovation of infrastructure in existing exhibit spaces, many of which are over 50 years old.
- Combine new revenue with private donations for new exhibits, holding spaces, and park improvements as outlined in the John Ball Zoo Master Plan.
- Require John Ball Zoo Board of Directors to approve all proposed millage expenditures.
- Direct that an annual third-party audit of all millage proceeds and expenditures be submitted to Kent County, John Ball Zoo Board of Directors.

BUILDING A SUSTAINABLE FUTURE THROUGH RESTORED PUBLIC FUNDING

The Grand Rapids Public Museum (GRPM) is Michigan's oldest and second largest museum and has been publically owned for nearly all of its 160 years. It is the only cultural institution in our community that represents the spirit of West Michigan by collecting, preserving, curating, interpreting and presenting the history, science and culture of our world through our region and our people.

Public ownership has allowed the museum to thrive and become a top tier institution. Since 2006 the GRPM has been managed by the non-profit Grand Rapids Public Museum Foundation. The Foundation board of trustees is comprised of private citizen representatives. Public oversight of the museum continues through the Grand Rapids City Commission appointed Board of Art & Museum Commission. The current management and support structures have combined to increase citizen involvement in the museum while maintaining public accountability.

The GRPM serves over 250,000 people annually including over 30,000 school children. At its core, the Museum is an educational institution uniquely suited to reach all people according to how they learn best. The museum's special learning environment was the catalyst for expanded educational partnerships that are reaching more students every year.

A .22 mill property tax designation would ensure long-term sustainability for the residents of Kent County in an affordable way. It would restore public funding, stabilize the Museum's finances, and allow for growth in service of its mission. The Museum exists to be a living monument of artifacts, ideas and stories told through exhibitions, events and educational programming designed to inspire, motivate and underscore our human bond. It enriches the life of our community



through experiences of the wider world in a uniquely Grand Rapids context.

A .22 mill levy would raise \$4.6 million annually for the Grand Rapids Public Museum. The rate paid on a \$150,000 home would be \$16.50 a year. These funds are central to the achievement of a strategic transformational plan that will create a stable platform where ongoing revenues cover expenditures and enable the Museum to significantly broaden its offerings in the areas of education, entertainment, community programming and research services. In addition it would increase affordability and accessibility to the community and thus making the institution more public than it has ever been before.

The investment would bring the following to Grand Rapids and the surrounding region:

FOR KENT COUNTY RESIDENTS

In exchange for the public's support of the millage Kent County residents would also receive the benefits of:

- Reduced adult admission
- Reduced senior admission
- Free admission for children (up to age 17)
- Free parking

WORLD CLASS TRAVELING EXHIBITIONS AND PLANETARIUM SHOWS

The Museum is the only venue in West Michigan capable of housing large-scale traveling exhibitions such as *Titanic: The Artifact Exhibition*, *Real Pirates* and *The Discovery of King Tut*. Public support would allow the museum to expand its galleries and capacity to showcase these types of world-class experiences in the manner that our region deserves. In addition, it will leverage the recent Planetarium renovation with the ability to offer and produce shows in support of science education.

THE PUBLIC MUSEUM SCHOOL AND ENHANCED EDUCATIONAL PROGRAMMING

Complete the launch the Museum School serving 6th grade beginning in 2015 up through 12th grade by 2018. Unique in the nation, the school and its curriculum is being created in partnership with Grand Rapids Public Schools, the Grand Valley State University College of Education,

Kendall College of Art & Design/Ferris State University. The Grand Rapids Public Museum's week long 5th grade school program known as Immerse would also be expanded and made more readily available for all school districts in Kent County as would school and group tours for younger ages.

COMMUNITY WATERSHED INTERPRETATION CENTER

In conjunction with the Grand River Restoration initiatives, the Museum's prime location on the banks of the river uniquely position it to house an expanded river interpretation center for exhibition and education purposes. The center will be a rare opportunity in an urban environment for the public to have access to the river and to understand the significance of the river through science, history and cultural exploration via a totally new and full sensory experience.

VAN ANDEL MUSEUM CENTER CORE EXHIBITION RENOVATION

Updates to the core exhibitions will be conceived and implemented with an approach that will allow for frequently changing experiences. The result will showcase the Grand Rapids Public Museum's 250,000 artifacts and specimens. All new exhibits and programs will be designed for a range of learning styles as well as physical and cognitive abilities and disabilities. The Grand Rapids Public Museum will fully embrace Universal Design for Learning.

ONLINE ACCESS TO THE COLLECTIONS

Digitizing the Museum's collections and making them available to the community via the internet enhances service capability and allows the museum to grow in distinction as a research center without walls.

THE ABILITY TO MAKE INVESTMENTS ACCORDING TO ASSET MANAGEMENT PLAN AND TO BUILD FINANCIAL RESERVES

The Museum would commit to continue operating in accordance with American Association of Museum (AAM) guidelines and to maintain accreditation in good standing with the AAM.

PROTECT AND PRESERVE THE MUSEUM AND ITS COLLECTIONS FOR FUTURE GENERATIONS

The passage of a millage will include a guarantee that the Museum's publically owned collections will be preserved and not sold off to raise funds for non-museum purposes. Annual audits will be conducted to verify that the funds are used in a smart way and as intended in order to support day-to-day operations and improvements of the museum and its facilities. It would include continued commitment to the guidelines and standards for accreditation set by the American Association of Museums.

HIGHLIGHTS OF THE GRAND RAPIDS PUBLIC MUSEUM MILLAGE INVESTMENT GUIDELINES:

- 46% of the investments would provide direct benefits back to the residents and communities of Kent County through expanded facilities, programs and services and reduced prices.
- 43% of the funds would allow for increased care and access of the Museum's collections.
- 11% of the funds would be used to fund a City of Grand Rapids approved asset management plan.
- Grand Rapids Public Museum Board of Directors would approve all proposed millage expenditures.
- All revenues, expenses and investments would be reported to the Art and Museum Commissioners annually and would be posted on the Grand Rapids Public Museum website.
- Conduct independent financial audit of all millage dollars every year and report to the community annually.

Grand Rapids Public Museum and John Ball Zoo Kent County Commission Workgroup

3/24/16

Presented by:

Dale Robertson, CEO, Grand Rapids Public Museum

Peter D'Arienzo, CEO, John Ball Zoo

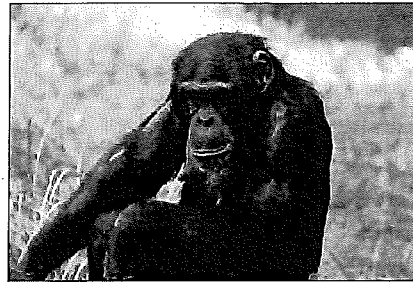
The Zoo & Museum:

- Host 800,000 visitors a year
- Attract visitors, families, talent, businesses and economic opportunities
- Are listening to community stakeholders that want to see a more sustainable funding future
- Are partnering as the two, primary, publically-owned, cultural institutions in the County



John Ball Zoo:

- 500,000 people each year;
22,000 students
- 12,000 people through
community outreach programs
- 40 years of education
partnerships
- 4th most attended cultural
facility in Michigan
- 160 Species & 1,600 animals
- 30 Million economic impact
- 125th Anniversary
- 10th oldest zoo in the nation



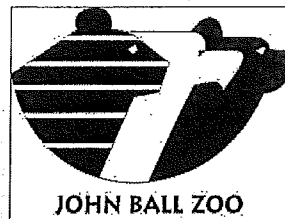
Grand Rapids Public Museum:

- 300,000 visitors each year;
30,000 school children
- 250,000 artifacts
- 6th-12th Grade Museum School
- 3,000 years old – Norton Indian
Mounds
- 1 and only venue for large-
scale exhibits
- 1 and only planetarium in the
region



Zoo and Museum Request:

- 15-year .44 millage request on the November 2016 ballot
- Taxable home value of \$100,000 would be \$44 per year
- The County would serve as fiduciary
- \$8.9 million generated annually to be split equally



Use of Funds Generated:

**Anticipated annual
revenue: \$8.9 million**

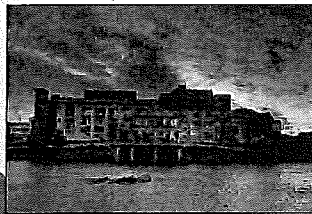
- Millage Associated Benefits (discounts)
- Operations, Exhibits & Programs
- Capital Improvements
- Care & Access
- Deferred Maintenance and Infrastructure



Benefits to Kent Country Residents:

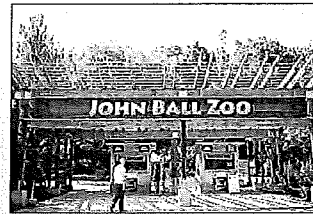
GRPM

- Free admission for all Kent County children
- Free Parking
- Renovations to aging exhibits
- Educational Programming
- Technology Improvements



JBZ

- Free group admissions for all elementary school students
- Discounted admission for senior residents of Kent County
- Educational Programming
- Technology Improvements



Accounting & Oversight:

- Annual Audits and Reports
- Two non-profit boards responsible for annual reporting
- Certified and Accredited



FAQ

