

City of Kalamazoo Michigan



Adopted Budget
FY 2013

CITY OF KALAMAZOO MICHIGAN

Fiscal Year 2013

Adopted Budget

CITY OF KALAMAZOO

49TH CITY COMMISSION



FRONT ROW: Vice Mayor Hannah J. McKinney & Mayor Bobby J. Hopewell

SECOND ROW: Commissioners: Bob Cinabro, Barbara Hamilton Miller, Don Cooney, David Anderson & Stephanie Moore

APPOINTEES

CITY MANAGER
Kenneth P. Collard

CITY ATTORNEY
Clyde Robinson

CITY CLERK
Scott Borling

CITY ASSESSOR
Constance Darling

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RELATIONS DIRECTOR**
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**TRANSPORTATION
DIRECTOR**
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**MANAGEMENT SERVICES
DIRECTOR**
Thomas C. Skrobola

CITY OF KALAMAZOO

2013 Organizational Chart

CITIZENS OF KALAMAZOO

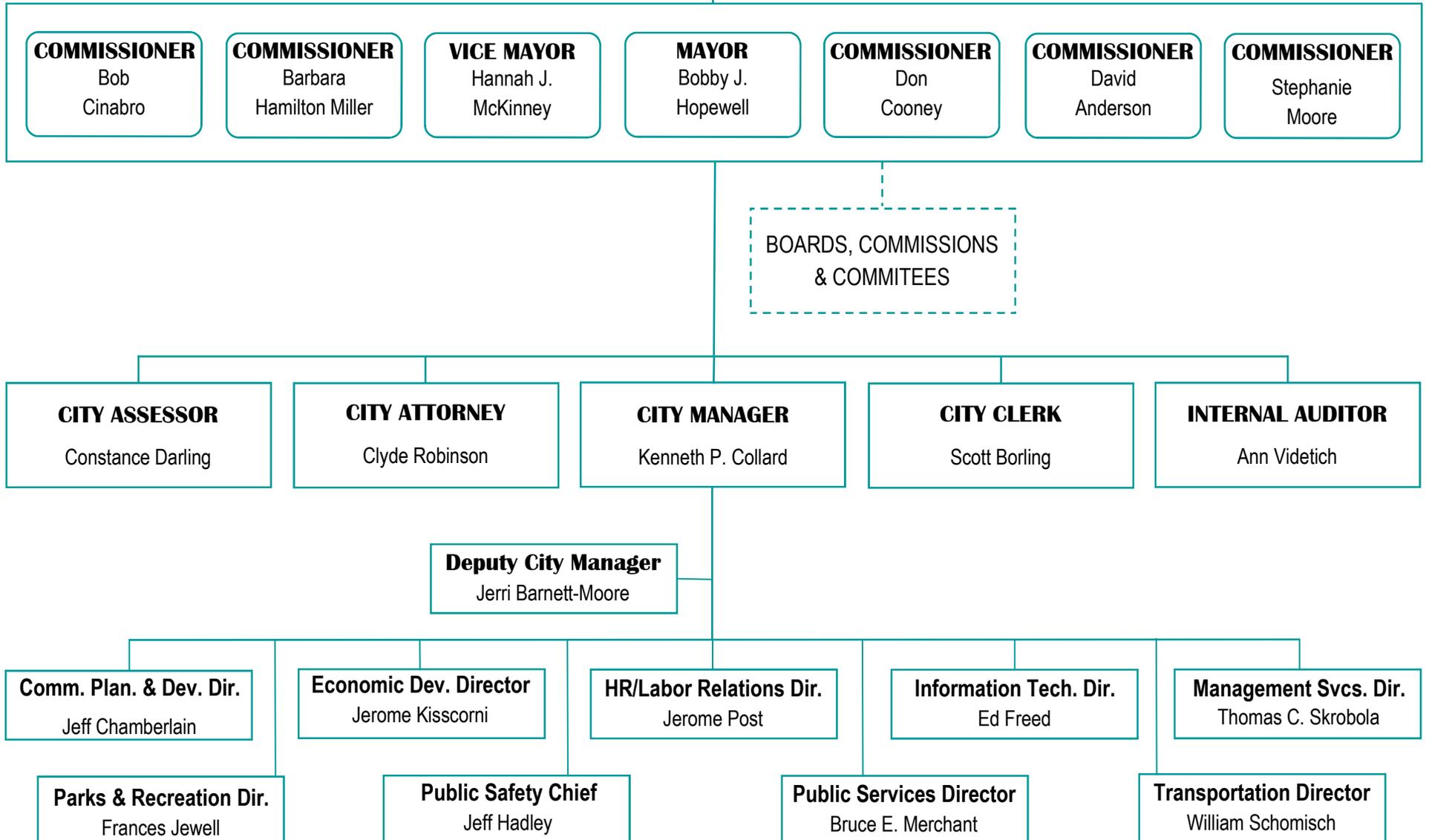


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THE CITY OF



Kalamazoo



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FISCAL YEAR 2013-14 PROPOSED BUDGET TRANSMITTAL LETTER

To: Mayor Bobby Hopewell, Vice Mayor Hannah J. McKinney and City Commissioners

From: Kenneth P. Collard, City Manager, ICMA-CM, P.E.

Subject: Proposed Fiscal Year (FY) 2013 - 14 Budget

Date: December 1, 2012

“Success is not final, failure is not fatal: it is the courage to continue that counts.”

Winston Churchill

I am pleased to present the Proposed FY 2013 - 14 Budget for your consideration. This budget represents the continuing strategy of maintaining vital city services, while planning to achieve structural balance between necessary services and sustainable resources within the Five-Year Fiscal Plan.

Consistent with City budgets since 2006, this budget contains a reasonable and responsible allocation of resources necessary to address the initiatives identified by our citizens in the City’s “Blueprint for Action: A Sustainable Community – Defining Kalamazoo’s Future”, as informed by the *2010 Community Survey*, the City Commission has utilized as its strategic agenda.

The City’s strategic focus areas are:

- Economic Vitality
- Neighborhood Development
- Environment Stewardship
- Community Building
- Responsive and Responsible Government
- Fiscal Stewardship

City programs and department work plans are continuously updated and improved to advance the goals and objectives described in the Blueprint for Action.

The systematic alignment of the strategic focus areas with the budgeting process by use of a Five-Year Fiscal Plan was first employed in the 2007 Annual Budget. The Five-Year Fiscal Plan has been generated each year by projecting forward the proposed budget for the upcoming year an additional five years, utilizing rational assumptions about trends in broad revenue and expenditure categories.

The Five-Year Fiscal Plan contained in the Adopted FY 2012 Budget projected a structural gap in the General Fund of \$6 million by FY 2013, representing the cumulative deterioration of General Fund purchasing power, due to declining Property Tax and State Shared Revenues versus the nominal inflation of the cost of doing business.

What Are Our Principles?

Continuity of Purpose: Public Service

In the Transmittal Letter for the Adopted FY 2012 - 13 Budget, it was noted that “continuity of purpose is one of the most essential ingredients of happiness.”

In the context of major structural budget reductions, the above aphorism requires sustaining clean and safe neighborhoods, economic growth, sound infrastructure and utilities, and a sense of community through recreational and cultural enrichment opportunities, even though fewer resources and a smaller organization would be available to sustain these outcomes.

“It is no revelation that a demographic shift is underway in the broader society, as the Baby Boomer generation moves into retirement. The City is no exception to this reality, as roughly double the number of staff will become eligible on an annual basis to retire when compared to historical figures. A retirement bulge under normal circumstances represents a serious organizational challenge, not the least of which is replacing lost "institutional knowledge" and relationships earned by long-standing employees.

“The adoption and implementation of an Early Retirement Initiative (ERI) will radically accelerate retirements and force a dramatic but planned generational shift in the City organization throughout the FY 2013 - 14 period. Paradoxically, this reckoning represents a once-in-a-generation opportunity to reshape the organization with a level of deliberation and coordination simply unavailable by way of managing incremental turnover.

“The challenge that presents itself existentially is how to maintain in the face of externally-imposed stress -- the solution is to structure change so as to avoid randomness and chaos and maximize planned, predictable and continuous results.”

Continuity of purpose can be reinforced by the use of touchstones. It goes without saying that the annual Budget Transmittal Letter is such a benchmark, having been written at the beginning of the Great Recession in late 2008, and which established our principles and key strategies for dealing with the looming fiscal downturn prior to the City’s first post-recession budget cuts in 2009.

A sampling of material from the Adopted FY 2009 Budget Transmittal Letter allows us to account for our results in light of our rhetoric, which sprang from our philosophy and values. A short commentary will follow each section:

“This crisis will present opportunities. In the private sector, savvy investors will at some point establish their sense of value in the assets of our economy that will begin to reestablish a normative sense of the nation’s financial capacity. For the City of Kalamazoo, our opportunity is not found in self-enrichment but, as always, in service to the community. Presently, we have the opportunity to align our best efforts to fulfill the needs of the public for quality services, which is enhanced in times of crisis and uncertainty.

“History is a useful guide in many ways. Winston Churchill, when confronted with the Blitzkrieg over London, did not choose to reserve and protect anything from the fight, but vowed to engage every plane and every person in the effort to defend Britain. We must emulate this example by holding nothing back from our citizens.

“We must continue to do what we do best, which is to deliver quality public services in the form of effective and community-oriented Public Safety, opportunities for youth recreation and development through our Parks programming, and neighborhood development through our A+ Neighborhoods.”

The question that naturally confronts us is have we lived up to our own standards? Have we delivered value? The last Community Survey, taken in 2010 would suggest that the answers to these questions were “yes” at that time. This would be supported by the general satisfaction of respondents and the general improvement of respondents’ assessment of the quality of city government services, infrastructure, and quality of life outcomes.

Having established our mission of maintaining continuous service to the public, and having laid claim to fulfilling this promise by way of the outcome of the satisfaction of the public, the question remains “what is the work?” Relatedly, have we also been responsible in preserving the mechanisms that perpetuate public services, specifically the organization of the City government and its fiscal resources? More specifically, what problems did we seek to address, what goals did we adopt and what strategies did we execute in resolving them, and how successful have we been?

Maximizing Use of Available Assets

For the last five years, we have explicitly pledged to “hold nothing back” from our citizens. Since the latter part of FY 2008 and inclusive of the current FY 2013 - 14 Budget process, the administration has been able to identify over \$10 million of reserve funds available for deficit reduction, including almost \$2 million of Budget Stabilization and Capital Contingency dollars that have been intentionally reserved in previous budgets.

The majority of the aforementioned projected reserves have been realized from significant progress in cost-containment achieved since 2005 in health care and workers compensation benefits, derived from collective bargaining efforts with our employee unions. Savings of \$6.6 million realized in FY 2009, 2010, 2011 and 2012 has been rebated to the General Fund in FY 2011 and FY 2012, another \$2.4 million is scheduled to be rebated in FY 2013 – 14, and an ongoing structural savings in health care of \$1 million for the General Fund has been built into the Five-Year Fiscal Plan in the form of reduced contributions to the Insurance Fund from operating departments.

Was the selected strategy of leveraging reserves and avoiding prophylactic budget reductions the correct approach in hindsight? For context let us turn again to the Adopted FY 2009 Budget Transmittal Letter:

“The alternative to our recommended approach would be to attempt to “smooth” the potential impacts of the economic downturn by making cuts in planned expenditures as soon as possible, based on our best available estimates. However, the impact of the economic situation has not yet clearly manifested itself with regards to the City of Kalamazoo’s fiscal capacity.

“The potential contraction of the automotive industry is somewhat disassociated from Kalamazoo’s economy, however the fiscal impacts to the City would be very significant based on the severe loss of revenue that the State would experience. At this juncture, it is very difficult to make reasonably accurate estimates to support the decision to enact major budget cuts, with their attending negative impact on employees, morale and service delivery.”

We can reasonably hypothesize that sufficiently-sized prophylactic budget cuts made in FY 2009 would not have increased short or long-term capacity to deliver public services, but would have essentially traded away interim capacity in exchange for interim reserve balances.

Certainly reserves have been an integral part of our fiscal strategy. However, in addition to the aforementioned large reserves and insurance savings that the City identified and consolidated (over \$10 million), the City also enjoyed a very healthy infusion of almost \$24 million federal dollars (including \$17 million of NSP dollars County-wide) in the form of the American Recovery and Reinvestment Act and the Neighborhood Stabilization Program. These one-time resources greatly diminished the urgency to raise additional reserves, *especially* if those additional reserves were to have come at the cost of reducing urgently needed public safety, public services and other basic programming as the community grappled with the effects of the Great Recession.

Fiscal Monitoring and Planning

In a severe recessionary environment such as this, our best assumptions may not be able to accurately predict the financial outcome of the economic crisis. The Quarterly Budget Review has addressed this problem by identifying the environment for and the pattern of decision-making by Lansing regarding State funding levels, as well as leading economic indicators that we can tie to upcoming changes in consumer, energy and property sales activity before they evince themselves in the form of significant changes to our revenue.

The Proposed FY 2013 - 14 Budget represents the fifth two-year rolling budget that the City has prepared. Although the City Commission continues to approve a one-year budget consistent with State law, the framework of a two-year budget presentation allows for a somewhat longer budgeting perspective and a shorter and thus more immediately relevant fiscal perspective, as both objectives align well with a careful and well-informed response to fiscal uncertainty. We have been able to effectively manage each fiscal period (in the case of the Proposed FY 2013 - 14 Budget, FY 2013), identify the challenges confronting the second and third fiscal periods (in this case, FY 2014), and to develop the parameters for effective decision-making.

The above efforts once again show our continuity of purpose, referring back to the Adopted FY 2009 Budget Transmittal Letter:

“A 360 degree perspective requires a complete and concurrent understanding of problems and the ability to identify the appropriate response. Two immediate problems are directly in our path: the potential significant loss of State Shared Revenue due to the recession, and the sudden and sharp decline in residential property values.

“The institution of the Five-Year Fiscal Plan for the 2007 Budget was designed to identify emergent and structural issues in a time-frame that would allow for making smooth course corrections without having to follow the boom-and-bust cycle of the economy.

“The uncertain and unprecedented nature of the current situation constrains our ability to accurately project City revenue over the scope of the Five-Year Fiscal Plan. It seems prudent that a frequent and thoroughgoing review of the budget and the economic environment that it functions within must be enacted by staff. Several initiatives have been designed to fulfill this need:

- “We will institute a quarterly budget review, which will identify the landscape of decision-making by Lansing regarding State funding levels, as well as leading economic indicators that we can tie to upcoming changes in consumer, gas and property sales activity before they evince themselves in the form of significant changes to our revenue.
- “We have adopted a two-year rolling budget for the first time. Although the City Commission will continue to approve a one-year budget consistent with State law, the framework of a two-year budget presentation will allow for simultaneously lengthening the budgeting perspective and shortening the fiscal perspective, as both objectives align well with a careful and well-informed response to fiscal uncertainty;
- “We will continue to seek ways to contain costs through the means that are available at an executive level;

“This close monitoring of the budget will be reflected in the City Commission’s semi-annual budget amendment process. This will enable any appropriate cost containment measures to be enacted in a timely and effective manner, so that the budget will remain balanced on an annual basis. We will implement this process without delay, so that we are able to enact changes that will create the appropriate annualized level of reductions without overreacting.”

The results are clear, in that the City Administration and Commission have lived up to the level of management intensity and decision-making needed for the situation at hand. More than a dozen Quarterly Reports have been produced since this Transmittal Letter was written. Each one has been designed to “stand on the shoulders” of its predecessor, in terms of the intellectual rigor

employed and the resulting value of the report in terms of providing timely information for quality decision-making.

I am happy to report that the Quarterly Reports have accomplished their basic task. The range of structural deficits estimated by the Quarterly Reports in the General Fund have been fairly consistent, ranging from \$6 million at the onset in 2009 to \$4 million in 2010 and back to \$6 million in 2011, with the target for resolution consistently the 2012 – 2013 period.

What is Our Primary Goal? Achieving Fiscal Continuity

How Have We Performed?

The Broken Michigan Municipal Finance Model

Realizing a continuity of purpose requires some continuity of the means attendant to it. In the case of delivering continuous and quality public services, the primary means are financial. However, financial continuity has been elusive since the passage of Proposal A statewide in 1994. Municipal governments across the state of Michigan since 1994 have had to grapple with the impacts of Proposal A inflationary caps on the growth of property assessments, which have caused periodic structural reductions in most full service municipal entities in the State. This is particularly true for those entities whose assessment rolls were not artificially buttressed by the housing bubble that lasted nationwide from the mid-1990's through the mid-2000's.

The underlying inadequacy of property assessment revenue growth was combined with state revenue sources such as Revenue Sharing and Fire Reimbursement grants that have experienced a chronic state of underfunding punctuated by multiple major appropriation cuts by the State Legislature.

It is clear from the last 18 year history of municipal finance in Michigan that our revenue sources are not capable of keeping pace with the nominal inflation of the cost of doing the people's business. These costs include energy and health care costs which are only controlled from a budgetary standpoint by virtue of lowering consumption or greater health care cost-sharing by employees, which are transitional strategies rather than sustainable resolutions.

The Great Recession: 2008 - 2009

The fiscal shock visited by the Great Recession in 2008 caused a nominally unsustainable model of municipal finance to suffer a major downward shift. In the City's case, the magnitude of this shift has already evaporated 25% of the City's projected General Fund annual revenue relative to FY 2012, when the Fiscal Plan from the Adopted FY 2009 Budget (which was the last "pre Great Recession" Budget adopted by the City) is compared to the Projected figures for FY 2012 in the Proposed FY 2013 Budget.

Permanent Reductions: FY 2009

When the Great Recession imposed its earliest impact on the City's finances in FY 2009, Quarterly Reports produced by City staff identified a \$6 million General Fund budgetary structural problem that would require resolution by FY 2012 – 13. A first round of budget

reductions (totaling \$2.3 million) was enacted by the City Commission in October 2009 as Amendments to the FY 2009 Budget.

FY 2010 – 2011: Monitoring and Managing

The administration was able to delay the ultimate budget reckoning until the FY 2012 – 2014 period through the identification and deliberate application of over \$10 million of reserve funds. The extended time-frame provided the opportunity for a deliberate and planned approach in designing and implementing the final resolutions.

FY 2011: Quantifying the “\$6 Million Problem”

Due to further slippage in Property Tax Revenues and State Revenue Sharing, the \$6 million problem re-emerged in the Quarterly Reports in 2011. The following analysis summarizes the components of this imbalance.

Property Taxes: the City has experienced a decline in Property Tax revenue of nearly \$5 million between 2009 and 2012, primarily due to a nearly 20% decline in commercial and residential property values. This includes a modest projected decline of \$180 thousand in recurring Property Tax revenue beginning in FY 2013, which compares favorably to the amount estimated in the Adopted FY 2012 - 13 Budget of \$750 thousand. At this time, Residential property value in 2013 is projected to have its first year without significant losses since 2007.

Statutory Revenue Sharing and EVIP: The City has also experienced a cumulative loss of almost \$2.5 million per year in what until recently was referred to as Statutory State Revenue Sharing from 2009 to 2011, and which now is referred to as the Economic Vitality Incentive Program (EVIP). The State's Adopted FY 2012 - 13 Budget and its preceding annual Budget replaced Statutory Revenue Sharing for cities, villages and townships with the EVIP program. This change included annual reductions of \$1.2 million for the City of Kalamazoo. The program is projected to produce flat revenues for the City in the FY 2013 period and for the five-year fiscal period, when taken in combination with the Constitutional Revenue Sharing program.

Pension Funding: The City's Employee Pension Trust Fund experienced a nearly 50 percent drop in its asset valuation from approximately \$550 million in October of 2007 to approximately \$275 million in March of 2009, and the nearly 90 percent rebound to \$531 million as of September 30th, 2012. The Third Quarter Report for 2012 included a projection that required City contributions after the year 2020. Because projected contributions are beyond the current 5-Year Fiscal Plan horizon, the Proposed FY 2013 - 14 Budget does not contain any City contribution to the Pension Trust Fund.

Permanent Reductions: FY 2012

In addressing the remaining \$6 million structural gap, the City Commission enacted \$2.7 million in permanent structural expenditure reductions in the FY 2011 and FY 2012 Budgets, by way of mid-year FY 2011 Budget amendments, with the balance represented in the Proposed FY 2012 Budget. These changes then fed into a much larger budget balancing and reorganizational effort, the Early Retirement Initiative and Strategic Alignment Plan (SAP).

Early Retirement Initiative (ERI) and Strategic Alignment Plan (SAP), FY 2011 – 13

The last major rebalancing effort relative to the \$6 million problem came in the form of the City's ERI, which was approved by the City Commission by way of an amendment to the City's Pension Ordinance on October 31, 2011.

The adopted ERI involved a 3-year acceleration of retirement qualifications, as well as a one-time lump-sum incentive payment equal to 1% of final average compensation multiplied by credited years of service. The City saw a participation of 219 of the 265 eligible employees, of which roughly 165 are slated to have left by the end of FY 2012.

The objective of the ERI and SAP was to avoid eliminating the least senior employees from the organization, which would have amounted to at least 100 layoffs, only to have to hire at least that many people to replace the roughly 265 eligible retirees through 2015. The wiser strategy from an organizational continuity standpoint, was to foreshorten the retirement target for those eligible to retire by 2015, in order to eliminate sufficient numbers of those positions to achieve budget balancing, while also taking the unique opportunity to rationalize the way the City does business. These positive outcomes would have been much more difficult to achieve through a traditional budget cutting/layoff approach.

The City also valued a humane approach to its employee family. In fact, while nearly 200 full-time positions have been eliminated since 2008, this has resulted in fewer than 10 former City employees suffering unemployment, due to the use of attrition, contractual “bumping” rights, and the ERI program.

The capstone of the program is the pledge on the part of the City to hold the Pension Fund harmless financially for the impact of this program. While the long-term impact of the ERI program is estimated to be close to zero, nevertheless the City has pledged in the Adopted FY 2012 Budget and Fiscal Plan to contribute an amount equivalent to the cost of the ERI Incentive Bonus payments, equal to 1% of Final Average Compensation multiplied by years of service. The resulting payments of \$4.4 million of ERI Incentive Bonuses would require annual payments of roughly \$1 million from City operational funds for 5 years, of which the General Fund would provide roughly \$600 thousand a year.

The Early Retirement Initiative provided the opportunity for the organization to reduce positions and save operational dollars. In order to fully realize these changes in a deliberate, intelligent and cohesive fashion, a comprehensive SAP was designed at the departmental level representing the best available on the ground thinking about how to achieve budgetary rebalancing while maintaining critical service capacity.

By the end of 2012, more than 70% of those participating in ERI are estimated to have retired, and over 2/3rds of the positions slated for new hires are estimated to have been backfilled. Multiple high-profile positions (such as the City Manager, Deputy City Manager, Public Services Director, Transportation Director) have yet to be vacated or filled. Needless to say, while much surgery has been accomplished, there is much careful stitching and coordination and post-operation evaluation to be conducted before the SAP can be deemed a success. This coordination work will likely continue well into 2014.

The immediate fiscal outcome of the ERI/SAP program is the projected elimination of vacated positions, which would produce roughly \$7.3 million of structural reductions across the City, of which \$4.4 million would accrue to the General Fund and General Fund subsidized activities when fully realized in FY 2014 (with interim savings projected in FY 2012 of \$2.7 million and \$3.7 million in FY 2013).

It must be noted that inclusive of those changes already put in motion through the SAP, over \$9.5 million of annual expenditure reductions will have been realized by FY 2014 when compared to the Adopted FY 2009 Budget.

While budget reductions and lost capacity are anything but occasions for pride, nevertheless the City has been deliberate, thoughtful, effective and timely in leveraging information for the purposes of quality decision-making.

Potential Revenue

The following is an excerpt from the Adopted FY 2012 Budget Transmittal Letter:

“Massive federal and state structural fiscal issues have accumulated over many decades. The broad, interdependent and highly complicated range of economic, financial and social causes notwithstanding, a series of one-sided, short-sighted, and hyper-partisan solutions have been offered by political actors across the spectrum, all of which purport to "resolve" these problems relative to assumptions about an economic "new normal".

“While simplistic and cynical appeals to the preconceived notions of voters, special interests and decision-makers might cause core political constituencies to embrace political sponsors more enthusiastically, this model is a recipe for ill-considered and reactionary policy-making that at best benefits one group at the expense of others and at worst harms everybody. These sort of policy prescriptions spring from a fundamental disconnect with a sense of what comprises the good of the whole. Decision-makers would be well-advised to incorporate the broad interests and perspectives of the public in policy formation. This is a philosophy that the City has attempted to keep at the heart of major policy deliberations.

“A careful examination of the attitudes of the public at large both nationwide and statewide would demonstrate that the people are looking for solutions that are representative of the best thinking about how to achieve broad cost-reductions, but also about how to incorporate the necessary revenues to finance core public services. In this spirit, staff has carefully examined available options for resolving a portion of the structural gap with new revenues.

Discussions have been initiated to determine the extent to which new resources may be raised as a part of achieving fiscal rebalancing. These are estimated at this time to total \$1.5 million of potential revenue enhancements as of FY 2014, with \$350 thousand of this being enacted in FY 2013, and include a range of options available under State law and the City Charter. While some revenue enhancements may be obtained by City Commission action, most of the potential

resources could only be accessed by a vote of the people, and thus requires careful discussion and strategic analysis prior to any public engagement.

Where Are We Now?

Revenues

Revenues have been negative for the period of 2011 – 2014 relative to the Amended FY 2012 - 13 Budget by \$5.3 million (net of \$3.0 million of offsetting non-cash eliminations related to the former Internal Service Funds).

- **Potential Revenue:** The reduction of Budgeted “Potential Revenue” in FY 2013 from \$1.5 million to \$350 thousand amounted to a loss of \$1.2 million versus the Budgeted amounts.
- **Property Taxes:** an estimated loss of \$500 thousand versus the Budgeted amounts is based on the combination of:
 - o (a) losses based on an estimated increase of \$2 million of Property Tax write-offs in 2012 and 2013 (due primarily to larger-than-normal losses in County tax foreclosure sales of pre-2009 delinquent Property Tax accounts), which was mostly offset by;
 - o (b) better-than-anticipated positive projected Assessments in 2013/2014 equal to \$1.5 million of revenue;
- **Intergovernmental:** an estimated loss of \$500 thousand versus the Budgeted amounts is estimated due to alterations in the distribution methodology for EVIP dollars as compared to the traditional method for Statutory Revenue Sharing payments.
- **Interest:** an estimated loss of \$400 thousand versus the Budgeted amounts is estimated based on continued near-zero interest rates for municipal-authorized cash investments.
- **Licenses, Permits and Fees:** an estimated gain of \$250 thousand versus the Budgeted amounts is estimated due to increased ordinance enforcement efforts.
- **Charges for Services/Other:** a loss of \$6.0 million versus the Budgeted amounts is estimated based primarily on the combination of:
 - o (a) \$3.0 million of former Internal Service Fund “revenues” that were eliminated as part of the FY 2013 Budget process, and which were offset entirely by reductions in non-cash expenditures (for zero net effect);
 - o (b) \$3.0 million of estimated “will call” revenues that were traditionally budgeted for various contracts for services, moving violation enforcement activities, and other miscellaneous revenue. Extensive research indicates that this budgeted revenue has not been realized for the last 3 – 5 years, and should no longer be relied upon for fiscal planning purposes.

- **Insurance Fund rebates:** the Insurance Fund rebate for FY 2013, representative of the General Fund's share of cumulative claims savings from prior periods, has been scaled back by \$700 thousand in order to finance higher-than-anticipated Workers Compensation claims in FY 2012. This has been offset by a similar increase in the use of Budget Stabilization Funds in the Proposed FY 2013 Budget versus the planned amount in the Adopted FY 2012 Budget.

Expenditures

Expenditures have been positive for the period of 2011 – 2014 relative to the Amended FY 2012 -13 Budget by \$3.6 million (net of \$3.0 million of offsetting non-cash eliminations related to the former Internal Service Funds).

The General Fund is estimated to be \$6.6 million positive (lower) in total versus the expenditures in the Amended FY 2012 – 13 Budget for the period of 2011 – 2014. The breakdown:

- **Early Retirement Initiative/Strategic Alignment Plan:** this is estimated to net \$3.0 million positive savings versus the Budgeted amounts;
- **Other Personnel:** Overages in Overtime from 2011 – 2014 are currently estimated to be negative (higher) by roughly \$700 thousand versus the Budgeted amounts;
- **Operating (non-Personnel):** this is estimated to be negative (higher) by roughly \$500 thousand, net of budgeted savings, is currently estimated versus the Budgeted amounts;
- **Transfers:** total transfers are expected to come in positive (lower) by roughly \$1.8 million versus the Budgeted amounts, due to the deferment of some capital projects and also the deferment of transfers to a Retiree Health Care Trust Fund;
- **Former Internal Service Funds:** non-cash expenditures related to the former Internal Service Funds will be positive (lower) by roughly \$3.0 million, which would offset to the former Internal Service Fund non-cash revenue reductions mentioned above.

Net Revenue

Revenues minus Expenditures are currently estimated to come up short by a combined \$1.66 million of the net revenue projected in the Amended FY 2012 – 13 Budget for the period of 2011 – 2014. This deterioration in net financial position has been caused primarily by the reduction of Budgeted "Potential Revenue" in FY 2013 from \$1.5 million to \$350 thousand, as well as the reduction in Insurance Fund rebates of \$700 thousand caused primarily by higher-than-expected Workers Compensation claims.

The above deterioration of \$1.6 million, if realized, would precipitate the need for a recurring reduction in the General Fund of \$1.05 million in FY 2014. Budgetary cuts in 2014 would violate the integrity of the plan which was central to the Adopted FY 2012 – 13 Budget and Fiscal Plan, which was to forestall budget cuts to allow the Strategic Alignment Plan to "sink into" the organization; and most importantly, it would violate the very essence of continuity of purpose to lay off employees that were recently hired as part of the SAP.

Where Are We Going?

Risk Assessment

A group of major stresses remain on the financial health of the General Fund, as well as the Insurance Fund (which relies on the General Fund for roughly 2/3rds of its financial support). The following items have been tracked and noted through the Quarterly Reports and through this Budget, but for the purposes of convenient reference are tallied here:

- Budget Stabilization Fund to be depleted in FY 2013: the Proposed FY 2013 Budget calls for the full application/depletion of the Budget Stabilization Fund balance of \$1.65 million in order to achieve a balanced General Fund budget by 12/31/13 while maintaining the minimum 13% Fund Balance target required by City Commission policy;
- Recurring Reductions needed in FY 2014: the Proposed FY 2013 Budget calls for \$1.05 million of recurring reductions in the General Fund in FY 2014. While the total amount of recurring reductions over the Proposed Five-Year Fiscal Plan (\$3.2 million from FY 2014 - FY 2018) are roughly the same as they were in the Adopted FY 2012 Budget, the need for budget cuts has been accelerated due to reasons already discussed;
- Potential Revenue needed: out of the entire \$1.5 million of potential revenue, the window of opportunity for \$1.15 million (in the form of a Headlee Override ballot initiative) is no longer available to assist in funding the FY 2013 Budget. That potential revenue remains an integral part of the Proposed FY 2013 Budget and Fiscal Plan (for FY 2014 and beyond) to maintain critical services to the public;
- OPEB Trust Funding: \$900 thousand of previously scheduled contributions to the Retiree Health Care Trust Fund have been deferred to restart in FY 2015 in order to minimize the need for reductions in FY 2014;
- Elimination of Personal Property Tax: The Michigan State Legislature is currently projected to enact Governor Rick Snyder's proposal for elimination of Industrial Personal Property Taxes as well as small Commercial Personal Property tax accounts. The small account exemption would take effect immediately in 2013 and would have a nominal effect, perhaps \$50 thousand of lost revenue to the City's General Fund. The Industrial Personal Property Tax would be eliminated beginning in 2016, and would be phased out by disallowing new equipment to be taxed, while existing equipment would be depreciated to zero. It is estimated that this would begin costing the City roughly \$250 thousand in 2016, and another \$250 thousand every year thereafter until the entire \$2.2 million of Industrial Personal Property Tax revenue is eliminated (over roughly 10 years).

The Governor has proposed replacing the Industrial Personal Property tax revenue through the annual legislative appropriation of expiring Michigan industrial tax credit revenue. This would replace roughly 90% of the lost revenue to local governments. If this non-binding promise were kept, the net of all of the above would result in the City losing roughly \$220 thousand beginning in 2016 and every year thereafter. In any case, this legislative effort is not likely to impact the City's budget differentially for several years;

- The Kalamazoo Municipal Golf Association (KMGA) debt to the City and fund deficit condition with Michigan State Treasury: the KMGA currently owes the City General Fund \$165 thousand for (a) 2009 loans that were floated by the City Commission and (b) for an unpaid bond invoice (also from 2009).

The debt owed to the City is a part of a larger fund accounting deficit condition that is being tracked by the Michigan State Treasury Department. Under State Treasury rules, the KMGA fund accounting deficit includes roughly \$60 thousand of the debt owed to the City, as well as another estimated \$50 – 70 thousand of other unfunded short-term liabilities. This deficit must be completely funded by the end of FY 2013.

Failure to completely eliminate the KMGA fund accounting deficit by FY 2013 would cause the *City to have Revenue Sharing/EVIP payments withheld, and also would cause the City to be legally barred from issuing new debt such as Tax Anticipation Notes (TANs) and Capital Improvement Bonds for general capital projects, and also Revenue Bonds for Water and Wastewater capital improvements.*

Under the excellent leadership of a new contracted Golf Director, Dean Marks, the KMGA made positive strides to improve its management, marketing, revenues, and overall financial condition in FY 2012. There is currently a proposal under review that may result in a substantial portion of the debt to the City and the entire KMGA fund accounting deficit being eliminated by December 31, 2012. If this is deemed by staff to be a viable option, a proposal would be brought before the City Commission in December 2012 for consideration;

- Property Tax Write-offs: in the last several Quarterly Reports, it has been reported that roughly \$2.5 million of prior-year Property Tax revenue is estimated to be written off due to several factors: (a) the County's pending Tax Foreclosure Sales in 2012 and 2013, (b) Michigan Tax Tribunal adverse rulings, and (c) older/uncollectible Personal Property Tax delinquencies. These estimated write-offs have already been "baked into" the Proposed FY 2013 Budget. While staff believes that these estimates are sufficient to cover potential losses, it is possible that realized losses could be worse. Staff will continue to track and advise on this important matter through the Quarterly Reports.
- Pending Worker's Compensation litigation: Worker's Compensation litigation is currently outstanding regarding the so-called "pension offset" issue that could, in a worst-case scenario, result in the City owing a group of retirees over \$3 million (for which there is no set-aside reserve). It is the opinion of staff and of the expert legal counsel in this matter that these cases are not likely to result in significant losses to the City. In the unlikely event of losses in court, the dollar impact would likely be no more than several hundred thousand dollars, monies which could be recovered through the normal budgeting process if needed.

Strategic Action Plan: Potential Modifications

The Administration is mindful of its duty to manage and adjust the SAP in real-time to align the organization's continuity of purpose with its financial realities. Such adjustments could include delaying or eliminating backfill of positions. The fiscal situation will be monitored closely by

way of the 4th Quarter 2012 Report, which will be published in early 2013. If that report indicates that adjustments to the SAP are necessary, such changes would be put forth by the administration in the appropriate fashion.

FY 2013 Midyear Budget Amendment – the Capstone to the SAP Process

Consistent with the SAP timeline, the FY 2013 Midyear Budget Amendment will be the vehicle by which this administration captures significant financial impacts of changes that are made to the SAP from this point forward.

Intergovernmental Cooperation and Consolidation: a partnership with the County of Kalamazoo and the City of Portage has resulted in a joint statement of intention to collaborate, consolidate and share resources between the three entities for the purpose of realizing more cost-effective service delivery and back-office functionality. Areas for further focus and effort include Purchasing, Public Safety emergency dispatch, Public Safety specialty units, safety and trades inspections, and other back-office functions.

Progress has been made by way of a study of consolidated Public Safety dispatch options, commenced recently and jointly funded between the City of Kalamazoo, Kalamazoo Township, City of Portage and Western Michigan University. The City of Kalamazoo, City of Portage and Kalamazoo County are also jointly studying further collaboration in Assessing functions.

“Blueprint for Action: A Sustainable Community (A Supplemental Update to the 2000 Blueprint for Action: A Strategic Plan for the City of Kalamazoo)”: this is the Strategic Plan approved by the City Commission, and created through the collaboration of staff and citizen advisory groups, as well as citizens and other stakeholders. The Proposed FY 2013 - 14 Budget represents our continuing effort to integrate the strategic vision of the *Blueprint for Action* with a reporting format that links the output of the organization with the purposes for its existence.

Infrastructure Investment: In 2013 the City will continue to invest in the physical resource that make high-quality service delivery possible, including roads, water delivery and wastewater treatment systems, and so on. Below is a summary of proposed capital improvements:

- Parks and Recreation: Improvements will be made to Hayes Park and Kik Pool. The development of a new Parks and Recreation Five Year Plan will begin as well.
- General Facilities: City Hall improvements will focus on new energy-efficient HVAC, and facility capital maintenance will preserve existing assets.
- Public Safety Equipment: Improvements include the refurbishment and update of 2 fire trucks, extending the lifespan of the apparatus and technology upgrades.
- Roads: The total infrastructure investment in roads will total \$4.8 Million. Local street improvements of \$1 million will be financed by Capital Improvement Bonds. Major Street will see improvements of \$3.8 million, of which \$2 million will be bond financed while the remaining \$1.8 million will be financed with federal funds. The following Major Streets will be improved.
 - “Scattered Site Mill and Resurface - Various Major Streets”

- Alvan (Saidla to Sprinkle)
 - Austin (Oakland to Davis)
 - "Traffic Signal Upgrade - Various"
 - Fulford (Cork to Stockbridge)
 - Kendall (Hylle to Memory)
 - N. Burdick (RR Tracks to North City Limits)
 - Oakland / Parkview Intersection
 - Race (Stockbridge to Lake)
 - Saidla (Miller to Alvan)
 - Westfall (Michigan to Hylle)
 - Wheaton (Merill to Westnedge)
- Wastewater Facilities and Equipment: Improvements to lift stations, Secondary Process improvement completion, new and replacement sewer construction, alternate force main, facility improvements, demolition and continued hardware and software replacements and upgrades throughout the system.
 - Water Facilities and Equipment: Water Mains, Service Connections, tank storage painting and other annual capital improvements and repairs.

Community Investment: in 2013 the City will also continue historic collaboration with federal, state and county government partners to bring timely relief to those segments of our community that are most vulnerable to the impacts of the recession:

- Neighborhood Stabilization Program: The City will complete Kalamazoo's \$1.7 million Neighborhood Stabilization Program Phase I projects, including the sale of the remaining five rehabilitated homes to eligible homebuyers and the completion of 10 additional demolitions. Phase II of the grant in the amount of \$15 million will be completed with the on-going promotion of the Kalamazoo Homeownership Opportunity Program to sell homes in the Marketplace Plat (23 new homes and 8 rehabilitated homes to eligible households) in partnership with the Kalamazoo County Land Bank Authority . More than 91 contractors and 140 employees have worked on Marketplace since its inception.
- Brownfield Redevelopment Authority (BRA) Projects: The BRA approved a Purchase & Redevelopment Agreement with ENMAR, LLC. The redevelopment project involves the investment of approximately \$5.4 million in redevelopment of the BRA-owned property at 701 East Michigan Avenue in a mixed-use fashion. The project is expected to create 42 new full-time equivalent (FTE) jobs within three years of the completed project.
- Construction Valuation: The City issued 2054 permits representing year-to-date construction valuation of \$35,485,282 as of September 14.
- Green Initiatives: The Parks and Recreation Department completed Phase 2 of the LaCrone Park Improvements which included energy efficient lighting, low water consumption plumbing and low or no VOC epoxy paints and coatings, etc.

I would like to thank the Budget team of Jerri Barnett-Moore, Thomas C. Skrobola, Patsy Moore, Jennifer Clark, Melissa Fuller, Phil Miller, Tom McGaw, Karen Jenkins and Lora Ross for their dedication to this process.

In addition, I would like to thank the 49th Commission for providing the leadership, direction and support which steer the adoption of the budget and for its support of the revised planning philosophies and strategies which are vital to the future of our City.

Pursuant to Section 43(f) of the City of Kalamazoo Charter, the following summary and proposed Fiscal Year 2013 - 14 Budget is presented for your consideration.

Kenneth P. Collard, ICMA-CM, P.E.
City Manager

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES

The City of Kalamazoo budget policies are governed by the City Charter, the Uniform Budgeting and Accounting Act for Local Units of Government in Michigan, and generally accepted accounting principles. These laws provide for budget control, establish tax levy and assessment valuation limits, and provide for bonded debt limits. The City's resources and appropriations policies are extensions of these laws, and follow generally accepted accounting and budgeting principles.

LEGAL REQUIREMENTS

The City of Kalamazoo Charter (Section 67) states that by December 1 of each year, the City Manager shall submit to the City Commission, an estimate of the contemplated expenditures for the ensuing year together with the estimated revenues for that year.

Section 68 of the Charter requires that on or before February 1 of each year, the City Commission pass an annual appropriation resolution to cover expenditures. At the same time, the City Commission establishes certain policies covering the administration of the budget. A public hearing must be held prior to final adoption. Public notice must be posted at least six days prior to the hearing.

If the ensuing year's budget appropriation resolution is not ready for adoption prior to December 31, of the current fiscal year, the Chief Finance Officer is authorized and directed to continue processing and issuing checks for normal payroll and expense operations of the City in accordance with the practices prevailing at the end of the current fiscal year; and the Finance Director is authorized to revise any payroll, fringe benefits and other expenses paid by the City to conform to the terms of any labor contracts or commitments which have been approved by this City Commission; and as may be needed for the above purpose

When the Board of Review has completed its review and correction of the assessment roll, it is presented to the City Commission for their review along with the proposed amended annual appropriation resolution. They may revise the same provided that the property tax revenue required shall not increase more than 5% over the amount in said resolution. This shall take place by June 30 of each year.

Act 5 of the Public Acts of 1982, as amended, requires a public hearing be held prior to the levying of an additional millage rate (The Truth-In-Taxation Act). The Charter, under Section 85, requires the City Commission to fully and finally confirm the annual assessment roll upon completion of the review and correction of said roll by the Board of Review. This must be at least seven days after the public hearing and is confirmed by resolution along with confirming the general appropriation resolution, as amended.

The City is also required by the State of Michigan to present a balanced budget. An appropriation resolution cannot be adopted that would cause total expenditures, including an accrued deficit, to exceed total revenues, including an available surplus, according to Section 16 of Public Act 621 of 1978.

The City shall comply with Act 279 that generally provides the debt limit for a "home rule" city is 10% of its State Equalized Value (SEV).

City Charter provides that the fiscal year of the City shall begin January 1.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES**

OPERATING BUDGET POLICIES

The operating budget will be based on the principle of financing current expenditures with current revenues or accumulated reserves. Expenditures shall include adequate funding of the retirement system and adequate maintenance and replacement of capital and operating assets.

Budgeted expenditures will reflect the City's perceived needs and desires of the community based on current surveys and long-range planning. The budget will be based on generally accepted accounting principles.

The form of the budget will include a five-year fiscal plan with projections of revenues and expenditures with adequate provisions for debt service and depreciation where applicable. The Budget presentation will include analyses of cash flow, capital position, and debt capacity.

BUDGETED FUNDS

The annual appropriation resolution shall apply to all funds except internal service funds, debt service funds, permanent funds and trust and agency funds. Legislative action by the City Commission to issue bonds, accept grants, and authorize special assessment projects shall be considered as authority to expend funds for those purposes, and no further appropriation authority will be necessary.

Notwithstanding the above, the administrative budget for the pension trust fund shall require approval by the City Commission as part of the appropriation resolution.

APPROPRIATIONS

Interim Appropriation

Interim funding is appropriated if the next fiscal year's budget is not ready for adoption prior to December 31, of the current fiscal year. The Chief Financial Officer is authorized and directed to continue processing and issuing checks for normal payroll and expense operations of the City in accordance with the practices prevailing at the end of the current fiscal year. The Chief Financial Officer is authorized to revise any payroll, fringe benefits, and other expenses paid by the City to conform to the terms of any labor contracts or other commitments, which have been approved by the City Commission.

Salaries, Wages, and New Positions

Any increase in salaries or wages above those set forth in the salary and wage schedule, or the creating of positions, shall be made only by resolution or motion of the City Commission.

Limitations of Expenditures

It shall be the duty of the City Manager to oversee that each department head, excluding the City Attorney, City Clerk, and Internal Auditor, does not exceed the amount appropriated for his/her department except by prior specific authority of the City Commission.

It shall be the duty of the City Attorney, City Clerk, and Internal Auditor to see that he/she does not exceed the amount appropriated for his/her department except by prior specific authority of the City Commission.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES**

TRANSFERS

City Commission Approval

Transfers shall require City Commission approval if the transfer will result in an increase or decrease in one or more items of appropriation as set forth in the annual appropriation resolution.

All transfers from the City Commission contingency account shall require City Commission approval regardless of the amount.

Only the City Commission shall make new or additional appropriations.

City Manager Approval

The City Manager may approve the transfer of funds to capital outlay or equipment accounts or between capital accounts for changes up to \$10,000 per project or equipment purchase, or in amounts up to 10% of the project cost, whichever is greater. The City Manager may also approve the reallocation of funds within the capital accounts on the same basis or in any amount as long as the funds are still used for the purpose for which they were originally appropriated.

All other transfers affecting capital accounts shall require City Commission approval.

The City Manager may approve the transfer of funds from the General Fund Salary Reserve account to operating budget units' salary codes in accordance with contractual pay increases and approved pay increases for non-bargained for employees.

Procedures

After receiving a request for transfer from the City Manager (if required) and hearing any objections to the request, transfers may be approved or disapproved by the City Commission. Said transfers, when approved by the City Commission or City Manager shall be considered amendments to the budget and shall become effective immediately.

MONTHLY REPORT

The City Manager shall submit to the City commission a brief executive summary of the City's financial activity on a monthly basis.

CONTRIBUTIONS FROM GENERAL FUND TO THE CAPITAL IMPROVEMENT FUND

General Fund transfers to the CIP Fund and the Major and Local Street funds will be budgeted, to the extent possible over and above operating and capital outlay budgets provided that the estimated ending unreserved General Fund balance will remain in a range of 13% -15% of estimated revenues.

General Fund balance, for the purpose of calculating the capital transfers to the CIP Fund and the Major and Local Street Funds and retainage mentioned in the paragraph above, will be based on the accrual of all property taxes estimated to be collected by the annual property tax levy, regardless of whether the collections are received in the year levied or in subsequent years. This method of accrual of property taxes may be different than the method required by General Accepted Accounting Principles for preparation of the Comprehensive Annual Financial Report.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES**

CAPITAL IMPROVEMENT PROGRAM

The CIP Funds provides funding for those operations exclusive of enterprise funds. Eligible uses include capital projects, major equipment, debt service, and non-utility environmental expenses.

ALLOCATION OF FRINGE BENEFITS

Each year fringe benefits will be allocated to each operating budget unit and to capital projects that include labor charges. Reasonable allocations will be made on actual or estimated costs as provided in City Administrative guidelines and the Budget Manual.

ALLOCATION OF ADMINISTRATIVE COSTS

A cost allocation plan will be developed each year to determine an appropriate methodology for allocating central service costs to the various operations of the City. The allocation plan will be prepared in accordance with federal laws and guidelines for allocation of costs to federal grants.

Allocation of costs to operations and cost centers other than federal grants may include allocation of additional reasonable costs that are disallowed for allocation to federal grants. A qualified, independent firm will prepare the allocation plan.

Utility operations will be allocated the full costs as provided in the plan. Metro Transit will be allocated actual costs as provided in the plan. No allocation will be charged to general fund operations since such charges would be made to the general fund and received back into the general fund, which would only inflate general fund revenues and expenses equally without impacting the financial position of the fund.

All other funds will be charged an amount not to exceed the allocation determined by the plan. In order to make the allocations determined by the plan, some funds may be provided with a General Fund subsidy if for some reason the fund cannot be reasonably expected to pay the full allocation.

CARRY FORWARDS

Unexpended balances, both encumbered and unencumbered, of previously authorized construction or capital improvements not completed as of December 31 are hereby re-appropriated. Any such carry forwards shall be presented to the City Commission as an informational item at a regular City Commission meeting. Carry forward requests for unencumbered non-capital items, shall be submitted to the City Commission for approval.

REVENUES

Tax Levy

The amount annually to be raised shall not exceed 2% (\$20 per \$1,000) of the assessed valuation as equalized of all real and personal property in the City, per Section 77 of the Charter.

Special Assessments

Section 108 of the Charter states that the City Commission shall have power to determine, with or without a petition, that all or part of the expense of any public improvement or repair may be defrayed by special assessments upon the parcels or property especially benefited, and so declare by resolution.

**CITY OF KALAMAZOO
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BUDGET POLICIES**

User Fees

The City Commission has jurisdiction over establishing schedules of charges, including recreational activities, cemetery fees, and neighborhood and community development fees and charges.

Metro Transit System

The Transit Authority Board has the jurisdiction to levy the special assessment for mass transit, and the City Commission joint with the Transit Authority Board sets the fare structure.

Enterprise Functions

The enterprise functions: City Market, Metro Transit System, Water Division, and Wastewater Division are fully self-supporting from user fees and charges, and/or subsidies from other intergovernmental sources.

Payment In-Lieu of Taxes (PILOT)

PILOT is charged to the Water and Wastewater Divisions.

Interest Earnings

Interest earnings from the investment of temporarily idle funds are credited to the fund generating the earnings.

Administrative Fee

The Accounting Division prepares an indirect cost allocation plan of general services, which conforms to Federal and State guidelines for grant reimbursement of administrative costs. The allocated costs are charged to the Special Revenue funds, Enterprise Funds, and the Internal Service Funds.

RESERVES

General Fund Undesignated Reserve

A balance will be maintained within a range of 13% to 15% of current projected revenues. For purposes of this calculation, all property taxes levied for the current fiscal year, except for a reserve for delinquent taxes, are accrued to the current year.

General Fund Reserve for Contingencies

Budget Stabilization Reserve - Funds will be designated in a budget stabilization account within the General Fund equal to 1%-2% of the current year budget. The initial fund will be funded over a five-year period.

The funds will be used to mitigate the impact of unanticipated expenses or revenue losses. The funds may be transferred with City Manager approval. After the initial funding period, the fund will be replenished annually to meet the target.

Capital Contingency Reserve

Funds will be designated in a capital reserve account within the General Fund equal to 1% - 2% of the

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES**

current budget year. The initial fund will be funded over a five-year period. The funds will be used for emergency capital needs and may be transferred with City Manager approval. The Capital contingency Reserve use stipulations are that purchases must meet capitalization criteria; an expense that causes the balance to fall below the recommended level will be replaced within a three year period, in equal installments. The three year repayment schedule shall be applied separately for each approved capital project.

Reserve for Self Insurance

A reserve will be established to provide funding of a risk management program whereby the City is self insured for Workers' Compensation, auto comprehensive and collision coverage, and is a member of the Michigan Municipal Risk Management Authority and Michigan Transit Pool with various deductibles and coverage limitations.

BUDGET AMENDMENTS

Only the City Commission shall make new or additional appropriations.

Budgets may be amended after adoption with approval of the City Commission if changes result in an increase in appropriation.

Budget amendment requests must be made in writing and approved by the appropriate budget manager, the Budget and Accounting Director / Comptroller, the Management Services Director / CFO and the City Manager. The City Manager requests approval from the City Commission.

CAPITAL IMPROVEMENTS PROGRAM

The Capital Improvements Program will reflect a consensus of the perceived needs and desires of the community based on current surveys and long range planning. The City will develop and maintain a Capital Improvements Program to control capital projects over a minimum five year planning period coordinated with the Operating Budget.

The Capital Improvements Program will, to the extent possible, be designed to protect the City's investments and capital and operating assets through timely and adequate maintenance and replacement of those assets.

Projects included in the Capital Improvements Program (CIP) shall be consistent with the City of Kalamazoo Comprehensive Plan.

CITY COMMISSION DISCRETIONARY FUNDS POLICY

The Kalamazoo City Commission has a discretionary fund set aside for community programs and projects geared toward improving the quality of life for our residents. During the budget cycle, applications are accepted from organizations that sponsor programs and projects that perpetuate a positive influence on the lives residents of all ages. Programs such as the Summit on Racism and the Kalamazoo County Poverty Reduction Initiative as well as summer youth programming (summer basketball leagues, dance classes, tennis lessons, field trips, youth employment and driver education programs) have been supported by City Commission funds.

**CITY OF KALAMAZOO
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BUDGET POLICIES**

Funding awards range from \$3,000 to \$16,000. Organizations must meet the following criteria:

- The physical location of the organization must be within the Kalamazoo city limits;
- the organization must be a 501(c)(3) organization under the Internal Revenue Code;
- the organization must support programs and projects geared toward improving the quality of life of City residents throughout the year

Organizations are required to submit a completed grant applications with all supporting documentation. All organizations which have received previous funding are **required** to submit a **final report** scope of services provided as well as a financial report itemizing City fund usage with this application. **Please note that failure to submit the final report will disqualify that organization from future funding considerations.**

Applications are reviewed by the Community Development Act Advisory Committee (CDAAC) and City Manager staff. Reviewers measure how well applicants answer the questions that correlate with the following eight categories of focus.

Program Objectives

Are the goals and objectives for this program/project clearly defined? City Goals and Objectives – Are the program/project’s objectives consistent with the City’s goals for programming? Are the benefits from this program/project consistent with the efforts of the City?

Benefits to Residents

Will this project produce comparably significant benefits and/or results for the residents in Kalamazoo?

Need in Community

Is this program/project needed in the community? Does the program/project serve a diverse and unique population in our community including residents with special needs?

Organization and Program/Project Development:

What other programs/projects does the organization plan throughout the year?

Can the organization execute this program/project based on the organization’s previous programming experience? Has the organization planned a realistic and achievable project/program to benefit the residents of this community?

Organizational Resources

Does the organization have the staff and resources (e.g., ability to collaborate with local organizations) to execute the program/project? Would the program/project continue if City funding was limited or not available?

Community Partnerships

Does this organization work collaboratively with other organizations to provide services to residents?

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES**

Organization's Budget

Does the organization have additional funding to support programming? Does the organization have the means to implement the program/project without City funding? Other – Opportunity for reviewers to accentuate other aspects of the proposal.

The Community Development Act Advisory Committee (CDAAC)

A thirteen-member citizen's advisory panel made up of seven members-at-large, and six representatives from Kalamazoo's core neighborhoods, will coordinate the review all applications and will submit funding recommendations to City Manager staff. CDAAC will base its recommendations on the quality, need and impact each program/project has on our community's goals structure as it relates to the Blueprint for Action: A Sustainable Community: Defining Kalamazoo's Future.

Scoring in each category is based on 1 (lowest) to 5 (highest). All reviewers' scores are tallied and divided by the number of reviewers to obtain a committee average "score" for each project. City Manager staff prepares funding recommendations based on the feedback of CDAAC for City Commission approval. After City Commission approval, organizations are notified of funding decisions.

USE OF PUBLIC FUNDS POLICY

The City shall define the acceptable use of City funds for food, awards, and appropriations to outside organizations.

The City may host events in appreciation of the City's workforce and provide tokens of appreciation to employees to recognize new hires, years of service and retirements.

The City may provide beverages to employees, volunteer workers, elected officials and business guests during regular working hours.

The City may provide meals to employees, volunteer workers and elected officials for work conducted during normal meal times.

The City may host Wellness Luncheons to provide education to employees in an effort to reduce the City's health care costs.

The City may make financial payments to outside organizations where a written agreement between the City and such organization has been executed.

DEBT AND INVESTMENT POLICIES

Debt will be used to finance long-lived capital and operating assets within the constraints of maintaining or improving bond ratings and debt service capacity.

Debt management will provide for the protection of bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument provisions and appropriate disclosures to investors, underwriters, and rating agencies.

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES

Investment management will strive to maximize investment return on the City's funds through pooling of funds where permitted, frequent market analysis; cash forecasting procedures and competitive bidding. Interest income is applied on a percentage basis to each fund based on each fund's balance compared to all total fund balances.

BUDGET PROCESS

Budget preparation begins with a priority setting session with the City Commission. Budget instructions are distributed to budget managers that outline City Commission goals and objectives, budgeting parameters for the operating and capital budgets, an overview of fiscal constraints, and resources available.

The budget unit managers along with the respective departments prepare and submit their budget request as instructed. A technical review is completed and the departments and divisions meet with the Budget Team for a complete review of their budgets. The City Manager with the assistance of the Budget Team prepares and submits to the City Commission, the recommended budget by December 1, for the next fiscal year beginning January 1.

The City Commission reviews the City Manager's proposed budget. All review sessions are open to the general public. A copy of the proposed budget, as presented by the City Manager to the City Commission, is available for viewing both at the office of the City Clerk and in the Public Library. Outlines for each budget review session are available at the time of the session.

A Public Hearing is held prior to adoption for any citizen input. The notice of such public hearing must be posted six days prior to the public hearing. After the public hearing is closed, the budget is formally adopted by February 1. If an annual appropriation resolution is not ready for adoption prior to the beginning of the new fiscal year, an interim resolution shall be adopted to authorize expenditures until February 1st, or adoption of the annual appropriation resolution.

Once the Board of Review has completed its review and the required public hearing has been held, the City Commission confirms the assessment roll along with confirming the amended appropriation resolution, if necessary. At this time the tax levy resolution is also passed

FUND DESCRIPTIONS

The budget is adopted on a basis generally consistent with City Charter, State of Michigan rules and guidelines, and generally accepted accounting principles (GAAP). The budget is prepared by line item listing dollar amounts budgeted for each expenditure category separately. The expenditure categories are Personnel, Operating, Services, Debt Service, and Transfers

Revenues are presented within the resource sections by fund type (General Fund, Special Revenue, Capital Project, and Enterprise) by revenue category. Summary schedules of estimated revenues are presented in the Budget Summaries section of the Annual Budget.

The financial activities of the City are recorded in separate funds and account groups, categorized and

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES

described as follows:

Governmental Funds

General Fund

This fund is used to account for all general operating revenues and expenditures of the City not accounted for in another fund. Revenues are derived primarily from property taxes, state distributions, charges for inter-departmental services and transfers from other funds. These revenues are used to finance basic City services such as Public Safety, Parks & Recreation, General Government activities, and Public Service activities.

Special Revenue Funds

These funds are used to account for specific governmental revenues (other than specific revenues for major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. Special revenue funds include the Major Street Fund, Local Street Fund, Cemeteries Fund, Solid Waste Collection Fund, HUD Community Development Block Grant Fund, Economic Initiatives Fund, Demolition Revolving Fund, and Drug Law Enforcement Program Fund.

Capital Projects Fund

This fund is used to account for acquisitions and construction of major capital facilities other than those financed by proprietary fund operations and special assessments.

Proprietary Funds

Enterprise Funds

These funds are used to account for operations that provide services that are financed primarily by user charges or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control or other purposes. Enterprise funds include the, Transportation Fund, City Market Fund, Wastewater Fund, and the Water Fund.

Internal Service Funds

These funds are used to account for the financing of goods or services provided by the City to other departments and funds on a cost reimbursement basis. The Insurance Fund is the only fund in this category.

Fiduciary Funds

These funds are used to account for assets held in trust or as an agent for others. Fiduciary funds include the Pension Trust Fund, Cemeteries Perpetual Care Fund, General Trust and Agency Fund, Tax Increment Financing Fund and Collector's Account Fund.

Account Groups

General Fixed Assets Account Group

This account group reflects the fixed assets of the City utilized in its general operations (nonproprietary fixed assets).

General Long-Term Obligation Account Group

This account group reflects general long-term obligations that are not recorded in proprietary funds.

CITY OF KALAMAZOO
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BUDGET POLICIES

BASIS OF ACCOUNTING

All governmental and agency funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized when received in cash except for those susceptible to accrual, which are recorded as receivables and revenues when they become measurable and available to finance current operations. Significant revenues susceptible to accrual include property taxes, expenditure reimbursement type grants, certain inter-governmental revenues and special assessments.

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for interest on long-term debt and compensated absences, which are recorded when paid. In addition, self-insurance health care costs for retirees are recorded when paid. The City's policy is to record the liability for unpaid compensated absences in the General Long-Term Obligation Account Group as these liabilities will not be settled from currently available resources. The financial statements of proprietary, pension trust and non-expendable trust funds are reflected on the accrual basis of accounting; revenues are recorded when earned and expenses are recorded as incurred.

RELATIONSHIP BETWEEN BUDGETARY AND GAAP BASIS

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP) except for certain items that are adjusted on the City's accounting system at fiscal year end. During the year, the City's accounting system is maintained on the same basis as the adopted budget. This enables budget units to monitor their budgets on a monthly basis through reports generated by the accounting system.

The differences between the budgetary basis and GAAP are as follows:

- certain expenditures, such as compensated absences, are not recognized for budgetary purposes but are accrued;
- self-insurance contributions are recognized as expenditures for budgetary purposes only;
- capital outlay, in Enterprise Funds, is recorded as an expenditure for budgetary purposes as opposed to an adjustment of the appropriate balance sheet account;
- depreciation is recorded as an expense and not recognized for budgetary purposes in the Metro Transit System Fund.

For the purpose of calculating the transfer from the General Fund to the Capital Projects Fund and for calculating the 13-15% retainage for General Fund undesignated reserve, property taxes are accrued for the annual property tax levy, regardless of whether the collections are received in the year levied or in subsequent years.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES**

ORGANIZATIONAL STRUCTURE

The City of Kalamazoo is organized on a department/divisional basis. The City's operations are accounted for under various cost centers known as activities or organizations within these department and divisions. These activities or organizational units are consistent with the State of Michigan Chart of Accounts.

The basic budgeting unit is department or division unit and compliance for operating within the approved budget is determined at that level. Each budgeting unit is within a particular fund of the City. Each revenue and expense item is assigned to a line item account number.

Expenditures are presented at line item detail within the following categories:

Personnel

Includes all payroll and fringe benefit related costs, i.e. base pay, overtime pay, vacation pay, holiday pay, sick leave pay, and special pays such as food allowance, tool reimbursement, pension contribution, health insurance, dental insurance, life insurance, workers' compensation, and employer social security expense.

Operating

Includes the purchase of supplies and services, i.e. vehicle supplies, office supplies, operating supplies, copying supplies, and repair parts, travel and training, professional services, fees paid to outside sources for contractual services, radio maintenance, utilities, liability type insurance, lease payments, advertising, memberships and dues, and vehicle maintenance.

Capital Outlay

Include expenditures resulting in the acquisition of or addition to the city's general fixed assets, i.e. land, land improvements, building additions and improvements, machinery and equipment, office equipment and furniture, and vehicular equipment.

Debt Service

Includes the costs of interest and principal payments on City debt, both long-term and short-term.

Transfers

Includes expenditures in the form of transfers to other funds, and payment to another fund for the purpose of having an expense or cost recorded in the legally correct fund.

RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGET

The City of Kalamazoo prepares a combined Capital Improvements Program Budget and Operating Budget. The two budgets are coordinated and adopted as one budget.

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES

The Operating Budget provides for general services including personnel costs, supplies, services and capital equipment and improvements under \$10,000. Revenues for the Operating Budget are primarily from property taxes, user fees and intergovernmental sources. Five-year projections are included for the General Fund, the two Street Funds, Capital Projects Fund, Water Fund and Wastewater Fund .

The Capital Improvements Program (CIP) is a six-year forecast of capital requirements together with funding resources that are available. The first year of that forecast is adopted as the current year CIP budget. Capital improvements are physical public improvement projects requiring the outlay of public funds.

Capital outlay for the purpose of the Capital Improvements Program is defined as expenditures that result in the acquisition of or addition to fixed assets that have an estimated life of at least five years and monetary value of at least \$10,000. Examples include construction of buildings or other structures, roads, sewers, parks, and other improvements, and the purchase of fire trucks and buses.

Where the CIP Fund funds debt, a corresponding transfer is made from the Capital Improvements Fund to the appropriate fund in which the debt payment is recorded, and debt for Enterprise funds is recorded in those funds.

As new programs, policies and personnel are approved; the Operating Budget also impacts the Capital Improvements Budget, in that funds will have to be spread over more areas. Also federal and/or state mandates dictate what some Capital Improvements projects must be, thus affecting the Operating Budget.

Subject to the applicable provisions of statutory and constitutional debt provisions and the City Charter, the City Commission, by proper ordinance or resolution, may authorize the borrowing of money for any purpose within the scope of the powers vested in the City and the issuance of bonds or other evidences of indebtedness, therefore, and may pledge the full faith credit and resources of the City for the payment of the obligation created therefore.

STATUTORY AND CONSTITUTIONAL DEBT PROVISIONS

Section 21 of Article VII of the Michigan Constitution establishes the authority, subject to statutory and constitutional limitations, for municipalities to incur debt for public purposes. The legislature shall provide by general laws for the incorporation of cities and villages. Such laws shall limit their rate of ad valorem property taxation for municipal purposes, and restrict the powers of cities and villages to borrow money and contract debts. Each city and village is granted power to levy other taxes for public purposes, subject to limitations and prohibitions provided by this constitution or by law.

In accordance with the foregoing authority granted to the State Legislature, the Home Rule Cities Act limits the amount of debt a city may have outstanding at any time. Section 4(a) of this Act provides that the net indebtedness incurred for all public purpose may be as much as but shall not exceed the greater of the following:

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
BUDGET POLICIES**

1. Ten percent of the assessed value of all real and personal property in the city,
2. Fifteen percent of the assessed value of all the real and personal property in the city if that portion of the total amount of indebtedness incurred which exceeds 10% is or has been used solely for the construction or renovation of hospital facilities.

Significant exceptions to the debt limitation have been permitted by the Home rule Cities Act for certain types of indebtedness which include: special assessment bonds and Michigan Transportation Fund bonds, even though they are a general obligation of the City; revenue bonds payable from revenues only, whether secured by a mortgage or not; bonds issued or contract obligations assessments incurred to comply with an order of the Water Resources Commission of the State of Michigan or a court of competent jurisdiction, obligations incurred for water supply, sewage, drainage or refuse disposal or resource recovery projects necessary to protect the public health by abating pollution and bonds issued or assessments or contract obligations incurred for the construction, improvement or replacement of a combined sewer overflow abatement facility.

Although the City has sufficient legal debt margin, all decisions to enter in debt obligations are contingent upon the City's ability to make debt service payments and maintain adequate reserves.

LEGAL DEBT MARGIN

Pursuant to the statutory and constitutional debt provisions set for the herein, the following table reflects the amount of additional debt the City may legally incur as of January 2, 2013.

2010 State Equalized Valuation		1,771,565,609
Debt Limit - 10 % of State Equalized Valuations		177,156,561
Debt Outstanding	87,890,000	
Less: Exempt Debt	35,200,000	52,650,000
		52,650,000
Legal Debt Margin		124,506,560

SHORT-TERM BORROWING

The City has historically issued short-term tax anticipation notes for cash flow purposes because the fiscal year is January 1 to December 31 and operating taxes are levied on July 1st of each year. The City plans to continue issuing short-term tax anticipation notes for the foreseeable future.

CITY OF KALAMAZOO 2013 ADOPTED BUDGET

Calendar

August 24	Budget Directives Distributed
September 4	Midyear Budget Amendment
September 17	FY 2012 Year End Budget Projections Due (Revenues and Expenditures) FY 2013 Budget Proposals Due (Revenues and Expenditures) FY 2013 Updated Budget Narratives Due including Performance Statistics FY2012 Accomplishments Due (Blueprint Update) Capital Improvements Program Finalized FY2012 Capital Carry Forwards Completed
September 17 - October 30	Technical Review With Departments
October 30 - November 12	Small Group Meetings with City Commissioners
November 12	FY 2013 Proposed Budget Finalized
December 1	City Manager Transmits Budget to City Commission
December 3	Adopt Resolution for Public Hearing
December 3 - 14	City Manager Budget Briefings and City Commission Public Work Sessions
December 6	CIP Presented to Planning Commission
December 17	Public Budget Hearing
January 7	Budget Adoption

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

SUMMARY OF EXPENDITURES - ALL FUNDS

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2012/2013 Variance	2014 Projected
GOVERNMENTAL							
GENERAL	57,056,336	56,147,455	55,936,353	54,407,127	53,443,395	-4.82%	53,070,026
CAPITAL IMPROVEMENT	6,069,864	4,820,669	7,610,314	7,589,469	3,978,783	-17.46%	5,369,473
SPECIAL REVENUE							
Major Streets	6,871,576	7,238,456	8,790,893	9,040,922	9,205,190	27.17%	8,028,365
Local Streets	3,713,101	3,631,809	3,834,555	3,816,688	3,789,092	4.33%	3,751,293
Cemeteries	387,670	515,865	515,865	515,865	515,436	-0.08%	515,942
Solid Waste	2,484,837	2,503,960	2,617,515	2,562,833	2,582,038	3.12%	2,594,311
Blight Abatement	12,845	40,000	43,011	11,516	48,762	21.91%	48,762
Brownfield LSRR	505,821	575,000	575,000	73,767	525,300	-8.64%	369,000
Economic Initiative	-	-	250,000	250,000	100,000	0.00%	117,000
Small Business Loans	8,314	80,000	80,000	-	80,000	0.00%	30,000
Economic Opportunity	-	27,426	27,426	-	100,000	264.62%	34,000
Housing Revolving Loans	399,672	-	19,603	-	-	0.00%	-
K-VET Drug Enforcement	311,895	428,363	428,363	473,456	400,514	-6.50%	401,368
Public Safety Contracts	390,728	461,342	461,342	404,263	315,157	-31.69%	315,515
Community Development	4,228,397	1,075,031	4,414,946	4,259,748	1,071,305	-0.35%	990,147
Miscellaneous Grants	690,653	69,084	457,398	440,922	-	-100.00%	-
Recovery Act Grants/Programs	7,948,071	856,879	4,370,537	3,731,869	-	-100.00%	-
TOTAL SPECIAL REVENUE	27,953,580	17,503,215	26,886,454	25,581,849	18,732,794	7.02%	17,195,702
TOTAL GOVERNMENTAL	91,079,779	78,471,339	90,433,121	87,578,445	76,154,972	-2.95%	75,635,202
ENTERPRISE							
Kalamazoo Farmers Market	135,205	62,629	67,296	73,183	68,535	9.43%	69,377
Wastewater Division	32,155,121	30,213,599	30,840,755	27,810,990	26,899,288	-10.97%	26,350,096
Water Division	19,361,214	20,092,160	20,441,078	20,178,949	19,563,428	-2.63%	21,039,005
Transportation	20,625,555	29,475,653	29,475,653	20,593,199	20,820,917	-29.36%	20,939,712
TOTAL ENTERPRISE	72,277,095	79,844,041	80,824,782	68,656,321	67,352,168	-15.65%	68,398,189
RETIREMENT ADMIN	426,035	541,497	541,497	541,497	544,950	0.64%	550,400
GRAND TOTAL ALL FUNDS	163,782,909	158,856,877	171,799,400	156,776,263	144,052,090	-9.32%	144,583,790
INTERNAL SERVICE FUNDS (ISF)							
Insurance	26,021,251	24,378,415	24,422,148	22,003,864	22,641,617	-7.12%	21,384,323

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
REVENUES AND EXPENDITURES BY CATEGORY
BY ALL FUND CATEGORIES**

2011 ACTUALS

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	RETIREMENT FUND	TOTAL ALL FUNDS
REVENUES						
Operating Taxes- Current Year	29,848,373	2,037	2,837,563	947,004	-	33,634,977
Other Taxes / PILOT Payment	1,772,247	-	-	-	-	1,772,247
Licenses, Permits & Fees	1,897,099	-	-	-	-	1,897,099
Intergovernmental Contributions	9,317,064	385,080	18,122,169	10,281,112	-	38,105,425
Charges for Services	5,343,235	-	555,780	33,047,034	-	38,946,049
Other Revenue	5,539,998	610,255	1,039,300	8,184,023	426,035	15,799,611
Local Contributions	-	58,810	179,501	-	-	238,311
Bond Proceeds	-	1,586,692	3,129,461	-	-	4,716,153
Transfers In	7,170,077	1,899,996	2,022,371	2,499,492	-	13,591,936
Budget Stabilization (Contribution)/Use	-	-	-	-	-	-
Working Capital Contribution (to)/from	(3,831,757)	1,526,994	67,435	17,318,430	-	15,081,102
TOTAL REVENUES	57,056,336	6,069,864	27,953,580	72,277,095	426,035	163,782,909
EXPENDITURES						
Personnel	42,472,339	-	4,602,757	18,973,726	-	66,048,822
Operating	7,775,782	-	15,919,364	34,123,221	-	57,818,367
Capital	1,075,966	3,215,729	1,057,262	15,440,112	-	20,789,069
Services	2,666,457	-	3,054,608	-	426,035	6,147,100
Debt Service	-	2,854,134	2,576,951	3,345,415	-	8,776,500
Transfers Out	3,065,792	-	742,638	394,621	-	4,203,051
Expenditure Reductions	-	-	-	-	-	-
TOTAL EXPENDITURES	57,056,336	6,069,864	27,953,580	72,277,095	426,035	163,782,909

PROJECTED 2012

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	RETIREMENT FUND	TOTAL ALL FUNDS
REVENUES						
Operating Taxes- Current Year	28,201,204	-	2,779,514	874,410	-	31,855,128
Other Taxes / PILOT Payment	769,621	-	-	-	-	769,621
Licenses, Permits & Fees	1,845,192	-	-	-	-	1,845,192
Intergovernmental Contributions	8,891,928	2,214,883	14,785,159	15,006,254	-	40,898,224
Charges for Services	3,965,549	-	599,327	35,544,636	-	40,109,512
Other Revenue	5,345,595	555,000	456,226	2,527,289	541,497	9,425,607
Local Contributions	-	935,431	95,711	260,200	-	1,291,342
Bond Proceeds	-	1,103,752	3,005,000	6,100,000	-	10,208,752
Transfers In	1,890,257	2,250,000	1,900,112	10,775	-	6,051,144
Budget Stabilization (Contribution)/Use	-	-	-	-	-	-
Working Capital Contribution (to)/from	3,497,781	530,403	1,960,800	8,332,757	-	14,321,741
TOTAL REVENUES	54,407,127	7,589,469	25,581,849	68,656,321	541,497	156,776,263
EXPENDITURES						
Personnel	39,853,505	-	4,900,410	19,769,832	-	64,523,747
Operating	7,226,612	-	12,286,687	36,799,125	-	56,312,424
Capital	662,142	4,676,916	521,078	8,762,876	-	14,623,012
Services	2,949,868	-	5,287,931	-	541,497	8,779,296
Debt Service	-	2,912,553	2,585,743	3,324,488	-	8,822,784
Transfers Out	3,715,000	-	-	-	-	3,715,000
Expenditure Reductions	-	-	-	-	-	-
TOTAL EXPENDITURES	54,407,127	7,589,469	25,581,849	68,656,321	541,497	156,776,263

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
REVENUES AND EXPENDITURES BY CATEGORY
BY ALL FUND CATEGORIES**

ADOPTED 2013

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	RETIREMENT FUND	TOTAL ALL FUNDS
REVENUES						
Operating Taxes- Current Year	28,088,708	-	2,453,534	877,929	-	31,420,171
Other Taxes / PILOT Payment	930,380	-	-	-	-	930,380
Licenses, Permits & Fees	1,867,700	-	-	-	-	1,867,700
Intergovernmental Contributions	8,967,035	-	8,715,258	15,135,345	-	32,817,638
Charges for Services	4,078,180	-	498,450	35,526,488	-	40,103,118
Other Revenue	5,698,329	600,000	576,646	880,067	544,950	8,299,992
Local Contributions	-	7,500	-	-	-	7,500
Bond Proceeds	-	906,500	3,000,000	-	-	3,906,500
Transfers In	896,682	2,450,000	1,703,733	-	-	5,050,415
Budget Stabilization (Contribution)/Use	1,650,000	-	-	-	-	1,650,000
Working Capital Contribution (to)/from	1,266,381	14,783	1,785,173	14,932,339	-	17,998,676
TOTAL REVENUES	53,443,395	3,978,783	18,732,794	67,352,168	544,950	144,052,090
EXPENDITURES						
Personnel	39,089,393	-	3,997,589	17,388,202	-	60,475,184
Operating	7,796,407	-	6,376,500	36,889,899	-	51,062,806
Capital	610,900	924,000	231,900	9,417,578	-	11,184,378
Services	2,696,695	-	4,762,844	-	544,950	8,004,489
Debt Service	-	3,054,783	2,863,961	3,656,489	-	9,575,233
Transfers Out	3,250,000	-	500,000	-	-	3,750,000
Expenditure Reductions	-	-	-	-	-	-
TOTAL EXPENDITURES	53,443,395	3,978,783	18,732,794	67,352,168	544,950	144,052,090

PROJECTED 2014

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	RETIREMENT FUND	TOTAL ALL FUNDS
REVENUES						
Operating Taxes- Current Year	28,088,708	-	2,647,837	996,728	-	31,733,273
Other Taxes / PILOT Payment	1,769,621	-	-	-	-	1,769,621
Licenses, Permits & Fees	1,867,700	-	-	-	-	1,867,700
Intergovernmental Contributions	8,967,035	300,000	7,906,620	13,531,201	-	30,704,856
Charges for Services	4,159,744	-	498,450	35,526,488	-	40,184,682
Other Revenue	7,000,678	600,000	647,400	270,767	550,400	9,069,245
Local Contributions	-	300,000	-	-	-	300,000
Bond Proceeds	-	1,855,500	3,109,000	-	-	4,964,500
Transfers In	1,590,257	2,305,000	2,217,035	-	-	6,112,292
Budget Stabilization (Contribution)/Use	-	-	-	-	-	-
Working Capital Contribution (to)/from	(373,717)	8,973	169,360	18,073,004	-	17,877,621
TOTAL REVENUES	53,070,026	5,369,473	17,195,702	68,398,189	550,400	144,583,790
EXPENDITURES						
Personnel	39,575,962	-	4,059,306	17,672,934	-	61,308,202
Operating	7,505,407	-	5,758,366	36,889,899	-	50,153,672
Capital	610,900	2,465,500	226,500	10,210,534	-	13,513,434
Services	2,572,757	-	4,096,273	-	550,400	7,219,430
Debt Service	-	2,903,973	2,657,257	3,624,823	-	9,186,053
Transfers Out	3,855,000	-	398,000	-	-	4,253,000
Expenditure Reductions	(1,050,000)	-	-	-	-	(1,050,000)
TOTAL EXPENDITURES	53,070,026	5,369,473	17,195,702	68,398,189	550,400	144,583,790

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
2012 PROJECTED FUND BALANCE - ALL FUNDS**

	January 1 Balance	Estimated Resources	Projected Expenditures & Transfers	Over/ (Under) Expenses & Transfers	Use of / (Contribution to) Designations	December 31 2012 Balance
GOVERNMENTAL						
GENERAL	11,342,841	50,909,346	54,407,127	(3,497,781)	-	7,845,060
CAPITAL IMPROVEMENT	554,473	7,059,066	7,589,469	(530,403)	-	24,070
SPECIAL REVENUE						
Major Streets	1,979,317	7,400,750	9,040,922	(1,640,172)	170,000	509,145
Local Streets	646,982	3,575,205	3,816,688	(241,483)	-	405,499
Cemeteries	195,949	503,353	515,865	(12,512)	-	183,437
Solid Waste	1,470,776	2,284,564	2,562,833	(278,269)	-	1,192,507
Blight Abatement	23,034	87,100	11,516	75,584	-	98,618
Brownfield LSRR	536,129	506,000	73,767	432,233	-	968,362
Economic Initiative	238,344	127,750	250,000	(122,250)	-	116,094
Small Business Loans	499,413	10,461	-	10,461	-	509,874
Economic Opportunity	100,354	-	-	-	-	100,354
Housing Revolving Loans	52,099	-	-	-	-	52,099
K-VET Drug Enforcement	1,024,444	285,000	473,456	(188,456)	-	835,988
Public Safety Contracts	-	408,027	404,263	3,764	-	3,764
Community Development	191,602	4,259,748	4,259,748	-	-	191,602
Miscellaneous Grants	74	440,922	440,922	-	-	74
Recovery Act Grants/Programs	-	3,731,869	3,731,869	-	-	-
TOTAL SPECIAL REVENUE	6,958,517	23,620,749	25,581,849	(1,961,100)	170,000	5,167,417
TOTAL GOVERNMENTAL	18,855,831	81,589,161	87,578,445	(5,989,284)	170,000	13,036,547
ENTERPRISE						
Kalamazoo Farmers Market	89,732	90,360	73,183	17,177	-	106,909
Wastewater Division	88,023,339	27,410,700	27,810,990	(400,290)	-	87,623,049
Water Division	72,102,091	14,508,561	20,178,949	(5,670,388)	-	66,431,703
Transportation	28,075,197	18,313,943	20,593,199	(2,279,256)	-	25,795,941
TOTAL ENTERPRISE	188,290,359	60,323,564	68,656,321	(8,332,757)	-	179,957,602
RETIREMENT ADMIN		541,497	541,497	-	-	-
TOTAL ALL FUNDS	207,146,190	142,454,222	156,776,263	(14,322,041)	170,000	192,994,149
INTERNAL SERVICE						
Insurance	199,416	21,907,934	22,003,864	(95,930)	-	103,486

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
2013 PROJECTED FUND BALANCE - ALL FUNDS**

	January 1 Balance	Estimated Resources	Proposed Expenditures & Transfers	Over/ (Under) Expenses & Transfers	Use of / (Contribution to) Designations	December 31 2013 Balance
GOVERNMENTAL FUNDS						
GENERAL	7,845,060	50,527,015	53,443,395	(2,916,381)	1,650,000	6,578,679
CAPITAL IMPROVEMENT	24,070	3,964,000	3,978,783	(14,783)	-	9,287
SPECIAL REVENUE						
Major Streets	509,145	8,540,669	9,205,190	(664,521)	183,146	27,770
Local Streets	405,499	3,437,017	3,789,092	(352,075)	-	53,424
Cemeteries	183,437	502,250	515,436	(13,186)	-	170,251
Solid Waste	1,192,507	2,258,889	2,582,038	(323,149)	-	869,358
Blight Abatement	98,618	40,000	48,762	(8,762)	-	89,856
Brownfield LSRR	968,362	205,145	525,300	(320,155)	-	648,207
Economic Initiative	116,094	248,385	100,000	148,385	-	264,479
Small Business Loans	509,874	10,461	80,000	(69,539)	-	440,335
Economic Opportunity	100,354	-	100,000	(100,000)	-	354
Housing Revolving Loans	52,099	-	-	-	-	52,099
K-VET Drug Enforcement	835,988	317,000	400,514	(83,514)	-	752,474
Public Safety Contracts	3,764	316,200	315,157	-	-	3,764
Community Development	191,602	1,071,305	1,071,305	-	-	191,602
Miscellaneous Grants	74	-	-	-	-	74
Recovery Act Grants/Programs	-	-	-	-	-	-
TOTAL SPECIAL REVENUE	5,167,417	16,947,321	18,732,794	(1,786,516)	183,146	3,564,047
TOTAL GOVERNMENTAL	13,036,547	71,438,336	76,154,972	(4,717,680)	1,833,146	10,152,013
ENTERPRISE						
Kalamazoo Farmers Market	106,909	67,735	68,535	(800)	-	106,109
Wastewater Division	87,623,049	19,826,127	26,899,288	(7,073,161)	-	80,549,888
Water Division	66,431,703	14,093,872	19,563,428	(5,469,556)	-	60,962,147
Transportation	25,795,941	18,432,095	20,820,917	(2,388,822)	-	23,407,119
TOTAL ENTERPRISE	179,957,602	52,419,829	67,352,168	(14,932,339)	-	165,025,263
RETIREMENT ADMIN	-	544,950	544,950	-	-	-
TOTAL ALL FUNDS	192,994,149	124,403,115	144,052,090	(19,650,019)	1,833,146	175,177,276
INTERNAL SERVICE						
Insurance	103,486	23,038,134	22,641,617	396,517	-	500,004

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
POSITION COMPARISON**

	Adopted Budget 2011	Adopted Budget 2012	Proposed A Changes	dopted Budget 2013
PERMANENT FULL TIME AUTHORIZED POSITIONS				
CITY ADMINISTRATION	6.0	4.0	-	4.0
CITY ATTORNEY	8.0	7.0	(1.0)	6.0
CITY CLERK				
Administration	2.0	2.0	-	2.0
Elections	1.0	1.0	-	1.0
Records Management, Research and Archives	2.0	2.0	-	2.0
Total City Clerk	<u>5.0</u>	<u>5.0</u>	<u>-</u>	<u>5.0</u>
INTERNAL AUDITOR	1.0	1.0	-	1.0
HUMAN RESOURCES DEPARTMENT	8.0	7.0	-	7.0
INFORMATION TECHNOLOGY	7.0	6.0	-	6.0
MANAGEMENT SERVICES				
Budget and Accounting	15.0	13.0	-	13.0
Assessor	6.0	2.0	(1.0)	1.0
Treasury	13.0	14.0	(2.0)	12.0
Purchasing	6.0	5.0	(1.0)	4.0
Total Management Services	<u>40.0</u>	<u>34.0</u>	<u>(4.0)</u>	<u>30.0</u>
KALAMAZOO PUBLIC SAFETY				
Administration	7.0	6.0	1.0	7.0
Financial Services	7.0	7.0	(7.0)	-
Training	6.0	6.0	(6.0)	-
COPS formerly KVET	14.0	13.0	7.0	20.0
Operations	189.0	194.0	(36.0)	158.0
Criminal Investigation	35.0	31.0	(2.0)	29.0
Service	29.0	29.0	15.0	44.0
Total Public Safety	<u>287.0</u>	<u>286.0</u>	<u>(28.0)</u>	<u>258.0</u>
PUBLIC SERVICES				
City Wide Maintenance	10.0	10.0	(4.0)	6.0
Engineering Services	14.0	14.0	-	14.0
Fleet Services	12.0	12.0	(2.0)	10.0
Public Works	41.0	39.0	(3.0)	36.0
Wastewater Division	87.0	83.0	(19.0)	64.0
Water Division	61.0	63.0	(13.0)	50.0
Total Public Services	<u>225.0</u>	<u>221.0</u>	<u>(41.0)</u>	<u>180.0</u>

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
POSITION COMPARISON**

	Adopted Budget 2011	Adopted Budget 2012	Proposed A Changes	dopted Budget 2013
PERMANENT FULL TIME AUTHORIZED POSITIONS, continued				
COMMUNITY PLANNING AND DEVELOPMENT				
Code Administration	21.0	20.0	(1.0)	19.0
Planning	5.0	4.0	-	4.0
Community Development (HUD)	14.0	13.0	(4.0)	9.0
Total Community Planning and Development	40.0	37.0	(5.0)	32.0
ECONOMIC DEVELOPMENT	6.0	5.0	(1.0)	4.0
PARKS AND RECREATION				
Parks	9.0	9.0	(5.0)	4.0
Recreation	9.0	8.0	(2.0)	6.0
Total Parks and Recreation	18.0	17.0	(7.0)	10.0
TRANSPORTATION	102.0	103.0	(1.0)	102.0
TOTAL FULL TIME POSITIONS	753.0	733.0	(88.0)	645.0
PERMANENT PART TIME AUTHORIZED POSITIONS				
INFORMATION TECHNOLOGY	1.0	1.0	-	1.0
KALAMAZOO PUBLIC SAFETY				
Service	4.0	4.0	(4.0)	-
Support Services	-	-	4.0	4.0
Total Public Safety	4.0	4.0	-	4.0
PUBLIC SERVICES				
Wastewater Division	-	1.0	(1.0)	-
PARKS AND RECREATION				
Parks	2.0	2.0	(1.0)	1.0
Recreation	2.0	2.0	-	2.0
Kalamazoo Farmers Market	1.0	1.0	-	1.0
Total Parks and Recreation	5.0	5.0	(1.0)	4.0
TRANSPORTATION	19.0	19.0	1.0	20.0
TOTAL PART TIME POSITIONS	25.0	26.0	3.0	29.0
TOTAL CITY ALLOCATED POSITIONS	778.0	759.0	(85.0)	674.0

CITY OF KALAMAZOO 2013 ADOPTED BUDGET

BUDGET OVERVIEW

The City of Kalamazoo Adopted FY 2013 Budget includes expenditures of \$144,052,090, representing a decrease of 8.9% from Projected FY 2012 expenditures. The citywide budget is made up of various funding groups (see Chart 1). The highlights of this recommended spending plan are discussed below in greater detail. This decrease of 8.9% is largely represented by the planned spend down of Community Development Block Grant Funds-Neighborhood Stabilization Program and American Reinvestment and Recovery Act Funds in FY 2012.

2013 Adopted Budget \$ 144,052,090

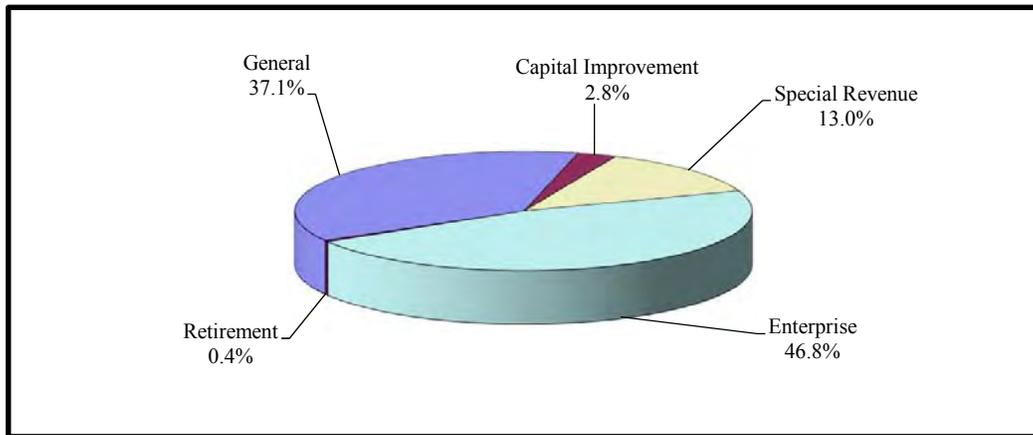


Chart 1

REVENUE

General Fund

General Fund operating revenue is estimated at \$50,527,015 in Adopted FY 2013 Budget, which represents a decrease of 0.8% from the Projected FY 2012 amount. The decrease is due primarily to a slight decline Property Tax Revenue.

2013 General Fund Revenue \$ 50,527,015

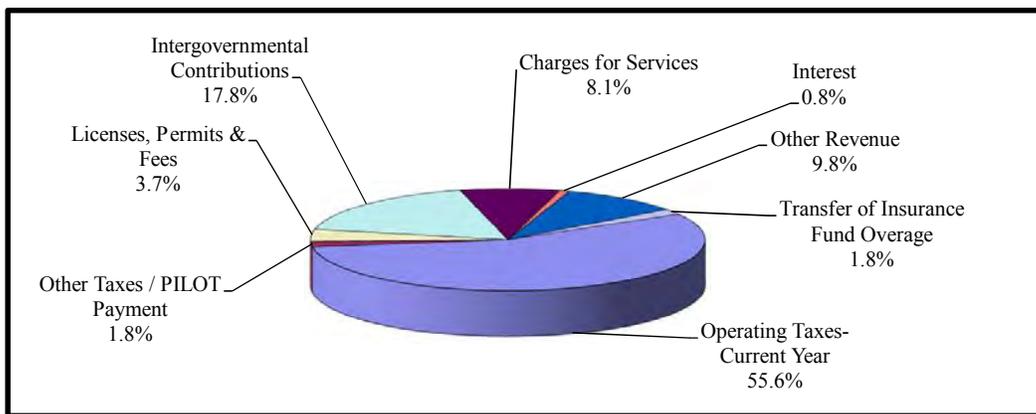


Chart 2

CITY OF KALAMAZOO 2013 ADOPTED BUDGET

The two largest revenue sources, Property Taxes and Intergovernmental Contributions, represent 73.3% of all estimated General Fund resources (see Chart 2). Property Taxes are estimated to increase by 0.2% in FY 2013. The Five-Year Fiscal Plan had estimated a reduction of 2.5%. This positive experience is attributable to a better-than-anticipated experience in commercial real estate property sale figures from October 1, 2011 to September 30, 2012 (see Chart 3).

Property Tax Revenue

Growth Trend (2004-2013)

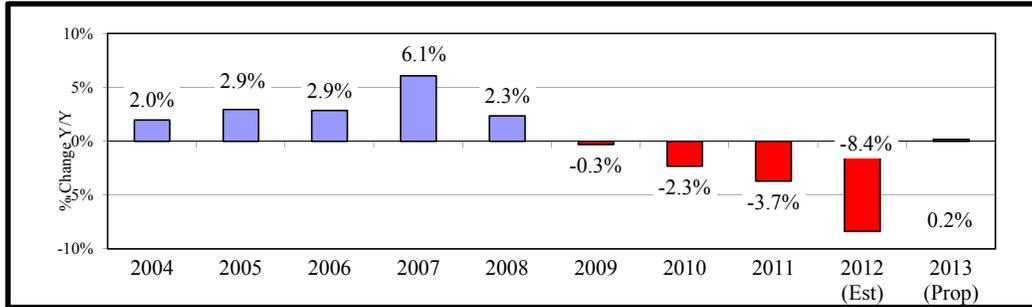


Chart 3

State Revenue Sharing continues to be vulnerable to the State's budget woes. State Shared Revenues have steadily declined over the last 10 years from a high of \$12.5 million in FY 2001 to \$8 million estimated for FY 2013, a reduction of more than 1/3rd. Statutory Revenue Sharing, which totaled an annual \$3.7 million, has been replaced with the Economic Vitality Incentive Program (EVIP) representing \$1.2 million reduction in revenue from FY 2010 to FY 2012.

The estimated Revenue Sharing payments of \$8 million in FY 2013 is an increase of 1% compared to FY 2012 projected receipts of \$7.9 million. (see Chart 4).

The Five-Year Fiscal Plan assumes that State Revenue Sharing will stabilize at 0% change in FY 2013 and for the balance of the five-year fiscal plan period.

State Revenue Sharing

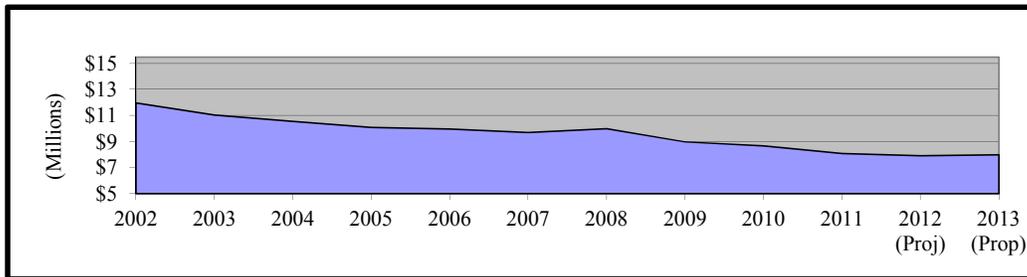


Chart 4

CITY OF KALAMAZOO

2013 ADOPTED BUDGET

The remaining 26.7% of estimated revenues include permits, licenses, fees, and charges for services. These are projected to be flat over the five-year fiscal plan period. User fees and charges are analyzed annually to ensure that cost recovery is optimal.

Due to the reallocation of revenue associated with the former Internal Service Funds (which were collapsed into the General Fund in FY 2011), revenues for Charges for Services are estimated to decrease by 23.71% from the Adopted FY 2013 Budget while revenue for License, Permits and Fees are anticipated to increase by 4.2%.

Anticipated revenues from Other Taxes/Pilot Payments are expected to decrease by 40.7%, which is due to a larger than average amount of tax appeal refunds. The General Fund will receive a \$0.9 million rebate from the Insurance Fund attributable to continued favorable health care experience.

Non-General Fund Revenue

Major & Local Streets

The Major & Local Streets operations are primarily funded by Gas & Weight Taxes, which are expected to see a 7.4% increase. Major Street revenues are sufficient to fund operations. The Local Street Fund's revenues are insufficient to cover operations and debt service, requiring an operating subsidy of \$0.8 million from the General Fund.

Capital projects are funded with CIP Bonds in the amount of \$0.91 million.

Cemetery

Cemetery operational revenue is projected to have decreased 14.3% in FY 2012. Operational revenue is not sufficient to fund operations and capital improvements, therefore a subsidy of \$360 thousand from the Perpetual Care Fund supports the operation.

Solid Waste

Solid Waste operations are funded by a special millage. The current rate is 1.55 mills and is estimated to yield \$2.2 million, representing a decrease of 1.1%. The activity is projected to use \$323 thousand of fund balance.

Water Fund

The Adopted FY 2013 Budget revenues reflect no change overall, although individual classes may be subject to some modification.

Wastewater Fund

The Adopted FY 2013 Budget revenues reflect no change overall, although individual classes may be subject to some modification.

Expenditures

General Fund

The Proposed FY 2013 Budget for the General Fund is \$53,443,395, representing an overall decrease of 4.8% when compared to the Adopted FY 2012 Budget and a 4.5% decrease compared with Amended FY 2012 Budget.

CITY OF KALAMAZOO 2013 ADOPTED BUDGET

The General Fund is made up of five major service areas: Public Safety (Police and Fire), Non-Departmental (General Service Expenditures), Administrative Support (City Manager, City Attorney, City Clerk, Internal Auditor, Human Resources, Information Technology and Management Services), Capital (machinery and equipment), Operating Transfers and Initiatives and Non-Public Safety Line Services (Public Works, Parks & Recreation and Community Planning & Development, See Chart 5)

2013 General Fund Budget Expenditure by Category \$ 53,443,395

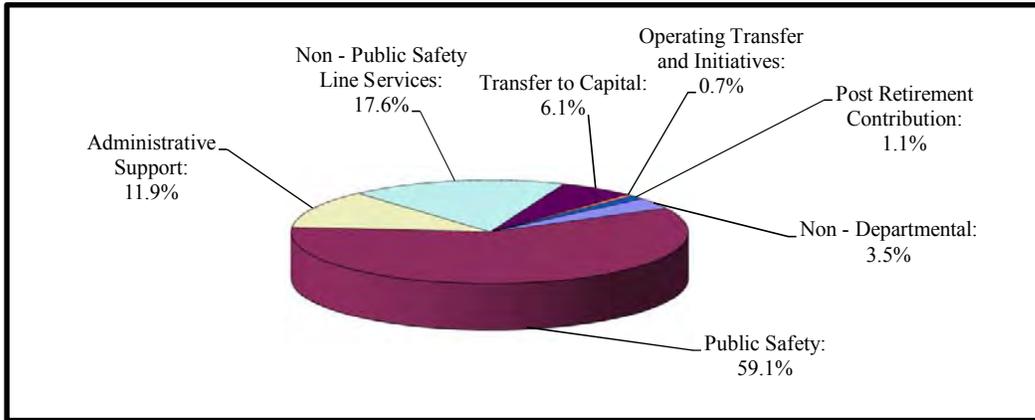


Chart 5

The Adopted FY 2013 General Fund Operating budget represents a decrease of approximately 5.1% from the Adopted FY 2012 Budget. As illustrated in Chart 5, 11.9% of the General Fund Budget is allocated to provide city-wide administrative support.

Public Safety represents the largest share of General Fund expenditures accounting for 59.1% of the General Fund budget (see Chart 5). Personnel costs account for 72.9% of all General Fund expenditures (see Chart 6).

2013 General Fund Budget by Object

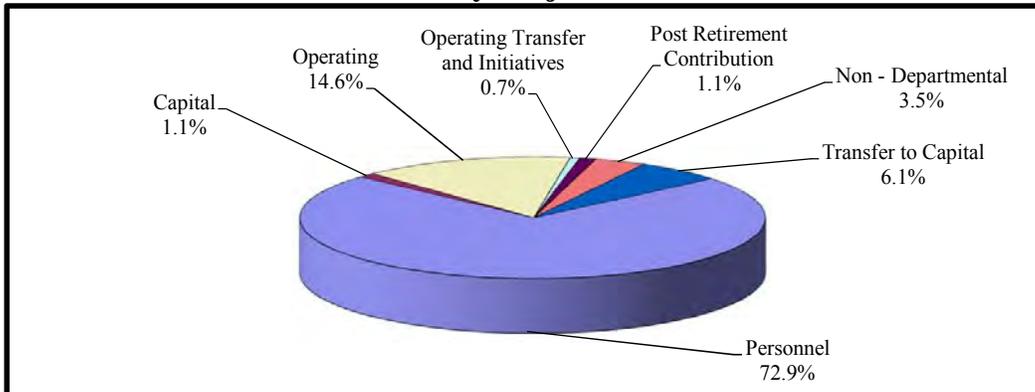


Chart 6

CITY OF KALAMAZOO

2013 ADOPTED BUDGET

Consistent with the Five-Year Fiscal Plan and budget policies, the General Fund began contributing to the Budget Stabilization Account and a Capital Contingency Account in FY 2007. The target for each account is 1-2% of operating revenues as of the end of FY 2011, the Capital Contingency account has \$350 thousand.

Due to the uncertainty of Property Tax and State Shared Revenue, the plan was revised for Proposed FY 2009 Budget, so that the projected General Fund Balance in excess of 13% was to be reserved to the Budget Stabilization Account, causing a FY 2009 ending balance of \$1.65 million. The Adopted FY 2013 Budget calls for the use of all \$1.65 million from the Budget Stabilization Account, which would completely exhaust this fund.

The Capital Contingency Account is designed to be used for emergency capital repairs or acquisitions. There are no contributions or withdrawals proposed in FY 2013.

The Five-Year Fiscal Plan targets a minimum general capital investment of \$5 million annually. The General Fund will transfer \$2.45 million to the Capital Improvement Program in FY 2013. The General Fund capital program for FY 2013, including street funds is \$4 million. The significant capital investment is achieved through the strategic use of debt and the leveraging of funds from outside sources.

Fund Balance

General Fund revenues are projected to exceed expenditures by \$2.92 million dollars in FY 2013. The projected fund balance in FY 2013 is \$6,578,679, which is 13% of estimated revenues as against a Five-Year Fiscal Plan target range for the General Fund of 13% - 15% of revenues. The projected fund balance does not include the Budget Stabilization or Capital Contingency accounts, which total \$0.35 million.

Position Allocations

The Adopted FY 2013 Budget includes 645 full-time positions, a net reduction of 85 from the Adopted FY 2012 Budget due to the partial implementation of the Early Retirement Initiative in FY 2012. For changes by Department, see the 'Position Comparison Summary', for detail see the 'Position Listing' in the Appendix of this document.

Capital

Capital improvements planned for FY 2013 total \$11,422,540 (see Chart 7).

Expenses

General Fund

General Fund capital projects, which are funded in the Capital Improvements Program (CIP) Fund, total \$0.9 million. Capital projects in the CIP Fund include \$10 thousand in Environmental improvements, \$425 thousand for Public Safety Dispatch Improvements, \$55 thousand in various Public Services and facility improvements, \$401.5 thousand in park improvements and , \$25 thousand in design and engineering for future capital improvements.

CITY OF KALAMAZOO 2013 ADOPTED BUDGET

Non-General Fund:

Local Streets

Improvements to various local streets total \$1 million and will be funded with capital improvement bonds.

Major Streets

The Major Street Capital Budget is proposed at \$3.89 million, to be funded with \$1.98 million in federal funds and \$1.91 million in new capital improvement bonds.

Cemeteries

Improvements in the Cemeteries are proposed in the amount of \$180 thousand and will be funded by the Perpetual Care Fund. These include continued road repair and replacement, along with grounds and facility maintenance. Additionally, erosion control and stone wall conditions will be enhanced with the additional resources.

Water & Wastewater

Capital improvements of \$3.1 million and \$2.5 million will be made in the Wastewater and Water Funds, respectively. Projects include new & replacement water mains, service connections, hydrants, meters pumping station upgrades, capital maintenance and improvement of existing infrastructure and various other projects including computer, software and security investments and replacements, along with plant controls.

2013 Capital Financing by Source

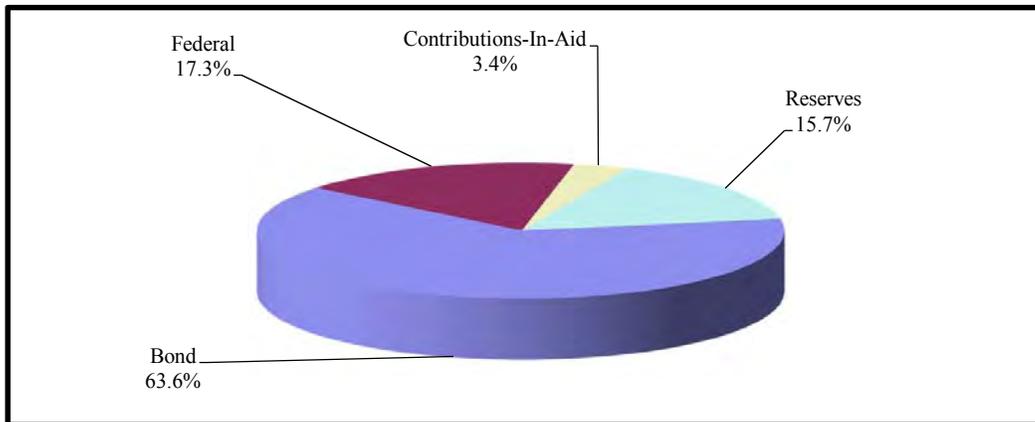


Chart 7

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
TAXABLE VALUE AND TAX LEVY PROJECTIONS**

	2012 Adopted Budget	2012 Roll Confirmation	2013 Adopted Budget	2014 Projected Budget	2015 Projected Budget	2016 Projected Budget	2017 Projected Budget	2018 Projected Budget
Effective Taxable Value (a)	1,527,855,329	1,527,855,329	1,518,076,186	1,518,076,186	1,540,847,329	1,563,960,038	1,587,419,439	1,611,230,731
MILLAGE RATES:								
Operating Millage	19.2705	19.2705	19.2705	19.2705	19.2705	19.2705	19.2705	19.2705
Solid Waste Millage	1.5500	1.5500	1.5500	1.5500	1.5500	1.5500	1.5500	1.5500
Metro Transit Millage	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
TOTAL	21.4205	21.4205	21.4205	21.4205	21.4205	21.4205	21.4205	21.4205
TAX REVENUES:								
Operating Revenues	29,442,536	29,442,536	29,254,087	29,254,087	29,692,898	30,138,292	30,590,366	31,049,222
Less: Total Captured TIF (b)	-1,241,333	-1,241,333	-1,165,379	-1,165,379	-1,182,860	-1,200,603	-1,218,612	-1,236,891
Net Operating Revenue	28,201,204	28,201,204	28,088,708	28,088,708	28,510,038	28,937,689	29,371,754	29,812,331
Solid Waste Revenues	2,368,176	2,368,176	2,353,018	2,353,018	2,388,313	2,424,138	2,460,500	2,497,408
Less: Total Captured TIF (b)	-93,862	-93,862	-95,181	-95,181	-96,609	-98,058	-99,529	-101,022
Net Operating Revenue	2,274,314	2,274,314	2,257,837	2,257,837	2,291,705	2,326,080	2,360,971	2,396,386
Metro Transit Revenues	916,713	916,713	910,846	910,846	924,508	938,376	952,452	966,738
Less: Total Captured TIF (b)	-28,042	-28,042	-28,164	-28,164	-28,587	-29,015	-29,451	-29,892
Net Operating Revenue	888,671	888,671	882,681	882,681	895,922	909,361	923,001	936,846
TOTAL	31,364,189	31,364,189	31,229,226	31,229,226	31,697,665	32,173,130	32,655,727	33,145,563

(a) Taxable Values are reduced for approved Renaissance Zone properties.

(b) Represents property tax revenue captured for Brownfield Redevelopment, Local Development Financing and the Downtown Development Authorities Tax Increment Financing (TIF) plans.

(c) Metro Transit Levy of .6 mills approved through 2012 in City of Kalamazoo. Continued approval of .6 mill levy assumed through 2017.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

DEBT SERVICE SCHEDULE

As of: January 1, 2013

City Debt Issues	Remaining Debt				2013			2014		
	Original Issue Amount	Gross Principal Outstanding	Self-Supporting	Net	Principal	Interest	Total	Principal	Interest	Total
Building Authority Bonds:										
Dated: 3/1/11 2011 Building Authority Refunding	\$ 4,105,000	\$ 3,545,000	\$ 321,019	\$ 3,223,981	\$ 320,000	\$ 132,913	\$ 452,913	\$ 335,000	\$ 126,513	\$ 461,513
Dated: 10/26/06 2006B Building Authority	\$ 4,270,000	\$ 3,305,000	\$ 3,305,000	\$ -	\$ 180,000	\$ 138,080	\$ 318,080	\$ 190,000	\$ 130,880	\$ 320,880
Dated: 1/23/06 2006A Building Authority	\$ 2,840,000	\$ 2,370,000	\$ 2,370,000	\$ -	\$ 80,000	\$ 127,648	\$ 207,648	\$ 90,000	\$ 123,528	\$ 213,528
Dated: 10/12/05 2005B Parking Ramp	\$ 2,835,000	\$ 2,025,000	\$ 2,025,000	\$ -	\$ 115,000	\$ 102,625	\$ 217,625	\$ 90,000	\$ 96,875	\$ 186,875
Dated: 7/26/05 2005 Refunding	\$ 7,725,000	\$ 6,575,000	\$ 6,575,000	\$ -	\$ 355,000	\$ 290,288	\$ 645,288	\$ 370,000	\$ 278,750	\$ 648,750
Dated: 4/11/05 2005A Parking Ramp	\$ 7,325,000	\$ 5,060,000	\$ 5,060,000	\$ -	\$ 255,000	\$ 258,641	\$ 513,641	\$ 185,000	\$ 245,891	\$ 430,891
Dated: 1/27/03 2003 Building Authority	\$ 1,940,000	\$ 225,000	\$ -	\$ 225,000	\$ 225,000	\$ 4,219	\$ 229,219	\$ -	\$ -	\$ -
Dated: 11/17/98 1998 BA Refunding	\$ 5,770,000	\$ 1,795,000	\$ 1,759,675	\$ 70,650	\$ 600,000	\$ 91,238	\$ 691,238	\$ 575,000	\$ 62,738	\$ 637,738
Subtotal	\$ 36,810,000	\$ 24,900,000	\$ 21,415,694	\$ 3,519,631	\$ 2,130,000	\$ 1,145,650	\$ 3,275,650	\$ 1,835,000	\$ 1,065,174	\$ 2,900,174
Michigan Transportation Fund Bonds:										
Dated: 7/26/11 2011 Michigan Transportation Fund Refunding	\$ 2,005,000	\$ 1,580,000	\$ 1,580,000	\$ -	\$ 435,000	\$ 29,425	\$ 464,425	\$ 470,000	\$ 18,200	\$ 488,200
Dated: 7/12/07 2007 Michigan Transportation Fund	\$ 3,860,000	\$ 2,840,000	\$ 2,840,000	\$ -	\$ 235,000	\$ 115,143	\$ 350,143	\$ 245,000	\$ 105,543	\$ 350,543
Dated: 4/27/04 2004 Michigan Transportation Fund	\$ 4,320,000	\$ 960,000	\$ 960,000	\$ -	\$ 470,000	\$ 26,590	\$ 496,590	\$ 490,000	\$ 9,065	\$ 499,065
Dated: 4/1/98 1998 Michigan Transportation Fund	\$ 2,265,000	\$ 215,000	\$ 215,000	\$ -	\$ 215,000	\$ 5,106	\$ 220,106	\$ -	\$ -	\$ -
Subtotal	\$ 12,450,000	\$ 5,595,000	\$ 5,595,000	\$ -	\$ 1,355,000	\$ 176,264	\$ 1,531,264	\$ 1,205,000	\$ 132,808	\$ 1,337,808
Wastewater Bonds:										
Dated: 3/29/12 2012 Wastewater Supply Systems	\$ 6,100,000	\$ 6,100,000	\$ 6,100,000	\$ -	\$ 175,000	\$ 289,334	\$ 464,334	\$ 255,000	\$ 188,678	\$ 443,678
Dated: 7/26/11 2011 Wastewater Supply Systems Refunding	\$ 2,815,000	\$ 2,590,000	\$ 2,590,000	\$ -	\$ 250,000	\$ 63,575	\$ 313,575	\$ 315,000	\$ 58,575	\$ 373,575
Dated: 12/22/09 2009 Wastewater Supply Systems	\$ 2,585,000	\$ 2,345,000	\$ 2,345,000	\$ -	\$ 70,000	\$ 141,699	\$ 211,699	\$ 75,000	\$ 139,599	\$ 214,599
Subtotal	\$ 11,500,000	\$ 11,035,000	\$ 11,035,000	\$ -	\$ 495,000	\$ 494,608	\$ 989,608	\$ 645,000	\$ 386,852	\$ 1,031,852
Water Bonds:										
Dated: 6/5/12 2012 Water Supply Systems Refunding	\$ 5,370,000	\$ 5,370,000	\$ 5,370,000	\$ -	\$ 985,000	\$ 99,793	\$ 1,084,793	\$ 995,000	\$ 65,775	\$ 1,060,775
Dated: 12/22/09 2009 Water Supply Systems	\$ 7,685,000	\$ 7,685,000	\$ 7,685,000	\$ -	\$ -	\$ 496,206	\$ 496,206	\$ 5,000	\$ 496,206	\$ 501,206
Dated: 7/12/07 2007 Water Supply Systems	\$ 1,900,000	\$ 1,660,000	\$ 1,660,000	\$ -	\$ 55,000	\$ 75,575	\$ 130,575	\$ 60,000	\$ 73,169	\$ 133,169
Dated: 11/29/06 2006 Water Supply System and Refunding	\$ 4,690,000	\$ 2,895,000	\$ 2,895,000	\$ -	\$ 400,000	\$ 127,841	\$ 527,841	\$ 450,000	\$ 111,841	\$ 561,841
Dated: 4/27/04 2004 Water System Refunding	\$ 5,010,000	\$ 3,855,000	\$ 3,855,000	\$ -	\$ 160,000	\$ 168,590	\$ 328,590	\$ 170,000	\$ 162,830	\$ 332,830
Subtotal	\$ 24,655,000	\$ 21,465,000	\$ 21,465,000	\$ -	\$ 1,600,000	\$ 968,005	\$ 2,568,005	\$ 1,680,000	\$ 909,821	\$ 2,589,821
Downtown Development Bonds:										
Dated: 3/1/11 2010 Downtown Development Refunding	\$ 2,115,000	\$ 2,110,000	\$ 2,110,000	\$ -	\$ 5,000	\$ 72,375	\$ 77,375	\$ 385,000	\$ 67,513	\$ 452,513
Dated: 6/15/93 1993 Downtown Development Refunding	\$ 3,680,000	\$ 315,000	\$ 315,000	\$ -	\$ 315,000	\$ 8,663	\$ 323,663	\$ -	\$ -	\$ -
Dated: 3/2/92 1992 Downtown Development	\$ 2,945,000	\$ 225,000	\$ 225,000	\$ -	\$ 225,000	\$ 6,750	\$ 231,750	\$ -	\$ -	\$ -
Subtotal	\$ 8,740,000	\$ 2,650,000	\$ 2,650,000	\$ -	\$ 545,000	\$ 87,788	\$ 632,788	\$ 385,000	\$ 67,513	\$ 452,513
Special Assessment Bonds:										
Dated: 9/1/99 1999 Special Assessment - Burdick Street	\$ 680,000	\$ 45,000	\$ 45,000	\$ -	\$ 45,000	\$ 2,385	\$ 47,385	\$ -	\$ -	\$ -
Subtotal	\$ 680,000	\$ 45,000	\$ 45,000	\$ -	\$ 45,000	\$ 2,385	\$ 47,385	\$ -	\$ -	\$ -
Capital Improvement Bonds:										
Dated: 3/29/12 2012 Capital Improvement	\$ 4,400,000	\$ 4,400,000	\$ -	\$ 4,400,000	\$ 220,000	\$ 181,649	\$ 401,649	\$ 265,000	\$ 116,253	\$ 381,253
Dated: 7/14/11 2011 Capital Improvement	\$ 4,685,000	\$ 4,460,000	\$ -	\$ 4,460,000	\$ 260,000	\$ 149,350	\$ 409,350	\$ 265,000	\$ 144,150	\$ 409,150
Dated: 7/8/10 2010 Capital Improvement	\$ 2,855,000	\$ 2,555,000	\$ -	\$ 2,555,000	\$ 165,000	\$ 91,713	\$ 256,713	\$ 165,000	\$ 88,413	\$ 253,413
Dated: 6/24/09 2009 Capital Improvement	\$ 4,585,000	\$ 3,900,000	\$ -	\$ 3,900,000	\$ 255,000	\$ 151,535	\$ 406,535	\$ 265,000	\$ 144,523	\$ 409,523
Dated: 7/1/08 2008 Capital Improvement	\$ 4,165,000	\$ 3,290,000	\$ -	\$ 3,290,000	\$ 245,000	\$ 131,906	\$ 376,906	\$ 255,000	\$ 123,331	\$ 378,331
Dated: 7/12/07 2007 Capital Improvement	\$ 855,000	\$ 705,000	\$ -	\$ 705,000	\$ 35,000	\$ 31,885	\$ 66,885	\$ 35,000	\$ 30,433	\$ 65,433
Dated: 4/27/04 2004 Capital Improvement	\$ 8,415,000	\$ 2,890,000	\$ -	\$ 2,890,000	\$ 775,000	\$ 98,805	\$ 873,805	\$ 805,000	\$ 69,560	\$ 874,560
Subtotal	\$ 29,960,000	\$ 22,200,000	\$ -	\$ 22,200,000	\$ 1,955,000	\$ 836,843	\$ 2,791,843	\$ 2,055,000	\$ 716,661	\$ 2,771,661
Grand Total:	\$ 124,795,000	\$ 87,890,000	\$ 62,205,694	\$ 25,719,631	\$ 8,125,000	\$ 3,711,542	\$ 11,836,542	\$ 7,805,000	\$ 3,278,828	\$ 11,083,828

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND OPERATING BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2014 Fiscal Plan	2015 Fiscal Plan	2016 Fiscal Plan	2017 Fiscal Plan	2018 Fiscal Plan
REVENUE										
Tax Levy Revenue	29,848,373	28,201,204	28,201,204	28,201,204	28,088,708	28,088,708	28,510,038	28,937,689	29,371,754	29,812,331
Other Tax or PILOT Payments	1,772,247	1,569,621	1,569,621	769,621	930,380	1,769,621	1,796,165	1,823,108	1,850,454	1,878,211
Licenses, Permits & Fees	1,897,099	1,792,900	1,792,900	1,845,192	1,867,700	1,867,700	1,895,716	1,924,151	1,953,014	1,982,309
Intergovernmental Revenue	9,317,064	9,045,882	9,045,882	8,891,928	8,967,035	8,967,035	8,967,035	8,967,035	8,967,035	8,967,035
Charges for Services	5,343,235	5,345,397	5,345,397	3,965,549	4,078,180	4,159,744	4,242,938	4,327,797	4,414,353	4,502,640
Interest & Rentals	375,290	485,100	485,100	407,527	405,050	409,101	413,192	417,323	421,497	425,712
Other Revenue	5,164,708	5,298,409	5,310,109	4,938,068	4,943,279	5,091,577	4,836,999	4,982,108	5,131,572	5,285,519
Potential Revenue	-	-	-	-	350,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Transfer of Insurance Fund Overage	4,686,727	1,890,257	1,890,257	1,890,257	896,682	1,590,257	-	-	-	-
Total Revenue	58,404,743	53,628,770	53,640,470	50,909,346	50,527,015	53,443,742	52,162,083	52,879,212	53,609,679	54,353,756
EXPENDITURES										
City Commission	72,718	76,987	76,987	70,399	76,115	76,115	77,797	79,563	81,417	83,368
City Administration	693,914	654,552	664,802	673,184	639,772	493,908	494,240	504,850	515,971	527,639
City Attorney	838,342	790,124	790,523	743,549	736,016	718,633	718,640	734,039	750,179	767,111
City Clerk	578,248	686,277	722,892	707,611	583,497	592,106	591,962	777,278	617,924	631,861
Internal Auditor	89,009	85,929	85,929	85,929	92,044	93,581	93,003	94,962	97,014	99,165
Human Resources	755,169	723,923	793,923	785,499	709,738	713,313	710,557	725,621	741,403	757,952
Information Technology	1,598,520	1,246,131	1,342,498	1,195,207	1,266,130	1,277,084	1,289,433	1,317,786	1,347,535	1,378,776
Management Services	2,583,665	2,564,070	2,605,242	2,546,984	2,273,082	2,274,498	2,267,880	2,316,088	2,366,599	2,419,570
Public Safety	33,498,520	32,921,854	33,044,018	30,448,415	31,560,629	31,244,267	31,246,862	31,916,572	32,618,507	33,354,882
Public Services	5,810,727	6,192,565	6,190,105	5,463,659	5,416,021	5,544,671	5,575,585	5,696,869	5,824,067	5,957,587
Community Planning & Development	1,973,187	1,993,719	2,018,951	1,928,514	1,743,969	1,761,032	1,746,241	1,782,793	1,821,066	1,861,177
Economic Development	460,035	280,913	280,913	246,159	263,675	251,811	255,604	261,303	267,286	273,573
Parks & Recreation	2,372,033	2,371,843	2,380,051	2,221,150	1,990,012	2,005,251	2,018,188	2,062,192	2,108,345	2,156,797
Non-Departmental Expenditures	2,339,607	1,317,068	687,269	2,613,618	1,891,195	2,267,257	2,335,275	2,405,333	2,477,493	2,551,818
Initiatives	326,850	351,500	362,250	362,250	351,500	351,500	351,500	351,500	351,500	351,500
Expenditure Reductions: ERI	-	(600,000)	(600,000)	-	-	-	-	-	-	-
Expenditure Reductions: 2014	-	-	-	-	-	(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)
Expenditure Reductions: 2015	-	-	-	-	-	-	(825,000)	(825,000)	(825,000)	(825,000)
Expenditure Reductions: 2016	-	-	-	-	-	-	-	(730,000)	(730,000)	(730,000)
Expenditure Reductions: 2017	-	-	-	-	-	-	-	-	(200,000)	(200,000)
Expenditure Reductions: 2018	-	-	-	-	-	-	-	-	-	(375,000)
Total Operating Expenditure	53,990,544	51,657,455	51,446,353	50,092,127	49,593,395	48,615,026	47,897,767	48,421,750	49,181,307	49,992,776
Transfer to Local Street Fund	999,996	1,425,000	1,425,000	1,425,000	800,000	1,550,000	1,275,000	1,275,000	1,300,000	1,300,000
Transfer to CIP Fund	1,899,996	2,200,000	2,200,000	2,250,000	2,450,000	2,305,000	2,150,000	2,400,000	2,425,000	2,550,000
Transfer to Demolition Fund	-	40,000	40,000	40,000	-	-	-	-	-	-
Transfer to DDA	165,800	-	-	-	-	-	-	-	-	-
Total Transfer for Capital Improvement	3,065,792	3,665,000	3,665,000	3,715,000	3,250,000	3,855,000	3,425,000	3,675,000	3,725,000	3,850,000
Transfer to Pension Fund (ERI Payback: 2012 - 17)	-	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	-
Transfer to OPEB Fund	-	225,000	225,000	-	-	-	175,000	175,000	100,000	400,000
Total Transfer to Benefit Trust Fund	-	825,000	825,000	600,000	600,000	600,000	825,000	775,000	700,000	400,000
TOTAL EXPENDITURES	57,056,336	56,147,455	55,936,353	54,407,127	53,443,395	53,070,026	52,147,767	52,871,750	53,606,307	54,242,776
Beginning Fund Balance	7,511,084	11,342,841	11,342,841	11,342,841	7,845,060	6,578,679	6,952,395	6,966,711	6,974,174	6,977,545
Surplus / (Deficit)	1,348,407	(2,518,685)	(2,295,883)	(3,497,781)	(2,916,381)	373,716	14,316	7,463	3,371	110,980
Contribution from/(to) Budget Stabilization	-	-	-	-	1,650,000	-	-	-	-	-
Contribution from/(to) Former ISF Reserves	2,483,350	-	-	-	-	-	-	-	-	-
Ending Fund Balance	11,342,841	8,824,156	9,046,958	7,845,060	6,578,679	6,952,395	6,966,711	6,974,174	6,977,545	7,088,525
Target Fund Balance	7,592,617	6,971,740	6,973,261	6,618,215	6,568,512	6,947,687	6,781,071	6,874,298	6,969,258	7,065,988
Amount Over (Under) Target	3,750,225	1,852,416	2,073,697	1,226,845	10,167	4,709	185,640	99,876	8,287	22,537
Cumulative Amount Over (Under) Target	-	-	-	-	-	-	-	-	-	-
Actual Percentage of Revenues	19.4%	16.5%	16.9%	15.4%	13.0%	13.0%	13.4%	13.2%	13.0%	13.0%
Target Percentage of Revenues	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2011	2012	2012	2012	2013	2014	2015	2016	2017	2018
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Revenue										
Transfer from General Fund	1,899,996	2,200,000	2,200,000	2,250,000	2,450,000	2,305,000	2,150,000	2,400,000	2,425,000	2,550,000
Transfers from Other Funds	-	-	-	-	-	-	-	-	-	-
Interest	4,222	50,000	50,000	5,000	50,000	50,000	50,000	50,000	50,000	50,000
Subtotal Transfers, Sales and Interest	1,904,218	2,250,000	2,250,000	2,255,000	2,500,000	2,355,000	2,200,000	2,450,000	2,475,000	2,600,000
Special Assessment	2,037	-	-	-	-	-	-	-	-	-
Reimbursements/Court Consolidation	250,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Reimb. from County / Crosstown	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
User Fees - Public Safety Dispatch	256,033	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Subtotal Assessments and Reimbursements	608,070	550,000								
Federal Grants										
City Hall Capital Improvements (ARRA)	-	-	-	-	-	-	-	-	-	-
Farrell Park	-	-	147,680	147,680	-	-	-	-	-	-
Lacrone Park	385,080	-	34,920	34,920	-	-	-	-	-	-
I-94 Business Loop Gateway	-	-	169,000	169,000	-	-	-	-	-	-
North Park/Westnedge Sidewalk Project	-	-	361,917	361,917	-	-	-	-	-	-
SCBA Replacement	-	647,116	647,116	647,116	-	-	-	-	-	-
Ianelli Fountain / Pool Repair	-	-	-	-	-	-	-	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	-	950,000	-	-
Subtotal Federal Grants	385,080	647,116	1,360,632	1,360,632	-	-	-	950,000	-	-
State Grants										
Woods Lake Park Redevelopment	-	-	363,200	363,200	-	-	-	-	-	-
Lacrone Park	-	-	100,000	100,000	-	-	-	-	-	-
Trailways	-	-	29,051	29,051	-	-	-	-	-	-
N Park & Westnedge - MDOT	-	-	362,000	362,000	-	-	-	-	-	-
Non-Motorized - Kal River Valley Trail	-	-	-	-	-	-	-	-	-	-
Kal River Valley Trail - Willard Street Extension	-	-	-	-	-	300,000	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	-	400,000	-	-	-
I-94 Business Loop Gateway	-	-	-	-	-	-	-	-	-	-
Ianelli Fountain / Pool Repair	-	-	-	-	-	-	-	-	-	-
Crane Park Redevelopment	-	-	-	-	-	-	-	-	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	-	-	-
Milham Park Improvements	-	-	-	-	-	-	-	-	-	300,000
Subtotal State Grants	-	-	854,251	854,251	-	300,000	400,000	-	-	300,000

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2011	2012	2012	2012	2013	2014	2015	2016	2017	2018
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Private / Grant / Other										
Park St Public Safety Station	-	-	-	-	-	-	-	-	-	-
Public Safety Training Complex	40,263	-	-	-	-	-	-	-	-	-
Dispatch Equipment Replacement	-	-	631,000	611,431	-	-	-	-	-	-
CAD/RMS/ Mobile Data Upgrades	-	150,000	150,000	150,000	-	-	-	-	-	-
Boundless Playground	-	-	-	-	-	-	-	-	-	-
Blanche Hull	-	-	-	-	-	-	-	-	-	-
Woods Lake Improvements	-	-	-	-	-	-	-	-	-	-
Fairmount Park Dog Park	-	-	-	-	-	-	-	-	-	-
Lacrone Park	-	-	1,000	1,000	-	-	-	-	-	-
Mayor's Riverfront Park	-	-	-	-	-	-	-	-	-	-
Rose Park Lighting	12,000	-	-	-	-	-	-	-	-	-
Mayors' Riverfront Electrical Improvements	-	20,000	20,000	20,000	-	-	-	-	-	-
City Hall Improvements	6,546	-	-	-	-	-	-	-	-	-
Sidewalk Placement	-	-	25,000	25,000	-	-	-	-	-	-
N. Westnedge/Park Project	-	-	25,000	25,000	-	-	-	-	-	-
I-94 Business Loop Gateway Improvements	-	-	103,000	103,000	-	-	-	-	-	-
Hays Park Improvements	-	-	-	-	7,500	-	-	-	-	-
Kal River Valley Trail - Willard Street Extension	-	-	-	-	-	300,000	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	-	400,000	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	-	970,000	-	-
Hays Park Improvement Project	-	-	-	-	-	-	-	-	-	-
River's Edge Corridor Improvements	-	-	-	-	-	-	-	-	-	-
MLK Park Improvements	-	-	-	-	-	-	100,000	-	-	-
Crane Park Redevelopment	-	-	-	-	-	-	-	-	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	-	-	-
Milham Park Improvements	-	-	-	-	-	-	-	-	-	1,400,000
Subtotal Private Grants and Other	58,810	170,000	955,000	935,431	7,500	300,000	500,000	970,000	-	1,400,000
Subtotal Grants and Fundraising	443,890	817,116	3,169,883	3,150,314	7,500	600,000	900,000	1,920,000	-	1,700,000
Bond Proceeds	1,520,000	1,081,000	1,081,000	1,098,500	906,500	1,855,500	2,195,000	4,747,000	3,000,000	800,000
Bond Premiums (Discounts)	66,692	-	-	5,252	-	-	-	-	-	-
Total Resources	4,542,870	4,698,116	7,050,883	7,059,066	3,964,000	5,360,500	5,845,000	9,667,000	6,025,000	5,650,000

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN**

	2011	2012	2012	2012	2013	2014	2015	2016	2017	2018
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Expenditures										
Debt Service										
EXISTING										
General Capital Projects										
General Capital Projects - 2004 GO	563,184	560,142	560,142	560,142	555,708	556,188	174,910	175,490	172,553	172,445
General Capital Projects - 2007 GO	70,238	68,820	68,820	68,820	67,385	65,933	69,463	67,763	66,043	69,303
General Capital Projects - 2008 GO	178,469	179,661	179,661	179,661	178,055	178,728	179,236	179,265	178,793	178,132
General Capital Projects - 2009 GO	211,455	210,874	210,874	210,874	210,227	211,772	212,832	213,381	215,611	214,964
General Capital Projects - 2010 GO	197,859	193,810	193,810	193,810	195,178	192,670	193,648	194,218	194,028	192,356
General Capital Projects - 2011 GO	-	140,031	140,031	140,031	139,213	139,145	139,043	138,678	139,740	140,475
General Capital Projects - 2012 GO	-	-	-	-	100,275	95,184	95,108	95,008	93,635	93,511
Bond Issuance Expenses	40,185	-	-	-	-	-	-	-	-	-
Subtotal General Capital Projects	1,261,389	1,353,337	1,353,337	1,353,337	1,446,042	1,439,619	1,064,240	1,063,803	1,060,402	1,061,186
Parks										
KMGA and Trailways - 1998 BA	212,520	-	-	-	-	-	-	-	-	-
Subtotal Park Debt Service	212,520	-								
Facilities										
City Hall & Stockbridge Renovation - 1998 Ref	38,029	38,557	38,557	38,557	37,003	-	-	-	-	-
Justice Facility (Crosstown) - 1999/05B BA Ref	647,828	644,128	644,128	644,128	645,528	648,991	641,503	646,503	646,753	646,003
Justice Facility (Crosstown) - 2001 BA	55,022	-	-	-	-	-	-	-	-	-
Park Street Public Safety Station - 2006B BA	322,201	320,401	320,401	320,401	318,401	321,201	318,601	315,801	317,801	319,401
Public Safety Station Improvements - 2002 GO	87,095	-	-	-	-	-	-	-	-	-
Building Authority 2011 Refunding	-	328,572	328,572	328,572	338,986	334,904	343,367	326,052	-	-
Subtotal Facilities Debt Service	1,150,175	1,331,658	1,331,658	1,331,658	1,339,919	1,305,095	1,303,471	1,288,357	964,554	965,404
Public Safety Equipment										
Public Safety Dispatch - 2003 BA	230,050	227,558	227,558	227,558	229,469	-	-	-	-	-
Subtotal Public Safety Equipment Debt Svc	230,050	227,558	227,558	227,558	229,469	-	-	-	-	-
Subtotal Existing Debt Service	2,854,134	2,912,553	2,912,553	2,912,553	3,015,429	2,744,714	2,367,711	2,352,159	2,024,956	2,026,590
PROPOSED NEW DEBT SERVICE										
General Capital Projects - 2013 GO (Prop)	-	-	-	-	39,353	78,707	78,707	78,707	78,707	78,707
General Capital Projects - 2014 GO (Prop)	-	-	-	-	-	80,552	161,104	161,104	161,104	161,104
General Capital Projects - 2015 GO (Prop)	-	-	-	-	-	-	95,291	190,581	190,581	190,581
General Capital Projects - 2016 GO (Prop)	-	-	-	-	-	-	-	206,079	412,159	412,159
General Capital Projects - 2017 GO (Prop)	-	-	-	-	-	-	-	-	130,238	260,475
General Capital Projects - 2018 GO (Prop)	-	-	-	-	-	-	-	-	-	34,730
Subtotal Proposed New Debt Service	-	-	-	-	39,353	159,259	335,101	636,471	972,788	1,137,756
Total Debt Service	2,854,134	2,912,553	2,912,553	2,912,553	3,054,783	2,903,973	2,702,812	2,988,631	2,997,745	3,164,346

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2011	2012	2012	2012	2013	2014	2015	2016	2017	2018
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Environmental										
Carryforwards (Reserve Funding):										
Arcadia Creek - Env Costs	300	-	-	-						
Cash/Reserve Funding:										
Auto Ion Env.	29,561	10,000	22,149	22,149	10,000	10,000	40,000	10,000	10,000	10,000
Subtotal Environmental Projects	29,861	10,000	22,149	22,149	10,000	10,000	40,000	10,000	10,000	10,000
Priority Projects										
Priority Projects: Parks										
Carryforwards (Reserve Funding):										
Boundless Playground	-	-	-	-	-	-	-	-	-	-
Blanche Hull / Milham Park Master Plan	-	-	-	-	-	-	-	-	-	-
Woods Lake Park Redevelopment	4,875	-	217,946	217,946	-	-	-	-	-	-
Fairmount Park Redevelopment & Dog Park	7,020	-	-	-	-	-	-	-	-	-
Lacrone Park	394,068	-	101,086	101,086	-	-	-	-	-	-
Milham Park Maintenance Building	-	-	-	-	-	-	-	-	-	-
Sherwood Park - Playground Resurfacing	2,980	-	-	-	-	-	-	-	-	-
Mayor's Riverfront Park Field Improvements	17,248	-	-	-	-	-	-	-	-	-
Bronson Park Electrical Upgrade	32,303	-	3,411	3,411	-	-	-	-	-	-
Hays Park Improvements	-	-	7,500	7,500	-	-	-	-	-	-
Rose Park Lighting	21,584	-	10,184	10,184	-	-	-	-	-	-
Milham Park Restroom Improvements	3,201	-	-	-	-	-	-	-	-	-
Mayor's Riverfront Asphalt	-	-	-	-	-	-	-	-	-	-
Spring Valley Stormwater	-	-	45,000	45,000	-	-	-	-	-	-
Carryforwards (Outside Funding)										
Farrell Park	-	-	147,680	147,680	-	-	-	-	-	-
Woods Lake Park Redevelopment	-	-	363,200	363,200	-	-	-	-	-	-
Lacrone Park	-	-	135,920	135,920	-	-	-	-	-	-
Rose Park Lighting	12,000	-	-	-	-	-	-	-	-	-
Bond Funding:										
Mayor's Riverfront Park Field Improvements	-	-	-	-	-	-	-	-	-	-
Milham Park Restroom Improvements	-	-	-	-	-	-	-	-	-	-
ADA Upgrades for KIK Pool	-	46,000	46,000	46,000	-	-	-	-	-	-
Mayors' Riverfront Electrical Improvements	-	20,000	20,000	20,000	-	-	-	-	-	-
Axtell Creek Park Improvements	-	55,000	60,000	60,000	-	-	-	-	-	-
Kensington Stormwater Treatment Sys Eval	-	40,000	40,000	40,000	-	-	-	-	-	-
Parks Facilities Equipment and Repairs	-	25,000	20,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000
Parks and Recreation Five Year Plan	-	-	-	-	45,000	-	-	-	-	45,000
Kensington Pk Stormwater Treatment Ctr Repair	-	-	-	-	-	-	-	-	-	-
Hays Park Improvement Project	-	-	-	-	162,500	-	-	-	-	-
Kik Pool replacement Panels	-	-	-	-	38,000	-	-	-	-	-
Henderson Tot Lot Improvements	-	-	-	-	-	60,000	-	-	-	-
Ianelli Fountain Mechanical Repairs - Phase I	-	-	-	-	-	620,000	-	-	-	-

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN**

	2011	2012	2012	2012	2013	2014	2015	2016	2017	2018
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Parks , continued										
YDC Facility Improvements	-	-	-	-	-	126,500	-	-	-	-
Milham Park Portage Creek Dredging	-	-	-	-	-	220,000	-	-	-	-
Ianelli Sculptural Repairs - Phase II	-	-	-	-	-	-	600,000	-	-	-
MLK Park Improvements	-	-	-	-	-	-	200,000	-	-	-
Crane Park Redevelopment	-	-	-	-	-	-	620,000	-	-	-
Spring Valley Park Tennis Court Repairs	-	-	-	-	-	-	-	215,000	-	-
Frays Park Walkway and Improvements	-	-	-	-	-	-	-	-	135,000	-
Davis Street Park Improvements	-	-	-	-	-	-	-	-	80,000	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	-	300,000	-
Milham Park Improvements	-	-	-	-	-	-	-	-	-	300,000
Knollwood Park Improvements	-	-	-	-	-	-	-	-	-	150,000
Mayor's Riverfront Synthetic Turf	-	-	-	-	-	-	-	-	-	-
Outside Funding:										
Mayors' Riverfront Electrical Improvements	-	20,000	20,000	20,000	-	-	-	-	-	-
Hays Park Improvement Project	-	-	-	-	7,500	-	-	-	-	-
Henderson Tot Lot	-	-	-	-	-	-	-	-	-	-
Ianelli Fountain / Pool Repair	-	-	-	-	-	-	-	-	-	-
MLK Park Improvements	-	-	-	-	-	-	100,000	-	-	-
Crane Park Redevelopment	-	-	-	-	-	-	-	-	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	-	-	-
Milham Park Improvements	-	-	-	-	-	-	-	-	-	1,700,000
Subtotal Priority Projects: Parks	495,279	206,000	1,237,927	1,237,927	278,000	1,051,500	1,545,000	240,000	540,000	2,220,000
Priority Projects: Facilities										
Carryforwards (Reserve Funding):										
City Hall Improvements	33,732	-	5,007	15,000	-	-	-	-	-	-
Carryforwards (Outside Funding)										
Public Safety Training Complex	23,944	-	-	-	-	-	-	-	-	-
Cash / Reserve Funding:										
Park Facility Repairs	14,895	-	-	-	-	-	-	-	-	-
Bond Funding:										
Public Safety Station- Replace Chillers/Boilers	-	-	-	-	-	420,000	-	-	-	-
Public Safety Facility Upgrades	-	-	60,000	60,000	-	-	-	-	-	250,000
KIK Pool Locker Room Improvements	42,698	-	-	-	-	-	-	-	-	-
General Fund Equipment & Major Repairs	4,426	-	-	-	30,000	30,000	30,000	30,000	30,000	30,000
Firearms Range Improvements	11,986	-	-	-	-	-	-	-	-	-
General Fund Equip and Facilities Major Repairs	-	30,000	30,000	30,000	-	-	-	-	-	-
City Hall HVAC Equipment	-	325,000	315,007	315,007	-	-	-	-	-	-
City Hall Improvements	-	-	9,993	15,000	-	234,000	100,000	75,000	80,000	-
KIK Pool Safety Cover	-	-	-	-	36,000	-	-	-	-	-
Public Safety Facility Upgrades	-	-	-	-	125,000	-	-	-	-	-
Public Safety Station #2 Replacement	-	-	-	-	-	-	-	2,570,000	-	-

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2011	2012	2012	2012	2013	2014	2015	2016	2017	2018
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Facilities, continued										
Redevelopment of the Farmers Market - Phase I					-	-	-	1,600,000	-	-
Outside Funding:										
River's Edge Corridor Improvements	-	-	-	-	-	-	-	-	-	-
Subtotal Priority Projects: Facilities	131,680	355,000	420,007	435,007	191,000	684,000	130,000	4,275,000	110,000	280,000
Priority Projects: Public Safety Equipment										
Carryforwards (Reserve Funding):										
Public Safety Dispatch Upgrade	-	-	-	-						
Public Safety Computer Upgrade	-	-	-	-						
CAD/RMS/Mobile Data Upgrades	12,446	-	-	-						
Engines #3, #5/Truck #4 Replacement	-	-	-	-						
Repair/Refurbish Fire Apparatus	28,778	-	121,222	121,222						
Bond Funding:										
Dispatch Equipment Replacement	1,302,376	-	-	-	-	-	-	-	1,800,000	-
CAD/RMS Upgrade	-	350,000	350,000	350,000					550,000	
SCBA Replacement	-	170,000	170,000	170,000						
Repair/Refurbishment/Update Fire Apparatus	-	-	-	-	300,000	75,000	-	-	-	-
Video Security System Upgrade	-	-	-	-	25,000	-	-	-	-	-
Techology Upgrades	-	-	-	-	120,000	-	-	-	-	-
Replace Engine 7	-	-	-	-	-	-	500,000	-	-	-
In-Car Camera Supporting Infrastructure Upgrade	-	-	-	-	-	-	-	82,000	-	-
Facility Replacement	-	-	-	-	-	-	-	-	-	-
Outside Funding:										
CAD/RMS Upgrade	-	150,000	150,000	150,000	-	-				
SCBA Replacement	-	647,116	647,116	647,116	-	-				
Dispatch Equipment Replacement	514,376	-	116,624	80,778	-					
Subtotal Priority Projects: Public Safety Equip	1,857,976	1,317,116	1,554,962	1,519,117	445,000	75,000	500,000	82,000	2,350,000	-
Priority Projects: Other										
Carryforwards (Reserve Funding):										
Project Downtown	-	-	-	-						
Arcadia Public Art	12,880	-	-	-						
Ianelli Fountain	30,365	-	9,653	9,653						
2004 GO Improvement Bond Excess	-	-	-	-						
Comprehensive Plan	-	-	-	-						
2008 GO Improvement Bond Excess	-	-	-	-						
Trailway Development	23,569	-	-	-						
Sidewalk Placement	535,151	-	-	-						
Non-Motorized Comp Plan- Kal River Valley Trail	239	-	-	-						
Portage Creek Trailway	50,933	-	131,746	131,746						
North Park & Westnedge Corridor	25,391	-	55,703	55,703						

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2011	2012	2012	2012	2013	2014	2015	2016	2017	2018
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Other, continued										
Edison & Vine Court Improvements	-	-	-	-						
Spring Valley Park Dam	13,993	-	177,891	177,891						
I-94 Business Loop Gateway Improvements	8,412	-	41,588	41,588						
Carryforwards (Outside Funding):										
Trailway Development	-	-	22,949	22,949						
Sidewalk Placement	-	-	2,268	2,268						
North Park & Westnedge Corridor	-	-	387,000	387,000						
I-94 Business Loop Gateway Improvements	-	-	272,000	272,000						
Cash / Reserve Funding:										
Master Plan Update	-	-	-	-						
Bond Funding:										
Non-Motorized Pathway Extension - Asylum	-	20,000	-	-						
Kal River Valley Trail - Willard Street Extension	-	-	-	-	-	45,000	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	-	120,000	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	-	150,000	-	-
Outside Funding:										
North Park/Westnedge Sidewalk Project	-	-	361,917	361,917						
Kal River Valley Trail - Willard Street Extension	-	-	-	-	-	600,000	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	-	800,000	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	-	1,920,000	-	-
Portage Streetscape	-	-	-	-	-	-	-	-	-	-
Subtotal Priority Projects: Other	700,932	20,000	1,462,716	1,462,716	-	645,000	920,000	2,070,000	-	-
Subtotal Carryforward Cash/Reserve Funded Projects	1,259,167	-	927,938	937,931	-	-	-	-	-	-
Subtotal Carryforward Outside Funded Projects	35,944	-	1,331,017	1,331,017	-	-	-	-	-	-
Subtotal Current Reserve/Cash Funded Projects	44,756	10,000	22,149	22,149	10,000	10,000	40,000	10,000	10,000	10,000
Subtotal Current Bond Funded Projects	1,361,486	1,081,000	1,121,000	1,126,007	906,500	1,855,500	2,195,000	4,747,000	3,000,000	800,000
Subtotal Current Outside Funded Projects	514,376	817,116	1,295,657	1,259,811	7,500	600,000	900,000	1,920,000	-	1,700,000
Total Priority Projects	3,215,729	1,908,116	4,697,762	4,676,916	924,000	2,465,500	3,135,000	6,677,000	3,010,000	2,510,000
Total Debt Service (Current Payment)	2,854,134	2,912,553	2,912,553	2,912,553	3,054,783	2,903,973	2,702,812	2,988,631	2,997,745	3,164,346
Total Capital Improvement Program Expenses	6,069,864	4,820,669	7,610,314	7,589,469	3,978,783	5,369,473	5,837,812	9,665,631	6,007,745	5,674,346
Transfer of Bond Reserves to Local Streets Fund	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(1,526,994)	(122,553)	(559,431)	(530,403)	(14,783)	(8,973)	7,188	1,369	17,255	(24,346)
Beginning Fund Balance	2,081,467	554,473	554,473	554,473	24,070	9,288	314	7,502	8,872	26,127
Ending Fund Balance	554,473	431,920	(4,958)	24,070	9,288	314	7,502	8,872	26,127	1,781

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MAJOR STREETS BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2014 Estimated	2015 Estimated	2016 Estimated	2017 Estimated	2018 Estimated
Revenue										
Highway Maintenance	158,273	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Gas & Weight Tax	3,885,881	3,824,407	3,824,407	3,824,407	4,107,326	4,189,473	4,273,262	4,358,727	4,445,902	4,534,820
Other State Revenue (Metro Act)	229,874	265,000	265,000	265,000	265,000	265,000	265,000	265,000	265,000	265,000
Interest	6,089	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Bond Discount	86,307	25,000	-	-	-	-	-	-	-	-
Other	26,832	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfer from Insurance Fund	59,916	23,343	23,343	23,343	23,343	23,343	23,343	23,343	23,343	23,343
Total Revenue	4,453,172	4,397,750	4,372,750	4,372,750	4,655,669	4,737,816	4,821,605	4,907,070	4,994,245	5,083,163
Expenditures										
Debt Service	1,897,498	1,793,602	1,793,602	1,923,997	2,109,374	1,898,172	1,397,212	1,216,342	1,085,213	1,087,584
New Debt Service	-	-	-	-	-	166,667	341,583	467,000	637,833	788,250
Operations & Maintenance	2,631,871	2,566,854	2,691,700	2,811,334	2,710,816	2,664,193	2,717,477	2,771,827	2,827,263	2,883,808
Total Debt Service & Operations	4,529,369	4,360,456	4,485,302	4,735,331	4,820,190	4,729,032	4,456,273	4,455,168	4,550,309	4,759,643
Transfers										
Transfer to Local Streets	300,000	-	-	-	500,000	250,000	300,000	300,000	300,000	400,000
Total Expenditure & Transfers	4,829,369	4,360,456	4,485,302	4,735,331	5,320,190	4,979,032	4,756,273	4,755,168	4,850,309	5,159,643
Available for Construction	(376,197)	37,294	(112,552)	(362,581)	(664,521)	(241,216)	65,332	151,902	143,935	(76,480)
Other Resources for Capital										
Federal Aid	-	873,000	873,000	873,000	1,885,000	1,117,000	1,706,000	1,161,000	1,406,000	1,161,000
Other State Revenue	-	-	-	-	-	-	-	-	-	-
Private Funding	125,005	-	150,000	150,000	-	-	-	-	-	-
Bond Reserves	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	2,000,000	2,005,000	2,005,000	2,005,000	2,000,000	2,099,000	1,505,000	2,050,000	1,805,000	2,058,000
Contribution from General Fund	-	-	-	-	-	-	-	-	-	-
Total	2,125,005	2,878,000	3,028,000	3,028,000	3,885,000	3,216,000	3,211,000	3,211,000	3,211,000	3,219,000
Capital Expenditures										
Construction	2,042,207	2,878,000	4,305,591	4,305,591	3,885,000	3,216,000	3,211,000	3,211,000	3,211,000	3,219,000
Surplus / (Deficit)	(293,399)	37,294	(1,390,143)	(1,640,172)	(664,521)	(241,216)	65,332	151,902	143,935	(76,480)
Transfer from LDFA (Reimbursement to Fund Balance)	131,364	187,440	187,440	170,000	183,146	340,344	240,400	-	-	-
Beginning Fund Balance	2,141,352	1,979,317	1,979,317	1,979,317	509,145	27,770	126,898	432,630	584,532	728,468
Ending Fund Balance	1,979,317	2,204,051	776,614	509,145	27,770	126,898	432,630	584,532	728,468	651,988

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
LOCAL STREETS BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2014 Estimated	2015 Estimated	2016 Estimated	2017 Estimated	2018 Estimated
Revenue & Other Resources										
Operating Revenues										
Gas & Weight Tax	1,097,173	1,072,760	1,072,760	1,072,760	1,111,627	1,100,000	1,122,000	1,144,440	1,167,329	1,190,675
Interest	1,977	2,000	2,000	2,000	2,000	10,000	10,000	10,000	10,000	10,000
Bond Discount	43,154	10,000	-	-	-	10,000	10,000	10,000	10,000	10,000
Other	25,462	34,665	34,665	34,665	3,000	5,000	5,000	5,000	5,000	5,000
Total Operating Revenue	1,167,766	1,119,425	1,109,425	1,109,425	1,116,627	1,125,000	1,147,000	1,169,440	1,192,329	1,215,675
Other Resources										
Transfer From Major Streets	300,000	-	-	-	500,000	250,000	300,000	300,000	300,000	400,000
Transfer From General Fund	1,052,328	1,445,390	1,445,390	1,445,390	800,000	1,550,000	1,275,000	1,275,000	1,300,000	1,300,000
Transfer From Insurance Fund	-	-	-	20,390	20,390	20,390	20,390	20,390	20,390	20,390
Total Other Resources	1,352,328	1,445,390	1,445,390	1,465,780	1,320,390	1,820,390	1,595,390	1,595,390	1,620,390	1,720,390
Total Revenue and Other Sources	2,520,094	2,564,815	2,554,815	2,575,205	2,437,017	2,945,390	2,742,390	2,764,830	2,812,719	2,936,065
Expenditures										
Operations & Maintenance	1,921,961	1,970,063	2,008,631	1,990,764	2,034,505	1,992,207	2,032,051	2,072,692	2,114,146	2,156,429
Existing Debt Service	679,453	661,746	661,746	661,746	754,587	759,086	539,356	438,142	363,800	363,840
Proposed New Debt Service	-	-	-	-	-	83,333	166,667	250,000	333,333	416,667
Total Debt Service & Operations	2,601,414	2,631,809	2,670,377	2,652,510	2,789,092	2,834,626	2,738,074	2,760,834	2,811,279	2,936,936
Available for Construction	(81,320)	(66,994)	(115,562)	(77,305)	(352,075)	110,764	4,316	3,996	1,439	(871)
Other Resources for Capital										
Local and Other Contributions	18,370	-	-	-	-	-	-	-	-	-
Bond Proceeds	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other/Transfer from CIP Bond Reserves	-	-	-	-	-	-	-	-	-	-
Transfer from General Fund	145,381	-	-	-	-	-	-	-	-	-
Transfer from Major Streets	-	-	-	-	-	-	-	-	-	-
Total	1,163,751	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Expenditures										
Construction	1,111,687	1,000,000	1,164,178	1,164,178	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Surplus / (Deficit)	(29,256)	(66,994)	(279,740)	(241,483)	(352,075)	110,764	4,316	3,996	1,439	(871)
Beginning Fund Balance	676,238	646,982	646,982	646,982	405,499	53,424	164,188	168,504	172,500	173,940
Ending Fund Balance	646,982	579,988	367,242	405,499	53,424	164,188	168,504	172,500	173,940	173,069

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
REVENUES:							
Operating Taxes- Current Year	29,848,373	28,201,204	28,201,204	28,201,204	28,088,708	-0.40%	28,088,708
Other Taxes / PILOT Payment	1,772,247	1,569,621	1,569,621	769,621	930,380	-40.73%	1,769,621
Licenses, Permits & Fees	1,897,099	1,792,900	1,792,900	1,845,192	1,867,700	4.17%	1,867,700
Intergovernmental Contributions	9,317,064	9,045,882	9,045,882	8,891,928	8,967,035	-0.87%	8,967,035
Charges for Services	5,343,235	5,345,397	5,345,397	3,965,549	4,078,180	-23.71%	4,159,744
Interest	375,290	485,100	485,100	407,527	405,050	-16.50%	409,101
Other Revenue	5,164,708	5,298,409	5,310,109	4,938,068	4,943,279	-6.70%	5,091,577
Potential Revenue	-	-	-	-	350,000		1,500,000
Transfer of Insurance Fund Overage	4,686,727	1,890,257	1,890,257	1,890,257	896,682	-52.56%	1,590,257
TOTAL OPERATING REVENUE	58,404,743	53,628,770	53,640,470	50,909,346	50,527,015	-5.78%	53,443,743
EXPENDITURES:							
CITY COMMISSION							
Personnel	56,519	56,515	56,515	56,515	56,515	0.00%	56,515
Operating	16,199	20,472	20,472	13,884	19,600	-4.26%	19,600
TOTAL CITY COMMISSION	72,718	76,987	76,987	70,399	76,115	-1.13%	76,115
CITY ADMINISTRATION							
Personnel	616,241	541,091	541,091	556,644	535,614	-1.01%	389,750
Operating	77,673	113,461	123,711	116,540	104,158	-8.20%	104,158
Capital	-	-	-	-	-		-
TOTAL CITY ADMINISTRATION	693,914	654,552	664,802	673,184	639,772	-2.26%	493,908
CITY ATTORNEY							
Personnel	750,302	703,149	703,149	670,998	650,254	-7.52%	632,871
Operating	88,040	86,975	87,374	72,551	85,762	-1.39%	85,762
TOTAL CITY ATTORNEY	838,342	790,124	790,523	743,549	736,016	-6.85%	718,633
CITY CLERK:							
ADMINISTRATION							
Personnel	210,047	221,074	221,074	207,271	223,170	0.95%	228,314
Operating	20,939	25,355	25,355	21,901	43,460	71.41%	43,460
TOTAL ADMINISTRATION	230,986	246,429	246,429	229,172	266,630	8.20%	271,774
ELECTIONS							
Personnel	105,294	202,170	202,170	203,498	111,964	-44.62%	113,798
Operating	30,402	69,461	76,501	79,344	35,257	-49.24%	35,257
TOTAL ELECTIONS	135,696	271,631	278,671	282,842	147,221	-45.80%	149,055
RECORDS MANAGEMENT							
Personnel	98,637	98,044	98,044	97,581	99,559	1.55%	101,190
Operating	111,788	70,173	99,748	98,016	70,087	-0.12%	70,087
Capital	1,141	-	-	-	-		-
TOTAL RECORDS MANAGEMENT	211,566	168,217	197,792	195,597	169,646	0.85%	171,277
TOTAL CITY CLERK	578,248	686,277	722,892	707,611	583,497	-14.98%	592,106
INTERNAL AUDITOR							
Personnel	87,964	83,942	85,546	85,552	90,427	7.73%	91,964
Operating	1,045	1,987	383	377	1,617	-18.62%	1,617
TOTAL INTERNAL AUDITOR	89,009	85,929	85,929	85,929	92,044	7.12%	93,581
HUMAN RESOURCES							
Personnel	700,969	674,309	731,309	730,318	659,321	-2.22%	662,896
Operating	54,200	49,614	62,614	55,181	50,417	1.62%	50,417
TOTAL HUMAN RESOURCES	755,169	723,923	793,923	785,499	709,738	-1.96%	713,313

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
INFORMATION TECHNOLOGY							
Personnel	659,159	621,807	621,807	530,486	620,188	-0.26%	631,142
Operating	533,844	495,324	551,469	485,499	516,942	4.36%	516,942
Capital	405,517	129,000	169,222	179,222	129,000	0.00%	129,000
TOTAL INFORMATION TECHNOLOGY	1,598,520	1,246,131	1,342,498	1,195,207	1,266,130	1.60%	1,277,084
MANAGEMENT SERVICES							
BUDGET AND ACCOUNTING							
Personnel	971,543	922,864	932,864	932,801	914,110	-0.95%	933,517
Operating	44,455	42,130	42,130	38,764	43,623	3.54%	43,623
Capital	460	-	-	-	-	-	-
TOTAL BUDGET AND ACCOUNTING	1,016,458	964,994	974,994	971,565	957,733	-0.75%	977,140
ASSESSOR							
Personnel	516,610	380,380	380,380	385,253	147,487	-61.23%	138,652
Operating	70,028	247,582	275,092	237,597	352,692	42.45%	352,692
TOTAL ASSESSOR	586,638	627,962	655,472	622,850	500,179	-20.35%	491,344
TREASURY							
Personnel	418,141	397,952	397,952	397,018	369,868	-7.06%	383,246
Operating	119,602	125,004	128,666	124,379	118,207	-5.44%	118,207
Capital	460	-	-	-	-	-	-
TOTAL TREASURER	538,203	522,956	526,618	521,397	488,075	-6.67%	501,453
PURCHASING							
Personnel	384,786	390,676	390,676	375,310	307,441	-21.31%	284,906
Operating	57,580	57,482	57,482	55,862	19,654	-65.81%	19,654
TOTAL PURCHASING	442,366	448,158	448,158	431,172	327,095	-27.01%	304,560
TOTAL MANAGEMENT SERVICES	2,583,665	2,564,070	2,605,242	2,546,984	2,273,082	-11.35%	2,274,498
PUBLIC SAFETY							
ADMINISTRATION							
Personnel	909,939	874,344	874,344	770,219	989,378	13.16%	988,493
Operating	141,898	133,418	163,237	145,274	180,449	35.25%	180,449
TOTAL ADMINISTRATION	1,051,837	1,007,762	1,037,581	915,493	1,169,827	16.08%	1,168,942
FINANCIAL SERVICES							
Personnel	367,743	370,846	370,846	329,502	-	-100.00%	-
Operating	994	2,200	2,200	660	-	-100.00%	-
TOTAL FINANCIAL SERVICES	368,737	373,046	373,046	330,162	-	-100.00%	-
TRAINING							
Personnel	648,589	675,997	675,997	965,941	-	-100.00%	-
Operating	173,719	184,923	200,201	194,898	-	-100.00%	-
TOTAL TRAINING	822,308	860,920	876,198	1,160,839	-	-100.00%	-
KVET							
Personnel	1,373,694	1,469,097	1,469,097	1,287,722	2,198,906	49.68%	2,196,940
Operating	-	23,567	23,567	-	-	-100.00%	-
TOTAL KVET	1,373,694	1,492,664	1,492,664	1,287,722	2,198,906	47.31%	2,196,940
OPERATIONS DIVISION							
Personnel	20,028,559	19,336,408	19,336,408	18,013,077	17,948,713	-7.18%	17,932,663
Operating	50,344	233,287	238,029	42,289	43,685	-81.27%	43,685
TOTAL OPERATIONS	20,078,903	19,569,695	19,574,437	18,055,366	17,992,398	-8.06%	17,976,348
CRIMINAL INVESTIGATIONS							
Personnel	3,628,915	3,484,231	3,484,231	3,435,619	3,405,856	-2.25%	3,402,810
Operating	19,727	49,080	49,080	30,721	55,721	13.53%	35,721
TOTAL CRIMINAL INVESTIGATIONS	3,648,642	3,533,311	3,533,311	3,466,340	3,461,577	-2.03%	3,438,531
SERVICE DIVISION							
Personnel	2,882,250	2,950,158	2,950,158	2,835,904	3,819,406	29.46%	3,815,991
Operating	2,748,622	2,908,527	2,938,527	2,128,356	2,609,615	-10.28%	2,338,615
Capital	523,527	225,771	268,096	268,233	308,900	36.82%	308,900
TOTAL SERVICE	6,154,399	6,084,456	6,156,781	5,232,493	6,737,921	10.74%	6,463,506
TOTAL PUBLIC SAFETY	33,498,520	32,921,854	33,044,018	30,448,415	31,560,629	-4.13%	31,244,267

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
PUBLIC SERVICES							
CITY MAINTENANCE							
Personnel	497,224	501,468	501,468	489,101	415,965	-17.05%	421,401
Operating	228,379	498,943	496,483	381,054	393,573	-21.12%	393,573
TOTAL CITY WIDE MAINTENANCE	725,603	1,000,411	997,951	870,155	809,538	-19.08%	814,974
ENGINEERING							
Personnel	1,037,472	1,131,127	1,131,127	1,029,195	1,046,483	-7.48%	1,141,796
Operating	276,268	201,077	201,077	155,594	164,653	-18.11%	164,653
TOTAL ENGINEERING	1,313,740	1,332,204	1,332,204	1,184,789	1,211,136	-9.09%	1,306,449
CITY EQUIPMENT							
Personnel	902,525	981,819	981,819	814,700	857,328	-12.68%	875,032
Operating	1,553,591	1,536,066	1,536,066	1,560,525	1,606,613	4.59%	1,606,613
Capital	109,762	200,000	200,000	213,737	170,000	-15.00%	170,000
TOTAL CITY EQUIPMENT	2,565,878	2,717,885	2,717,885	2,588,962	2,633,941	-3.09%	2,651,645
PUBLIC WORKS							
FORESTRY							
Personnel	437,341	310,222	310,222	219,238	200,860	-35.25%	207,170
Operating	204,993	37,863	37,863	38,510	38,510	1.71%	38,510
TOTAL FORESTRY	642,334	348,085	348,085	257,748	239,370	-31.23%	245,680
DOWNTOWN MAINTENANCE							
Personnel	82,178	71,271	71,271	88,691	84,131	18.04%	85,509
Operating	213,220	251,379	251,379	201,512	182,780	-27.29%	182,780
TOTAL DOWNTOWN MAINTENANCE	295,398	322,650	322,650	290,203	266,911	-17.28%	268,289
ENVIRONMENTAL INSPECTIONS							
Personnel	59,439	114,443	114,443	85,314	76,681	-33.00%	77,937
Operating	62,210	237,124	237,124	68,532	69,555	-70.67%	69,555
TOTAL ENVIRONMENTAL INSPECTIONS	121,649	351,567	351,567	153,846	146,236	-58.40%	147,492
SIDEWALKS							
Personnel	109,575	90,842	90,842	85,802	76,549	-15.73%	77,802
Operating	36,374	28,171	28,171	31,404	31,590	12.14%	31,590
TOTAL SIDEWALKS	145,949	119,013	119,013	117,206	108,139	-9.14%	109,392
CREEKS							
Operating	176	750	750	750	750	0.00%	750
TOTAL CREEKS	176	750	750	750	750	0.00%	750
TOTAL PUBLIC WORKS	1,205,506	1,142,065	1,142,065	819,753	761,406	-33.33%	771,603
TOTAL PUBLIC SERVICES	5,810,727	6,192,565	6,190,105	5,463,659	5,416,021	-12.54%	5,544,671

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
COMMUNITY PLANNING AND DEVELOPMENT							
CODE ADMINISTRATION							
HOUSING							
Personnel	942,433	898,541	898,541	895,730	868,113	-3.39%	876,446
Operating	90,757	110,146	113,782	93,505	80,977	-26.48%	80,977
Capital	3,735	3,000	3,000	950	3,000	0.00%	3,000
TOTAL HOUSING	1,036,925	1,011,687	1,015,323	990,185	952,090	-5.89%	960,423
TRADES							
Personnel	438,429	502,260	502,260	473,443	341,344	-32.04%	344,620
Operating	61,473	74,969	96,284	59,854	67,151	-10.43%	67,151
Capital	13,464	-	-	-	-	-	-
TOTAL TRADES	513,366	577,229	598,544	533,297	408,495	-29.23%	411,771
TOTAL CODE ADMINISTRATION	1,550,291	1,588,916	1,613,867	1,523,482	1,360,585	-14.37%	1,372,194
PLANNING							
Personnel	394,967	366,510	366,510	371,041	344,118	-6.11%	349,573
Operating	27,929	38,293	38,574	33,991	39,266	2.54%	39,266
TOTAL PLANNING	422,896	404,803	405,084	405,032	383,384	-5.29%	388,839
TOTAL COMMUNITY PLANNING AND DEVELOPMENT	1,973,187	1,993,719	2,018,951	1,928,514	1,743,969	-12.53%	1,761,032
ECONOMIC DEVELOPMENT							
Personnel	433,560	258,223	258,223	234,114	173,940	-32.64%	162,076
Operating	26,475	22,690	22,690	12,045	89,735	295.48%	89,735
TOTAL ECONOMIC DEVELOPMENT	460,035	280,913	280,913	246,159	263,675	-6.14%	251,811
PARKS AND RECREATION							
PARKS							
GENERAL PARKS							
Personnel	850,474	837,513	837,513	768,748	620,392	-25.92%	628,945
Operating	248,148	262,657	269,070	266,983	289,941	10.39%	289,941
Capital	17,900	-	-	-	-	-	-
TOTAL GENERAL PARKS	1,116,522	1,100,170	1,106,583	1,035,731	910,333	-17.26%	918,886
BRONSON PARK MAINTENANCE							
Personnel	45,763	53,076	53,076	53,173	22,191	-58.19%	22,497
Operating	33,204	35,816	35,916	28,658	32,649	-8.84%	32,649
TOTAL BRONSON PARK	78,967	88,892	88,992	81,831	54,840	-38.31%	55,146
TOTAL PARKS	1,195,489	1,189,062	1,195,575	1,117,562	965,173	-18.83%	974,032

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
RECREATION							
GENERAL RECREATION							
Personnel	653,821	613,001	613,001	586,576	541,147	-11.72%	545,464
Operating	222,400	243,854	244,059	209,083	225,924	-7.35%	225,924
TOTAL GENERAL RECREATION	876,221	856,855	857,060	795,659	767,071	-10.48%	771,388
RECREATION ADULT SPORTS							
Personnel	30,876	39,474	39,474	26,938	26,533	-32.78%	26,967
Operating	61,506	55,748	55,748	58,159	57,695	3.49%	57,695
TOTAL ADULT SPORTS	92,382	95,222	95,222	85,097	84,228	-11.55%	84,662
INTERGENERATIONAL AND INCLUSIVE SERVICE							
Personnel	49,886	45,484	45,484	28,918	5,588	-87.71%	5,680
Operating	11,682	13,046	13,046	12,933	5,150	-60.52%	5,150
TOTAL INTERGENERATIONAL AND INCLUSIVE SERVICE	61,568	58,530	58,530	41,851	10,738	-81.65%	10,830
RECREATION / SPORTS COMPLEX							
Personnel	90,475	100,215	100,215	109,554	93,853	-6.35%	95,390
Operating	55,898	71,959	73,449	71,427	68,949	-4.18%	68,949
TOTAL SPORTS COMPLEX	146,373	172,174	173,664	180,981	162,802	-5.44%	164,339
TOTAL RECREATION	1,176,544	1,182,781	1,184,476	1,103,588	1,024,839	-13.35%	1,031,219
TOTAL PARKS & RECREATION	2,372,033	2,371,843	2,380,051	2,221,150	1,990,012	-16.10%	2,005,251
GENERAL :							
NON-DEPARTMENTAL EXPENDITURES							
TOTAL STREET LIGHTING	1,350,409	1,359,848	1,359,848	1,359,848	1,381,469	1.59%	1,381,469
MEMBERSHIP DUES							
Michigan Municipal League	15,747	17,342	17,342	15,747	15,747	-9.20%	15,747
National League of Cities	5,952	5,952	5,952	5,952	5,952	0.00%	5,952
TOTAL MEMBERSHIP DUES	21,699	23,294	23,294	21,699	21,699	-6.85%	21,699

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
CONTRACTUAL							
Cable Franchise Fee - CAC	250,601	260,000	260,000	260,000	260,000	0.00%	260,000
Auto Park - Parking Enforcement	319,528	-	-	316,368	175,570		75,000
District Court Subsidy	130,622	148,174	148,174	136,476	138,174	-6.75%	138,174
General Insurance	30,960	30,954	31,431	31,431	31,431	1.54%	31,431
TOTAL CONTRACTUAL	731,711	439,128	439,605	744,275	605,175	37.81%	504,605
OUTSIDE CONTRACTUAL							
External Auditor	43,000	45,000	45,000	44,300	45,000	0.00%	45,000
Financial Advisors	20,285	25,000	26,800	26,800	25,000	0.00%	25,000
Home Ownership Program	(38)	-	-	-	-		-
Other	846	25,000	227,000	202,000	87,000	248.00%	62,000
TOTAL OUTSIDE CONTRACTUAL	64,093	95,000	298,800	273,100	157,000	65.26%	132,000
GENERAL SERVICE							
Salary Reserve	-	20,600	20,600	26,000	46,000	123.30%	46,000
Vacancy Variance	-	(800,000)	(1,629,227)	-	(500,000)	-37.50%	-
TANS Debt Service Fund	54,660	61,167	56,795	65,641	56,771	-7.19%	56,771
Stockbridge Rental Fee	116,870	118,031	117,554	121,081	121,081	2.58%	124,713
Other	165	-	-	1,974	2,000		-
TOTAL GENERAL SERVICE	171,695	(600,202)	(1,434,278)	214,696	(274,148)	-54.32%	227,484
TOTAL NON-DEPARTMENTAL	2,339,607	1,317,068	687,269	2,613,618	1,891,195	43.59%	2,267,257
TOTAL OPERATING BUDGET	53,663,694	51,905,955	51,684,103	49,729,877	49,241,895	-5.13%	49,313,526
INITIATIVES							
Summer Youth Employment	100,000	90,000	90,000	90,000	90,000	0.00%	90,000
Neighborhood Association Funding	226,850	211,500	222,250	222,250	211,500	0.00%	211,500
Contribution to Communities in Schools	-	50,000	50,000	50,000	50,000	0.00%	50,000
TOTAL INITIATIVES	326,850	351,500	362,250	362,250	351,500	0.00%	351,500
TOTAL GENERAL FUND OPERATING & INITIATIVE:	53,990,544	52,257,455	52,046,353	50,092,127	49,593,395	-5.10%	49,665,026
Expenditure Reductions: ERI	-	(600,000)	(600,000)	-	-	-100.00%	
Expenditure Reductions: Non-ERI							(1,050,000)
TRANSFERS OUT							
Contribution to CIP Fund	1,899,996	2,200,000	2,200,000	2,250,000	2,450,000	11.36%	2,305,000
Local Streets	999,996	1,425,000	1,425,000	1,425,000	800,000	-43.86%	1,550,000
Demolition Fund	-	40,000	40,000	40,000	-	-100.00%	-
Contribution to DDA	165,800	-	-	-	-		-
Contribution to Grant Fund	-	-	-	-	-		-
TOTAL CIP CONTRIBUTION	3,065,792	3,665,000	3,665,000	3,715,000	3,250,000	-11.32%	3,855,000
PENSION AND RETIREE CONTRIBUTIONS							
Contribution to Pension Trust Fund (ERI Payback: 2012 - 17)	-	600,000	600,000	600,000	600,000	0.00%	600,000
Contribution to Retiree Health Care Trust Fund	-	225,000	225,000	-	-	-100.00%	-
TOTAL POST RETIREMENT CONTRIBUTION	-	825,000	825,000	600,000	600,000	-27.27%	600,000
TOTAL GENERAL FUND EXPENDITURES	57,056,336	56,147,455	55,936,353	54,407,127	53,443,395	-4.82%	53,070,026
NET REVENUES - EXPENDITURES	1,348,407	(2,518,685)	(2,295,883)	(3,497,781)	(2,916,381)	16%	373,717

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
GENERAL FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
BEGINNING UNRESERVED FUND BALANCE	7,511,084	11,342,841	11,342,841	11,342,841	7,845,060	-30.84%	6,578,679
Use of (Contribution to) Budget Stabilization	-	-	-	-	1,650,000		-
Use of (Contribution to) Former ISF Reserves	2,483,350	-	-	-	-		-
Total Contribution from/(to) Reserves	2,483,350	-	-	-	1,650,000		-
(USE OF WORKING CAPITAL) OR TRANSFER TO SURPLUS	3,831,757	(2,518,685)	(2,295,883)	(3,497,781)	(1,266,381)	-49.72%	373,717
ENDING UNRESERVED FUND BALANCE	11,342,841	8,824,156	9,046,958	7,845,060	6,578,679	-25.45%	6,952,396
Target Fund Balance	7,592,617	6,971,740	6,973,261	6,618,215	6,568,512	-5.78%	6,947,687
Over / (Under) Target Fund Balance	3,750,225	1,852,416	2,073,697	1,226,845	10,167		4,709
Fund Balance Percentage of Revenue	19.4%	16.5%	16.9%	15.4%	13.0%		13.0%
Ending Budget Stabilization Reserves	1,650,000	1,650,000	1,650,000	1,650,000	-		-
Ending Capital Reserve	350,000	350,000	350,000	350,000	350,000		350,000

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CAPITAL IMPROVEMENT FUND**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
RESOURCES							
Transfer From General Fund	1,899,996	2,200,000	2,200,000	2,250,000	2,450,000	11.4%	2,305,000
Transfer From Other Funds	-	-	-	-	-		-
Interest	4,222	50,000	50,000	5,000	50,000	0.0%	50,000
Special Assessment	2,037	-	-	-	-		-
Reimbursements - Various Sources	606,033	550,000	550,000	550,000	550,000	0.0%	550,000
Federal Grants	385,080	647,116	1,360,632	1,360,632	-	-100.0%	-
State Grants	-	-	854,251	854,251	-		300,000
Bond Proceeds	1,586,692	1,081,000	1,081,000	1,103,752	906,500	-16.1%	1,855,500
Private / Local Contributions	58,810	170,000	955,000	935,431	7,500	-95.6%	300,000
TOTAL RESOURCES	4,542,870	4,698,116	7,050,883	7,059,066	3,964,000	-15.6%	5,360,500
EXPENDITURES							
Debt Service	2,854,134	2,912,553	2,912,553	2,912,553	3,054,783	4.9%	2,903,973
Environmental	29,861	10,000	22,149	22,149	10,000	0.0%	10,000
Park Improvements	495,279	206,000	1,237,927	1,237,927	278,000	35.0%	1,051,500
Facilities	131,680	355,000	420,007	435,007	191,000	-46.2%	684,000
Public Safety Equipment	1,857,976	1,317,116	1,554,962	1,519,117	445,000	-66.2%	75,000
Other Projects	700,932	20,000	1,462,716	1,462,716	-	-100.0%	645,000
TOTAL CAPITAL IMPROVEMENT	6,069,864	4,820,669	7,610,314	7,589,469	3,978,783	-17.5%	5,369,473
Transfer of Bond Reserves to Local Streets Fund	-	-	-	-	-		-
(Use of) Addition to Working Capital	(1,526,994)	(122,553)	(559,431)	(530,403)	(14,783)	-87.9%	(8,973)
BEGINNING FUND BALANCE	2,081,467	554,473	554,473	554,473	24,070	-95.66%	9,287
ENDING FUND BALANCE	554,473	431,920	(4,958)	24,070	9,287	-97.85%	314

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
MAJOR STREETS							
Operating							
RESOURCES							
Highway Maintenance	158,273	250,000	250,000	250,000	250,000	0.00%	250,000
Gas and Weight Tax	3,885,881	3,824,407	3,824,407	3,824,407	4,107,326	7.40%	4,189,473
Other State Revenue (Metro Act)	229,874	265,000	265,000	265,000	265,000	0.00%	265,000
Interest	6,089	5,000	5,000	5,000	5,000	0.00%	5,000
Bond Financing	86,307	25,000	-	-	-	-100.00%	-
Other	26,832	5,000	5,000	5,000	5,000	0.00%	5,000
Transfer from Insurance Fund	59,916	23,343	23,343	23,343	23,343	0.00%	23,343
Use of (Contribution to) Working Capital	376,197	(37,294)	112,552	362,581	664,521	-1881.84%	74,549
TOTAL RESOURCES	4,829,369	4,360,456	4,485,302	4,735,331	5,320,190	22.01%	4,812,365
EXPENDITURES							
Personnel	836,364	933,335	933,335	958,548	883,539	-5.34%	898,007
Operating	1,795,507	1,633,519	1,758,365	1,852,786	1,827,277	11.86%	1,766,186
Debt Service	1,897,498	1,793,602	1,793,602	1,923,997	2,109,374	17.61%	1,898,172
Transfer to Local Streets	300,000	-	-	-	500,000		250,000
TOTAL MAJOR STREETS OPERATING	4,829,369	4,360,456	4,485,302	4,735,331	5,320,190	22.01%	4,812,365
CAPITAL							
RESOURCES							
Federal Aid	-	873,000	873,000	873,000	1,885,000	115.92%	1,117,000
State Grants and Other State Revenue	-	-	-	-	-		-
Local and Other Contributions	125,005	-	150,000	150,000	-		-
Contribution from Bond Proceeds	2,000,000	2,005,000	2,005,000	2,005,000	2,000,000	-0.25%	2,099,000
Use of (Contribution to) Working Capital	(82,798)	-	1,277,591	1,277,591	-		-
TOTAL RESOURCES	2,042,207	2,878,000	4,305,591	4,305,591	3,885,000	34.99%	3,216,000
STREET CONSTRUCTION							
Personnel	69,145	81,574	81,574	81,574	77,729	-4.71%	80,061
Supplies and Services	1,973,062	2,796,426	4,164,017	4,164,017	3,801,871	35.95%	3,135,939
Capital	-	-	60,000	60,000	5,400		-
TOTAL STREET CONSTRUCTION	2,042,207	2,878,000	4,305,591	4,305,591	3,885,000	34.99%	3,216,000
TOTAL MAJOR STREETS	6,871,576	7,238,456	8,790,893	9,040,922	9,205,190	27.17%	8,028,365
LOCAL STREETS							
Operating							
RESOURCES							
Gas and Weight Taxes	1,097,173	1,072,760	1,072,760	1,072,760	1,111,627	3.62%	1,100,000
Interest	1,977	2,000	2,000	2,000	2,000	0.00%	10,000
Bond Financing	43,154	10,000	-	-	-	-100.00%	10,000
Other	25,462	34,665	34,665	34,665	3,000	-91.35%	5,000
Transfer from Major Streets	300,000	-	-	-	500,000		250,000
Transfer from General Fund	1,052,328	1,445,390	1,445,390	1,445,390	800,000	-44.65%	1,550,000
Transfer from Insurance Fund	-	-	-	20,390	20,390		-
Use of (Contribution to) Working Capital	81,320	66,994	115,562	77,305	352,075	425.53%	(173,708)
TOTAL RESOURCES	2,601,414	2,631,809	2,670,377	2,652,510	2,789,092	5.98%	2,751,293
EXPENDITURES							
Personnel	678,477	850,317	850,317	907,144	875,399	2.95%	889,734
Operating	1,243,484	1,119,746	1,158,314	1,083,620	1,159,106	3.52%	1,102,473
Debt Service	679,453	661,746	661,746	661,746	754,587	14.03%	759,086
TOTAL LOCAL STREETS OPERATING	2,601,414	2,631,809	2,670,377	2,652,510	2,789,092	5.98%	2,751,293

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
LOCAL STREETS, continued							
CAPITAL							
RESOURCES							
Local and Other Contributions	18,370	-	-	-	-		-
Bond Proceeds	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0.00%	1,000,000
Transfer from Other Funds	145,381	-	-	-	-		-
Use of (Contribution to) Working Capital	(52,064)	-	164,178	164,178	-		-
TOTAL RESOURCES	1,111,687	1,000,000	1,164,178	1,164,178	1,000,000	0.00%	1,000,000
STREET CONSTRUCTION							
Personnel	30,141	40,264	40,264	40,264	39,027	-3.07%	39,666
Supplies and Services	1,081,546	959,736	1,123,914	1,123,914	960,973	0.13%	960,334
TOTAL STREET CONSTRUCTION	1,111,687	1,000,000	1,164,178	1,164,178	1,000,000	0.00%	1,000,000
TOTAL LOCAL STREETS	3,713,101	3,631,809	3,834,555	3,816,688	3,789,092	4.33%	3,751,293
CEMETERIES							
RESOURCES							
Lot and Burial Sales	127,413	148,000	148,000	128,200	125,250	-15.37%	125,250
Foundations	13,249	18,000	18,000	16,000	17,000	-5.56%	17,000
Interest	137	-	-	-	-		-
Other	845	250	250	-	-	-100.00%	-
Transfer from Cemetery Trust / Capital	318,435	359,153	359,153	359,153	360,000	0.24%	373,692
Use of (Contribution to) Working Capital	(72,409)	(9,538)	(9,538)	12,512	13,186	-238.25%	-
TOTAL RESOURCES	387,670	515,865	515,865	515,865	515,436	-0.08%	515,942
EXPENDITURES							
Personnel	34,564	31,316	31,316	35,795	30,889	-1.36%	31,395
Operating	223,855	304,549	304,549	300,070	304,547	0.00%	304,547
Capital	129,251	180,000	180,000	180,000	180,000	0.00%	180,000
TOTAL CEMETERIES	387,670	515,865	515,865	515,865	515,436	-0.08%	515,942
SOLID WASTE							
RESOURCES							
Taxes - Current and Prior Years	2,403,344	2,274,314	2,274,314	2,274,314	2,248,889	-1.12%	2,257,837
Interest	2,487	10,000	10,000	10,000	10,000	0.00%	10,400
Other	-	250	250	250	-	-100.00%	-
Use of (Contribution to) Working Capital	79,006	219,396	332,951	278,269	323,149	47.29%	326,074
TOTAL RESOURCES	2,484,837	2,503,960	2,617,515	2,562,833	2,582,038	3.12%	2,594,311
EXPENDITURES							
Personnel	727,129	729,578	729,578	737,165	749,485	2.73%	761,758
Operating	1,757,708	1,774,382	1,887,937	1,825,668	1,832,553	3.28%	1,832,553
TOTAL SOLID WASTE	2,484,837	2,503,960	2,617,515	2,562,833	2,582,038	3.12%	2,594,311
BLIGHT ABATEMENT							
RESOURCES							
Charges for Services	24,390	-	-	47,100	40,000		40,000
Other	189	-	-	-	-		-
Transfer from General Fund	-	40,000	40,000	40,000	-	-100.00%	20,000
Use of (Contribution to) Working Capital	(11,734)	-	3,011	(75,584)	8,762		(11,238)
TOTAL RESOURCES	12,845	40,000	43,011	11,516	48,762	21.91%	48,762
EXPENDITURES							
Operating	12,845	40,000	43,011	11,516	48,762	21.91%	48,762
TOTAL BLIGHT ABATEMENT	12,845	40,000	43,011	11,516	48,762	21.91%	48,762

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
BROWNFIELD LOCAL SITE REM REVOLVING							
RESOURCES							
Tax Capture	434,219	505,200	505,200	505,200	204,645	-59.49%	390,000
Interest on Investments	857	2,200	2,200	800	500	-77.27%	10,000
Use of (Contribution to) Working Capital	70,745	67,600	67,600	(432,233)	320,155	373.60%	(31,000)
TOTAL RESOURCES	505,821	575,000	575,000	73,767	525,300	-8.64%	369,000
EXPENDITURES							
Operating	63,183	575,000	575,000	73,767	525,300	-8.64%	221,000
Transfers to Other Funds	442,638	-	-	-	-		148,000
TOTAL LOCAL SITE REM REVOLVING	505,821	575,000	575,000	73,767	525,300	-8.64%	369,000
ECONOMIC INITIATIVE							
RESOURCES							
Principal on Loans	153,329	-	159,183	92,800	189,473		150,000
Interest on Loans	58,931	48,121	48,121	34,750	58,712	22.01%	60,000
Interest on Investments	160	2,000	2,000	200	200	-90.00%	10,000
Use of (Contribution to) Working Capital	(212,420)	(50,121)	40,696	122,250	(148,385)	196.05%	(103,000)
TOTAL RESOURCES	-	-	250,000	250,000	100,000		(33,000)
EXPENDITURES							
Operating	-	-	250,000	250,000	100,000		117,000
TOTAL ECONOMIC INITIATIVE	-	-	250,000	250,000	100,000		117,000
SMALL BUSINESS REVOLVING LOANS							
RESOURCES							
Principal on Loans	44,033	9,558	9,558	8,600	8,983	-6.02%	40,000
Interest from Loans	2,642	3,858	3,858	1,861	1,478	-61.69%	10,000
Other	400	800	800	-	-	-100.00%	10,000
Use of (Contribution to) Working Capital	(38,761)	65,784	65,784	(10,461)	69,539	5.71%	(30,000)
TOTAL RESOURCES	8,314	80,000	80,000	-	80,000	0.00%	30,000
EXPENDITURES							
Operating	8,314	80,000	80,000	-	80,000	0.00%	30,000
TOTAL SMALL BUSINESS REVOLVING LOANS	8,314	80,000	80,000	-	80,000	0.00%	30,000
ECONOMIC OPPORTUNITY							
RESOURCES							
Interest on Investments	219	-	-	300	300		-
Use of (Contribution to) Working Capital	(219)	27,426	27,426	(300)	99,700	263.52%	34,000
TOTAL RESOURCES	-	27,426	27,426	-	100,000	264.62%	34,000
EXPENDITURES							
Operating	-	27,426	27,426	-	100,000	264.62%	34,000
TOTAL ECONOMIC OPPORTUNITY	-	27,426	27,426	-	100,000	264.62%	34,000
HOUSING REVOLVING LOANS							
RESOURCES							
Principal on Loans	-	-	-	-	-		-
Other	2,855	-	29,603	-	-		-
Use of (Contribution to) Working Capital	396,817	-	(10,000)	-	-		-
TOTAL RESOURCES	399,672	-	19,603	-	-		-
EXPENDITURES							
Operating	399,672	-	19,603	-	-		-
TOTAL HOUSING REVOLVING LOANS	399,672	-	19,603	-	-		-

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
KVET DRUG ENFORCEMENT FORFEITURE							
RESOURCES							
KVET-Federal Forfeiture Justice Fund	132,837	25,000	25,000	25,000	25,000	0.00%	25,000
Drug Forfeiture Revenue	606,017	225,000	225,000	225,000	250,000	11.11%	250,000
Clandestine Lab Program	6,208	-	-	-	10,000		10,000
Interest on Investments	1,848	5,000	5,000	5,000	2,000	-60.00%	2,000
Auction Sale and Sale of Assets	30,782	30,000	30,000	30,000	30,000	0.00%	30,000
Use of (Contribution to) Working Capital	(465,797)	143,363	143,363	188,456	83,514	-41.75%	84,368
TOTAL RESOURCES	311,895	428,363	428,363	473,456	400,514	-6.50%	401,368
EXPENDITURES							
Personnel	(3,024)	52,358	52,358	54,328	52,169	-0.36%	53,023
Operating	302,030	331,505	331,505	297,957	301,845	-8.95%	301,845
Capital	12,889	44,500	44,500	121,171	46,500	4.49%	46,500
TOTAL KVET DRUG ENFORCEMENT	311,895	428,363	428,363	473,456	400,514	-6.50%	401,368
PUBLIC SAFETY CONTRACTS							
RESOURCES							
Charges for Services	390,728	461,342	461,342	408,027	316,200	-31.46%	316,200
Other	-	-	-	-	-		-
Use of (Contribution to) Working Capital	-	-	-	(3,764)	(1,043)		(685)
TOTAL RESOURCES	390,728	461,342	461,342	404,263	315,157	-31.69%	315,515
EXPENDITURES							
Personnel	390,728	461,342	461,342	404,263	315,157	-31.69%	315,515
TOTAL PUBLIC SAFETY CONTRACTS	390,728	461,342	461,342	404,263	315,157	-31.69%	315,515
COMMUNITY DEVELOPMENT ENTITLEMENT GRANTS							
RESOURCES							
Federal Revenues	4,161,844	1,075,031	4,414,966	4,259,748	1,071,305	-0.35%	960,147
Community Grants and Contributions	-	-	-	-	-		-
Other	67,001	-	-	-	-		30,000
Transfer from Insurance Fund	-	-	-	-	-		-
Working Capital	(448)	-	(20)	-	-		-
TOTAL RESOURCES	4,228,397	1,075,031	4,414,946	4,259,748	1,071,305	-0.35%	990,147
EXPENDITURES							
Personnel	809,061	984,896	1,033,533	887,735	974,195	-1.09%	990,147
Operating	3,419,336	90,135	3,381,413	3,372,013	97,110	7.74%	-
Capital	-	-	-	-	-		-
TOTAL COMMUNITY DEVELOPMENT ENTITLEMENT GRANTS	4,228,397	1,075,031	4,414,946	4,259,748	1,071,305	-0.35%	990,147
MISCELLANEOUS GRANTS							
RESOURCES							
Federal and State Grants	383,211	69,084	344,563	333,375	-	-100.00%	-
Local Contributions	161,131	-	100,999	95,711	-		-
Internal Contributions	146,311	-	11,836	11,836	-		-
Working Capital	-	-	-	-	-		-
TOTAL RESOURCES	690,653	69,084	457,398	440,922	-	-	-
EXPENDITURES							
PUBLIC SAFETY-							
Personnel	68,534	69,084	101,330	90,142	-	-100.00%	-
Operating	76,326	-	107,035	107,035	-		-
Capital	230,925	-	154,604	154,604	-		-
TOTAL PUBLIC SAFETY	375,785	69,084	362,969	351,781	-	-	-
PARKS AND RECREATION-							
Personnel	62,660	-	15,108	9,820	-		-
Operating	234,197	-	79,321	79,321	-		-
TOTAL PARKS AND RECREATION	296,857	-	94,429	89,141	-	-	-

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
MISCELLANEOUS GRANTS, continued							
COMMUNITY DEVELOPMENT-							
Operating	466	-	-	-	-		-
Capital	17,545	-	-	-	-		-
	18,011	-	-	-	-		-
TOTAL MISC. GRANT PROGRAMS	690,653	69,084	457,398	440,922	-	-100.00%	-
RECOVERY ACT GRANTS & PROGRAMS							
RESOURCES							
Federal Revenues	7,913,633	856,879	4,370,537	3,731,869	-	-100.00%	-
Other	34,438	-	-	-	-		-
Working Capital	-	-	-	-	-		-
TOTAL RESOURCES	7,948,071	856,879	4,370,537	3,731,869	-	-100.00%	-
EXPENDITURES							
PUBLIC SAFETY-							
Personnel	653,737	663,620	663,620	529,116	-	-100.00%	-
Operating	49,903	-	116,955	116,955	-		-
Capital	166,865	-	2,925	2,925	-		-
TOTAL PUBLIC SAFETY	870,505	663,620	783,500	648,996	-	-100.00%	-
COMMUNITY DEVELOPMENT-							
Personnel	245,241	193,259	197,559	164,516	-	-100.00%	-
Operating	6,332,538	-	3,323,726	2,852,605	-		-
Capital	-	-	-	-	-		-
TOTAL COMMUNITY DEVELOPMENT	6,577,779	193,259	3,521,285	3,017,121	-	-100.00%	-
ECONOMIC DEVELOPMENT-							
Operating	-	-	63,374	63,374	-		-
Capital	499,787	-	2,378	2,378	-		-
TOTAL ECONOMIC DEVELOPMENT	499,787	-	65,752	65,752	-		-
TOTAL ARRA GRANTS	7,948,071	856,879	4,370,537	3,731,869	-	-100.00%	-
TOTAL SPECIAL REVENUES	27,953,580	17,503,215	26,886,454	25,581,849	18,732,794	7.02%	17,195,702

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ENTERPRISE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
WASTEWATER							
RESOURCES							
Operational	18,145,036	19,578,500	19,578,500	19,585,000	19,578,500	0.00%	19,578,500
Interest	20,167	111,232	111,232	111,232	111,232	0.00%	111,232
Special Assessments	-	-	-	-	-	-	-
Federal Subsidy - Interest on BAB	50,628	50,268	50,268	50,268	49,595	-1.34%	49,595
Other Income	53,177	26,600	26,600	26,600	26,600	0.00%	26,600
CIA - Capital	1,523,653	1,537,600	1,537,600	1,537,600	60,200	-96.08%	60,200
Bond Proceeds	-	-	6,100,000	6,100,000	-	-	-
Transfer from Former Internal Service	546,258	-	-	-	-	-	-
Transfer from Other Funds	211,384	-	-	-	-	-	-
Use of (Contribution to) Working Capital	11,604,818	8,909,399	3,436,555	400,290	7,073,161	-20.61%	6,523,969
TOTAL RESOURCES	32,155,121	30,213,599	30,840,755	27,810,990	26,899,288	-10.97%	26,350,096
EXPENDITURES							
Personnel	7,301,799	7,332,386	7,332,386	7,177,089	5,344,764	-27.11%	5,432,285
Operating	15,720,535	17,479,125	17,534,763	17,176,253	17,421,260	-0.33%	17,421,260
Capital	8,468,469	4,805,165	5,376,683	2,926,276	3,118,900	-35.09%	2,464,000
Debt Service	605,125	596,923	596,923	531,372	1,014,364	69.93%	1,032,552
Transfers	59,193	-	-	-	-	-	-
TOTAL WASTEWATER	32,155,121	30,213,599	30,840,755	27,810,990	26,899,288	-10.97%	26,350,096
WATER							
RESOURCES							
Operational	12,351,708	13,474,900	13,474,900	13,474,900	13,474,900	0.00%	13,474,900
Interest	11,916	5,000	5,000	5,000	5,000	0.00%	5,000
Local Contributions	-	260,200	260,200	260,200	-	-100.00%	-
Federal Grants	22,951	-	-	-	-	-	-
Federal Subsidy - Interest on BAB	173,952	173,672	173,672	173,672	173,672	0.00%	173,672
Other	73,464	-	16,761	33,214	-	-	-
Capital CIA	1,613,720	544,000	544,000	550,800	440,300	-19.06%	-
Transfer from Former Internal Service	1,655,977	-	-	-	-	-	-
Transfer from Other Funds	85,873	-	-	10,775	-	-	-
Use of (Contribution to) Working Capital	3,371,653	5,634,388	5,966,545	5,670,388	5,469,556	-2.93%	7,385,432
TOTAL RESOURCES	19,361,214	20,092,160	20,441,078	20,178,949	19,563,428	-2.63%	21,039,005
EXPENDITURES							
Personnel	4,966,981	5,604,820	5,604,820	5,427,777	4,737,394	-15.48%	4,814,969
Operating	9,008,738	9,515,682	9,666,164	9,564,979	9,681,709	1.74%	9,681,709
Capital	2,309,777	2,194,641	2,393,077	2,393,077	2,502,200	14.01%	3,950,056
Debt Service	2,740,290	2,777,017	2,777,017	2,793,116	2,642,125	-4.86%	2,592,271
Transfers	335,428	-	-	-	-	-	-
TOTAL WATER	19,361,214	20,092,160	20,441,078	20,178,949	19,563,428	-2.63%	21,039,005

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ENTERPRISE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
KALAMAZOO FARMERS MARKET							
RESOURCES							
Property Rental	62,147	60,000	60,000	60,000	62,375	3.96%	62,375
Other	5,220	4,160	4,160	30,360	5,360	28.85%	5,360
Use of (Contribution to) Working Capital	67,838	(1,531)	3,136	(17,177)	800	-152.25%	1,642
TOTAL RESOURCES	135,205	62,629	67,296	73,183	68,535	9.43%	69,377
EXPENDITURES							
Personnel	46,234	46,729	46,729	51,515	51,408	10.01%	52,250
Operating	88,971	15,900	20,567	21,668	17,127	7.72%	17,127
TOTAL FARMERS MARKET	135,205	62,629	67,296	73,183	68,535	9.43%	69,377
TRANSPORTATION							
RESOURCES							
Current / Prior Year Taxes	947,004	996,728	996,728	874,410	877,929	-11.92%	996,728
Federal Grants	2,337,099	12,766,609	12,766,609	5,500,827	5,090,982	-60.12%	3,778,694
State Grants	4,391,695	7,476,453	7,476,453	5,697,399	6,149,369	-17.75%	5,820,796
Subsidies	3,304,787	3,909,005	3,909,005	3,584,088	3,671,727	-6.07%	3,708,444
Operating	2,550,290	2,475,731	2,475,731	2,484,736	2,473,088	-0.11%	2,473,088
Other Revenue	251,422	225,697	225,697	172,483	169,000	-25.12%	-
Capital Contributions	4,569,137	-	-	-	-	-	-
Use of (Contribution to) Working Capital	2,274,121	1,625,430	1,625,430	2,279,256	2,388,822	46.97%	4,161,961
TOTAL RESOURCES	20,625,555	29,475,653	29,475,653	20,593,199	20,820,917	-29.36%	15,719,962
EXPENDITURES							
Personnel	6,658,712	7,232,561	7,232,561	7,113,451	7,254,636	0.31%	7,373,431
Operating	9,304,977	9,980,825	9,980,825	10,036,225	9,769,803	-2.11%	9,769,803
Capital	4,661,866	12,262,267	12,262,267	3,443,523	3,796,478	-69.04%	3,796,478
TOTAL METRO TRANSIT	20,625,555	29,475,653	29,475,653	20,593,199	20,820,917	-29.36%	20,939,712
TOTAL ENTERPRISE FUNDS	72,277,095	79,844,041	80,824,782	68,656,321	67,352,168	-15.65%	68,398,189

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
RETIREMENT SYSTEM ADMINISTRATION**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
RETIREMENT SYSTEM							
ADMINISTRATION							
Operations	426,035	541,497	541,497	541,497	544,950	0.64%	550,400
TOTAL RETIREMENT SYSTEM - ADMINISTRATION	426,035	541,497	541,497	541,497	544,950	0.64%	550,400

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
INTERNAL SERVICE FUNDS**

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Variance	2014 Projected
INSURANCE							
RESOURCES							
Interest	12,920	75,000	75,000	12,920	10,000	-86.67%	10,000
General Insurance Revenue	3,372,209	1,222,212	1,222,212	1,663,212	1,342,212	9.82%	1,042,034
Workers Comp. Revenue	2,523,622	2,906,748	2,906,748	2,385,132	2,361,656	-18.75%	2,428,263
Life/Disability Ins Revenue	687,112	781,687	781,687	646,456	690,353	-11.68%	705,636
Health Insurance Revenue	15,245,040	17,844,853	17,844,853	16,134,328	17,492,501	-1.97%	16,643,850
Dental Insurance Revenue	576,640	665,530	665,530	587,896	613,666	-7.79%	564,540
Fringe Benefit Revenue	438,385	512,376	512,376	477,990	527,747	3.00%	-
Transfer from Former Internal Service	-	-	-	-	-	-	-
Use of (Contribution to) Working Capital	3,165,323	370,009	413,742	95,930	(396,517)	-207.16%	(10,000)
TOTAL RESOURCES	26,021,251	24,378,415	24,422,148	22,003,864	22,641,617	-7.12%	21,384,323
OPERATIONS							
Administration	92,928	93,852	93,852	93,852	93,852	0.00%	-
General Insurance	1,070,219	1,203,102	1,203,102	1,012,261	1,021,602	-15.09%	1,042,034
Workers Compensation	3,160,128	2,443,000	2,443,000	1,664,746	2,380,650	-2.55%	2,428,263
Life/Disability Ins Revenue	688,084	754,287	754,287	662,852	691,800	-8.28%	705,636
Health Insurance	15,282,984	16,791,387	16,791,387	13,526,825	15,555,000	-7.36%	16,643,850
Dental Insurance	521,699	665,530	665,530	576,763	553,471	-16.84%	564,540
Misc. Benefits	406,234	537,000	537,000	2,532,575	1,404,827	161.61%	-
Transfer to Other funds (Rebate of Excess)	4,798,975	1,890,257	1,933,990	1,933,990	940,415	-50.25%	-
Fringe Benefit	-	-	-	-	-	-	-
TOTAL INSURANCE	26,021,251	24,378,415	24,422,148	22,003,864	22,641,617	-7.12%	21,384,323

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CITY COMMISSION**

CITY COMMISSION

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the City Commission is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	56,519	56,515	56,515	56,515	56,515	0.00%	56,515
Operating	16,199	20,472	20,472	13,884	19,600	-4.26%	19,600
TOTAL	72,718	76,987	76,987	70,399	76,115	-1.13%	76,115

DEPARTMENT DESCRIPTION

The City Commissioners are elected representatives of the citizens of Kalamazoo. As required by the City Charter, the entire City Commission is elected on an at-large non-partisan basis every two years. The two individuals receiving the highest number of votes serve as Mayor and Vice Mayor, respectively. The City Commission provides leadership and policy direction for the community and all municipal government activities with a focus on the long-term financial stability of the City and identification of community priorities.

The City Commission appoints and directs the activities of the City Manager, City Attorney, City Clerk, City Assessor and Internal Auditor. The Commission also appoints boards and commissions to serve as advisors to the Commission.

2013 BUDGET HIGHLIGHTS

The 2013 City Commission budget represents a "status quo" submittal where projected expenditures closely track the 2012 adopted budget.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CITY ADMINISTRATION**

CITY ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the City Administration is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	616,241	541,091	541,091	556,644	535,614	-1.01%	389,750
Operating	77,673	113,461	123,711	116,540	104,158	-8.20%	104,158
TOTAL	693,914	654,552	664,802	673,184	639,772	-2.26%	493,908

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	6.0	4.0	4.0

DEPARTMENT DESCRIPTION

The mission of the City Manager's Office is to effectively and efficiently manage the delivery of City services within the guidelines and policies established by the City Commission; to provide leadership to the organization to ensure overall effectiveness, long-term financial stability, and development and execution of long-term fiscal and organizational plans supporting community priorities that contribute to the sustainability of the community.

2013 BUDGET HIGHLIGHTS

The 2013 City Administration budget reflects a reduction from the 2012 projected budget by recognizing a full year savings for positions eliminated in 2012. The proposed budget is also less than the 2013 budget directive of \$650,095. The FY2013 budget directive is anchored on the projected savings as detailed in the Strategic Alignment Plan (SAP).

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CITY ATTORNEY**

CITY ATTORNEY

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the City Attorney is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	750,302	703,149	703,149	670,998	650,254	-7.52%	632,871
Operating	88,040	86,975	87,374	72,551	85,762	-1.39%	85,762
Debt Service							
Transfers							
TOTAL	838,342	790,124	790,523	743,549	736,016	-6.85%	718,633

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	8.0	7.0	6.0

DEPARTMENT DESCRIPTION

The mission of the City Attorney's Office is to support the City Commission's goals and objectives by providing quality legal counsel and representation. As mandated by the City Charter, services are provided to the City Commission, to the City Manager and City Administration staff, to other City Commission appointees, and to other city boards and bodies.

The City Attorney's Office prosecutes ordinance violations, including those that impact the quality of life in our neighborhoods; reviews and prepares contracts and agreements, including those related to economic development and re-use of brownfields; drafts ordinances and resolutions; represents the City in both state and federal courts and in administrative tribunals; and gives legal opinions and counsel on a wide variety of issues.

The City Attorney's office has established five distinct service areas encompassing the services it provides:

- General Counsel
- Ordinance Prosecution
- Civil Litigation
- Administrative Advocacy
- Freedom of Information Act Requests

2013 BUDGET HIGHLIGHTS

The FY 2013 Budget reflects the elimination of one Paralegal. The Attorney's office staffing has been reduced by 25% over the last two years. Duties will be absorbed by remaining staff and supported with outside assistance as needed.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CITY CLERK**

ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the City Clerk - Administration Division is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	210,047	221,074	221,074	207,271	223,170	0.95%	228,314
Operating	20,939	25,355	25,355	21,901	43,460	71.41%	43,460
TOTAL	230,986	246,429	246,429	229,172	266,630	8.20%	271,774

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	2.0	2.0	2.0

DEPARTMENT DESCRIPTION

The Administration Division of the City Clerk's Office exists to support the work of the City Commission, to provide support for the City's Advisory Boards and Commissions, to issue licenses and permits as specified by statute and ordinance, and to support the City's economic development initiatives.

2013 BUDGET HIGHLIGHTS

The FY2013 budget for the Administration Division is largely unchanged from 2012, with one exception. In 2013 the Outside Contractual line item will include an additional \$20,000 for implementation of agenda management software.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of City Commission Meetings attended	50	45	40
EFFICIENCY	Number of instances when copies of meeting minutes were not available when requested	0	0	0
EFFECTIVENESS	Requested changes to City Commission minutes by City Commissioners	1	0	0

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CITY CLERK**

ELECTIONS

General Fund

BUDGET OVERVIEW

REVENUE

The primary revenue source for the Elections Division is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	105,294	202,170	202,170	203,498	111,964	-44.62%	113,798
Operating	30,402	69,461	76,501	79,344	35,257	-49.24%	35,257
TOTAL	135,696	271,631	278,671	282,842	147,221	-45.80%	149,055

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	1.0	1.0	1.0

DEPARTMENT DESCRIPTION

The Elections Division of the City Clerk's Office exists to foster increasing trust and participation in the electoral process and our democratic institutions through the maintenance of accurate voter registration records and the efficient administration of federal, state, and local elections in accordance with applicable laws and regulations.

2013 BUDGET HIGHLIGHTS

The FY2013 Election Division budget is significantly less than the FY2012 budget due to a decrease in the number of elections scheduled in 2013 (two instead of four) and the fact that odd-year November elections require considerably less funding than even-year November elections. The amount budgeted is in line with typical election expenditures for an odd-numbered year.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of elections conducted	2	4	2
EFFICIENCY	Cost of Election Division per registered voter, per election	\$1.44	\$1.32	\$1.47
EFFECTIVENESS	Number of election recounts requested	0	0	0

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
CITY CLERK**

**RECORDS
General Fund**

BUDGET OVERVIEW

REVENUE

The revenue source for the Records Management Division is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	98,637	98,044	98,044	97,581	99,559	1.55%	101,190
Operating	111,788	70,173	99,748	98,016	70,087	-0.12%	70,087
Capital	1,141	-	-	-	-		-
TOTAL	211,566	168,217	197,792	195,597	169,646	0.85%	171,277

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	2.0	2.0	2.0

DEPARTMENT DESCRIPTION

The Records Management Division of the City Clerk's Office exists to coordinate the cost-effective storage of the City's inactive records, to promote the development and implementation of sound information management policies and procedures, to educate City staff regarding records management practices, to preserve the City's historical documents, and to provide research assistance to City departments and the general public.

2013 BUDGET HIGHLIGHTS

The FY2013 budget is a status quo budget for the Division of Records Management, Research, and Archives with only slight variations in expenditures for supplies and services.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of requests for information	698	690	690
EFFICIENCY	Average request time (in minutes)	26	26	20
EFFECTIVENESS	Percent of storage capacity used	95	98	90

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
INTERNAL AUDITOR**

INTERNAL AUDITOR

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the Internal Auditor's Department is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	87,964	83,942	85,546	85,552	90,427	7.73%	91,964
Operating	1,045	1,987	383	377	1,617	-18.62%	1,617
TOTAL	89,009	85,929	85,929	85,929	92,044	7.12%	93,581

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	1.0	1.0	1.0

DEPARTMENT DESCRIPTION

The mission of the Internal Auditor is to provide independent audit oversight, promote accountability, and improve the efficiency and effectiveness of City Government.

The ongoing functions of the Internal Auditor are to:

- Perform comprehensive audits with recommendations to enable management to run more productive and efficient operations, which include internal controls.
- Ensure the reliability and integrity of financial and operating information and the means used to identify measure, classify, and report such information.
- Ensure the adequacy, effectiveness, and efficiency of the City's systems of control and the quality of its ongoing operations.
- Provide quality control and accountability, and aim to deter and prevent fraud and abuse.

The Internal Auditor performs audits and reviews as directed by the City Commission, or as discussed with the Internal Audit Committee, a sub committee of the City Commission.

2013 BUDGET HIGHLIGHTS

The Internal Auditor will work closely with management to ensure that employees perform their work timely and efficiently within management's guidelines and directives, while maintaining sufficient internal controls. Training classes on ethics and preventing fraud and abuse will be targeted to new employees to ensure that employees embrace ethical, integrity-based quality customer service based practices.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
INTERNAL AUDITOR**

INTERNAL AUDITOR

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of classes held.	0	0	4
EFFICIENCY	Number of employees trained.	0	0	50
EFFECTIVENESS	Number of trained employees involved in unethical acts.	0	0	0
OUTPUT	Number of recommendations to management	74	115	110
EFFICIENCY	Number of affirmative responses from management	71	112	110
EFFECTIVENESS	Percent of recommendations accepted by management	96%	97%	100%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the Human Resources Department is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	700,969	674,309	731,309	730,318	659,321	-2.22%	662,896
Operating	54,200	49,614	62,614	55,181	50,417	1.62%	50,417
TOTAL	755,169	723,923	793,923	785,499	709,738	-1.96%	713,313

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	8.0	7.0	7.0

DEPARTMENT DESCRIPTION

The Human Resources Department provides comprehensive employee and labor relations services to all City of Kalamazoo employees. Human Resources (HR) believes all employees should be treated with dignity and respect, regardless of position or personal status. HR strives to ensure that daily services and programs meet the needs of our diverse work force. Programs administered by the Human Resources Department include hiring and recruiting, compensation and benefits administration, training and career development, labor contract administration, policy development, and workers' compensation administration. We are dedicated to continually developing and retaining the City's diverse work force.

2013 BUDGET HIGHLIGHTS

The Human Resources Department is reduced from 8 FTE positions to 7 in 2013 with the retirement of one Human Resources Advisor. The department also eliminated a temporary clerical position at the end of the FY 2012 that was added to the

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Implement the ERI by retiring out employees who have enrolled in the program	NA	Yes	Yes
EFFICIENCY	Variance from projections (# retired + or -)	0	5	0
EFFECTIVENESS	Number of employees retired	35	187	32
OUTPUT	Implement the ERI by hiring, transferring and promoting staff to fill positions vacated by retiring employees	NA	Yes	Yes

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013	
EFFICIENCY	Variance from projections (# hired + or -)	0	5	10	
EFFECTIVENESS	Number of positions filled by hiring, transferring and promoting	89	110	20	
OUTPUT	Complete bargaining with ATU, KMEA, KPSOA and KPSA	ATU	Completed a three year Agreement expiring 2/13/14	NA	Complete a three year Agreement expiring 2/13/17
		KMEA	Completed a two year Agreement expiring 12/31/13	NA	Complete a three year Agreement expiring 12/31/16
		KPSOA	Completed a four year Agreement expiring 12/31/13	NA	Complete a three year Agreement expiring 12/31/16
		KPSA	Completed a four year Agreement expiring 12/31/13	NA	Complete a three year Agreement expiring 12/31/16
EFFICIENCY	Number of hours spent in bargaining with each unit	ATU	41.75	NA	56
		KPSOA	4	NA	48
		KPSA	14.75	NA	92
		AFSCME	8	NA	NA
		KMEA	8	NA	44

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013	
EFFECTIVENESS	Timely implementation of contract (following expiration of the current contract)	ATU	Agreement proofed and signed within 90 days of ratification	NA	Agreement proofed and signed within 90 days of ratification
		KPSOA	Agreement proofed and signed within 90 days of ratification	NA	Agreement proofed and signed within 90 days of ratification
		KPSA	Agreement proofed and signed within 90 days of ratification	NA	Agreement proofed and signed within 90 days of ratification
		AFSCME	Agreement proofed and signed within 90 days of ratification	NA	NA
		KMEA	Agreement proofed and signed within 90 days of ratification	NA	Agreement proofed and signed within 90 days of ratification
OUTPUT	Maintain an educated and competent workforce	778 Allocated Positions	759 Allocated Positions	674 Allocated Positions	
EFFICIENCY	Train city staff in areas of New Hire Orientation, Supervisory Skills, Coaching and Counseling, Discrimination and Harassment, Labor Contract Administration and Violence Prevention.	Training Sessions for all core subjects were held at least once	Training Sessions for all core subjects were held at least once	Training sessions for all caore subjects will be held at least once	
EFFECTIVENESS	Number of staff hours spent in training by HR staff	159.5 hours	178 hours	150 hours	

THE CITY OF



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**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
INFORMATION TECHNOLOGY**

INFORMATION TECHNOLOGY

General Fund

BUDGET OVERVIEW

REVENUE

The revenue for IT fund is funded primarily through the general fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	659,159	621,807	621,807	530,486	620,188	-0.26%	631,142
Operating	533,844	495,324	551,469	485,499	516,942	4.36%	516,942
Capital	405,517	129,000	169,222	179,222	129,000	0.00%	129,000
TOTAL	1,598,520	1,246,131	1,342,498	1,195,207	1,266,130	1.60%	1,277,084

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	7.0	6.0	6.0
Number of Permanent Part Time Positions	1.0	1.0	1.0

DEPARTMENT DESCRIPTION

It is our mission to provide information technologies that enable the employees of the City of Kalamazoo to deliver efficient, effective and accessible services to the citizens of Kalamazoo by providing superior internal customer service in:

- Support and maintenance of existing information technology systems;
- Security of data and technology infrastructure;
- Understanding business and operational needs and translating these needs into improved use of existing systems and implementation of advanced information technologies.

Information Technology supports this mission by collaborating with our internal customers to identify, implement and maintain information technologies, which improve staff and management knowledge, decision-making and service delivery.

The IT department is responsible for the City's computer infrastructure including hardware and software, voice communications, GIS, City websites, helpdesk, and central services such as email, analog devices, and the INET fiber rings throughout the City of Kalamazoo.

2013 BUDGET HIGHLIGHTS

The FYI 2013 IT budget reflects three main highlights. The first is an increase in the percentage of capital outlay dedicated towards PC refreshes. This is being driven by the fact that Microsoft will stop all support of Windows XP in early 2014 and City PC's need to be on Windows 7 by that time. The second is a reduction in the overall application software expenses relating to the continued consolidation of City software applications and the move to more SaaS (Software as a service) solutions. Finally, the 2013 budget also reflects an increase in channel services expenses related to the increase in fiber optic expenses and other communications services.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
INFORMATION TECHNOLOGY**

INFORMATION TECHNOLOGY

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Average number of monthly visits to the city website	65,815	86,517	105,000
OUTPUT	Average number of monthly unique visitors to the website	26,200	38,261	42,000
EFFICIENCY	Percent of requests responded to within 2 hours	100%	100%	100%
EFFECTIVENESS	Percentage of System Uptime percentage M-F 7am to 7pm	99.9%	99.9%	99.9%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

BUDGET AND ACCOUNTING

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the Budget and Accounting Division is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	971,543	922,864	932,864	932,801	914,110	-0.95%	933,517
Operating	44,455	42,130	42,130	38,764	43,623	3.54%	43,623
Capital	460	-	-	-	-		-
TOTAL	1,016,458	964,994	974,994	971,565	957,733	-0.75%	977,140

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	15.0	13.0	13.0

DEPARTMENT DESCRIPTION

The Budget and Accounting Division is responsible for the accounting, payroll, and accounts payable operations of the City. In addition, the office is responsible for oversight of budget development and monitoring. The City is required to undergo annual financial audits. Accordingly, the Budget & Accounting Division is responsible for the preparation of a Comprehensive Annual Financial Report (CAFR) in conformity with Generally Accepted Accounting Principals (GAAP), as well as the Single Audit for Federal grants. The Budget and Accounting Division also includes the office of the Chief Financial Officer (CFO).

2013 BUDGET HIGHLIGHTS

The FY 2013 Budget is slightly lower than the FY 2012 Adopted Budget and 2% below the amount projected for FY 2013 in the adopted FY 2012 Budget. No organizational or position changes are proposed beyond those implemented in the last several years. The Accounts Payable / Payroll FTE count has been reduced from 10 to 6 since 2008. The Accounting area FTE count has been reduced from 6 to 4 since 2008. These reductions have been facilitated by the streamlining of processes and automation.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

BUDGET AND ACCOUNTING

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Bank Accounts Reconciled On Monthly Basis	31	31	31
EFFICIENCY	Average Number of Days to Reconciliation	30	30	30
EFFECTIVENESS	Average number of unreconciled accounts per month	0	0	0
OUTPUT	Production of annual financial statements receiving unqualified audit opinions	5	5	5
EFFICIENCY	Timeframe to complete year-end close/audit preparation	3.5	3.5	3.5
EFFECTIVENESS	Number of auditor findings	4	0	0

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

ASSESSORS

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the Assessor Division is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	516,610	380,380	380,380	385,253	147,487	-61.23%	138,652
Operating	70,028	247,582	275,092	237,597	352,692	42.45%	352,692
TOTAL	586,638	627,962	655,472	622,850	500,179	-20.35%	491,344

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	6.0	2.0	1.0

DEPARTMENT DESCRIPTION

The mission of the Assessing Division is to provide an equitable distribution of the property tax burden under current law; compile special assessment rolls; administer the Board of Review; and maintain ownership records for the City of Kalamazoo for both real and personal property.

The Assessors' office provides the City Treasurer with taxable values on all properties in the City of Kalamazoo, which are used to produce annual tax bills. Some of our main objectives are: Establish assessed values that are fair and equitable; Maintain an average assessment level of 50% of true cash value for all classes of property; Inform, educate and respond to citizens' requests and complaints; Administer assessment appeals (Board of Review and Michigan Tax Tribunal).

2013 BUDGET HIGHLIGHTS

The 2013 budget reflects the first full year using a contracted firm to handle field inspections/data entry for 10% of all real parcels per year, field inspection/data entry for all building permits, canvas/entry of all personal property accounts, assisting with March Board of Review and handling of all small claims tribunal appeals. Starting January of 2013, GIS duties will be transferred to the IT Department. FY 2013 staffing will consist of a Deputy Assessor/Treasurer and an Assessing Clerk. When this plan is fully implemented, it projected to save the general fund approximately \$100,000 per year.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

ASSESSORS

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Real property parcels	23,350	23,380	23,256
EFFICIENCY	Cost to Assess Real Property – per parcel	\$22.09	\$21.49	\$19.05
EFFECTIVENESS	Cost savings due to office realignment-per parcel	-\$0.36	\$0.60	\$2.44
OUTPUT	Number of Personal Property Accounts	3,064	2,935	2,985
EFFICIENCY	Cost to Assess Personal Property – per parcel	\$42.08	\$42.79	\$37.10
EFFECTIVENESS	Cost savings due to office realignment-per parcel	-\$2.86	-\$0.71	\$5.70

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

**TREASURY
General Fund**

BUDGET OVERVIEW

REVENUE

The revenue source for the Treasury Division is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	418,141	397,952	397,952	397,018	369,868	-7.06%	383,246
Operating	119,602	125,004	128,666	124,379	118,207	-5.44%	118,207
Capital	460	-	-	-	-		-
TOTAL	538,203	522,956	526,618	521,397	488,075	-6.67%	501,453

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	13.0	14.0	12.0

DEPARTMENT DESCRIPTION

The Treasury Division is responsible for the billing and collection of real and personal property taxes, special assessments, City utility bills (water & sewer) and miscellaneous accounts receivables. The division is also responsible for the City's operating investment portfolio.

The objectives of the Treasury Division are as follows:

- Provide accurate and readily accessible tax, special assessment, utility billing and miscellaneous invoicing information for all properties within the City of Kalamazoo.
- Provide prompt, accurate and friendly customer service.
- Promptly collect, record and disburse all property taxes.
- Monitor, disburse and report tax dollars captured by state approved tax increment financing plans for the encouragement of economic development.
- Achieve a competitive rate of return of the City's investment portfolio.

2013 BUDGET HIGHLIGHTS

Following the transitions created by the Early Retirement Incentive (ERI), Treasury will focus on the training of new staff members in the office and restructuring some of the remaining positions and duties. We will continue to increase efficiencies within the office and automate processes wherever possible to help alleviate the impact of the staff reductions and restructuring resulting from the ERI.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

TREASURY
General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of City (summer) Tax Bills/Records Generated	25,023	24,776	24,800
EFFICIENCY	Average Cost to Generate and Issue a Tax Statement	\$0.70	\$0.65	\$0.65
EFFECTIVENESS	Percent of City Operating Tax Collected at Year End (Ultimate goal of 100% collected by the following March 1)*	93.67%	94%	95%
OUTPUT	Achieve a competitive rate of return on Investments -Average Rate of Return on Investments	0.27%	0.30%	0.35%
EFFICIENCY	Average Cost of an Investment Transaction	\$42.53	\$42.53	\$42.96
EFFECTIVENESS	Investment Portfolio's Average Rate of Return Exceeds that of the 3-month Treasury Bill	22 Basis Points	+22 Basis Points	+15 Basis Points
OUTPUT	Payment Automation - Payments Processed Online and via Bank Lockbox	73,407	145,000	150,000
EFFICIENCY	Average Cost to Process an Online or Lockbox Payment	\$0.26	\$0.26	\$0.26
EFFECTIVENESS	Additional Staff Hours Required for Payment Processing During Busy Collection Periods	25	15	10

** Installment taxpayers had until December 31, 2011 to pay the 2011 tax bill in full. Payments postmarked at the end of December will not be posted until early January. Real estate taxes remaining unpaid as of March 1 of the following year will be transferred to the Kalamazoo County Treasurer.*

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

**PURCHASING
General Fund**

BUDGET OVERVIEW

REVENUE

The revenue source for the Purchasing Division is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	384,786	390,676	390,676	375,310	307,441	-21.31%	284,906
Operating	57,580	57,482	57,482	55,862	19,654	-65.81%	19,654
TOTAL	442,366	448,158	448,158	431,172	327,095	-27.01%	304,560

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	6.0	5.0	4.0

DEPARTMENT DESCRIPTION

The mission of the Purchasing Division is to procure goods, services, equipment and capital improvements in a manner as to promote competition, provide equal access by potential vendors, and make contracting decisions transparent. The Division disposes of surplus City personal property, administers contractor compliance with the City's prevailing wage policy and operates the City's inter-office mail delivery system.

2013 BUDGET HIGHLIGHTS

The FY 2013 budget request reflects staffing changes as a result of the Strategic Alignment Plan. The Purchasing Director and the Purchasing Advisor positions have been combined. The risk management function has been transferred to the City Attorney's Office.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

PURCHASING

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Bid Projects	88	70	80
EFFICIENCY	Number of calendar days to get the project out for bids. The new goal is 17 days.	14.5	16.75	17.5
EFFECTIVENESS	Percentage of bid projects which City Commission/Manager approved contracting with the recommended vendor	100%	100%	100%
OUTPUT	Number of Prevailing Wage Projects	16	12	18
EFFICIENCY	Number of inspections per project. The new goal is 1 inspection.	1.8	1.5	1
EFFECTIVENESS	Percentage of workers paid prevailing wages	100%	100%	100%
OUTPUT	Number of Purchase Orders	1375	1,600	1,600
EFFICIENCY	Purchase order turnaround time in work days. The goal is 2 days.	2	3	2
EFFECTIVENESS	Percentage of valid purchase orders.	98%	98%	100%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
MANAGEMENT SERVICES**

RETIREMENT ADMINISTRATION

Fiduciary Trust Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the administration of the Retirement System comes from employee and employer contributions (if determined by actuarial study) and investment income from the retirement system assets.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel Operating	426,035	541,497	541,497	541,497	544,950	0.64%	550,400
TOTAL	426,035	541,497	541,497	541,497	544,950	0.64%	550,400

DEPARTMENT DESCRIPTION

The purpose of the retirement system is to provide retirement allowances to eligible employees and certain benefits for their survivors. The System's objective is to accumulate a pool of assets sufficient to meet the obligations of the Retirement System at the lowest possible cost to the City of Kalamazoo. The Investment Committee is responsible for investing the assets in accordance with Act 314 of the Michigan Public Acts of 1065 and any amendments and the City of Kalamazoo's Investment Policy approved by the City Commission.

2013 BUDGET HIGHLIGHTS

The FY 2013 budget proposal for administrative operations represent a status quo budget.

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

**KALAMAZOO PUBLIC SAFETY
TOTAL DEPARTMENT SUMMARY**

BUDGET OVERVIEW

REVENUE

The revenue sources for Kalamazoo Public Safety Department are the General Fund, Federal and State Grants, and Local Unit Contracts.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	30,949,664	30,407,485	30,439,731	28,715,833	28,729,585	-5.52%	28,705,436
Operating	3,563,563	3,866,507	4,170,336	3,064,145	3,191,315	-17.46%	2,900,315
Capital	934,206	270,271	470,125	546,933	355,400	31.50%	355,400
TOTAL	35,447,433	34,544,263	35,080,192	32,326,911	32,276,300	-6.57%	31,961,151

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	287.0	286.0	258.0
Number of Permanent Part Time Positions	4.0	4.0	4.0

DEPARTMENT DESCRIPTION

The mission of Kalamazoo Public Safety Department is to provide for the welfare of all citizens and visitors to the City of Kalamazoo and to protect them from the loss of life and property from the ravages of fire or crime. The mission includes but is not limited to the maintenance of order, the promotion of crime and fire prevention programs, the investigations of crimes leading to the apprehension of perpetrators, the recovery of property and the providing of emergency medical services.

Public Safety will continue to explore ideas and concepts leading to improved service to our community. The promotion of goodwill, community respect and confidence in Public Safety will continue to be of the highest priority for all employees.

2013 BUDGET HIGHLIGHTS

The 2013 Budget includes a Chief, Deputy Chief, two Assistant Chiefs and an Inspector of Professional Standards. They oversee five divisions which include Operations, Service/Training, COPS/KVET. Together these divisions work to focus on our three primary goals: Reduce Crime, Build Trust and provide the most efficient, effective and professional police, fire and EMS services available.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

KALAMAZOO PUBLIC SAFETY

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Department is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	29,839,689	29,161,081	29,161,081	27,637,984	28,362,259	-2.74%	28,336,897
Operating	3,135,304	3,535,002	3,614,841	2,542,198	2,889,470	-18.26%	2,598,470
Capital	523,527	225,771	268,096	268,233	308,900	36.82%	308,900
TOTAL	33,498,520	32,921,854	33,044,018	30,448,415	31,560,629	-4.13%	31,244,267

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	287.0	286.0	258.0
Number of Permanent Part Time Positions	4.0	4.0	4.0

DEPARTMENT DESCRIPTION

The mission of Kalamazoo Public Safety Department is to provide for the welfare of all citizens and visitors to the City of Kalamazoo and to protect them from the loss of life and property from the ravages of fire or crime. The mission includes but is not limited to the maintenance of order, the promotion of crime and fire prevention programs, the investigations of crimes leading to the apprehension of perpetrators, the recovery of property and the providing of emergency medical services.

Public Safety will continue to explore ideas and concepts leading to improved service to our community. The promotion of goodwill, community respect and confidence in Public Safety will continue to be of the highest priority for all employees.

2013 BUDGET HIGHLIGHTS

The 2013 Budget includes a Chief, Deputy Chief, two Assistant Chiefs, a Financial/Strategic Support Director and an Inspector of Professional Standards. They oversee five divisions which include Operations, Service/Training, COPS, CID and Financial Services. Together these divisions work to focus on our three primary goals: Reduce Crime, Build Trust and provide the most efficient, effective and professional police, fire and EMS services available.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Administration Division is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	909,939	874,344	874,344	770,219	989,378	13.16%	988,493
Operating	141,898	133,418	163,237	145,274	180,449	35.25%	180,449
TOTAL	1,051,837	1,007,762	1,037,581	915,493	1,169,827	16.08%	1,168,942

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	7.0	6.0	7.0

DEPARTMENT DESCRIPTION

The Administration Division is comprised of the Office of the Chief, the Office of Professional Standards and Administrative Support Staff. The role of the Chief is to lead, guide and manage all operational and support functions, tasks, and responsibilities of Public Safety.

The Chief of Public Safety, the Deputy Chief of Public Safety, the Assistant Chief of Operations, the Assistant Chief of Professional Standards, the Inspector of Professional Standards and the Financial/Strategic Support Director make up the Chief's Executive Leadership Team.

The Captains that oversee the Criminal Investigation Division, Operations, and the COPS Division (which encompasses KVET) fall under the command of the Assistant Chief of Operations. The Captain of the Training / Service Division as well as the Inspector report to the Assistant Chief of Professional Standards.

The Office of Professional Standards is charged with ensuring the integrity of the Department is maintained and the administrative and operational policies and procedures conform to those of the City of Kalamazoo and current legal requirements.

The Administrative Support Coordinator maintains all the personnel records, internal affairs files, administrative files and labor relation's files as well as all the administrative support for the Administration Division.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

ADMINISTRATION

General Fund

2013 BUDGET HIGHLIGHTS

The Administration Division will allocate its 2013 funds toward overseeing all aspects of Public Safety Services. Although administrative support staffing was reduced, staff will continue to work cooperatively internally and externally to maintain the highest level of professional standards. The Administration Division will continue to administer the ERI (Early Retirement Incentive) Program as it completes the retirements of 64 Public Safety personnel. The implementation of the ERI has necessitated the hiring of approximately 24 new Public Safety officers through 2013. In addition to training the new Public Safety officers, the specialized training of many other PSOs will occur to fill the void created by the ERI. The newly established COPS (Community Outreach & Problem Solving) Division has merged the Community Policing Unit and KVET into a Division designed to address community issues along with other community partners. This focus will ensure the continuation of the Citizens Leadership Academy and the Youth Leadership Academies.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Citizen Complaints	9	25	25
EFFICIENCY	Hours spent to investigate	800	1250	1,250
EFFECTIVENESS	Percent of appeals upheld by the Citizens Review Board	100%	100%	100%
OUTPUT	Number of Departmental and Divisional Policies	320	322	322
EFFICIENCY	Number of Policies Reviewed	10	14	20
EFFECTIVENESS	Number of Policies Updated/Revised/Rescinded	2	14	10

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

FINANCIAL SERVICES

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Financial Services Division is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
					Elimination		Elimination
Personnel	367,743	370,846	370,846	329,502	-	-100.00%	-
Operating	994	2,200	2,200	660	-	-100.00%	-
TOTAL	368,737	373,046	373,046	330,162	-	-100.00%	-

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	7.0	7.0	0.0

DEPARTMENT DESCRIPTION

The Financial Services Division consists of Financial Services Staff and the Records Bureau. Financial Services staff assists the six Public Safety divisions with grant and budget preparation, monitoring and reporting, procurement services, liaison with human resources, and coordinates accounts payable and accounts receivable activities. The Records Bureau assists in the FOIA process, dictates police reports, handles requests for traffic reports, and assists with criminal records checks and firearms licenses, and processes requests for police and fire information from outside agencies and the public.

2013 BUDGET HIGHLIGHTS

Under the 2012 Public Safety Strategic Alignment Plan, the Financial Services Division was combined with the Administrative and Support Services Divisions.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

TRAINING
General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Training Division is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted	Projected
					Elimination	Variance	Elimination
Personnel	648,589	675,997	675,997	965,941	-	-100.00%	-
Operating	173,719	184,923	200,201	194,898	-	-100.00%	-
TOTAL	822,308	860,920	876,198	1,160,839	-	-100.00%	-

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	6.0	6.0	0.0

DEPARTMENT DESCRIPTION

The mission of the Training Division is to provide ethical training and instructions that are mandated by law, required by departmental policy or needed by individuals to maximize their potential to provide fire, police and emergency medical services and promote safety in the community we serve.

2013 BUDGET HIGHLIGHTS

Under the 2012 Public Safety Strategic Alignment Plan, the Training Division was combined with the Service Division to create the Support Services Divisions.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

COPS formerly KALAMAZOO VALLEY ENFORCEMENT TEAM

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Kalamazoo Valley Enforcement Team Division is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	1,373,694	1,469,097	1,469,097	1,287,722	2,198,906	49.68%	2,196,940
Operating	-	23,567	23,567	-	-	-100.00%	-
TOTAL	1,373,694	1,492,664	1,492,664	1,287,722	2,198,906	47.31%	2,196,940

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	14.0	13.0	20.0

DEPARTMENT DESCRIPTION

The Kalamazoo Valley Enforcement Team (KVET) will continue to be an intergovernmental cooperative drug unit. KVET is comprised of participants from the City of Kalamazoo and the County of Kalamazoo. The mission of KVET is to provide a safe environment for the community by operating an effective, efficient, overt and covert drug enforcement unit that conducts reactive, proactive and innovative drug investigations.

2013 BUDGET HIGHLIGHTS

In 2013 the new COPS Division budget reflects additional personnel cost as well as operation cost to include operating supplies, community outreach programs, investigative operations and the division infrastructural upgrades. The COPS division will continue to develop and maintain a robust intelligence system to identify the most violent offenders within the city and county. Reduce the Homicide rate and gun violent through aggressive enforcement, prosecution and alternative strategies. Continue the relationship building, foot patrols, dialogue and problem solving with the community.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	# of tips received by KVET	2,243	2,360	3,000
EFFICIENCY	Average cost per investigation	\$1,594	\$1,328	\$1,400
EFFECTIVENESS	# of cases written on tips received	825	1390	1500
OUTPUT	# of investigations	975	871	1200
EFFICIENCY	# of investigations done per day at 365 days a year.	2.67	2.6	3.3
EFFECTIVENESS	# of arrests made (includes warrants)	790	871	900

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

OPERATIONS

General and Special Revenue Funds

BUDGET OVERVIEW

REVENUE

The revenue sources for Kalamazoo Public Safety Operations Division are the General and Special Revenue Funds.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	20,419,287	19,797,750	19,797,750	18,421,104	18,264,913	-7.18%	18,248,863
Operating	50,344	233,287	238,029	42,289	43,685	-81.27%	43,685
TOTAL	20,469,631	20,031,037	20,035,779	18,463,393	18,308,598	-8.60%	18,292,548

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	189.0	194.0	158.0

* Includes 10 positions funded with an ARRA grant and 7 positions funded through other special revenues and contracts.

DEPARTMENT DESCRIPTION

The Operations Division is responsible for the initial response to all police, fire and emergency medical incidents. Through the intervention and mitigation of these incidents, the Operation Division fulfills its mission to protect citizens from the loss of life and property from the ravages of fire or crime. The Division also includes the Special Weapons and Tactics (SWAT), Bomb Squad, K-9 Team, and Honor Guard, which are all specialized units designed to enhance customer service and provide prompt intervention in times of crisis. The law enforcement, fire suppression and EMS activities are directed through the Communications Center, which receives and dispatches nearly 92,000 calls for service annually. As a result of the Early Retirement Incentive, the Operations Division will continue to provide essential Public Safety services with reduced staffing levels.

2013 BUDGET HIGHLIGHTS

In 2013 the Operations Division will continue to focus on reducing crime and providing the most effective, efficient and professional police, fire and EMS services available through focusing on the following four service objectives; Enforcement, Blight Reduction, Community Interaction, and Training. Assisting in these four objectives will be enhanced crime trend analysis which when analyzed and evaluated weekly, will allow us to rapidly assess crime trends and allocated resources to address identified trends. Operations will continue initiatives such as participation in youth academies, maintaining a strong youth explorer program and continue to maintain positive interactions through daily foot patrols, targeted at reducing youth violence in our neighborhoods. The Operations Division will continue to utilize the Power Shift Officers to enhance patrols during peak times of service demand and will continue directed and saturation patrols as necessary.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

OPERATIONS

General and Special Revenue Funds

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Calls for service received by Operations	73,433	101,000	101,000
EFFICIENCY	Annual calls per service to staff ratio	402	594	594
EFFECTIVENESS	Number of persons arrested	7,800	8,836	8,500
OUTPUT	Traffic citations issued	12,348	17,537	15,000
EFFICIENCY	Patrol hours dedicated to traffic enforcement	2,000	1,500	1,400
EFFECTIVENESS	Traffic accidents	2,917	2,700	3,000

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

CRIMINAL INVESTIGATIONS

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Criminal Investigations Division is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	3,628,915	3,484,231	3,484,231	3,435,619	3,405,856	-2.25%	3,402,810
Operating	19,727	49,080	49,080	30,721	55,721	13.53%	35,721
TOTAL	3,648,642	3,533,311	3,533,311	3,466,340	3,461,577	-2.03%	3,438,531

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	35.0	31.0	29.0

DEPARTMENT DESCRIPTION

The mission of the Criminal Investigation Division is to investigate complaints to their fullest potential and to successfully prosecute the perpetrators. The Criminal Investigation Division (CID) is positively impacts the reduction of criminal activity by conducting prompt and diligent investigations by employing the use of accurate and timely intelligence driven data retrieved from I/leads records management system along with utilizing other traditional methods. This information is used to solve crimes, locate and apprehend suspects, accomplices and fugitives, locate missing persons and recover stolen property. Once completed the results of these efforts are then presented as warrant-charging requests to the Office of the Prosecuting Attorney (OPA). The CID assists the OPA throughout the court process from follow up investigations to assisting the OPA with the case presentation during the trial. Due to budget constraints CID FTE's were reduced from 35 to 31 in 2013. As a result the Burglary Team was absolved, the SCAR grant position will not be filled and the General Assignment Detectives were reduced as well as the Lab Technicians. There is an overall collaborative effort between Operations Division, COPS and CID to conduct crime analysis and evaluate trends to investigate, solve and prevent crimes.

2013 BUDGET HIGHLIGHTS

The 2013 Criminal Investigations Division budget will work to: secure convictions in all homicide and major assault investigations; continue investigations to all major case teams (Major Crimes, Sex Assault, and Fraud); continue bi-weekly "Crime Fighter" and weekly Crime Reduction meetings; utilize I/Leads case management system to review case assignments and closures. The ERI (Early Retirement Incentive) created a substantial loss in expertise in Lab Specialties. A concerted effort will be made to provide certified training to those assigned in the Lab.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

CRIMINAL INVESTIGATIONS

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Total Number of Cases Assigned to CID	7,662	7,070	7,200
EFFICIENCY	Total Number of Cases Assigned to Detective of Investigation	4881	5000	4750
EFFECTIVENESS	Total Arrest Warrants from Investigations	2,594	2,600	2,470
OUTPUT	Polygraph Exams Requested	151	135	145
EFFICIENCY	Total Number of Cases Cleared by Polygraph Examination	70	55	60
EFFECTIVENESS	Percent of Confessions/Admissions resulting from Polygraph Examinations	32%	55%	40%
OUTPUT	Drug Tests	2,386	2,400	2,400
EFFICIENCY	Average turn Aound Time (Days)	>1	14	14
OUTPUT	Latent Print Exams & Comparisons	659	650	650
EFFICIENCY	Average turn Aound Time (Days)	4	14	14
OUTPUT	Photo Cases Managed	4,322	4,000	4,100
EFFICIENCY	Average turn Aound Time (Days)	N/A	4	14
EFFECTIVENESS	Specialist Training	88%	95%	95%
EFFECTIVENESS	Technician Training	72%	95%	95%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

**SERVICE
General Fund**

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Service/Training Division is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	2,882,250	2,950,158	2,950,158	2,835,904	3,819,406	29.46%	3,815,991
Operating	2,748,622	2,908,527	2,938,527	2,128,356	2,609,615	-10.28%	2,338,615
Capital	523,527	225,771	268,096	268,233	308,900	36.82%	308,900
TOTAL	6,154,399	6,084,456	6,156,781	5,232,493	6,737,921	10.74%	6,463,506

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	29.0	29.0	44.0
Number of Permanent Part Time Positions	4.0	4.0	0.0

DEPARTMENT DESCRIPTION

The mission of the Service Division is to provide Public Safety personnel the most effective and efficient delivery of products and services that will enable Public Safety to provide high quality services to citizens of this community. Through collaboration with all Public Safety divisions, other city departments, other local jurisdictions, cooperative purchasing agreements and a variety of outside vendors, the Service Division maintains the most cost effective procurement practices, information management, dispatch services, property, evidence management and fleet management and maintenance.

2013 BUDGET HIGHLIGHTS

The Service Division will oversee the implementation of a training records database, test and upgrade the Computer Aided Dispatch map using the Intergraph Mapping Software which will further interoperability with the Kalamazoo Township and Kalamazoo County Sheriff's Department and put out weekly crime stats to officers and members of the public. The Service Division will continue the replacement of outdated mobile data terminals and enhance the Geoffrey and Iris scanner security systems. Coban digital recording technology will be implemented in the remaining fully-marked vehicles and fire apparatus booking room and Criminal Investigations Division. Stations 6 and Station 3 boilers will be updated in 2013. The 2013 budget for Training Division will provide basic training to all new recruits (at minimum 20) and mandatory in-service training for all certified public safety officers. The Training Division will be conducting advanced fire and police training for our personnel guided by national and state standards, coordinating advanced fire training for other agencies in the county and will be hosting multiple training schools and coordinating activities at the newly operational Regional Fire Training Tower and Sim City Training Building at our Regional Training Center located on Nazareth Road. The Training Division will be hosting the national seminar, 'Navigating the Leadership Challenge' in April 2013'. The Records Bureau assists in the FOIA process, dictates police reports, handles requests for traffic reports, and assists with criminal records checks and firearms licenses, and processes requests for police and fire information from outside agencies and the public.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

SERVICE

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Oversight of Public Safety buildings	9	10	10
EFFICIENCY	Annual cost to maintain buildings	\$783,594	\$783,549	\$821,594
EFFECTIVENESS	Percent of buildings in need of Refurbishment	40%	40%	30%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

KVET DRUG ENFORCEMENT FORFEITURE

Special Revenue Fund

BUDGET OVERVIEW

REVENUE

Revenue sources are the proceeds of forfeited property seized in connection with KVET enforcement activities, pursuant to Public Act 135 of 1985 (MCLA 333,7521-7524).

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	(3,024)	52,358	52,358	54,328	52,169	-0.36%	53,023
Operating	302,030	331,505	331,505	297,957	301,845	-8.95%	301,845
Capital	12,889	44,500	44,500	121,171	46,500	4.49%	46,500
TOTAL	311,895	428,363	428,363	473,456	400,514	-6.50%	401,368

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	0.0	0.0	0.0

Note, the personnel budget above represents overtime activities only.

DEPARTMENT DESCRIPTION

The Kalamazoo Valley Enforcement Team (KVET) is an intergovernmental cooperative drug unit. KVET is comprised of participants from the City of Kalamazoo, City of Portage, and the County of Kalamazoo. The mission of KVET is to provide a safe environment for the community by operating an effective, efficient, overt and covert drug enforcement unit that conducts reactive, proactive and innovative drug investigations.

2013 BUDGET HIGHLIGHTS

In 2013 the new COPS division budget reflects additional personnel cost as well as operation cost to include operating supplies, community outreach programs, investigative operations and the division infrastructural upgrades. The COPS division will continue to develop and maintain a robust intelligence system to identify the most violent offenders within the city and county. Reduce the Homicide rate and gun violent through aggressive enforcement, prosecution and alternative strategies. Continue the relationship building, foot patrols, dialogue and problem solving with the community.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

KVET DRUG ENFORCEMENT FORFEITURE

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	# of tips received by KVET	2,243	2,360	3,000
EFFICIENCY	Average cost per investigation	\$1,594	\$1,328	\$1,400
EFFECTIVENESS	# of cases written on tips received	825	1,390	1,500
OUTPUT	# of investigations	975	871	1,200
EFFICIENCY	# of investigations done per day at 365 days a year.	2.67	2.6	3.3
EFFECTIVENESS	# of arrests made (includes warrants)	790	871	900

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

CITY-WIDE MAINTENANCE

General Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the City-Wide Maintenance budget is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	497,224	501,468	501,468	489,101	415,965	-17.05%	421,401
Operating	228,379	498,943	496,483	381,054	393,573	-21.12%	393,573
TOTAL	725,603	1,000,411	997,951	870,155	809,538	-19.08%	814,974

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	10.0	10.0	6.0

DEPARTMENT DESCRIPTION

The mission of the City-Wide Maintenance Division is to provide custodial and mechanical maintenance services for all City facilities. Those services are provided through a combination of City staff and a variety of contractual services. The goal is to ensure that all such services (cleaning, general upkeep, heating & cooling needs, other repairs) are provided in an efficient and effective manner that assist the City departments served in meeting their goals in a timely fashion.

The facilities maintained are:

Harrison Facility, Stockbridge Facility, Public Safety Facilities (including six outlying fire stations and the Pistol Range), City Hall, and to a limited extent; Mayors' Riverfront Park Team Facility, Parks Administration Building, and Mt. Home & Riverside Cemetery Buildings.

2013 BUDGET HIGHLIGHTS

Work will continue in 2013 to ensure that adequate custodial and maintenance services are provided to all City facilities. This will include oversight of custodial contractual services, as well as directed maintenance activities, to ensure uninterrupted services. Evaluation of response times in light of staff reorganization due to the Early Retirement Initiative (ERI) will be a priority.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

CITY-WIDE MAINTENANCE

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Facilities Maintained	19	19	19
OUTPUT	Total Square Footage Maintained	485,058	485,058	485,058
EFFECTIVENESS	Response time for Priority Equipment Repairs	<8 hours	<6 hours	<4 hours
EFFECTIVENESS	Response time for Non-Priority Equipment Repairs	<24 hours	<20 hours	<16 hours

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

ENGINEERING

General Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Engineering Division comes from several sources. Public Works provides funding for major and local street CIP projects and public right-of-way administration. General Fund CIP provides funding for capital projects managed by the Engineering Division. The enterprise funds of Wastewater O & M and CIP and Water O & M and CIP provide funding for specific capital projects managed by the Engineering Division and for Miss Dig and Records operations performed by Engineering.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	1,037,472	1,131,127	1,131,127	1,029,195	1,046,483	-7.48%	1,141,796
Operating	276,268	201,077	201,077	155,594	164,653	-18.11%	164,653
TOTAL	1,313,740	1,332,204	1,332,204	1,184,789	1,211,136	-9.09%	1,306,449

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	14.0	14.0	14.0

DEPARTMENT DESCRIPTION

The Engineering section maintains a highly trained staff to provide quality-engineering services for the design, construction, operation, and maintenance of City-owned infrastructure and to provide administrative rulings and recommendations for the proper management of the City's public right-of-way.

2013 BUDGET HIGHLIGHTS

There were significant changes in staff within Engineering due to the ERI that prompted a review of how engineering services are delivered. After internal discussions and assessment of how other municipalities provide Engineering services, it was determined to maintain the current structure with some internal streamlining. Work in 2013 will consist of training new staff and consolidating enhancements gained through technology improvements. Tracking of requests and increased oversight of public right-of-way concerns will also be a priority.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

ENGINEERING

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Miles (%) of Major & Local Streets Repaired (128 miles total)	8	7.38 (2.9%)	7.50 (3.0%)
EFFECTIVENESS	Dollars Allocated for Major & Local Streets Repaired	\$1.93M Fed	\$0.873M Fed	\$1.885M Fed
EFFECTIVENESS	Dollars Allocated for Major and Local Streets Repaired	\$1.093M Fed	\$.873M Fed	\$1.885M Fed
		\$3.145M Bond	\$3.145M Bond	\$3.00M Fed
EFFECTIVENESS	Percentage Accuracy of Utility Stakings	99.98%	99.98%	99.98%

* Includes carry forward projects

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

FLEET SERVICES

General Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Fleet Services budget is derived from use charges.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
	FORMER ISF						
Personnel	-	981,819	981,819	814,700	857,328	-12.68%	875,032
Operating	-	1,536,066	1,536,066	1,560,525	1,606,613	4.59%	1,606,613
Capital	-	200,000	200,000	213,737	170,000	-15.00%	170,000
TOTAL	-	2,717,885	2,717,885	2,588,962	2,633,941	-3.09%	2,651,645

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	12.0	12.0	10.0

DEPARTMENT DESCRIPTION

These budget units are responsible for repair and maintenance of City vehicles and heavy equipment within the Public Services Department, as well as, a portion of Parks and Recreation, Public Safety and City Hall vehicles and equipment.

2013 BUDGET HIGHLIGHTS

Evaluation of Fleet needs throughout the City will continue in 2013. This will include ongoing efforts to reduce the overall size of the City's fleet in light of staff reductions achieved through the ERI. Work will continue on incorporating technology into Fleet management as well as enhanced use of tracking and monitoring of maintenance activities.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

FLEET SERVICES

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Vehicles and Equipment Items Maintained	740	744	740
EFFICIENCY	Pieces of Equipment Maintained per Mechanic	83	93	93
EFFECTIVENESS	Percent of Preventive Work Orders (vs. Corrective Work Orders)	18%	20%	25%
OUTPUT	Number of Work Orders Completed	3,294	3,325	3,350
EFFICIENCY	Number of Work Orders Per Mechanic	366	425	430
EFFECTIVENESS	Percent of Corrective Work Orders (vs. Preventive Maintenance)	82%	80%	75%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

PUBLIC WORKS

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the Public Works Division, including Sidewalk, Forestry, and Downtown Maintenance activities is the General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	688,533	586,778	586,778	479,045	438,221	-25.32%	448,418
Operating	516,973	555,287	555,287	340,708	323,185	-41.80%	323,185
TOTAL	1,205,506	1,142,065	1,142,065	819,753	761,406	-33.33%	771,603

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	41.0	39.0	36.0

Position allocations shown above represent shared Public Works positions supporting the General Fund Public Works, Major Streets, Local Streets, Cemeteries, Solid Waste and Public Works Billable divisions.

DEPARTMENT DESCRIPTION

The Field Services Division provides a variety of General Fund services, which include sidewalk replacement, maintenance of the City's urban forest, and maintenance of the City's Central Business District.

2013 BUDGET HIGHLIGHTS

Work in 2013 will include extensive training of new personnel to ensure adequate resources are available to respond to various public works activities. Work will continue throughout the City to repair and replace sidewalk as required. Significant efforts in 2012 and 2013 to deal with diseased ash trees will continue. Evaluation of how staff will handle downtown maintenance issues will be done in early 2013 to ensure adequate and appropriate coverage is maintained.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Lineal Feet of Sidewalk Replaced	4,000	4,800	4,500
OUTPUT	Percentage of Diseased/Dead Ash Trees Removed	_____	55%	90%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

**MAJOR STREETS
*Special Revenue Fund***

BUDGET OVERVIEW

REVENUE

The revenue to fund the Major Street operating budget primarily comes from Act 51 Gas and Weight tax. The Major Street capital program is funded by Michigan Transportation Fund (MTF) and general obligation bonds.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	836,364	933,335	933,335	958,548	883,539	-5.34%	898,007
Operating	1,795,507	1,633,519	1,758,365	1,852,786	1,827,277	11.86%	1,766,186
Debt Service	1,897,498	1,793,602	1,793,602	1,923,997	2,109,374	17.61%	1,898,172
Transfer to Local Streets	300,000	-	-	-	500,000		250,000
Capital	2,042,207	2,878,000	4,305,591	4,305,591	3,885,000	34.99%	3,216,000
TOTAL	6,871,576	7,238,456	8,790,893	9,040,922	9,205,190	27.17%	8,028,365

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	41.0	39.0	36.0

Position allocations shown above represent shared Public Works positions supporting the General Fund Public Works, Major Streets, Local Streets, Cemeteries, Solid Waste and Public Works Billable divisions.

DEPARTMENT DESCRIPTION

To provide a variety of street repair and maintenance activities including pothole patching, street resurfacing and construction, repair of hazardous or deteriorated drainage structures, shoulder grading, replacement of curb and gutter and 24 hour Major Street bare pavement response during snow and ice season events, storm sewer repair and maintenance, pavement painting and marking, replacement of street signs, and maintenance of traffic signals.

2013 BUDGET HIGHLIGHTS

Programmed activities related to street reconstruction, resurfacing and maintenance will continue in 2013. Use of the pavement management system software as well as coordination with other local and state road agencies will continue to be key components to ensure major streets are maintained properly. The proposed list of major streets to be worked on in 2013 include Alvan from Saidla to Sprinkle, Austin from Oakland to Davis, Fulford from Cork to Stockbridge, Kendall from Hylle to Memory, North Burdick from Railroad Tracks to City Limits, Oakland/Parkview Intersection, Race from Stockbridge to Lake, Salida from Miller to Alvan, Westfall from Michigan to Hylle, Wheaton from Merrill to Westnedge. Field Services staff will continue to provide snow removal and repair as needed.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
EFFICIENCY	% of Streets Cleared within 24 hours	100%	100%	100%
OUTPUT	% of Potholes Patched within 24 to 48 hours	100%	100%	100%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

LOCAL STREETS
Special Revenue Fund

BUDGET OVERVIEW

REVENUE

Revenue to fund the Local Street operating budget primarily comes from Act 51 Gas and Weight Tax monies and the General Fund. The Local Street capital program is funded through the General Fund, Michigan Transportation Fund (MTF) bonds, and general obligation bonds.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	678,477	850,317	850,317	907,144	875,399	2.95%	889,734
Operating	1,243,484	1,119,746	1,158,314	1,083,620	1,159,106	3.52%	1,102,473
Debt Service	679,453	661,746	661,746	661,746	754,587	14.03%	759,086
Capital	1,111,687	1,000,000	1,164,178	1,164,178	1,000,000	0.00%	1,000,000
TOTAL	3,713,101	3,631,809	3,834,555	3,816,688	3,789,092	4.33%	3,751,293

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	41.0	39.0	36.0

Position allocations shown above represent shared Public Works positions supporting the General Fund Public Works, Major Streets, Local Streets, Cemeteries, Solid Waste and Public Works Billable divisions.

DEPARTMENT DESCRIPTION

To provide a variety of street repair and maintenance activities including pothole patching, street resurfacing and construction, repair of hazardous or deteriorated drainage structures, shoulder grading, replacement of curb and gutter and 48-hour local street bare pavement response during snow and ice season events, street sweeping, storm sewer repair and maintenance, pavement painting and marking, and replacement of street signs.

2013 BUDGET HIGHLIGHTS

Diligent efforts will continue in 2013 to provide the most effective repairs and maintenance for local streets as funding allows. Field Services staff will continue to provide key snow and ice control measures as well as repairs as needed. Based on citizen input and Engineering evaluation a list of local streets schedule for resurfacing will be developed. Dollars will continue to be available for scattered sites repairs as time permits.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
EFFICIENCY	% of Streets cleared within 48 hours of end of snow event	100%	100%	100%
EFFECTIVENESS	% of Potholes Fixed with 24 to 48 hours	100%	100%	100%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

CEMETERIES

Special Revenue Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Cemetery operation is generated from user fees and an annual contribution from the Perpetual Care fund. The Perpetual Care fund continues to fund the Cemetery capital improvements.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	34,564	31,316	31,316	35,795	30,889	-1.36%	31,395
Operating	223,855	304,549	304,549	300,070	304,547	0.00%	304,547
Capital	129,251	180,000	180,000	180,000	180,000	0.00%	180,000
TOTAL	387,670	515,865	515,865	515,865	515,436	-0.08%	515,942

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	41.0	39.0	36.0

Position allocations shown above represent shared Public Works positions supporting the General Fund Public Works, Major Streets, Local Streets, Cemeteries, Solid Waste and Public Works Billable divisions.

DEPARTMENT DESCRIPTION

To provide a variety of cemetery services including burials, grave maintenance and restorations, and landscape maintenance within Riverside and Mountain Home Cemetery.

2013 BUDGET HIGHLIGHTS

Staff will work on establishing a new Five Year Plan. This plan may include the use of ground penetrating radar to locate graves dating back to pre 1900. This will help in determining number of available lots for purchase and provide more accurate record keeping. Staff will look into developing a plan to restore cemetery appearance at Riverside and Mountain Home by planning various volunteer clean up, research into ways for headstones to be restored and in proper locations and removal of overgrown brush and replace with manageable bushes and shrubs.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Burials Performed Per Year	166	168	168
EFFICIENCY	Cost per Burial Service	\$425	\$425	\$425
EFFECTIVENESS	Number of Complaints Received Regarding Burials	7-15	15-20	8

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

SOLID WASTE
Special Revenue Fund

BUDGET OVERVIEW

REVENUE

The primary revenue source for the Solid Waste Division is generated from property tax collections on the solid waste millage.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	727,129	729,578	729,578	737,165	749,485	2.73%	761,758
Operating	1,757,708	1,774,382	1,887,937	1,825,668	1,832,553	3.28%	1,832,553
TOTAL	2,484,837	2,503,960	2,617,515	2,562,833	2,582,038	3.12%	2,594,311

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	41.0	39.0	36.0

Position allocations shown above represent shared Public Works positions supporting the General Fund Public Works, Major Streets, Local Streets, Cemeteries, Solid Waste and Public Works Billable divisions.

DEPARTMENT DESCRIPTION

This unit provides a variety of solid waste collections including fall leaves, brush, monthly bulk trash collection and residential recycling collection. Also provided is the opportunity for residents to dispose of freon-bearing appliances and household hazardous waste. Activities performed also improve the appearance and cleanliness of City streets through street sweeping and clean-up of scattered illegal dumpsites.

2013 BUDGET HIGHLIGHTS

Oversight activities as well as shifting of some duties to Community Planning and Development (CP&D) occurred as a result of the ERI program. Work will continue to consolidate activities and streamline oversight activities. Oversight of existing contracts will be a top priority in 2013. Education of citizens regarding the popular Solid Waste programs will continue in 2013. Staff will work diligently with Public Safety and CP&D to further develop and enhance the COPS program as well. Liaison efforts with various neighborhoods will also continue to be a priority.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

SOLID WASTE

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Volume of Leaves Collected (cubic yards)	90,500	90,000	90,000
EFFICIENCY	Leaf Collection Cost	\$453,368	\$449,284	\$395,321
EFFECTIVENESS	Cost per Yard of Leaves Collected	\$5.01	\$4.99	\$4.39
OUTPUT	Volume (in tons) of Material Recycled	2,510	2,550	2,500
EFFICIENCY	Cost per Ton of Recycled Materials	\$223	\$226	\$227
EFFECTIVENESS	No. of Housing Units Participating in Recycling Activities	21,575	21,700	22,000
OUTPUT	Volume of Solid Waste Collected	9,989	10,000	10,100
EFFICIENCY	Cost of Solid Waste Collection per Cubic Yard	\$45.72	\$49.12	\$49.50
EFFECTIVENESS	No. of Housing Units Participating in Solid Waste Collection	50,000	50,000	50,000

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

WASTEWATER DIVISION

Enterprise Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Wastewater Division is generated by customer utility rates.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	7,301,799	7,332,386	7,332,386	7,177,089	5,344,764	-27.11%	5,432,285
Operating	15,720,535	17,479,125	17,534,763	17,176,253	17,421,260	-0.33%	17,421,260
Capital	8,468,469	4,805,165	5,376,683	2,926,276	3,118,900	-35.09%	2,464,000
Debt Service	605,125	596,923	596,923	531,372	1,014,364	69.93%	1,032,552
Transfers	59,193	-	-	-	-		-
TOTAL	32,155,121	30,213,599	30,840,755	27,810,990	26,899,288	-10.97%	26,350,096

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	87.0	83.0	64.0
Number of Permanent Part Time Positions	0.0	1.0	0.0

DEPARTMENT DESCRIPTION

To provide an environmentally sound, convenient and continuous wastewater disposal service to the public by adequately transporting and treating the wastewater generated in seventeen municipalities throughout the Kalamazoo area. Service shall be at a reasonable cost, consistent with allowing a sufficient cost coverage, making certain that the customers receive sound value and highly responsive service within established ordinances, service agreements and regulation.

2013 BUDGET HIGHLIGHTS

Major realignment activities will continue within the Wastewater Division in 2013. Significant change in the structure of operations and maintenance oversight and staffing due to the ERI will be incorporated and evaluated. Extensive training of new and existing staff will be a major emphasis in 2013 as well. Compliance with all local, state and federal discharge and monitoring requirements will remain a top priority. Work will continue with surrounding jurisdictions to renew wastewater service agreements.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

WASTEWATER DIVISION

Enterprise Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Cubic Meters of Wastewater Treated (Millions)	35.554	35.299	35.368
EFFICIENCY	Average Operating Cost to Treat one Cubic Meter of Wastewater (excludes depreciation)	\$0.65	\$0.69	\$0.64
EFFECTIVENESS	Number of NPDES Discharge Violations	2	2	0
OUTPUT	Miles of Sanitary Sewers	293	293	293
EFFICIENCY	Response Time to Sewer Backups within City	<6 hours	<4 hours	<3 hours
OUTPUT	Number of Lift Stations Maintained	59	60	60
OUTPUT	Total Number of Maintenance Work Orders Completed	2,124	1,825	1,900
EFFICIENCY	Number of Preventive Maintenance Work Orders Completed	7,903	6,859	7,000
EFFECTIVENESS	Percent of Corrective Work Orders to Total	21%	21%	21%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

WATER DIVISION

Enterprise Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Water Division is generated by customer utility rates.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	4,966,981	5,604,820	5,604,820	5,427,777	4,737,394	-15.48%	4,814,969
Operating	9,008,738	9,515,682	9,666,164	9,564,979	9,681,709	1.74%	9,681,709
Capital	2,309,777	2,194,641	2,393,077	2,393,077	2,502,200	14.01%	3,950,056
Debt Service	2,740,290	2,777,017	2,777,017	2,793,116	2,642,125	-4.86%	2,592,271
Transfers	335,428	-	-	-	-		-
TOTAL	19,361,214	20,092,160	20,441,078	20,178,949	19,563,428	-2.63%	21,039,005

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	61.0	63.0	50.0

DEPARTMENT DESCRIPTION

To provide a safe and continuous water supply service to the public within the Kalamazoo metropolitan service area. Service shall be at a reasonable cost, consistent with allowing for a fair return, making certain that the customers receive sound value and highly responsive service within established ordinances, contracts and regulations. Service efforts focus on uninterrupted, high-quality water being supplied throughout a service area that covers ten separate municipalities.

2013 BUDGET HIGHLIGHTS

Major realignment activities will continue in the Water Division in 2013. Over 80% of existing staff retired under the ERI so extensive work associated with training, staff development and oversight of the Water system will continue in 2013. Compliance with all local, state and federal monitoring requirements will remain a top priority in 2013. Education efforts related to source protection and water quality will also be enhanced. Work will continue with surrounding jurisdictions to finalize new water services agreements.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PUBLIC SERVICES**

WATER DIVISION

Enterprise Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Cubic Meters of Water BILLED (million m3 per year)	22.36	22.9	22.57
OUTPUT	Cubic Meters of Water PUMPED (million m3 per year)	25.37	25.62	25.32
EFFICIENCY	Average Operating Cost to Produce one Cubic Meter of BILLED Water (excludes depreciation).	\$0.55	\$0.59	\$0.57
EFFICIENCY	Compliance with all required regulatory limits, monitoring, and reporting requirements	100%	100%	100%
EFFECTIVENESS	Response Time on all water quality complaints (including logging of all complaints and responses for tracking purposes)	<24 hours	< 20 hours	< 16 hours

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

CODE ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the Code Administration Division is primarily funded through the General Fund, supplemented by cost recovery fees, property inspection fees and permit fees charged for new construction.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	1,380,862	1,400,801	1,400,801	1,369,173	1,209,457	-13.66%	1,221,066
Operating	152,230	185,115	210,066	153,359	148,128	-19.98%	148,128
Capital	17,199	3,000	3,000	950	3,000	0.00%	3,000
TOTAL	1,550,291	1,588,916	1,613,867	1,523,482	1,360,585	-14.37%	1,372,194

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	21.0	20.0	19.0

DEPARTMENT DESCRIPTION

Through partnerships with the community, City Attorney, City Engineering, Economic Development, Planning, Public Services, Public Safety, the Fire Marshal, and county and state governments, the Code Administration Division (CA) coordinates multi-departmental plan review, inspection and enforcement services while protecting the health, safety and general welfare of the community. The Code Administration Division is responsible for ensuring compliance with applicable codes and regulations for new construction and renovations. CA addresses the negative effects of blighted and abandoned properties through Code Compliance Inspectors and the Abandoned Residential Structures Ordinance. CA also administers code compliance on approximately 16,000 rental units in the city through our Rental Inspection and Certification Program.

2013 BUDGET HIGHLIGHTS

The 2013 Budget shifts some of the inspection staff from rental housing towards blight abatement and property standards enforcement. This is achieved by extending rental certification periods and focusing Housing Inspectors' time on rental inspections while enhancing staffing for anti-blight activities. We do not anticipate any substantial reduction in service delivery due to a reduction in field staff dedicated to rental certification. The additional Code Compliance Inspector positions will allow for proactive code enforcement and flexibility to prioritize work assignments as needed.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

CODE ADMINISTRATION

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	No. Of Inspections and Enforcement Actions	12,802	7,900	12,000
EFFICIENCY	Number of Inspectors Dedicated to the Task	8.5	5.66	8
EFFECTIVENESS	Number of Inspection Actions per Inspector	1,506	1,395	1,500
OUTPUT	Total Operating and Maintenance Expenditures	\$1,159,493	\$1,115,323	\$980,090
EFFICIENCY	Total amount billed for permitting, inspection, registration and enforcement activity	\$1,600,000	\$1,400,000	\$1,400,000
EFFECTIVENESS	Percent of budget recovered through billing for permitting, inspection, registration and enforcement activity	72.5%	79.7%	70.0%
OUTPUT	Number of Abandoned Structures Cases Resolved	59	70	50
EFFICIENCY	Number of Cases Resolved Through Demolition	28	42	30
EFFECTIVENESS	Number of Cases Resolved Through Rehabilitation	31	28	20

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

PLANNING

General Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Planning Division's budget is General Fund.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	394,967	366,510	366,510	371,041	344,118	-6.11%	349,573
Operating	27,929	38,293	38,574	33,991	39,266	2.54%	39,266
TOTAL	422,896	404,803	405,084	405,032	383,384	-5.29%	388,839

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	5.0	4.0	4.0

DEPARTMENT DESCRIPTION

The Planning Division is responsible for the implementation and enforcement of the city's zoning ordinance and short and long term planning. It also administers citywide land use policy. The division uses the master land use plan, "Plan Kalamazoo", and works to implement the ideals put forth in the document.

The Division works with the Planning Commission, the Historic District Commission, Historic Preservation Commission, Site Plan Review Committee, the Downtown Design Review Committee and neighborhood associations as technical support and as a professional planning resource to assist with neighborhood-based projects. Our goal is to make a reality the collective community wisdom that went into the creation of Plan Kalamazoo and to continue to improve the quality of life for all stakeholders.

2013 BUDGET HIGHLIGHTS

The 2013 budget represents a fundamentally status quo budget, as our employee count has not changed with this budget. However, as Planning Division employees work more intensely in other areas of the department, we are working to proactively streamline processes within the Division.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

PLANNING

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Zoning enforcement actions	330	200	350
EFFICIENCY	Average staff cost per zoning violation	\$152	\$159	\$143
EFFECTIVENESS	Actions taken per inspector	330	200	350
OUTPUT	Site plans reviewed	46	45	45
EFFICIENCY	Average staff cost per site plan reviewed	\$143	\$146	\$146
EFFECTIVENESS	Percentage of site plans completed in accordance with approved plans	91%	90%	90%

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

BLIGHT ABATEMENT

Special Revenue Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Blight Abatement / Demolition fund is General Fund transfers and expenditures recouped from the property owners.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Operating	12,845	40,000	43,011	11,516	48,762	21.91%	48,762
TOTAL	12,845	40,000	43,011	11,516	48,762	21.91%	48,762

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	0.0	0.0	0.0

DEPARTMENT DESCRIPTION

The Demolition Fund was established to facilitate securing, boarding and demolition of dangerous buildings throughout the city. The funds are used when property owners fail to comply with Dangerous Buildings Board orders that determine the building or property has become dangerous. Once action is taken by the City, either a lien is placed on the property or other methods are used to seek compensation for expenses incurred. Funding from HUD (e.g., CDBG, NSP1 & NSP2) is used whenever possible, but General Fund expenses are incurred on non HUD-eligible properties and for certain preliminary (e.g., boarding broken windows) and holding costs if a property is transferred to the City.

2013 BUDGET HIGHLIGHTS

No additional funding is requested for this fund in 2013. Existing funds will be used to address the increase in costs for boarding broken windows and doors on vacant properties, and for addressing vacant blighted commercial properties.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

COMMUNITY DEVELOPMENT (HUD)

Special Revenue Fund

BUDGET OVERVIEW

REVENUE

The special revenues used to fund a portion of the Community Development division's 2013 budget include CDBG, HOME, NSP2 and ESG from HUD.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	809,061	984,896	1,033,533	887,735	974,195	-1.09%	990,147
Operating	3,419,336	90,135	3,381,413	3,372,013	97,110	7.74%	-
TOTAL	4,228,397	1,075,031	4,414,946	4,259,748	1,071,305	-0.35%	990,147

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	14.0	13.0	9.0

DEPARTMENT DESCRIPTION

The focus of Community Development (CD) includes the effective management of federal, state and local funds in support of programs that address Kalamazoo's housing, neighborhood, and community development needs, especially those with low-and-moderate incomes. CD manages all Federal entitlement and competitive grants and programs channeled through the U.S. Department of Housing and Urban Development (HUD): Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Neighborhood Stabilization Program 2 (NSP2), and Emergency Shelter Grants (ESG). CD also serves to ensure a continuum of housing programs and services within the community through grants to non-profit housing development and service organizations, direct service delivery, technical assistance, other grants, loans, and/or contracts for services, as needed.

2013 BUDGET HIGHLIGHTS

Grants, federal awards, leveraged funds, and household impact numbers will decrease in 2013 as the Community Development Block Grant - Recovery (CDBG-R), Homeless Prevention and Rapid Re-Housing (HPRP), and Neighborhood Stabilization Programs 1 (NSP1) programs concluded in 2012. NSP2 will conclude in spring 2013. Eligible administrative and planning funds are used to cover staff time and related expenses associated with HUD-funded activities. The budget below reflects that NSP-1 and NSP-2 grants significantly increased the total amount of federal awards from 2010 - 2012. For Program Year 2012-2013, HUD decreased CDBG funds by 6.2 percent and HOME by 17.3 percent. The FY 2013 Proposed Budget only reflects personnel costs of allocated positions and associated operational costs. The new CDBG Budget will be adopted when the grant is accepted by the City Commission.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

COMMUNITY DEVELOPMENT (HUD)

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Grants: (CDBG, HOME, ESG, CDBG-R, HPRP, NSP-1, NSP-2)	33	30	23
EFFICIENCY	Total Federal Awards for Housing	\$7,612,390	\$4,696,816	\$1,350,000
EFFECTIVENESS	Leveraged funds for Housing	\$11,022,575	\$3,511,355	\$2,850,000
EFFECTIVENESS	Number of households impacted by housing-related grant award activities	2,698	2,000	1,800

* PY2010 includes NSP-2 funds significantly increasing the award towards housing.

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**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ECONOMIC DEVELOPMENT**

ECONOMIC DEVELOPMENT

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source of the Economic Development Division is the General Fund.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	433,560	258,223	258,223	234,114	173,940	-32.64%	162,076
Operating	26,475	22,690	22,690	12,045	89,735	295.48%	89,735
TOTAL	460,035	280,913	280,913	246,159	263,675	-6.14%	251,811

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	6.0	5.0	4.0

DEPARTMENT DESCRIPTION

The Economic Development Department implements programs and provides services integral to achieving the goals of the city's Economic Development Strategic Plan. Staff assists in the retention, growth and attraction of business and industry by building relationships with employers, and by anticipating/responding to their needs. Staff expertise in the use of incentives such as gap financing, tax exemptions and tax credits, land assembly and linkages to workforce development resources is utilized to preserve/enhance tax base and create jobs in the city. The division works with federal, state and local development organizations/agencies to address community reinvestment, job creation, job retention, brownfield redevelopment and riverfront redevelopment. The division provides staffing support to the Brownfield Redevelopment Authority, Economic Development Corporation and Local Development Finance Authority.

2013 BUDGET HIGHLIGHTS

With the implementation of the ERI Strategic Alignment Plan, the Economic Development Department will be contracting for economic development services through the Southwest Michigan First - Southwest Michigan Partners Group. This will allow the city to strategically integrate the expansion, attraction and diversification of the local economy while eliminating overlapping redundancies. There will be a continued aggressive redevelopment of underutilized and challenged brownfield sites within the community, partnering with developers, Michigan Economic Development Corporation, Southwest Michigan First and Downtown Development Authority.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of acres redeveloped	2.19	0.98	3.26
EFFICIENCY	Private investment leveraged / jobs created	16.8 / 114	13.7 / 48	29.9 / 239
EFFECTIVENESS	New taxable value added to the city	2.199	2.351	10.23

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**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PARKS AND RECREATION**

PARKS
General Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Parks Division's budget comes from a combination of General Fund dollars, proposed park rental fees of \$37,500, as well as reimbursement of \$104,508 from the solid waste millage for leaf and trash removal.

EXPENDITURES

	2011 Actual	2012 Adopted	2012 Amended	2012 Projected	2013 Adopted	2013/2012 Adopted Variance	2014 Projected
Personnel	896,237	890,589	890,589	821,921	642,583	-27.85%	651,442
Operating	281,352	298,473	304,986	295,641	322,590	8.08%	322,590
Capital	17,900	-	-	-	-		-
TOTAL	1,195,489	1,189,062	1,195,575	1,117,562	965,173	-18.83%	974,032

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	9.0	9.0	4.0
Number of Permanent Part Time Positions	2.0	2.0	1.0

DEPARTMENT DESCRIPTION

The Parks and Recreation Department provides a wide variety of high quality, affordable, accessible, environmentally-sustainable and dynamic programming and facilities which promote leisure, health and a high quality of life for all citizens of Kalamazoo.

The Parks Division includes the following budget units: General Parks and Bronson Park.

2013 BUDGET HIGHLIGHTS

Parks staff are moving from a predominantly labor workforce to be more focused on programming, facilities, and services. Park maintenance services, such as mowing and trimming, were subcontracted in 2012, saving the City over \$167,000 per year, while reducing the staff from 9 to 4. In addition staff will be evaluating other labor activities that may also be contracted out (open/closing restrooms, snow removal, and solid waste). Another significant change is that park staff will no longer be removing solid waste from downtown and cemetery sites and will focus efforts in Parks and Recreation facilities with reduced numbers of trash receptacles.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PARKS AND RECREATION**

PARKS
General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Acres of Park Mowed	398	210	210
EFFICIENCY	Time to Mow Parks (Mowing Cycle)	8-12 days	6-10 days	6-10 days
EFFECTIVENESS	Number of Complaints Regarding Parks Mowing (annually)	7	4	4
OUTPUT	Number of Park Reservations (includes public & private events)	225	160	160
EFFICIENCY	Turn-around Time to Book a Private Event (entire process)	1 day - 2 weeks	1 day - 2 weeks	1 day - 2 weeks
EFFECTIVENESS	Number of Complaints Regarding Reservations (annually)	3	3	3
OUTPUT	Number of Locations for Trash Removal (barrels)	350	350	250
EFFICIENCY	Frequency of Trash removal	every 3-14 days	every 3-14 days	every 1-10 days
EFFECTIVENESS	Number of Complaints (annually)	12	10	8

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PARKS AND RECREATION**

RECREATION

General Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Recreation Division's budget comes from a combination of General Fund dollars, the department's programs fees and charges of \$205,000, a contribution of \$30,000 from the Municipal Recreation Endowment Fund, a \$2,625 contribution from the Friends of Recreation, and grant funds from various other sources, such as: Kalamazoo Communities in Schools, Oakwood Neighborhood Association, Sears Memorial Fund, Kalamazoo Community Foundation, and Kalamazoo Public Schools.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	825,058	798,174	798,174	751,986	667,121	-16.42%	673,501
Operating	351,486	384,607	386,302	351,602	357,718	-6.99%	357,718
TOTAL	1,176,544	1,182,781	1,184,476	1,103,588	1,024,839	-13.35%	1,031,219

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	9.0	8.0	6.0
Number of Permanent Part Time Positions	2.0	2.0	2.0

DEPARTMENT DESCRIPTION

Mission Statement: The Parks and Recreation Department provides a wide variety of high quality, affordable, accessible, environmentally-sustainable and dynamic programming and facilities which promote leisure, health and a high quality of life for all citizens of Kalamazoo.

The Recreation Division includes the following units:

General Recreation Services:

Administration, Summer Youth Activities, Playgrounds, Aquatics, Concession/Kik Pool, Special Events, Youth Sports, After School, and Youth Development Programs

Adult Sports and Recreation Services:

Administration, Softball, and Volleyball

Inclusive Services:

Inclusive (citizens with and without disabilities together)

Mayors' Riverfront Park (MRP):

MRP/Administration

2013 BUDGET HIGHLIGHTS

The department will continue to seek outside funding for a year round swim program and for general recreation programs. Staff will develop unique programs at the Youth Development Center that focus on education, skill/employment development and arts/cultural programs. Revenue generated from registration fees and charges will be increased through the establishment of a grant fund for scholarships. There will also be development of new one day workshops/activities to be held at Farmers' Market and the Fairmount Dog Park.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PARKS AND RECREATION**

RECREATION

General Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Special Events (# programs)	9	9	12
EFFICIENCY	Special Events (cost per person)	.50 - \$60	.50 - \$60	.50 - \$60
EFFECTIVENESS	Special Events (# of people served; outdoor events are weather dependent)	6,788	3,851	6,550
OUTPUT	Youth Development (# programs)	48	49	45
EFFICIENCY	Youth Development (# collaborations)	35	36	36
EFFECTIVENESS	Youth Development (number of registered participants)	2,440	2,246	2,126

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
PARKS AND RECREATION**

KALAMAZOO FARMERS MARKET

Enterprise Fund

BUDGET OVERVIEW

REVENUE

The revenue to fund the Kalamazoo Farmers' Market budget is generated from user rental fees.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	46,234	46,729	46,729	51,515	51,408	10.01%	52,250
Operating	88,971	15,900	20,567	21,668	17,127	7.72%	17,127
TOTAL	135,205	62,629	67,296	73,183	68,535	9.43%	69,377

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Part Time Positions	1.0	1.0	1.0

DEPARTMENT DESCRIPTION

The Kalamazoo Farmers' Market seeks to enhance the quality of life in the community by offering a wide variety of fresh food and products from area farmers, growers, and artisans.

2013 BUDGET HIGHLIGHTS

A request for proposals was sent out in 2012, for contracting with an outside organization to provide overall operations and management of the Market. If it is determined to be cost effective, the Market will be operated and managed by an outside organization rather than Parks and Recreation staff. If it is determined not to be cost effective, a new Market Coordinator will need to be hired to fill the vacant position of the existing Market Servicer who retired in 2012.

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Seasonal Stalls Available	97	97	97
EFFICIENCY	Number of Seasonal Stalls Rented	97	97	97
EFFECTIVENESS	Number of Complaints from vendors/public	8	6	5

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**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
TRANSPORTATION**

PUBLIC TRANSPORTATION SERVICES

Enterprise Fund

BUDGET OVERVIEW

REVENUE

Public transportation operating revenues are derived from passenger fares, the Michigan Department of Transportation (MDOT), the Federal Transit Administration (FTA), Western Michigan University (WMU), and the City of Kalamazoo and County of Kalamazoo special transit tax levies. These two levies will expire in 2012 and will need to be renewed to ensure adequate funding for the System. The City of Kalamazoo's levy request is scheduled for November 2012 and the KCTA levy request will be in February or May of 2013. Capital funding for vehicle replacement, new equipment, and improvements to public transit facilities is provided 80% by FTA and 20% from MDOT.

EXPENDITURES

	2011	2012	2012	2012	2013	2013/2012	2014
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	6,658,712	7,232,561	7,232,561	7,113,451	7,254,636	0.31%	7,373,431
Operating	9,304,977	9,980,825	9,980,825	10,036,225	9,769,803	-2.11%	9,769,803
Capital*	4,661,866	12,262,267	12,262,267	3,443,523	3,796,478	-69.04%	3,796,478
TOTAL	20,625,555	29,475,653	29,475,653	20,593,199	20,820,917	-29.36%	20,939,712

*This line item budget includes prior year appropriations available for use.

POSITIONS

POSITION ALLOCATIONS	Budget 2011	Budget 2012	Adopted 2013
Number of Permanent Full Time Positions	102.0	103.0	102.0
Number of Permanent Part Time Positions	19.0	19.0	20.0

DEPARTMENT DESCRIPTION

The Transportation Department provides the citizens of Kalamazoo County with fixed route and demand response public transportation services that are dependable, convenient, safe, cost effective, and accessible for everyone.

2013 BUDGET HIGHLIGHTS

The budget for 2013 will ensure that current service levels continue. The Community Service Vanprogram will be expanded with the implementation of a pilot out-county element with a van being placed in Vicksburg MI. Metro Transit will continue its implementation of an intelligent transportation system that will improve customer service and passenger information services. Continued efforts at assisting seniors, people with disabilities, and the general public in terms of educating people how to use public transit will be promoted through our new grant funded travel trainer program. Safety and security will be ensured at the Kalamazoo Transportation Center (KCT) with the continuation of two public safety officers funded through this proposed budget. Three thirty-five foot hybrid-electric replacement buses will be delivered in late 2013. Up to six replacement vans for the Metro County Connect program will also be acquired as well as an expansion van for the Community Service Van Program. Efforts will continue between the City of Kalamazoo, the County of Kalamazoo, Kalamazoo Transit Authority Board (TAB) and the Kalamazoo County Transit Authority (KCTA) to eventually transition all public transportation services to the KCTA.

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
TRANSPORTATION**

PUBLIC TRANSPORTATION SERVICES

Enterprise Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2013
OUTPUT	Number of Schedule Service Hours (including Metro Transit, Metro Van, Care-A-Van and Community Service Vans)	175,079	178,650	178,069
EFFICIENCY	Cost Per Hour	\$91.71	\$87.15	\$85.78
EFFECTIVENESS	Average Passengers Per Hour – All Services	15.87	16.28	16.82
OUTPUT	Number of Service Miles (including Metro Transit, Metro Van, Care-A-Van and Community Service Vans)	2,539,725	2,630,078	2,621,539
EFFICIENCY	Cost Per Mile	\$6.32	\$5.92	\$5.83
EFFECTIVENESS	Miles Per Hour	14.51	14.72	14.72
OUTPUT	Number of Passengers Trips (all services)	2,778,000	2,907,958	2,995,197
EFFICIENCY	Cost Per Passenger	\$5.78	\$5.35	\$5.10
EFFECTIVENESS	Passengers Boarded Per Service Mile	1.10	1.11	1.14

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO CAPITAL IMPROVEMENTS PROGRAM SUMMARY BUDGET YEAR - 2013			DEPARTMENT: VARIOUS										FUNDING SOURCE
			DIVISION: VARIOUS										
			FUND NAME/NUMBER: GENERAL FUND CAPITAL										
DOLLARS IN THOUSANDS (\$000)													
DEPARTMENT	PRIORITY NO.	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
			PARKS & RECREATION	1	Parks and Recreation Five Year Plan	45.0					45.0		
PUBLIC SERVICES	2	Auto Ion Environmental	10.0	10.0	40.0	10.0	10.0	10.0					RESERVES
PUBLIC SAFETY	3	Repair/Refurbishment/Update Fire Apparatus 2013	300.0										BOND
PARKS & RECREATION	4	Kik Pool Safety Cover	36.0										BOND
PARKS & RECREATION	5	Hays Park Improvement Project	162.5										BOND OTHER
PARKS & RECREATION	6	Kik Pool replacement panels	38.0										BOND
PUBLIC SAFETY	7	Public Safety Facility Upgrades	125.0										BOND
PUBLIC SAFETY	8	Video Security System Upgrade	25.0										BOND
PUBLIC SAFETY	9	Technology Upgrades	120.0										BOND
PARKS & RECREATION	10	Parks Facilities Equipment and Repairs	25.0	25.0	25.0	25.0	25.0	25.0	0.0	0.0	0.0	0.0	BOND
PUBLIC SERVICES	11	Equipment and Facility Major Repairs	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	BOND
2013 CIP Subtotal			\$916.5										
2013 Total Project Cost			\$924.0										

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: VARIOUS										FUNDING SOURCE
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: VARIOUS										FUNDING SOURCE
BUDGET YEAR - 2013			FUND NAME/NUMBER: GENERAL FUND CAPITAL										FUNDING SOURCE
DOLLARS IN THOUSANDS (\$000)													
DEPARTMENT	PRIORITY NO.	PROJECT TITLE											FUNDING SOURCE
			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
PUBLIC SAFETY	1	Repair/Refurbishment/Update Fire Apparatus 2014		75.0									BOND
PUBLIC SERVICES	2	City Hall Improvements		234.0									BOND
PARKS & RECREATION	3	Ianelli Fountain Mechanical Repairs (Phase I)		620.0									BOND
PARKS & RECREATION	4	Milham Park Portage Creek Dredging		220.0									BOND
PUBLIC SAFETY	5	Boiler and Chiller Replacment		420.0									BOND
PARKS & RECREATION	6	YDC Facility Improvements		126.5									BOND
PARKS & RECREATION	7	Henderson Tot Lot Improvements		60.0									BOND
ENGINEERING DIVISION	8	KRVT Willard Street Extention		45.0									BOND
				300.0									STATE
				300.0									OTHER
2014 CIP Subtotal				\$1,865.5									
2014 Total Project Cost				\$2,465.5									
PUBLIC SAFETY	1	Replace Engine 7			500.0								BOND
PARKS & RECREATION	2	MLK Park Improvements			200.0								BOND
					100.0								OTHER
PUBLIC SERVICES	3	City Hall Improvements			100.0								BOND
PARKS & RECREATION	4	Crane Park Redevelopment			620.0								BOND
PARKS & RECREATION	5	Ianelli Fountain Sculptural Repairs (Phase II)			600.0								BOND
ENGINEERING DIVISION	6	Portage Creek Trail, Segment 1			120.0								BOND
					400.0								STATE
					400.0								OTHER
2015 CIP Subtotal					\$2,235.0								
2015 Total Project Cost					\$3,135.0								

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO CAPITAL IMPROVEMENTS PROGRAM SUMMARY BUDGET YEAR - 2013			DEPARTMENT: VARIOUS										
			DIVISION: VARIOUS										
			FUND NAME/NUMBER: GENERAL FUND CAPITAL										
DOLLARS IN THOUSANDS (\$000)													
DEPARTMENT	PRIORITY NO.	PROJECT TITLE											FUNDING SOURCE
			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
PUBLIC SAFETY	1	In-Car Camera Supporting Infrastructure Upgrade				82.0							BOND
PARKS & RECREATION	2	Spring Valley Park Tennis and athletic field improvements				215.0							BOND
PUBLIC SERVICES	3	City Hall- miscellaneous improvements				75.0							BOND
ENGINEERING DIVISION	4	Portage Creek Trail, Segment 2				150.0							BOND
						950.0							FEDERAL
						970.0							OTHER
PUBLIC SAFETY	5	Public Safety Station #2 Replacment				2,570.0							BOND
PARKS & RECREATION	6	Phase I Redevelopment of Kalamazoo Farmers M				1,600.0							BOND
2016 CIP Subtotal						\$4,757.0							
2016 Total Project Cost						\$6,677.0							
PUBLIC SAFETY	1	Dispatch Equipment Replacement					1,800.0						BOND
PUBLIC SAFETY	2	CAD/RMS Upgrade					550.0						BOND
PARKS & RECREATION	3	Frays Park Walkway and geneal park improvements					135.0						BOND
PARKS & RECREATION	4	Davis Street Park Improvements					80.0						BOND
PARKS & RECREATION	5	Blanche Hull Park Improvements					300.0						BOND
PUBLIC SERVICES	6	City Hall- miscellaneous office improvements					80.0						BOND
2017 CIP Subtal						\$3,010.0							
2107 Total Project Cost						\$3,010.0							
PARKS & RECREATION	1	Milham Park Improvements					300.0						BOND
							300.0						STATE
							1,400.0						OTHER
PARKS & RECREATION	2	Knollwood Park Improvements					150.0						BOND
PUBLIC SAFETY	3	Public Safety Facility Upgrades					250.0						BOND
2018 CIP Subtotal						810.0							
2018 Total Project Cost						2,510.0							
GRAND TOTAL			924.0	\$2,465.5	\$3,135.0	\$6,677.0	\$3,010.0	\$2,510.0	\$30.0	\$30.0	\$30.0	\$30.0	

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO		DEPARTMENT:	PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY		DIVISION:	GENERAL FUND										
BUDGET YEAR - 2013		FUND NAME/NUMBER:	GENERAL FUND CAPITAL - Major & Local Streets										
KEY:													
L = Local Streets CIP = Capital Improvement Project													
M = Major Streets O=Other V=Various													
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
1-1	L	Local Street Program (Tier #1)	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	Bond
		Various	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	CIP
1-2	M	Scattered Site Mill and Resurface	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	Bond
		Various Major Streets											
1-3	M	Alvan (Saidla to Sprinkle)	90.0										Bond
													Federal
1-4	M	Austin (Oakland to Davis)	94.0										Federal
													Bond
1-5	M	Traffic Signal Upgrade	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	Bond
		Various											
1-6	M	Fulford (Cork to Stockbridge)	211.0										Bond
			515.0										Federal
1-7	M	Kendall (Hylle to Memory)	116.0										Bond
1-8	M	N. Burdick (RR Tracks to North City Limits)	238.0										Bond
			568.0										Federal
1-9	M	Oakland/Parkview Intersection	180.0										Bond
			802.0										Federal
1-10	M	Pavement Mgt. Update	10.0										Bond
1-11	M	Race (Stockbridge to Lake)	150.0										Bond
1-12	M	Design for Upcoming Years Major Street Projects	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	Bond
1-13	M	Sailda (Miller to Alvan)	112.0										Bond
1-14	M	Westfall (Michigan to Hylle)	129.0										Bond
1-15	M	Wheaton (Merrill to Westnedge)	320.0										Bond
2013 Total =			4,885.0										

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: GENERAL FUND										
BUDGET YEAR - 2013			FUND NAME/NUMBER: GENERAL FUND CAPITAL - Major & Local Streets										
KEY:													
L = Local Streets CIP = Capital Improvement Project													
M = Major Streets O=Other V=Various													
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
2014	M	Drake (W. Main to Grand Prairie)		837.0									Federal
				380.0									Bond
2014	M	Factory (Miller to Palmer)		120.0									Bond
2014	M	Howard (Michigan to Kendall)		280.0									Federal
				127.0									Bond
2014	M	Rose (Ransom to Paterson)		419.0									Bond
2014	M	Vine (Clarence to Hatfield)		125.0									Bond
2014	M	Wallace (Michigan to Main)		353.0									Bond
2014	M	Stadium/Drake MDOT Improvements		225.0									Bond
2014 Total =				4,216.0									
2015	M	Alamo (Douglas to City Limits)			215.0								Federal
2015	M	Edwards (Kalamazoo to North)			140.0								Federal
2015	M	Manchester (Kilgore to N. End)			190.0								Federal
2015	M	Mills (Stockbridge to King Hwy)			661.0								Federal
					445.0								Bond
2015	M	Pitcher (Water to North)			200.0								Bond
2015	M	Riverview (Gull to Nt. Olivet)			500.0								Federal
					300.0								Bond
2015	M	Sprinkle/I-94 Interchange Participation			210.0								Bond
2015 Total =				4,211.0									

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO		DEPARTMENT:	PUBLIC SERVICES												
CAPITAL IMPROVEMENTS PROGRAM SUMMARY		DIVISION:	GENERAL FUND												
BUDGET YEAR - 2013		FUND NAME/NUMBER:	GENERAL FUND CAPITAL - Major & Local Streets												
													KEY:	L = Local Streets	CIP = Capital Improvement Project
													M = Major Streets	O=Other	V=Various
DOLLARS IN THOUSANDS (\$000)															
PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE		
2016	M	E. Michigan (Riverview to Wallance)				600.0							Federal		
						275.0							Bond		
2016	M	Kilgore (Service Drive to Sprinkle)				561.0							Federal		
						350.0							Bond		
2016	M	Parchmont (Mt. Olivet to Mead)				145.0							Bond		
2016	M	Pitcher (Walnut to Portage/Pitcher Connector)				120.0							Bond		
2016	M	Porter (Frank to Paterson)				195.0							Bond		
2016	M	Sheldon (Vine to Crosstown)				151.0							Bond		
2016	M	Stockbridge (Railroad to Portage)				300.0							Bond		
2016	M	Water (Westnedge to Rose)				164.0							Bond		
						2016 Total =	4,211.0								
2017	M	Emerald (Cork to Miller)					385.0						Bond		
2017	M	Hatfield (Schuster to King)					180.0						Bond		
2017	M	Portage (Sheridan to Stockbridge)					651.0						Federal		
							380.0						Bond		
2017	M	Vine (Westnedge to Crosstown)					435.0						Federal		
							510.0						Bond		
2017	M	Walbridge (Michigan to Paterson)					320.0						Federal		
						2017 Total =	4,211.0								

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: GENERAL FUND										
BUDGET YEAR - 2013			FUND NAME/NUMBER: GENERAL FUND CAPITAL - Major & Local Streets										
KEY: L = Local Streets CIP = Capital Improvement Project													
M = Major Streets O=Other V=Various													
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
2018	M	Cork (Portage to Sprinkle)						1,161.0					Federal
								510.0					Bond
2018	M	Covington (Manchester to Sprinkle)						446.0					Bond
2018	M	Edwards (Frank to Paterson)						176.0					Bond
2018	M	Lovell (Sprague to Oakland)						308.0					Bond
2018	M	VanRick (Covington to Sprinkle)						268.0					Bond
2018 Total =								4,219.0					
2019	M	Bank (Stockbridge to Lake)							150.0				Bond
2019	M	Burr Oak (Park to Burdick)							155.0				Bond
2019	M	March (Stockbridge to Lake)							150.0				Bond
2019	M	Parchmont (Clarmin to Mt. Olivet)							154.0				Bond
2019	M	Portage (Stockbridge to Walnut)							1,161.0				Federal
									650.0				Bond
2019	M	Portage/Pitcer Connector (Walnut to Lovell)							206.0				Bond
2019	M	Vine (Davis to Westnedge)							235.0				Bond
2019 Total =								4,211.0					

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: GENERAL FUND										
BUDGET YEAR - 2013			FUND NAME/NUMBER: GENERAL FUND CAPITAL - Major & Local Streets										
KEY: L = Local Streets CIP = Capital Improvement Project													
M = Major Streets O=Other V=Various													
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
2020	M	Harrison (Michigan to Gull)								90.0			Bond
2020	M	Lake (Portage to E. City Limits)								397.0			Federal
2020	M	Maple (Westnedge to Burdick)								171.0			Bond
2020	M	Oakland (Parkview to Howard)								607.0			Federal
2020	M	Rambling (Winchell to Stadium)								274.0			Bond
2020	M	Rose (Kalamazoo to RR Tracks)								68.0			Bond
2020	M	Walter (Lake to Vine)								102.0			Bond
2020	M	Washington (Portage to March)								350.0			Bond
2020	M	Nazareth (E. Michigan to Charles)								260.0			Bond
2020 Total=										4,125.0			
2021	M	Alcott (Burdick to Portage)									255.0		Bond
2021	M	Burdick (Crosstown to Lovell)									299.0		Federal
2021	M	Humphrey (Charlotte to E. City Limits)									136.0		Bond
2021	M	Humphrey (Charlotte to E. City Limits)									187.0		Bond
2021	M	Mt. Olivet (Courtlandt to Brook)									334.0		Federal
2021	M	Oakland (Kilgore to Parkview)									152.0		Bond
2021	M	Oakland (Kilgore to Parkview)									528.0		Federal
2021	M	Reed (Portage to March)									240.0		Bond
2021	M	Reed (Portage to March)									453.0		Bond
2021	M	Rose (Burr Oak to Lovell)									304.0		Bond
2021 Total=										4,238.0			

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: GENERAL FUND										
BUDGET YEAR - 2013			FUND NAME/NUMBER: GENERAL FUND CAPITAL - Major & Local Streets										
KEY: L = Local Streets CIP = Capital Improvement Project													
M = Major Streets O=Other V=Various													
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
2022	M	Bryant (Portage to Lane)										650.0	Bond
2022	M	Branch (Vine to King Highway)										130.0	Bond
2022	M	Brook (City Limits to Mt. Olivet)										105.0	Bond
2022	M	Drake (Parkview to Satdium)										580.0	Federal
												265.0	Bond
2022	M	Howard (Stadium to Oakland)										426.0	Federal
												190.0	Bond
2022	M	Howard (Crosstown to Park)										155.0	Federal
												100.0	Bond
2022	M	Ravine (City Limits to Douglas)										260.0	Bond
2022 Total=												4,211.0	
GRAND TOTAL			\$4,885.0	\$4,216.0	\$4,211.0	\$4,211.0	\$4,211.0	\$4,219.0	\$4,211.0	\$4,125.0	\$4,238.0	4,211.0	\$42,738.0

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO	DEPARTMENT:	PUBLIC SERVICES
CAPITAL IMPROVEMENTS PROGRAM SUMMARY	DIVISION:	Wastewater
BUDGET YEAR - 2013	FUND NAME/NUMBER:	GENERAL FUND CAPITAL - Wastewater

KEY:

DOLLARS IN THOUSANDS (\$000)

PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
		Capital Management	270.0										Reserves
1-2	PL	Equipment Replacement &	0.0	150.0	150.0	130.0	130.0	175.0	200.0	200.0	250.0	250.0	Reserves
1-3	IE	Electrical, Instrumentation & Controls: Replace and Upgrade	97.9	22.1									Bond Reserve
			0.0	97.9	140.0	180.0	130.0	190.0	150.0	150.0	150.0	175.0	Reserves
1-4	PL	Alternate Force Main	245.8										Bond Reserve
			0.0										Reserves
1-5	SC	New and Replacement Sewer Construction	504.5		238.0	245.5	253.5	260.0	267.5	275.0	287.5	275.0	Bond Reserve
			0.0	463.0	239.0	245.5	253.5	260.0	267.5	275.0	287.5	275.0	Reserves
1-6	SC	Lift Station Improvements	273.7			200.0			200.0	50.0			Bond Reserve
			0.0	120.0	120.0		120.0	125.0		125.0	120.0	125.0	Reserves
1-7	SC	New Sewer Lead Connections											Bond Reserve
			60.2	65.0	67.0	69.0	71.1	73.2	75.4	77.7	80.0	82.4	Contrib in Aid
2-8	PL	Replace Large Pumps	181.8			250.0	325.0				300.0	250.0	Bond Reserve
			0.0	50.0	75.0			175.0	150.0	150.0			Reserves
2-9	GP	Facility Improvements	100.7										Bond Reserve
			0.0	100.0	75.0	75.0	100.0	100.0	100.0	100.0	110.0	100.0	Reserves
2-10	PL	Solids Handling Optimization	40.6	159.4	500.0								Bond Reserve
			0.0	40.6									Reserves
2-11	GP	Hach Wims	20.0										Bond Reserve
			0.0										Reserves
2-12	ES	Schippers Crossing Interim Remedial Action	151.7	31.0	32.6	34.2							Bond Reserve
													Reserves
3-13	GP	Computer Replacement	30.0										Bond Reserve
			0.0	45.0	35.0	35.0	35.0	35.0	35.0	30.0	35.0	35.0	Reserves
3-14	IE	Plant Control System Improvements	19.2										Bond Reserve
			0.0	10.0	20.0	10.0	100.0	20.0	20.0	20.0	30.0	30.0	Reserves
		Wastewater Security	15.0										Bond Reserve
			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Reserves
		Large Interceptor Repairs	200.0										Bond Reserve
			0.0	210.0	220.5								Reserves
3-15	PL	Replace Large Valves	57.8										Bond Reserve
			0.0		50.0			75.0			50.0	25.0	Reserves

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CAPITAL IMPROVEMENTS PROGRAM SUMMARY

DIVISION: Wastewater

BUDGET YEAR - 2013

FUND NAME/NUMBER: GENERAL FUND CAPITAL - Wastewater

KEY:

DOLLARS IN THOUSANDS (\$000)

PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
		Capital Management	270.0										Reserves
	PL	Tertiary Screw Pump Replacement #2 and #5		320.0				320.0					Bond Reserve Reserves
future	PL	Plant Water System Upgrades (SP)		100.0									Bond Reserve Reserves
future	GP	Plant Building Demolition (SP)	750.0	750.0									Bond Reserve Reserves
future	GP	Stand-by Power Facility Improvements (above)						20.0					Bond Reserve Reserves
future	PL	Arcadia Interceptor Replacement near Motor Zone			1,000.0								Bond Reserve Reserves
future	PL	Alternate Forced Main (In Plant)							1,500.0				Bond Reserve Reserves
future	GP	Harrison Facility Road Replacement		75.0	75.0								Bond Reserve Reserves
Grand Total =			3,118.9	2,809.0	3,037.1	1,474.2	1,518.1	1,828.2	2,965.4	1,452.7	1,700.0	1,672.4	

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: Water										
BUDGET YEAR - 2012			FUND NAME/NUMBER: GENERAL FUND CAPITAL - Water										
WATER CAPITAL IMPROVEMENT PROGRAM SUMMARY			KEY:										
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	FUNDING SOURCE
		Capital Management	200.0										Reserves
1-1	DI	New and Replacement Water	187.0	190.7	196.4	202.3	208.4	214.6	221.1	227.7	234.5	241.6	Contrib. Aid
		Mains	295.0	203.1	209.7	216.4	223.4	230.7	238.2	246.1	254.3	262.6	Reserves
1-2	DI	New Service Connections	57.1	57.7	58.2	58.8	59.4	60.0	60.6	61.2	61.8	62.5	Contrib. Aid
1-3	DI	New and Replacement Hydrants	40.5	55.9	56.9	57.8	58.8	59.8	60.8	61.9	62.9	64.0	Bond Res.
			80.4	81.8	83.1	84.5	85.9	87.3	88.8	90.2	91.8	93.3	Contrib. Aid
1-4	GP	Water Pumping Station Improvements	164.4	275.0	200.0	200.0	150.0	50.0	50.0	100.0	50.0	50.0	Bond Res.
					200.0	150.0	100.0	150.0	150.0	200.0	200.0	200.0	Reserves
1-5	SS	Elevated Storage Tank Painting	345.3	450.0	450.0								Reserves
2-6	DI	Lead Service Replacement	95.9	96.9	97.8	98.8	99.8	100.8	101.8	102.8	103.8	104.9	Reserves
2-7	MD	Meter Improvement Program	158.3	159.9	161.5	163.1	164.7	166.3	168.0	169.7	171.4	173.1	Bond Res.
													Reserves
2-8	SS	Well Rehabilitation/Maintenance and Replacement	303.8	223.2	213.7	224.3	244.5	230.3	220.8	231.5	252.8	237.4	Bond Res.
													Reserves
3-9	GP	Water SCADA System Replacement	150.2	250.0									Reserves
3-10	GP	New and Replacement Computers	25.0	27.0	35.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	Reserves
3-11	GP	Automated Meter Reading	25.0	25.0	25.0								Reserves
3-12	DI	Stockbridge Facility Improvements	99.3	100.0	105.0								Reserves
3-13	GP	Mobile Workorder Solution (GBA)	15.0	23.0									Reserves
3-14	GP	New Media for Air Strippers	130.0										Reserves
3-15		Water Station Security	30.0	30.9	31.8	32.8	33.8	34.8	35.8	36.9	38.0	39.1	Reserves
Future	SS	New Water Pumping Station & Well Field (Oshemo)		300.0	1,200.0	1,200.0							Reserves
Future		Ross Township Wellfield Development						300.0	2,000.0	2,000.0			Reserves
Future		Iron Removal West (High, Super High, or Ultra High)			10.0								Reserves
Future		Mt. Olivet Replacement Tank				1,000.0	1,000.0						Reserves
		33rd Street Water Main	100.0	1,400.0									Bonds Reserves
Grand Total =			2,502.2	3,950.1	3,334.1	3,716.7	2,456.6	1,712.6	3,423.9	3,556.0	1,549.3	1,556.5	

BROWNFIELD REDEVELOPMENT AUTHORITY (BRA)

2013 ADOPTED BUDGET

	2011 Actual	2012 Adopted Budget	2012 Projected Budget	2013 Adopted Budget
Revenues				
General Fund Contribution	0	0	0	0
TIF Capture - Developer	0	298,200	298,200	314,000
TIF Capture - Building Authority (Ramp)	0	144,500	144,500	150,000
TIF Capture - BRA	973,983	13,900	13,900	108,000
Land Sales Proceeds	19,384	10,000	5,000	10,000
Interest on Investments	3,362	7,500	4,500	4,000
Loan Interest	0	0	1,000	1,200
Miscellaneous (Rent/Reimbursements)	85,157	15,000	17,300	17,300
Total Resources	1,081,886	489,100	484,400	604,500
Expenditures				
Personnel	50,717	182,789	181,905	186,863
Riverfront Redevelopment	26,004	30,000	10,000	30,000
Davis Creek Business Park	250	30,000	0	50,000
Former Public Safety Buildings	7,830	25,000	2,500	25,000
Tax Reverted Property Acquisitions/Land Bank	0	0	0	10,000
TIF Reimbursements to Developers	308,633	298,200	298,200	314,000
TIF Transfer to Building Authority/Mall Parking Structure	160,792	144,500	144,500	150,000
Site/Building Maintenance	20,521	18,000	16,750	18,000
Special Projects Environmental	58,821	20,000	30,000	30,000
East Bank Site	0	0	5,000	5,000
Performance Paper	10,050	20,000	2,000	20,000
Site Preparation/Infrastructure	7,654	125,000	1,000	125,000
Targeted Acquisitions	65,732	25,000	8,500	25,000
Marketing	2,856	20,000	2,500	20,000
Administrative/IT Fees	45,432	45,889	45,889	47,266
BRA Operating Expenses	2,747	7,500	2,500	3,000
Economic Development Strategy	0	25,000	0	0
Bank Fees	0	500	300	300
Total Expenditures	768,039	1,017,378	751,544	1,059,429
Revenue over (under) expenditures	313,847	-528,278	-267,144	-454,929
Beginning Fund Balance	1,067,906	1,257,021	1,381,753	1,114,609
Ending Fund Balance	1,381,753	728,743	1,114,609	659,680

DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

2013 ADOPTED BUDGET

OPERATING BUDGET

	2012 Approved	2012 Projected	2013 Proposed
REVENUE			
Taxes			
Operating - Current Year (DDA Levy 1.9638 Mills)	345,210	345,210	291,927
Operating - Current Year (TIF)	2,031,749	2,303,092	1,636,759
Total Taxes	2,376,959	2,648,302	1,928,686
Fees & Charges for Services			
Festival Place Maintenance Fees	19,000	19,000	19,000
City of Kalamazoo Mall Maintenance	14,210	14,210	14,210
Total Fees & Charges for Services	33,210	33,210	33,210
Other			
Interest Income	5,000	2,120	2,100
PILOTS/Miscellaneous	1,500	1,458	1,500
Kalamazoo County Loan	-	700,000	-
DKI Fund Balance	-	-	442,069
Total Other Revenue	6,500	703,578	445,669
TOTAL REVENUE	2,416,669	3,385,090	2,407,565
EXPENSES			
Operating Expenses			
DKI Service Agreement	350,681	347,681	286,888
Administration	271,604	271,604	-
Insurance/Legal/Audit Services	24,625	46,506	25,625
Mall Assessment	10,000	-	10,000
Miscellaneous	122,955	1,068,272	45,257
Total Operating Expenses	779,865	1,734,063	367,770
Initiatives/Programs			
Marketing	240,000	240,000	131,000
Business Recruitment and Retention	40,000	40,000	40,000
Safety	94,000	94,000	-
CIP:			
Special Projects	10,000	10,000	-
Maintenance	213,920	213,920	125,500
Building Revitalization Programs	5,000	5,000	-
Radisson Leased Spaces	14,784	14,784	-
TIF Capture-Miller Canfield	64,524	69,101	57,782
Program Allocation	-	3,000	-
Total Initiatives/Programs	682,228	689,805	354,282

**DOWNTOWN DEVELOPMENT AUTHORITY (DDA)
2013 ADOPTED BUDGET
OPERATING BUDGET**

	2012 Approved	2012 Projected	2013 Proposed
DEBT SERVICE/OTHER OBLIGATIONS			
Arcadia Creek Bonds	651,585	649,725	633,800
Building Authority Bonds	679,081	679,381	654,235
DDA Bond	85,565	85,565	87,265
TIF Capture Ramp3	-	70,282	53,978
Kalamazoo Community Foundation	75,000	75,000	75,000
Metropolitan Center	48,900	48,900	48,900
Kalamazoo County Loan	-	-	198,000
Total Debt Service/Other Obligations	1,540,131	1,608,853	1,751,178
Transfers			
Transfer to Parking System	200,000	-	-
Total Transfers	200,000	-	-
12% Reserve	28,334	29,530	17,724
TOTAL EXPENSES	3,230,558	4,062,251	2,490,954
Revenue Over (Under) Expenses	(813,889)	(677,161)	(83,389)

ECONOMIC DEVELOPMENT AUTHORITY (EDC)

2013 ADOPTED BUDGET

	2011 Actual	2012 Adopted Budget	2012 Projected Budget	2013 Adopted Budget
RESOURCES				
Loan Interest	58,931	48,121	34,750	58,712
Interest on Investments	188	2,000	200	200
Miscellaneous	0		0	0
Transfers				
General Fund	0		0	0
LDFA / TIF	81,024	81,025	81,025	81,025
EDC	0		0	0
EIF	0		0	0
Insurance Fund	0		0	0
Total Resources	140,143	131,146	115,975	139,937
Expenditures				
Contracting for Services 1)	114,912	121,966	121,862	126,860
Economic Development Strategy	0	25,000	0	0
Administrative Fee	2,664	2,686	2,686	2,767
Other Costs 2)	8,017	12,000	6,700	9,750
Utilities (Electricity & Natural Gas)	1,945	2,500	1,077	0
Audit Fees	1,500	1,800	1,800	2,000
Total Expenditures	129,038	165,952	134,125	141,377
Revenue over (under) expenditures	11,105	(34,806)	(18,150)	(1,440)
Beginning Fund Balance	571,226	723,511	735,661	560,311
Transfer to EOF	0	0	0	0
Transfer to EDC	0	0	0	0
Loan Principal	153,330	159,183	92,800	189,473
Anticipated Loan Projects	0	250,000	250,000	100,000
Ending Fund Balance	735,661	597,888	560,311	648,344

1) The proposed 2013 budget reflects the cost of services provided to the EDC by 1.13 FTE
80% Executive Director
33% Administrative Secretary

2) Cost of supplies, services and legal fees

KALAMAZOO MUNICIPAL GOLF ASSOCIATION (KMGA)

2013 ADOPTED BUDGET

	2011 Actual	2012 Budget	2012 Projected	2013 Adopted
REVENUE				
Cart Rentals	231,375	287,000	287,000	311,983
Cell Tower Land Lease (and Other in 11 - 12)	47,024	49,000	30,540	30,540
Beer & Liquor Sales	33,837	62,000	55,356	119,000
Food & Non-Alcoholic	-	72,000	68,981	75,981
Driving Range	51,342	62,000	54,040	66,116
Greens Fees	505,728	577,000	562,290	647,727
Memberships	212,134	197,000	216,563	224,174
Pro-Shop Rental	-	-	-	-
Merchandise	-	303,000	303,000	325,000
TOTAL REVENUE	1,081,440	1,609,000	1,577,771	1,800,521
EXPENSES				
OPERATING EXPENSES				
Administrative	61,590	66,500	68,914	55,914
Course Maintenance	279,388	292,675	311,864	311,864
Lease Expense (Carts)	35,023	103,022	69,000	81,000
Labor Cost	483,800	593,193	575,250	598,250
Other	24,754	51,300	61,798	55,298
Concessions (Alcohol and non-Alcohol)	-	48,250	51,849	69,849
Merchandise	-	240,800	240,800	240,800
SUBTOTAL OPERATING EXPENSES	884,555	1,395,740	1,379,475	1,412,975
DEBT SERVICE INTEREST				
Equipment Lease-to-own	-	-	6,679	6,912
Debt Service Interest (Current)	44,066	31,184	31,184	35,666
	44,066	31,184	37,863	42,576
OTHER SOURCES/USES				
Capital Improvements (Cash)	-	25,000	17,969	-
Equipment Lease-to-own	-	-	25,352	29,903
Debt Service Principal (Current)	139,867	133,738	113,769	130,420
Debt Service Principal (Prior Year)	-	59,745	-	59,745
SUBTOTAL OTHER SOURCES/USES	139,867	218,483	157,090	220,066
TOTAL EXPENSES	1,068,488	1,645,407	1,574,428	1,675,617

LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)

2013 ADOPTED BUDGET

	2011 Actual	2012 Adopted Budget	2012 Projected Budget	2013 Adopted Budget	2014 Projected	2015 Projected
Revenue						
Projected TIF Revenue	440,029	424,000	463,955	447,850	447,850	454,568
Miscellaneous Revenue	0	0	0	0	0	0
Total Resources Available	440,029	424,000	463,955	447,850	447,850	454,568
Expenditures						
Reimbursement (non-Balance Sheet) for WMU BTR Park Infrastructure	35,000	35,000	35,000	35,000	0	0
BTR Park Marketing	15,000	7,500	7,500	7,500	0	0
Operating Expenses: Southwest Michigan Innovation Center						
Marketing	5,464	5,464	5,464	5,464	2,732	5,464
Legal and Accounting	10,927	10,927	10,927	10,927	5,464	10,927
Business Support	91,980	91,980	91,980	91,980	45,990	73,980
Administrative Fees	2,700	2,726	2,726	2,808	2,808	2,808
City Administrative Support (via EDC Fund)	81,024	81,025	81,025	81,025	40,513	63,025
Total Projected Expenses	242,095	234,622	234,622	234,704	97,506	156,204

LDFA Overall Fund Balance						
Beginning Fund Balance		(788,525)	(788,525)	(559,192)	(346,046)	4,298
Surplus(Deficit)	197,934	189,378	229,333	213,146	350,344	298,364
Ending Fund Balance	(788,525)	(599,147)	(559,192)	(346,046)	4,298	302,662

LDFA Infrastructure Maintenance Sinking Fund (a segment of Overall Fund Balance)						
Beginning Balance	96,100	202,127	202,127	52,127	52,127	52,127
Contributions to (from)	106,027	0	(150,000)	0	0	0
Ending Balance	202,127	202,127	52,127	52,127	52,127	52,127

Balance Sheet Liabilities: Payment Schedule (to be paid from excess Overall Fund Balance generated above)

	BTR Park			
	Infrastructure	1/1/2011	2011	12/31/2011
	Costs	Balance	Repayments	Balance
Drake Road Improvements	413,265	40,025	40,025	-
Parkview Avenue Improvements	1,367,103	933,890	91,339	842,551
Sanitary Sewer Reimbursement	116,716	39,287	30,000	9,287
Water and Sewer Connections	154,226	114,226	20,000	94,226
Ending Balance	2,085,880	1,127,428	181,364	946,064
Budgetary Surplus Available for Liability Payment: 197,934				
		1/1/2012	2012	12/31/2012
		Balance	Repayments	Balance
Parkview Avenue Improvements		933,890	170,000	763,890
Sanitary Sewer Reimbursement		39,287	39,287	-
Water and Sewer Connections		114,226	20,000	94,226
Ending Balance		1,087,403	229,287	858,116
Budgetary Surplus Available for Liability Payment: 229,333				
		1/1/2013	2013	12/31/2013
		Balance	Repayments	Balance
Parkview Avenue Improvements		763,890	183,146	580,744
Water and Sewer Connections		94,226	30,000	64,226
Ending Balance		858,116	213,146	644,970
Budgetary Surplus Available for Liability Payment: 213,146				
		1/1/2014	2014	12/31/2014
		Balance	Repayments	Balance
Parkview Avenue Improvements		580,744	340,344	240,400
Water and Sewer Connections		64,226	10,000	54,226
Ending Balance		644,970	350,344	294,626
Budgetary Surplus Available for Liability Payment: 350,344				
		1/1/2015	2015	12/31/2015
		Balance	Repayments	Balance
Parkview Avenue Improvements		240,400	240,400	-
Water and Sewer Connections		54,226	54,226	-
Ending Balance		294,626	294,626	-
Budgetary Surplus Available for Liability Payment: 298,364				

**KALAMAZOO HISTORIC PRESERVATION COMMISSION
2013 ADOPTED BUDGET**

	2011 Actual	2012 Adopted Budget	2012 Projected Budget	2013 Adopted Budget
RESOURCES				
Lost & Found Book Sales	6,800	6,400	7,950	6,400
Other		0	0	0
TOTAL RESOURCES	6,800	6,400	7,950	4,613
EXPENDITURES				
O'Connor Fund	200	200	560	600
Commissioner Education	500	500	270	0
Memberships	175	500	0	500
Public Education	4,000	4,375	2,012	3,100
Promotion/Publications	1,575	1,575	146	200
Misc	350	800	87	100
TOTAL EXPENDITURES	6,600	7,750	2,515	4,500
Revenue Over Expenditures	200	(1,350)	5,435	113

THE CITY OF



Kalamazoo



Blueprint for Action:
A SUSTAINABLE COMMUNITY
Defining Kalamazoo's Future

5-Year Fiscal Plan
2013 - 2018

Revised November 2012

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Executive Summary

For the 2007 Budget, the City developed the Five-year Fiscal Plan to outline an approach to long-term fiscal planning where standard conventions could no longer be relied upon to balance expenditures and funding sources. The Plan provided guidance for the 2007 Budget, which required no traditional budget reduction strategies.

The budget had been balanced through FY 2008 without employing the traditional budget reduction strategies of one-time or deep and narrow reductions that eliminate programs and services. However, large-scale declines in property tax and state shared revenues necessitated reductions of \$2.3 million in General Fund operations in FY 2009 and another \$2.7 million in FY 2012. Plan assumptions and fiscal projections have been revised annually based on quarterly research.

The Plan has been further refined with current realities in mind. With the significant loss of operational revenues, expenditures continue to be reduced through the elimination of vacant positions, as well as traditional management tools involving cost containment, and use of alternative funding sources, and non-headcount efficiency improvements. Moreover, a new Early Retirement Initiative (ERI) has been offered to 265 eligible employees, was accepted by 219, with 130 positions anticipated for backfill and 90 positions slated for elimination. The resulting annual savings are estimated to be \$4.5 million to the General Fund, net of paybacks to the Pension Fund that will hold it harmless financially. Revenue for FY 2009, 2010, 2011 and 2012 has been significantly increased through the American Recovery and Reinvestment Act, resulting in increased capital investment and enhanced neighborhood stabilization and community development programming.

The Plan embodies achievement of balanced annual budgets, establishment and maintenance of strategic, prudent reserve funds, responsible reinvestment in capital infrastructure, and efficient use of resources. The fiscal performance projected by the Plan is illustrated in the following exhibit.

Introduction

As discussed above, the old way of fiscal planning for the City of Kalamazoo has not produced sustainable results, even in the best of times. Today's stewards face the challenge of producing a plan that results in increased capital investment in the City's infrastructure, optimized service delivery, and establishment of appropriate reserve funds, all in a manner that provides for a flexible, manageable decision making framework.

The architects of the Plan summarized herein believe that it establishes basic strategies and tactics for successfully meeting the challenges before us. Dedicated adherence to the concepts presented herein, and a resolute commitment to the implementation of the basic tenets embodied within the Plan, can facilitate achievement of the goals to stabilize the organization, energize the workforce, and improve the level of service to the community, all through the use of existing resources.

This document is intended to serve as a summary of the detailed planning efforts that have been undertaken as part of this strategic planning process. An effort has been made to provide readers with key process descriptions, assumptions, guiding principles, and forecasts – without inundating the document with ancillary analysis.

Plan Development Process and Results

The Plan was developed in 2006 through the following process steps:

Step 1:

Identified budget realities: Continuing budget deficits of approximately \$2.0M per year were no longer sustainable. Further, our Fiscal Distress Indicators rating issued by the State of Michigan was at the "Fiscal Watch" level, likely prompting a warning letter of a relatively high score. This was due to 1) a declining/stagnant population, 2) a general fund operating deficit, and 3) a fund balance below 13% of budgeted operating revenues. Immediate and considerable action was required to prevent the City of Kalamazoo from declining further in its fiscal health.

Step 2:

Recognizing the demands placed on service delivery, we evaluated the City's roles and responsibilities within the community and re-calibrated expectations of our organization "being everything to everyone."

Step 3:

Identified revenues from historical trends and projections

Step 4:

Developed more accurate year-end projections and included positive variances in the budget development process "head-end" rather than through mid-year budget adjustments. Past performance is always a good predictor of future performance and our history has proven that it was not only helpful, but also prudent to include these projections "head-on" in our 5-year fiscal planning and annual budgeting process.

Step 5:

Validated the impact of key budget components including health care, pension, tax diversion programs and collective bargaining agreements

Step 6:

Established financial targets to guide our fiscal decision-making and management and position our organization for greater stability and flexibility.

Step 7:

Evaluated options for funding legacy costs - In the 2007 Fiscal Plan, Public Act 28 was identified as a potential funding vehicle for Retiree Health Care costs. The revised 2008 Plan eliminated that vehicle as a viable option, after careful evaluation and analysis.

Step 8: (Added for 2008)

Evaluated and reassessed assumptions and targets against actual performance and changing realities in order to revised the Plan, where necessary.

The result of this comprehensive analysis is a significant change to the way we manage resources. This change is rooted in the following objectives:

- Allocate resources based on goals and outcomes outlined in the Blueprint for Action
- Manage organizational effectiveness and performance (output efficiency and effectiveness)
- Increase tolerance for uncertainty by:

- Recognizing the past as a good predictor of the future and incorporating prospectively positive variances into the budget
- Increase our ability to adapt to changing conditions by utilizing real-time financial information to monitor and react more effectively and by utilizing this longer-term plan approach.
- Establish reserve funds

Most significantly, we will move from a “piecemeal” approach to an organizational philosophy characterized by:

- Maintaining a long-term perspective versus simply reacting to “keep our head above water”
- Completing our day-to-day work with an eye on understanding its impact to the long-term
- Tying the pieces together by understanding the inter-relationship between issues and operating through intra- and inter- departmental teams to more effectively meet the needs of the community.
- Examining core services as a “bundle” to improve the quality of life and neighborhoods.
- Consistently relying on comprehensive analysis for the development of long-term, high impact solutions

These tenets will transform our approach to public service delivery into one that is highly innovative and impactful to our community.

Baseline Data

Key financial assumptions and targets have been superimposed on baseline financial data.

Assumption #1: Revenues and expenditures increase at historical rates:

Rationale: Revenues and expenditures have been forecasted for the period of 2011 – 2016 based on a review of recent actual performance, the budgeting process, and industry standard analytical approaches.

Revenue	Projected Annual Assumptions for Current Fiscal Plan (2012 – 2017)	Projected Annual Assumptions for Current Fiscal Plan (2013 – 2018)
Property taxes (based on assessor's estimate)	<u>Revised:</u> -2.5% for 2013, 0% for 2014, +1.5% for 2015 - 2017	<u>Revised:</u> +0.2% for 2013, 0% for 2014, +1.5% for 2015 - 2018
Licenses, permits & fees	<u>Revised:</u> 0% for 2012 - 2014, 1.5% for 2015 - 2017	0% for 2012 - 2014, 1.5% for 2015 - 2018
Other intergovernmental revenue	0%	0%
Charges for services	2%	2%
Interest and rentals	1%	1%
Other revenue	3% (-6% in 2015)	3% (-6% in 2015)
Expenditures		
Salaries	<u>Revised:</u> 0% for 2013 - 2014, +1.5% for 2015 - 2017	0% for 2013 - 2014, +1.5% for 2015 - 2018
Health Insurance	7.0%	<u>Revised:</u> 8.0%
FICA, Medicare, Deferred comp.	<u>Revised:</u> 0% for 2013 - 2014, +1.5% for 2015 - 2017	0% for 2013 - 2014, +1.5% for 2015 - 2018
Fringe Benefits	3%	3%
Supplies and services	0%	0%
Non-departmental expenditures	3%	3%

The projected annual increases for certain revenue and expenditure categories have changed in light of the recent economic shocks and resulting uncertainty.

It is imperative that the growth of salaries be limited to no more than the growth of our largest single governmental revenue, property taxes. The assumption used for this plan period is a 1.5% increase in 2015 – 2018, based on a low growth in sales values and nominal inflation, and no change for 2014.

Licenses, Permits and Fee revenue have also been reduced to match property tax revenue, based on the assumption that general property demand will mirror major property improvement expenditures. The range of outcomes matches that of Property Taxes, accordingly.

Intergovernmental revenue, which is largely based on State Revenue Sharing, is assumed to be stable starting in FY 2012 with the new State of Michigan's Economic Vitality Incentive Program, with which the City will comply. Revenue Sharing is projected to stabilize as State Sales Tax receipts have grown by an annual rate of 6 percent since late 2010.

Other revenue is estimated to take a drop of 6% in 2015, based on a roughly similar scale of cuts in General Fund administrative operations in 2012 and 2013. Such reductions in General Fund expenditures would result in reductions in the amount of Administrative Charges billed by the General Fund to cover expenditures made for central services on behalf of non-General Fund activities.

The assumption used for salary (and thus FICA/Medicare/Social Security) is based on the percentage for property tax changes.

Health insurance expenditures had been assumed to grow by the rate of health care inflation in the marketplace (7 percent). Since 2005, the City has collaborated with our collective bargaining entities so that employees will eventually share 20% of health care costs. Part of this effort has involved "plan design" changes which promote the use of out-of-pocket expenses.

The overall effect of the above efforts has been to limit increases in health care costs from 2005 – 2012 to roughly the change in health care "head count" covered under the City's plan, which results from the retirement of employees who continue with health care coverage as retirees and who in most cases are replaced by new employees with active employee health care coverage.

If for the balance of the SAP project (through 2014) we project the same basic experience that has been seen over the last 7 years, we would see health care cost inflation roughly equivalent to the changes in "head count", which would be increased by the addition of 130 new employees by way of the SAP. This would add roughly \$1.5 million of health care cost inflation through 2014, for which an 8% increase in 2014 operating fund contributions to the Insurance Fund would cover the costs, when taken in toto.

Our health care consultants, Mercer Incorporated, advise that at some point the City should start to see nominal inflation in health care costs independent of head count changes. It will be necessary beginning in FY 2015 to replenish nominal reserves in the Insurance Fund. These two factors necessitate the 8% assumption to be perpetuated throughout the Five-Year Fiscal Plan period.

Assumption #2: Modest recovery of a portion of lost tax revenue in 2013 (modified)

Rationale: the City continues to embrace the entrepreneurial concept of living within its means. Pursuing additional funding sources has been deemed the last piece of the budget balancing process. Nevertheless, after more than \$9 million of structural reductions in from FY 2009 - 2013, it is necessary for the City to examine prudent and limited opportunities to recover some of the more than \$7 million of lost projected annual tax revenues. The Fiscal Plan assumes the application of new funding sources totaling \$1.5 million per year starting in FY 2014, with a partial implementation of \$350 thousand in FY 2013. This is based primarily on resources that would require authorization by the voters. Discussions are underway based on staff studies, and decision-making will proceed deliberately and carefully.

Assumption #3: Increased contribution to capital

Rationale: For too long, the City (not unlike many other Cities) has fallen short of the sound practice of responsibly reinvesting in its infrastructure. One of the overarching goals is to invest in infrastructure at a rate that is at least equivalent to the depreciation expense reflected on our books.

Assumption #4: Continuation of Initiatives

Rationale: We need to maintain the existing commitments to our constituents. The Blueprint for Action established valuable initiatives directed towards the sustainability of quality of life issues in Kalamazoo. These initiatives have borne fruit and deserve continued support.

Assumption #5: Strategic Issuance of Debt to Finance Capital (modified)

Rationale: The City continues to retire a portion of its outstanding indebtedness in 2013. This allows the City to continue to use debt instruments to support capital financing requirements. A recent study suggested that attempting to “lever off” the debt-financing approach to new capital that has been used for a number of years would require at least 10 years of capital outlay retrenchment, reducing capital improvement outlays by at least one half for that period of time. For the foreseeable future the City will continue to use new debt as the main tool for financing major new capital projects.

Assumption #6: Stabilization of State Shared Revenue (modified)

Rationale: Intergovernmental revenue, which is largely based on State Revenue Sharing, is assumed to be stable in FY 2013 with the second year of the State of Michigan’s Economic Vitality Incentive Program, with which the City will comply. Revenue Sharing has stabilized since late 2010.

Assumption #7: Use of excess pension fund investment earnings (modified)

While pension funds are restricted to post employment benefits, utilizing excess earnings to free up otherwise obligated (to current retiree health care costs) operating funds to cover legacy costs including a Retiree Health Care Fund was seen as a viable option – that is until the nearly unprecedented global financial crisis caused a nearly 50% drop in the value of Pension Trust Fund assets. Despite the nearly unprecedented rebound of almost 100%, which brings the Pension Trust Fund almost all of the way back to its former level, the extreme volatility that was experienced has rendered this option non-viable.

Financial Targets and Criteria

Several key indicators establish the overarching fiscal goals that serve as a foundation for the Plan. The targets identified below are consistent with those commonly practiced by municipal enterprise funds, and reflect the entrepreneurial nature of the Plan. Each is designed to address specific objectives to ensure the fiscal health of the organization. The table has been updated to reflect progress toward each indicator.

Indicator	Target	2012 Accomplishment	2013 Proposed
Fund Balance	Range of 13-15% of budgeted operating revenues	15.4%	13.0%
Budget Stabilization Reserve	Range of 1-2% of budgeted operating revenue Target = \$500K-\$1M	\$1.65M	\$1.65M (to be reduced to zero)
Capital Contingency Reserve	Range of 1-2% of budgeted operating revenue Target = \$500K -\$1M	\$350K	\$350K
Annual Capital Improvement (CIP)	\$5M (Includes CIP, Major & Local Street Funds)	\$11.5M	\$5.8M
Debt Financing for Capital Improvements	Optimized	Debt Service \$5.38M	Debt Service \$5.92M
Bond Ratings	Maintained or Improved	Maintained	Maintained
Retiree Health Care Fund	Established	Deferred	Deferred

In order for the City to operate effectively and sustain a sound financial structure, it is both prudent and appropriate to maintain reserve fund balances. The Plan provides for the establishment of a formal City of Kalamazoo General Fund Reserve Policy that guides the creation, maintenance and use of reserves. These funds provide flexibility to the City in the management of unanticipated or cyclical economic conditions, emergencies, unexpected large one-time expenses, unscheduled economic development initiatives, cash flow requirements and some level of protection against statutory changes to City revenues. The targeted reserve levels are consistent with those commonly practiced by municipal enterprise funds, and reflect the entrepreneurial nature of the Plan.

- *Fund Balance:* The fund balance of the General Operating Fund will be budgeted within the target range of 13 – 15 percent of budgeted annual operating revenues. This fund balance is designed to address *short-term* operating fluctuations and provide liquidity when receipts are lagging targets or when unanticipated expenses occur. The targeted metric is equivalent to approximately 1½ months of operating expense, consistent with sound financial planning for many entities.
- *Budget Stabilization Reserve:* This reserve is designed to provide fiscal stability from year to year. It is intended to address *mid-term* fluctuations created by unanticipated expenses or economic downturns. The target range for this reserve is 1 – 2 percent of the budgeted operating revenues or \$500,000 - \$1,000,000. This fund balance was originally to be phased in over a 3-year period beginning in 2007. The City has placed all of its fund balance in excess of 13.5% of Revenues into the Budget Stabilization Fund, increasing its estimated FY 2009 year-end balance to be in excess of \$1.65 million. This amount will be drawn down periodically to keep the City's undesignated General Fund balance between 13 – 15%. The current plan is to apply all \$1.65 million of the

Budget Stabilization Fund in FY 2013 to bridge the resolution of the \$6 million structural imbalance to its final conclusion in FY 2014, when the annual operational savings from the ERI/SAP is slated to be fully realized in the General Fund.

- *Capital Contingency Reserve:* This reserve is needed to provide emergency funds to replace unanticipated equipment failures or for unscheduled economic development initiatives. The target range for this reserve is 1 – 2 percent of the budgeted operating revenues or \$500,000 - \$1,000,000. This fund balance was originally to be phased in over a 3-year period beginning in 2007. The projection has been revised for a phase - in period of 4 years. The Capital Contingency Reserve use stipulations are that purchases must meet capitalization criteria; an expense that causes the balance to fall below the recommended level, the money will be replaced within a three year period, in equal installments. The three year repayment schedule shall be applied separately for each approved capital project.

In addition to the reserve fund structure, the financial targets include:

- *CIP Funding:* A minimum of \$5 million is established as the goal for annual investment in capital. This figure represents the minimum annual amount necessary to ensure that the City is adequately addressing the replacement of its infrastructure and the long-term needs of its constituents. The goal for CIP funding will result in a level of annual investment (as measured by actual revenue financed capital and principal paid on debt) that is at least equal to the depreciation expense of our infrastructure. In this manner we are ensuring that the City's equity in its assets is not depleted.
- *Optimized Capital Financing:* This target refers to creating mechanisms to address the capital needs of the City in the most responsible and efficient manner possible. It includes establishing the optimal balance of debt and revenue to balance the current and long-term financing responsibility. This approach is designed to assure that the City's equity position in its infrastructure is sound, to provide a stable source of funds for routine replacement capital expenses.
- *Bond Ratings:* One of the overarching principles embedded within all of the targets is to achieve and maintain excellent bond ratings. The reserve fund and capital financing strategies identified above are intended to directly impact this metric. In addition to the direct impact of lower borrowing costs on future debt issuances, improved bond ratings have the indirect impact of enhancing community pride and the marketability to new commerce,
- *Retiree Health Care Fund:* The Plan must honor our commitment to pledge resources towards establishing and maintaining a robust retiree health care fund. The recent severe downturn in the Stock Market has eliminated plans to utilize Pension Trust Fund assets to provide short-term cash flow for the payment of retiree health care benefits, while a fund could be built up. The requirements of GASB 45 to book a current liability on the City's financial statements increases the necessity of finding a way to set aside assets in order to utilize long-term investment returns to help fulfill the City's promise of retiree health care benefits to it's future retirees.

Fiscal Plan Projections

This section illustrates the application of the fiscal planning targets and criteria to the forecasted revenues and expenditures for the study period, to produce the baseline forecasted Plan. The key challenges in establishing the projections for the Plan include addressing the legacy issues (insufficient funding of capital

investment, and management of health care and other benefit costs) and utilizing the resources at our disposal, in the most responsible manner.

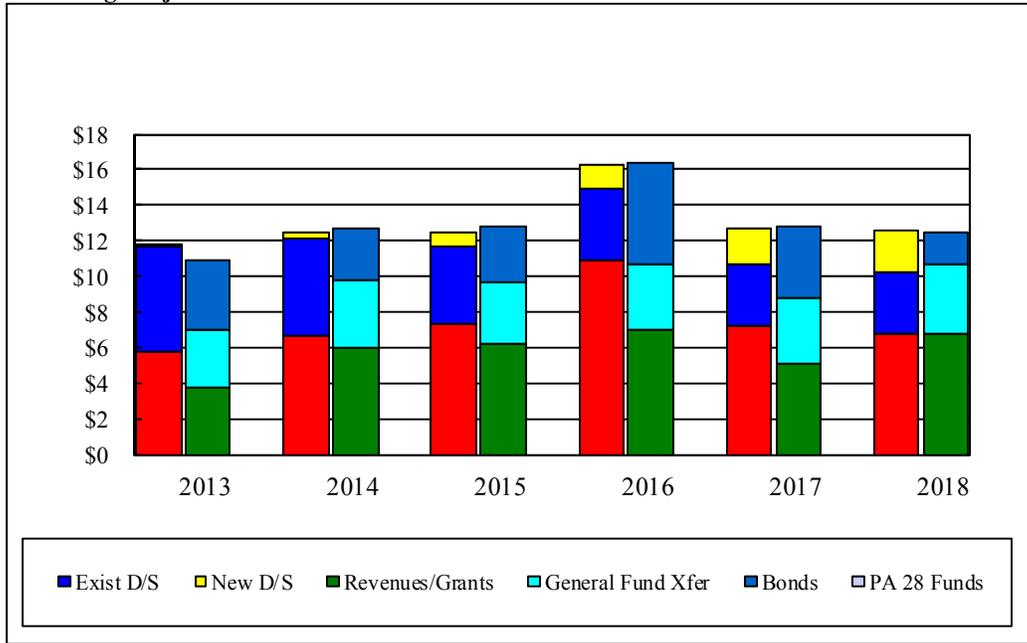
Many scenarios were evaluated before arriving at the combination of management decisions that are represented by the projections presented herein. An initial attempt to achieve all of the fiscal targets, without utilizing debt or other resources to finance projected capital improvements proved insufficient. Not only are existing funds not sufficient to address the capital needs of the City while maintaining desired reserves, the City would actually run out of money during the study period.

The Plan as presented for the period beginning in 2013 represents moderate growth in expenditures, incorporating the strategic use of debt financing to fund capital improvement.

The following charts illustrate the projections for the Plan, encompassing achievement of the financial targets. The first chart (**Exhibit 1**) presents the Capital Financing element of the Plan. This chart represents a holistic capital financing plan for the CIP Fund, the Major Streets Fund, and the Local Streets Fund, since all of these activities rely (in part) on General Fund resources to finance capital improvements. The projected capital financing requirements are reflected in the first bar for each year and include projected capital improvements (in red) and principal and interest on debt issued to finance capital improvements. For purposes of this illustration, debt service is separated into that related to existing outstanding debt (blue) and that associated with projected additional debt (yellow).

EXHIBIT 1

Capital Financing Projections * - \$ millions



	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
FINANCING REQUIREMENTS						
Major CIP	5.81	6.68	7.35	10.89	7.22	6.73
Existing Debt Service	5.88	5.40	4.30	4.01	3.47	3.48
Projected New Debt Service	0.04	0.41	0.84	1.35	1.94	2.34
TOTAL	11.73	12.49	12.49	16.25	12.64	12.55
FINANCING SOURCES						
Revenues/Grants	3.72	5.98	6.19	6.98	5.08	6.80
General Fund Transfers	3.25	3.86	3.43	3.68	3.73	3.85
Bonds	3.91	2.86	3.20	5.75	4.00	1.80
TOTAL	11.80	12.76	13.08	16.99	13.55	13.36
<i>Surplus/(Deficit)</i>	<i>0.07</i>	<i>0.27</i>	<i>0.59</i>	<i>0.75</i>	<i>0.91</i>	<i>0.81</i>

* Includes CIP Budget, Major Streets Fund, and Local Streets Fund

The Plan's capital financing sources are represented by in the second bar for each year. For purposes of this illustration, financing sources are separated into the following categories:

- *Revenues/Grants* consists of user fees, gas & weight taxes, other taxes, federal and state grants, private contributions, and other related items. These sources are not budgeted in the General Fund – rather they are elements contained in the specific capital funds (CIP, Major Streets, Local Streets)
- *General Fund Transfers* reflects the projected utilization of general fund monies to finance capital improvements. In effect, any capital requirements not met from other sources must be met from such transfers.
- *Bonds* represent proceeds from debt issued to finance capital improvements. For illustrative purposes only, The Plan indicates annual Bond sales.

As noted by the chart, annual requirements and sources are in balance. (Beginning and ending annual capital fund balances are effectively equal and have been ignored for purposes of this presentation).

This capital financing plan has a direct impact on the financing plan for the operating requirements of the General Fund, which are illustrated in **Exhibit 2**. This chart follows the same basic presentation concepts as Exhibit 1. Financing requirements are represented by the first bar for each year and include:

- *Operation & Maintenance* represents the annual costs of performing governmental services, such as public safety, general city management, etc.
- *Capital Improvements* reflect the General Fund Transfers to capital funds indicated in Exhibit 1.
- *Initiatives & Other* primarily consists of economic, neighborhood, and youth initiatives.
- *Reserves* normally this would include the annual figures necessary to establish the targeted reserve funds. As noted in the chart, however, we are planning to draw down reserves over the next several years to “smooth” the transition to the new fiscal normal.

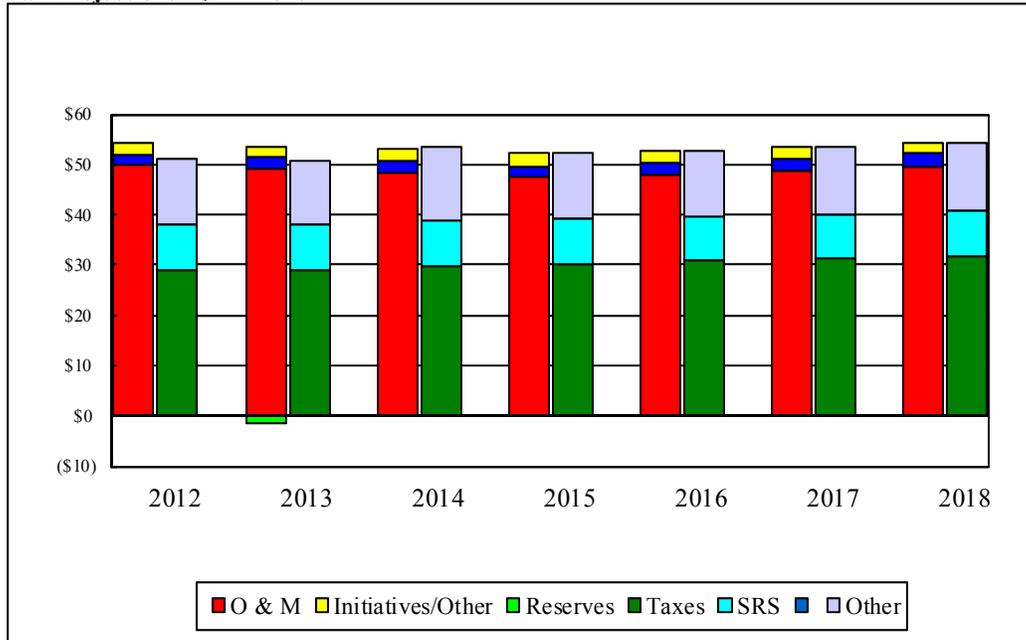
General Fund revenues and other financing sources are represented by the second bar for each year. For purposes of this illustration, financing sources are separated into the following categories:

- *Taxes & Equivalents* includes receipts of property taxes, payments in lieu of taxes, and related items.
- *State Revenue Sharing* is self explanatory and represents the City's allocation of State sales tax receipts.
- *Administration Fee* represents the recovery of administrative costs from City Departments.
- *Other* includes licensing and permit fees, interest income, and other miscellaneous sources. Beginning in 2009 accumulated savings in the Insurance Fund from positive health care and workers compensation experience and plan changes will be rebated to the operational funds city wide. Rebates of structural savings of \$1.9 million for FY 2012, and \$900 thousand in F“Y 2013, and \$1.6 million in FY 2014 are projected for the General Fund.

As noted by Exhibit 2, a surplus is estimated to occur in FY 2012. The Plan relies on planned permanent reductions in expenditure levels in FY 2012 and 2013 to achieve balanced annual budgets going forward.

EXHIBIT 2

Fiscal Plan Projections - \$ millions

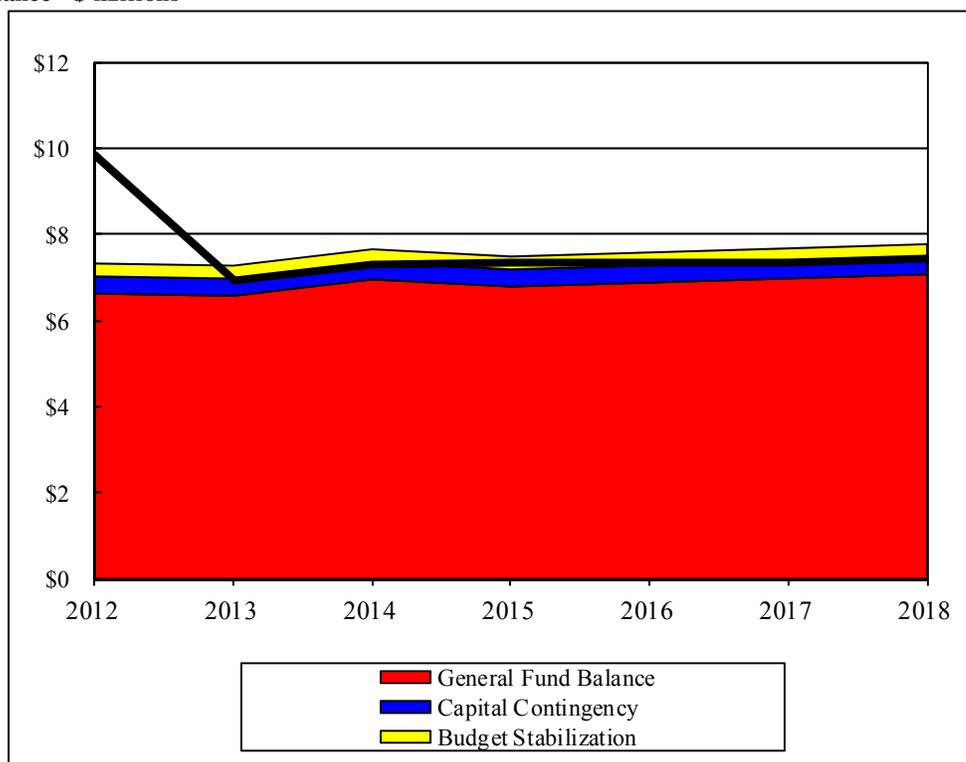


	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
EXPENSES							
Operation & Maintenance	49.75	49.22	48.26	47.55	48.07	48.83	49.64
Capital Improvements	2.25	2.45	2.31	2.15	2.40	2.43	2.55
Initiatives & Other	2.43	1.75	2.50	2.45	2.40	2.35	2.05
Reserves	0.00	(1.65)	0.00	0.00	0.00	0.00	0.00
TOTAL	54.43	51.77	53.07	52.15	52.87	53.61	54.24
REVENUE							
Taxes & Equivalents	28.97	29.02	29.86	30.31	30.76	31.22	31.69
State Revenue Sharing	8.89	8.97	8.97	8.97	8.97	8.97	8.97
Other	13.05	12.54	14.62	12.89	13.15	13.42	13.70
TOTAL	50.91	50.53	53.44	52.16	52.88	53.61	54.35
<i>Surplus/(Deficit)</i>	<i>(3.52)</i>	<i>(1.24)</i>	<i>0.37</i>	<i>0.01</i>	<i>0.01</i>	<i>0.00</i>	<i>0.11</i>

The annual performance of the operating plan directly impacts the City's fund balance and projected adherence to reserve fund targets. The projected end-of-year reserve fund balances are illustrated in Exhibit 3. The recommended levels established by the fiscal targets are represented by the red, blue, and green areas for the Fund Balance, Budget Stabilization Reserve, and Capital Contingency Reserve, respectively. The total projected levels (for all three of these funds) under the Plan are represented by the solid black line.

EXHIBIT 3

Fund Balance - \$ millions



	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Recommended Levels</u>							
General Fund Balance	6.62	6.57	6.95	6.78	6.87	6.97	7.07
Capital Contingency	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Budget Stabilization	<u>0.30</u>						
Total Recommended	7.32	7.27	7.65	7.48	7.57	7.67	7.77
<u>Projected Levels</u>							
General Fund Balance	7.82	6.58	6.95	6.97	6.97	6.98	7.09
Capital Contingency	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Budget Stabilization	<u>1.65</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Projected	9.82	6.93	7.30	7.32	7.32	7.33	7.44

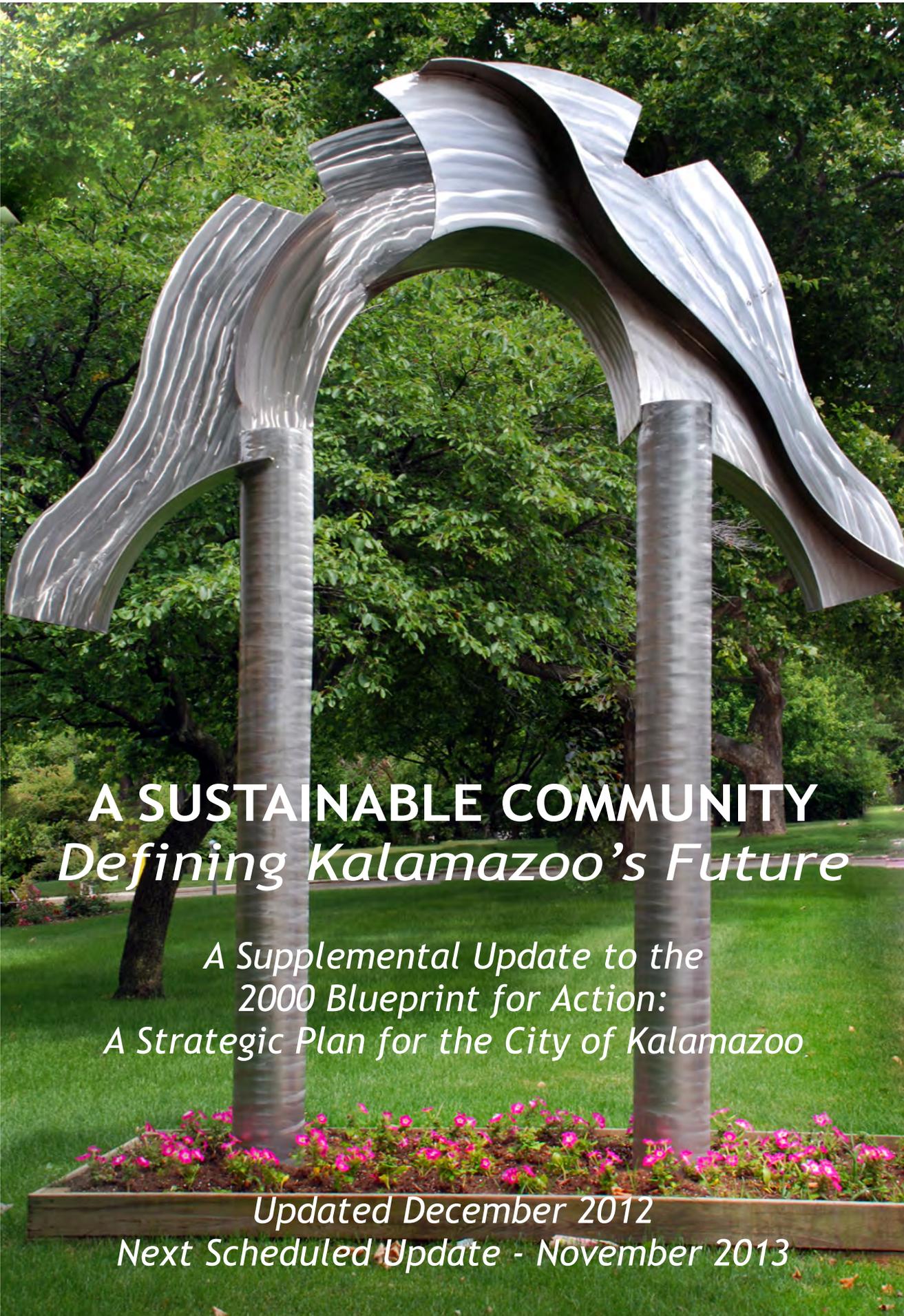
Implementation Considerations

The projections presented above are intended as “forward-looking statements.” They represent the analyses and application of best available information to certain assumptions with respect to conditions, events, and circumstances that may occur in the future. While we believe that such assumptions are reasonable and that the projection approach is sound, actual results may differ materially from those projected, as influenced by conditions, events, and circumstances that may actually occur.

It is important that the Plan contemplate such events and contain the flexibility to address contingencies. To the extent that economic pressures dictate that not all targets can be achieved, it is envisioned that priority to specific “metric” targets would follow this structure:

1. Reduce contribution to/balance in *Budget Stabilization Reserve*
2. Identify and implement savings in current operating expense budget
3. Reduce contribution to/balance in *Capital Contingency Reserve*
4. Reduce optimization of capital financing plan, by:
 - a. Reducing annual CIP; or
 - b. Issuing more debt
5. Reduce contribution to/balance in *Fund Balance*
6. Explore all other economic and fiscal alternatives

This approach is designed to meet the fundamental tenets of the Plan and maintain the fiscal health of the organization in a strategic manner when confronted with economic challenges. To the extent that economic pressures exceed what can be addressed by this approach, additional, more traditional activities may be necessary.



A SUSTAINABLE COMMUNITY
Defining Kalamazoo's Future

*A Supplemental Update to the
2000 Blueprint for Action:
A Strategic Plan for the City of Kalamazoo*

*Updated December 2012
Next Scheduled Update - November 2013*

A SUSTAINABLE COMMUNITY

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City Commission

Mayor Bobby J. Hopewell
Vice Mayor Hannah J. McKinney
Commissioner Don Cooney
Commissioner Barbara Hamilton Miller
Commissioner David Anderson
Commissioner Bob Cinabro
Commissioner Stephanie Moore

City Manager

Kenneth P. Collard



December 2012

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Provide Prompt, Professional Safety and Emergency Services

Design and Implement a Multi-Modal Transportation Strategy

Fiscal Stewardship

Balance City Revenue and Expenditures

Mission, Vision and Values

[The Community's Vision](#)

Kalamazoo is the “*Promise City: Home of the Kalamazoo Promise*” where residents can live, work and learn in a diverse, tolerant and forward-thinking community. Kalamazoo is a community that moves residents through a vibrant city by motorized and non-motorized means on well-maintained roads and sidewalks, between thriving neighborhoods surrounded by green ways and open spaces, community parks, flourishing businesses and an energetic downtown. This regional hub of dynamic cultural, educational, healthcare and economic vitality blends its ability to maintain quality of life alongside its Charter mandate to provide basic, essential services for its residents.

[The Community's Values](#)

With input from the public during the *Plan Kalamazoo* (Master Plan) process, three themes provide the foundation for our community expectations to *preserve*, *enhance* and *transform* our community for future generations.

- **Preserve** – support the continued investment in public infrastructure, parks, environment, water and wastewater, police and fire services, which undergird the quality of life of our community
- **Enhance** – support a commitment to shape neighborhoods and improve resident mobility to create an interconnected, diverse community
- **Transform** – support the development of strategies conceived by residents, corporate and government entities that distinguish economic prospects and fiscal conscientiousness and utilize collaborative resources to keep Kalamazoo at the forefront of industry innovation



[The City Organization's Vision and Values](#)

We are a diverse organization committed to public service, with a “can do” attitude to make Kalamazoo a livable, inclusive and sustainable community for all residents. We strive to create a work environment driven by enthusiasm, where innovation and risk-taking are encouraged and rewarded. We respect the diversity of our co-workers and recognize change as an opportunity and value teamwork, honesty and integrity. We celebrate and learn from our successes and failures and use those lessons to guide us in our work.

[The City Organization's Mission](#)

Doing our best work today and every day to make Kalamazoo the best city it can be tomorrow.



Corporation Hall -- 1884



City Hall - 2010

Strategic Focus Area

ECONOMIC VITALITY

Back to Basics

VALUE THEMES

Striking a Balance

We believe it is important to equally consider social, environmental and economic needs so that we can have a livable, sustainable community.

Our community supports economic development that is sensitive to the environment and to the needs of local employers.

Historic preservation that works in concert with business development and the needs of home ownership for low-income residents enriches our community.

Belonging

Each of us has skills and abilities that can and should be put to good community use.

We consider our institutions of higher education to be community assets and resources of valuable talent.

This strategic focus outlines goals and objectives that will help our community maintain a healthy economy by utilizing tax incentives to create/maintain diversified employment opportunities, capitalizing on collaborative opportunities, leveraging the economic advantages of a healthy educational system and maintaining a vibrant downtown that continues to stimulate the city's economy.

GOALS, OBJECTIVES, UPDATE AND ACCOMPLISHMENTS, FUTURE PROSPECTUS

Help Grow and Maintain a Sustainable Economy

GOAL 1: Work with community partners to offer a diverse supply of employment opportunities for all skill levels, which yields a sustainable, growing economy

STRATEGIC OBJECTIVE 1: Concentrate on economic development activities that increase the tax base within the City and enhance quality employment opportunities

STRATEGIC OBJECTIVE 2: Capitalize on the role information technology can play in increasing the economic competitiveness of the City

UPDATES AND ACCOMPLISHMENTS

- Worked closely with representatives from USEPA and their contractor on the Time Critical Removal Action (TCRA) removal of PCB-contaminated sediments in Portage Creek. This included extensive work between Reed Street and Crosstown Parkway.
- Met with USEPA to discuss ongoing plans for clean up of the old Allied Disposal Site between Cork Street and Alcott Street.

- Permits & Construction Valuation (2008 – present)

	<u># of permits</u>	<u>\$ value of construction</u>	<u>\$ permit revenue</u>
2008	2,626	\$121,129,923	\$632,426
2009	2,543	\$50,787,283	\$411,086
2010	2,577	\$25,677,768	\$394,519
2011	2,765	\$75,775,419	\$583,419
2012 (as of Sept. 14)	2,054	\$35,485,282	\$345,163

- Completed a “Section 3 Policy” (pertains to employment and projects funded through HUD) to be submitted to City Commission.
- Rezoned several parcels and approved five special use permits for economic development and neighborhood projects.
- Updated the Downtown Design Review Guidelines for best practices and clarity.
- Began process of Neighborhood Enterprise Zone designation to aid the financing of an East Campus redevelopment project.
- Passed a food truck ordinance.

Continue working with downtown businesses, corporate citizens, community and regional partners for strategies to continue downtown growth

- Provided oversight of infrastructure improvements in Corporation Alley and Exchange Place to allow for redevelopment of Corporation Hall on the Kalamazoo Mall and the new Exchange project at the corner of Michigan Avenue and Rose Street.
- Provided support for numerous festivals, events and parades. This included traffic control, barricade set-up, and other assistance.
- Continued to provide quality service to the Downtown area and provide timely response to service requests.
- Amended the Zoning Ordinance to allow for a wider variety of manufacturing uses in the downtown area.

Infrastructure improvements to help assist in marketing former Performance Paper site and Davis Creek Business Park

- Bryant Street adjacent to the Performance Paper site was repaved.

2013 FUTURE PROSPECTUS

- Provide support for various construction projects downtown.
- Continue coordination of infrastructure improvements to assist in marketing various brownfield redevelopment areas within the City.
- Continue oversight of USEPA PCB removal in Portage Creek throughout 2013 and assist with oversight of the restoration of the creek bank.
- Provide support for numerous festivals, events and parades in the downtown area.
- Work with DKI to continue to provide timely response to service requests in the downtown area
- Implement CDBG Façade Improvement Program Pilot and improvements to the Small Business Revolving Loan Fund.
- Prepare a commercial property for redevelopment in the Northside Neighborhood at the corner of North Westnedge and Frank Streets to create a new commercial venture.
- Continue to explore and attract new, diverse industry to the area and commit to help existing businesses expand their operations
- Continue to work with developers to grow the tax base by redeveloping Brownfield sites including the implementation of a development strategy for the projects like the Kalamazoo River Land Redevelopment project and the former Performance Paper site
- Continue work with local and state officials to continue to make infrastructure improvements and market *Davis Creek Business Park* and *River's Edge*
- Explore new technologies that create time-saving benefits for residents and increase cost-saving benefit to City operations



Increase Economic Opportunities Through Collaborations

GOAL 2: Continue to support existing business, regional economic partners and other economic stimulators such as *Southwest Michigan First* to develop economic opportunities within the City

STRATEGIC OBJECTIVE 1: Develop and implement the City's economic development strategy in collaboration with county and regional strategies and based upon the City's capacity

STRATEGIC OBJECTIVE 2: Support existing businesses and corporate citizens with tax incentives, loans and other programs that sustain the local economy through local and state programs such as *Cool Cities* and "*Buy Fresh, Buy Local - Select Michigan*" campaigns

UPDATES AND ACCOMPLISHMENTS

- The BRA approved a contract for pre-demolition activities at the former Sun Chemical Company property located at 1807 North Pitcher Street. This property is owned by the county and an agreement has been reached between the county and the BRA whereby the activities will be managed by Economic Development staff and paid for using county funds that could be reimbursed should a redevelopment project be realized on the site in the future. Upon completion of the activities, the property will be transferred to the BRA for redevelopment purposes.

Evaluate and bring organized baseball to Homer Stryker Field

- Draft RFP has been developed to attract an organized baseball team at Mayors' Riverfront Park with the goal of having a team in place summer, 2013.

Continue to host athletic events at City sports venues to increase revenue and tourism dollars

- 41 events were held between Homer Stryker Field and Versluis/Dickinson Park, which attracted people from Michigan, the Midwest, and Canada.

- Hosted five special events: Valentine Dance, Egg Hunt, Harvest Fest, Candy Cane Hunt and Santa's Workshop. We partnered with Mothers of Hope for their annual event, with Douglass Community Association for the Celebrity Baseball Game and with the Kalamazoo Arts Council for the Concerts in the Park Series.
- Park facilities provided a space for over 115 private and public events throughout the year.
- 159 teams participated in the City's Adult Summer Softball League.
- 45 teams participated in the City's Adult Volleyball League.
- VerSluis/Dickinson Softball Complex fields were rented to operate a fall softball league that was coordinated by Kalamazoo Amateur Athletic Federation.
- Soisson-Rapacz-Clason Field was utilized for four Kalamazoo Christian home football games, four Hackett Catholic Central High School home varsity football games and 20 varsity and junior varsity soccer games. In addition, the Irish Rocket Football program utilized the field for their program.
- Three semi-professional football teams shared Soisson-Rapacz-Clason Field for their home games during the summer. A total of 14 games were played.
- Homer Stryker Field was utilized for various baseball events over the year, including the WMU Club Baseball team, Kalamazoo College, the United States Specialty Sports Association, Kalamazoo Cougars, and the Michigan Baseball Players Association.



Continued Collaboration to Develop Economic Opportunities

- Staff continued to attend monthly meetings with regional economic partners such as *Southwest Michigan First* to determine how the region will work collectively as the State changes benefits and other requirements for businesses in the state.
- The Brownfield Redevelopment Authority (BRA) approved a Purchase & Redevelopment Agreement with ENMAR, LLC (principles of Arcadia Ales). The

redevelopment project involves the investment of approximately \$5.4 million in redevelopment of the BRA-owned property at 701 East Michigan Avenue in a mixed-use fashion by constructing a new approximately 30,000 square-foot facility comprised of a 4,500 square-foot brew pub, 1,500 square-foot office area, 75+ space parking lot, and 24,000 square-foot beer production area. The project is expected to create 42 new full-time equivalent (FTE) jobs at the site within three years of the completed project. Thirty of the new FTE positions will be created within the first two years of the completed project.

- The BRA approved the purchase of three parcels in the JA Richards area through the County's tax-reverted and foreclosed property process.
- The City Commission approved a tax abatement application from Schupan & Sons for \$1,017,052.46 in real property improvements and \$941,423.20 in personal property improvements, including 10 new and 25 retained jobs.

2013 FUTURE PROSPECTUS

- Continue to host athletic events at City sports venues to increase revenue and tourism dollars
- Bring organized baseball to Homer Stryker Field
- Continue to work with economic partners such as Southwest Michigan First, the Michigan Economic Development Corporation, Downtown Kalamazoo Incorporated and Kalamazoo County to develop economic opportunities throughout the County
- Continue to offer tax incentives including small business loans to retain and attract existing businesses in Kalamazoo
- Continue to expand the Farmers' Market



Leverage the Impact a Healthy Educational System has on the Economic Strength of a Community

GOAL 3: Work with education community to provide quality educational opportunities for all ages

STRATEGIC OBJECTIVE 1:

Continue to build relationships and enhance communication with local education community including Kalamazoo Public



Schools, Western Michigan University, Kalamazoo College, Davenport University, Kalamazoo Valley Community College and other youth-serving organizations to identify opportunities that encourage youth development and benefit the community at large

STRATEGIC OBJECTIVE 2: Promote career development opportunities for all City employees

STRATEGIC OBJECTIVE 3: Support City programs and services that benefit the *Kalamazoo Promise*

UPDATE AND ACCOMPLISHMENTS

Supported Training Programs to Better Utilize City Staff

- Human Resources staff conducted training for employees in for New Hire Orientation, EEO/AA, Hiring and Recruitment, Harassment and Discrimination, Workplace Violence Prevention, Coaching and Counseling, Project Management, Union Contract Administration and use of Automated External Defibrillators (AED)

Supported Kalamazoo Communities in Schools (KCIS) Initiatives through Funding and Volunteerism

- Continued annual funding (\$50,000) of programmatic initiatives



- Staff participated in mentoring programs at various schools, including El Sol. Participated in the KCIS program Bagels and Books.
- Two staff members were members of the Workforce Readiness Committee that helped prepare high school students enter the workforce
- Assisted KCIS with a “Promise Neighborhoods” grant application to the US Department of Education

2013 FUTURE PROSPECTUS

- Continue collaborations with community partners to maximize the impact of the Kalamazoo Promise
- Continue support of educational community and the many events/programs that benefit Kalamazoo residents
- Continue to galvanize volunteers and participate in programs sponsored through KCIS and continue work on Workforce Readiness Committee
- Improve partnerships to ensure greater understanding and linkages between the business community, resident interests, educational systems and the City to improve coordination and consistency in support of the *Kalamazoo Promise*

Create a Vital and Vibrant Downtown

GOAL 4: Create a vital, vibrant downtown, which includes residences, businesses and cultural institutions

STRATEGIC OBJECTIVE 1: Continue to work with downtown businesses, corporate citizens, community and regional partners to establish strategies that will continue the growth of downtown



STRATEGIC OBJECTIVE 2: Utilize Downtown Kalamazoo Inc. (DKI) Downtown Comprehensive Plan and collaborate with community partners to strengthen connections between the Central Business District, higher education community and the core residential neighborhoods immediately surrounding downtown

UPDATE AND ACCOMPLISHMENTS

Worked with Area Companies to Create Mix-Use Space in Downtown Kalamazoo



- Staff partnered with companies to build new, mixed-use space including
 - ⇒ *The Exchange – Phoenix Properties* \$24 million, eight-story building at the corner of Michigan Avenue and Rose Street, which include upscale apartments, bank, office and retail space
 - ⇒ *Metropolitan Center - Mavcon Construction* \$10 million conglomeration of approximately 30,000 square feet of mixed use property located on E. Michigan Avenue will yield ground level retail and 2nd and 3rd floor residential units



Supported Summer Festivals, Events and Parades

- Supported events like Mixer on the Mall and Downtown Summer Festivals [e.g., Blues Festival, Irish Festival, Black Arts Festival, Taste of Kalamazoo, Rib Fest, Rock for Kids, etc.] which hosted 42 events from April to October, attracted more than 150,000 people downtown and generated more than \$371,000 in revenue for Downtown Kalamazoo Association Charities.

Supported WMU Sponsored Click Downtown

- Collaboration between DKI, WMU and Metro Transit to acclimate new students to the area through the use of Metro Transit

2013 FUTURE PROSPECTUS

- Continue to work with DKI, Economic Development Corporation (EDC) and Downtown Development Authority (DDA) to make downtown Kalamazoo attractive to potential business and consumers

Strategic Focus Area

NEIGHBORHOOD DEVELOPMENT

Back to Basics

VALUE THEMES

Striking a Balance

We need strong neighborhoods and we also value working together as a cohesive community.

Belonging

We embrace our diversity and believe everybody counts in our community; no one should be left out because of income, geography, ethnic heritage, race, social standing or ability.

Safety and Security

We believe there is a direct relationship between strength of families and community safety.

We share responsibility for understanding the respective roles and strengthening relationships between citizens and Public Safety officials in order to maintain a safe community.

Distinct aesthetic character, a strong education community and access to a thriving economic center and resources are fundamental elements that create healthy, vibrant neighborhoods. 29 neighborhoods make up a very unique place 75,000 people call home; each filled with people, families, homes, businesses, public spaces, organizations and institutions that contribute to the viability of Kalamazoo. Although our work with external organizations to help make affordable housing accessible to residents is important to make our neighborhoods more vibrant, this strategic area focuses on practical tactics used to ensure quality of life issues are addressed as it relates to the City's ability to provide core services to strengthen the infrastructure of all neighborhoods.

GOALS, OBJECTIVES AND FUTURE PROSPECTUS

Encourage Diverse, Clean, Safe, Quality Neighborhoods

GOAL 1: Encourage diverse, clean, safe, quality neighborhoods offering a variety of residential opportunities at a variety of affordable prices

STRATEGIC OBJECTIVE 1: Work with community partners to support, retain and increase home ownership

UPDATE AND ACCOMPLISHMENTS

- Developed a revised Abandoned Residential Structures Ordinance.
- Executed 6 Neighborhood Association General Fund agreements and monitored progress and expenditures throughout 2012.
- Worked in partnership with CDAAC to develop PY2012 Community Development Block Grant (CDBG), HOME, and Emergency Shelter Grant (ESG) funding recommendations for City Commission consideration.
- Drafted and submitted the 2012 Annual Action Plan and the 2011 Consolidated Annual Performance and Evaluation Report to HUD.



- Developed and executed 2012 funding agreements for CDBG, HOME, and ESG sub-recipients and monitored expenditures and progress towards grant outcomes.
- Updated internal administrative policies based on technical assistance and monitoring by HUD.
- Completed remaining projects within the CDBG-R stimulus program, including a Park Street Market energy audit and required improvements and the NACD job training program.

- Fully expended Homeless Prevention Rapid and Re-Housing Program grant, resulting in over 660 people and 266 households avoiding homelessness through the Eviction Diversion Program and more than 196 people and 81 households receiving housing or shelter.
- Continued to implement Neighborhood Stabilization Program 1, including ten additional demolitions and extensive efforts to identify eligible homebuyers for the seven housing rehabilitation projects. To date, two NSP1 homes have been sold.
- Continued to implement the Neighborhood Stabilization Program 2, including the construction of 9 new homes (for a total of 23) and the rehabilitation of 8 in the Marketplace Plat. 12 Marketplace homes and 3 rehabbed homes have been sold.
- Amended the Zoning Ordinance to clarify the definition for bars and taverns.
- Updated the Riverfront Overlay to allow for limited manufacturing uses with retail or commercial components.
- Amended Neighborhood Enterprise Zone rules to allow for a six month window between the time a certificate is applied for and when construction starts in the Marketplace Plat.
- Worked with Kalamazoo College on the completion of their Master Plan and the ultimate rezoning of the college property to the IC-Institutional Campus zone.
- Finalized scope of work and construction specifications for the repair of the Fountain of the Pioneers.



- Submitted a grant for the Business Loop I-94 Gateway Project to the MDOT Transportation Enhancement Program in April of 2012, in partnership with Kalamazoo County and the Charter Township of Kalamazoo.
- The BRA also approved grubbing and vegetation clearing activities at BRA-owned properties located at 433 and 434 Ampersee Street and 667 and 701 East Michigan Avenue, and fencing of the Ampersee parcels. This work is intended to eliminate current trespassing issues on the property.

2013 FUTURE PROSPECTUS



- Continue to provide assistance to Public Safety and Community Planning & Development for the COPS program. Maintain strong team relationships with both departments.
- Provide timely support to City neighborhoods with street sweeping efforts, major and local streets resurfacing projects, and sidewalk and curb lawn enhancements.
- Continue oversight of nuisance violation mowing and trash pick contracts as well as general oversight of contracts related to moving, and bulk trash pick-up.
- Provide oversight for programs funded under the City's Solid Waste millage including residential recycling, monthly bulk trash pick-up, and fall leaf pick-up.
- Execute 7 Neighborhood Association General Fund agreements and monitor progress and expenditures throughout 2013.
- Draft and submit the 2013 Annual Action Plan to HUD.
- Draft and submit the 2012 Consolidated Annual Performance and Evaluation Report to HUD.
- Develop and execute 2013 funding agreements for CDBG, HOME, and ESG sub-recipients and monitor expenditures and progress towards grant outcomes.
- Complete and close-out Neighborhood Stabilization Program 1 projects, including the sale of the remaining five rehabilitated homes to eligible homebuyers and the completion of 10 additional demolitions.

- Complete and close-out Neighborhood Stabilization Program 2 projects, including the on-going promotion of the Kalamazoo Homeownership Opportunity Program to sell NSP2 homes to eligible households, in partnership with the Kalamazoo County Land Bank Authority.
- Work with community and industry stakeholders to create a Stadium Lighting Ordinance.
- Proactively work to accomplish goals laid out in the 2010 Master Plan: *Plan Kalamazoo*.
- Continue to investigate and pursue methods to partner with surrounding jurisdictions for collaborative planning projects.

Encourage and Provide Affordable Housing Opportunities

GOAL 2: Encourage and provide quality, affordable housing opportunities

STRATEGIC OBJECTIVE 1: Plan and promote the development of new housing and the redevelopment of existing housing, for a variety of income levels and age groups

STRATEGIC OBJECTIVE 2: Work with other governmental agencies and social service organizations to identify strategies to reduce the high foreclosure rate

UPDATE AND ACCOMPLISHMENTS

- Continued to implement Neighborhood Stabilization Program 1, including ten additional demolitions and extensive efforts to identify eligible homebuyers for the seven housing rehabilitation projects. To date, two NSP1 homes have been sold in 2012.
- Continued to implement the Neighborhood Stabilization Program 2, including the construction of 9 new homes in the Marketplace Plat in 2012 (for a total of 23 homes in the plat) and the rehabilitation of eight existing homes. 12 Marketplace homes and three rehabbed homes have been sold to date

2013 FUTURE PROSPECTUS

- Complete and close-out Neighborhood Stabilization Program 1 projects, including the sale of the remaining five rehabilitated homes to eligible homebuyers

and the completion of 10 additional demolitions.

- Complete and close-out Neighborhood Stabilization Program 2 projects, including the on-going promotion of the Kalamazoo Homeownership Opportunity Program to sell NSP2 homes to eligible households, in partnership with the Kalamazoo County Land Bank Authority.

Build Upon Neighborhood Infrastructure by Strengthening the Quality of Relationships to Improve Neighborhoods Through Community Policing

GOAL 3: Emphasize continued sensitivity to concerns throughout the community

STRATEGIC OBJECTIVE 1: Evaluate the capacity of Public Safety to expand its existing community-based policing philosophy throughout area neighborhoods



STRATEGIC OBJECTIVE 2: Create a coactive Public Safety operation to include City departments/resources, neighborhood associations and other organizations to address sensitive community needs and concerns as it relates to strengthening our neighborhoods

UPDATE AND ACCOMPLISHMENTS

- Public Services staff assisted COPS Program in conjunction with Community Planning & Development and Public Safety Department. This included directed cleanup activities in specific neighborhoods, placement of signage in critical areas, assistance with street light issues (tree trimming, etc...) as well as general support within the solid waste program.
- Hosted various programs such as the Citizen Academy used to reinforce cooperation between residents and public safety
- Developed COPS Division combining Community Policing, Kalamazoo Valley Enforcement Team, Probation and Parole and integrating CP&D along with Public Works.
- Utilized foot patrols (minimum of 20 minutes per



shift) to make non-traditional police/resident contacts throughout the various neighborhoods

- Hosted the 4rd Annual Citizens Leadership Academy where 22community leaders from various organizations participated in a highly interactive experience with Public Safety
- Conducted Annual National Night Out. Residents were able to interact with all of the special units within Public Safety.
- Hosted 2 summer youth academies for males and females during the summer in an effort to bridge the gap between law enforcement and youth in this area
- Using a grant funding Conducted numerous directed patrols in the Northside, Southside and Central each weekend during the summer months from 1000-0400 to address violent crime
- Newly formed COPS Division focused on cruising problem making significant strides in reducing the problem
- Conducted proactive patrols with the utilization of the Kalamazoo County Mounted Division in the Edison Neighborhood to address quality of life issues
- Continued weekly crime reduction meetings focusing on data analysis, resource allocation and problem solving



Worked with Community Leaders to Promote Community Policing Programs

- Hosted various programs such as the Citizen Academy used to reinforce cooperation between residents and public safety
- Utilized foot patrols (minimum of 20 minutes per shift) to make non-traditional police/resident contacts throughout the various neighborhoods
- Hosted the 3rd Annual Citizens Leadership Academy where 17 community leaders from various organizations participated in a highly interactive experience with Public Safety
- Initiated the Summer Curfew Enforcement Program, designed to discourage

curfew violations and reduce criminal activity occurring during night hours.

Worked alongside the Kalamazoo County Prosecutor's Office and Kalamazoo County Juvenile Office to help enforce the curfew ordinance that prohibits youth to be out on the streets after 10:00pm for youth 12 and under and after midnight for youth under 13-16 years old

- Conducted 28th Annual National Night Out Event that continues to building relationships between law enforcement and the community as well as educating youth and adults about the crime trends across in Kalamazoo
- Prepared KDPS Explorer Post #265 to compete against 35 other Explorer post teams from throughout the United States who won Wings Governor Cup earning them a number one ranking in the state
- Hosted 150 youth during a Youth Town Hall Meeting
 - ⇒ Youth were able to ask direct questions to a panel comprised of youth from the Street Academy, Hispanic American Council, Phoenix School and adults from Kalamazoo Public Schools, a local judge, a Legislator, the City Attorney, a Kalamazoo Public Safety Detective and Chief of Public Safety
- Hosted 2 summer youth academies for males and females during the summer in an effort to bridge the gap between law enforcement and youth in this area.
- The Kalamazoo Department Public Safety (KDPS) Male Leadership Academy had 30 young males that attended on July 8th and graduated on July 13th. The Academy was a huge success with the help from KDPS Staff, Kalamazoo Township Police Department, Life EMS, Dr. Fales Office, Fort Custer, and the Michigan National Guard. The female academy is scheduled for August 19th through August 24th.
- On July 18th – 19th, twenty two (22) members of the community attended the 4th Annual Citizens Leadership Academy. The program was a great success, thanks to KDPS staff and Kalamazoo Township Police Department.
- Public Safety Community Policing Unit gave a two-day presentation on fire safety and the roles of police officers at the Discovery Center for approximately 50 children.

- Criminal Investigation Division (CID), Kalamazoo Valley Enforcement Team (KVET) and Operations collaborated to develop an operational plan for breaking and entering directed patrols during the winter break for Western Michigan University in order to prevent burglaries.
- In partnership with Prevention Works and Kalamazoo County Environmental Health, Public Safety's sponsoring of an unwanted prescription medication collection program continues to collect an average of 25 pounds of prescription medication per week.

2013 FUTURE PROSPECTUS

- Identify specific violent offenders and crime trends that negatively impact the quality of life within various neighborhoods and develop and implement action



plans that address those trends and offenders with emphasis on community needs and concerns

- Continue to work with neighborhood leaders to improve resident relations and proactively affect crime throughout the City
- Develop training program for all new supervisors promoted in 2012 due to ERI.
- Continue partnerships with neighborhoods, other City departments, businesses and Western Michigan University to coordinate and support youth programming through Town Hall meetings, National Night Out events as well as safe summer programming
- Identify crime trends that negatively affect the quality of life within various neighborhoods and develop and implement action plans that address those trends with emphasis on community needs and concerns

- Continue to work with neighborhood leaders to improve resident relations and proactively affect crime throughout the City
- ***Continue Quality of Life Improvements for Residents in Area Neighborhoods***

GOAL 4: Continue to improve community quality of life by determining and addressing community and neighborhood priorities and responding to issues

STRATEGIC OBJECTIVE 1: Build capacity to improve quality of life within neighborhoods

STRATEGIC OBJECTIVE 2: Work with community partners to enhance the appearance of the City's neighborhoods, businesses, public spaces and rights-of-way

STRATEGIC OBJECTIVE 3: Build upon the City's many assets, including its historic character, cultural amenities, parks, and its traditional, pedestrian-friendly urban form



STRATEGIC OBJECTIVE 4: Ensure that Community Planning and Development, Public Services and Public Safety respond to neighborhood issues, including property maintenance, housing code violations, other violations, public nuisances and quality of life issues such as noise violations (loud stereos, parties, etc.), speeding violations, unsightly junk autos, blighted housing, tall weed and grass



UPDATE AND ACCOMPLISHMENTS

- Public Services staff continues to enhance City infrastructure by conducting extensive street sweeping efforts, overseeing major and local street resurfacing projects, and by making utility cut, sidewalk, curb, gutter and drive approach replacements
- Public Services staff worked with a variety of community and neighborhood

groups (Building Blocks Program and Youth Opportunities Unlimited) to provide bulk trash pickups at numerous locations throughout the City of Kalamazoo

- Provide oversight of various contracts with private vendors for mowing City properties and nuisance violation notices, and bulk trash pickup.
- Oversight is provided for the programs funded under the City's Solid Waste millage including residential recycling, monthly bulk trash pickup, and fall leaf pick up.

Provide a variety of programs in all of the Core neighborhoods through out the year

Continuing existing partnerships and explore new partnerships with area non-profits and other organizations

- Five of the six mini-camps were held in the following neighborhoods: Northside, Winchell, Westnedge Hill, and Edison
- The Extended Mini-Camps were held in Upjohn Park, Douglass Community Association, and Milham Park
- After school and youth program activities operated during the school year were offered in three of the Core neighborhoods: Edison, Vine, and the Northside
- Continued partnership with Oakwood Neighborhood in providing an after school program during the school year
- Partnered with the Sunshine Rotary to make lighting and landscape improvements to Rose Veterans Memorial Park
- The City provided funds and grant funds from the Kalamazoo Community Foundation were received for the 2012 Summer Youth Employment Program, which hired approximately 122 youth ages 14 – 17. This program is a partnership with KRESA
- Partnered with two elementary schools, Milwood and Woods Lake, to provide a Lunch-n-Learn Program. This program was funded by the elementary schools and ran from February thru May, and September thru December. The structured programs were provided by City staff during the lunch hour at Milwood

and Woods Lake Elementary

- Continued our relationship with Kalamazoo in Bloom in the annual volunteer flower planting day at Bronson Park and City Hall
- Continued the Adopt-A-Park Program by reimbursing groups for park improvements and landscaping
- Continued working with Friends of Woods Lake (FOWL) at Woods Lake Park

Improve park infrastructure and facilities by completing capital improvement projects

- The Farrell Park redevelopment project was completed
- The Axtell Creek park redevelopment project was completed
- The LaCrone Park Phase 2 improvement was bid out and awarded. Construction will begin in the fall of 2012
- Kik Pool ADA project was completed

2013 FUTURE PROSPECTUS

- Provide a variety of programs available to all citizens in Kalamazoo throughout the year
- Continuing existing partnerships and explore new partnerships with area non-profits and other organizations
- Develop new partnerships and programs held at the Youth Development Center
- Improve park infrastructure and facilities by completing capital improvement projects

Strategic Focus Area

ENVIRONMENTAL STEWARDSHIP

Back to Basics

VALUE THEMES

[Sense of Community](#)

A regional approach to problem-solving reinforces our common interests.

We celebrate the unique features of our community.

[Equity](#)

We value the efficiency and equity that comes through intergovernmental cooperation.

We are a community that expects the systems serving us to provide equal treatment and access to all our citizens.

[Striking a Balance](#)

We believe it is important to equally consider social, environmental and economic needs so that we can have a livable, sustainable community.

The means by which we protect and preserve our natural resources is vital to Kalamazoo residents as well as the footprint we leave for future generations. The award winning performance of the wastewater treatment plant is critical to ensuring that the water supply is safe in Kalamazoo County. It is equally important that we continue to develop, manage and preserve open and green spaces throughout our community, which adds to our community's natural, aesthetic beauty as well its economic marketability.

GOALS, OBJECTIVES AND FUTURE PROSPECTUS

Protect and Preserve Water Quality

GOAL 1: Protect and preserve our water quality and quantity

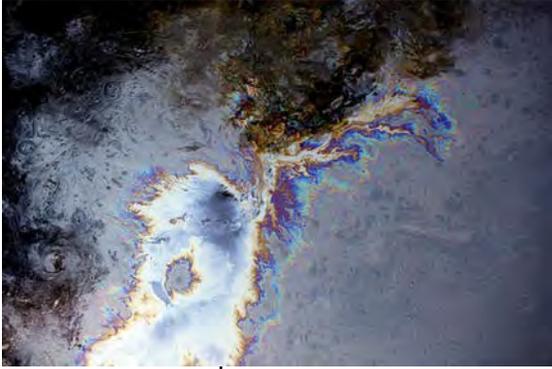
STRATEGIC OBJECTIVE 1: Improve resident satisfaction with potable water

STRATEGIC OBJECTIVE 2: Evaluate treatment processes to reduce energy and chemical usage

UPDATE AND ACCOMPLISHMENTS

- Published Annual Consumers Confidence Report (CCR) for the City of Kalamazoo's drinking water system by July 1, 2012
- City staff continued to work with USEPA, MDEQ, and Enbridge Oil officials regarding ongoing mitigation efforts from the 2010 Kalamazoo River Oil spill impacting the City's well field on the south side of Morrow Lake in Comstock. On going sampling was conducted to ensure no contamination has been detected in the well field.





- City officials continue to work with USEPA, MDEQ, and City consultants to help address ongoing issues at the Allied Disposal Site. A draft Feasibility Study (FS) is scheduled to be published in October 2012 by USEPA staff.
- Public Services Staff continued to work on the renewal of both Water and Wastewater Service Agreements with surrounding communities. A new water service agreement with the City of Portage is completed and has been approved as of September 25, 2012. Work continues on a draft wastewater service agreement with the City of Portage.

2013 FUTURE PROSPECTUS

- Provide improve resident satisfaction with potable water via publication of the annual consumer confidence report and improved tracking of water quality concerns and complaints
- Continue to work with USEPA and community advocates regarding cleanup alternatives for the Allied Disposal Site
- Work on finalizing Water Service Agreements with other surrounding jurisdictions. Finalize wastewater service agreement with the City of Portage
- Provide consistent, high-quality effluent compliance at the Water Reclamation Plant. Continue to enhance reductions in electricity and chemical usage based on process changes.
- Continue to work with community partners and surrounding jurisdictions to expand and enhance the county-wide trailway system
- Evaluate energy improvements and continue to apply energy-saving criteria to additional City buildings.
- Work in partnership with CDAAC to develop PY2013 Community Development Block Grant (CDBG), HOME, and Emergency Shelter Grant (ESG) funding recommendations for City Commission consideration.
- Begin the planning process to develop the new Consolidated Plan for 2014-2018.

Meet or Exceed All Standards for Effluent Discharge

GOAL 2: Ensure a consistent, high quality effluent from the City's Water Reclamation Plant that meets or exceeds all local, state and federal discharge requirements

STRATEGIC OBJECTIVE 1: Continually monitor and adjust policies and operational procedures to meet or exceed local, state and federal discharge requirements

STRATEGIC OBJECTIVE 2: Evaluate opportunities to provide environmentally safe products from wastewater treatment process



UPDATE AND ACCOMPLISHMENTS

- Completed renovation of secondary treatment process at the Water Reclamation Plant. Reductions in electricity and chemical usage are already occurring along with enhanced treatment of wastewater.
- Work with an outside contractor interested in composting biosolids generated at the Water Reclamation Plant continued in 2012. A pilot project was conducted showing that Water Reclamation Plant biosolids easily achieved the highest standard possible for land application materials.



2013 FUTURE PROSPECTUS

- Continue to monitor Water Reclamation Plant modifications in an effort to effectively and efficiently operate the facility at reduced loadings for the next 25 years.

Create and Maintain a System of Open Space and Greenways

GOAL 3: Establish a system of open spaces and greenways throughout the City to protect the environment, provide recreational opportunities, improve the community's visual quality and contribute to economic prosperity

STRATEGIC OBJECTIVE 1: Work with environmental organizations to develop short- and long-term strategies to protect and enhance our community habitat

UPDATE AND ACCOMPLISHMENTS

- City staff continued to work with a variety of community partners to expand



and enhance the county-wide trailway system. This included a new section trailway east of Mayor's Riverfront Park connecting to Comstock as well as discussions with Texas Township regarding trailways around and in

the City's Al Sabo Preserve.

2013 FUTURE PROSPECTUS

- Continue to build the Citywide trail system through multi-jurisdictional cooperation
- Continue to develop master plans for Parks and Recreation projects.

Create and Maintain a Strategy for the Implementation of Sustainable Practices Citywide

GOAL 4: Establish strategies for the implementation of sustainable practices citywide

STRATEGIC OBJECTIVE 1: Work with the Environmental Concerns Committee (ECC) to establish sustainability standards for City operations

STRATEGIC OBJECTIVE 2: Devise an effective communication strategy to educate staff and residents about "green" programs and initiatives that benefit the community

UPDATE AND ACCOMPLISHMENTS

- Evaluation of energy improvements at City Hall and other locations within the City continued. This included monitoring of the new City Hall green roof as well as equipment installed to reduce energy usage.

Establish a system of open spaces and greenways to protect the environment, explore energy saving techniques and use of recycled products and materials

- Installed benches utilizing recycled products in our park improvement projects

Increase the use of native plantings and wildflower areas to reduce the amount of maintained lawn area and improve water quality

Replace each native tree removed for various reasons

- Planted approximately 50 native trees in the parks



Incorporate sustainable design into park improvement projects

- The LaCrone Park Phase 2 project incorporated many sustainable design components such as energy efficient lighting, utilizing low water consumption plumbing, and utilizing low or no VOC epoxy paints and coatings, etc.
- Staff was invited to participate in a Collaborative Stakeholder Initiative to help lead Michigan's environmental cleanup and redevelopment program. The process ended on March 8th with a roll-out of recommendations to State leaders. The recommendations are now being drafted into legislative language for consideration by the Michigan Department of Environmental Quality, Governor, and legislature.
- Staff has initiated City Hall building audit activities as part of the Energy Efficiency and Community Block Grant activities and is in the process of securing proposals and contracts for those services.



Hybrid Electric Buses

- The Transportation System has five (5) 35' Hybrid Electric Buses in operation.

2013 FUTURE PRO-SPECTUS

- Establish a system of open spaces and greenways to protect the environment, explore energy saving techniques and use of recycled products and materials
- Increase the use of native plantings and wildflower areas to reduce the amount of maintained lawn area and improve water quality
- Incorporate sustainable design into park and recreation facility improvement projects



Strategic Focus Area

COMMUNITY BUILDING

Back to Basics

VALUE THEMES

Belonging

We embrace our diversity and believe everybody counts in our community; no one should be left out because of income, geography, ethnic heritage, race, social standing or ability.

We believe an inclusive community is built through personal responsibility.

Equity

It is important to us to have equality across the community when it comes to safety, housing, transportation, jobs, government services and education.

Striking a Balance

We believe it is important to consider social, environmental and economic needs equally so that we can have a livable, sustainable community.

We need strong neighborhoods and also value working together as a cohesive community.

Open communication between us increases our feeling of connectedness.

This focus area relates to the responsibility, shared by residents, businesses, governments, organizations and community members, to work together with the ultimate goal of realizing our community vision. In this respect, local government and community partners share an important role in creating a culture of acceptance and tolerance, respectful of individual differences and conducive to open discussion of community issues. All people in the community should be able to participate in planning and decision-making and the values and goals of the community should be reflected in the priorities and policies of local government. To help make this happen, each individual in the community has a responsibility to work to address issues of poverty, discrimination and social exclusion. At the same time, it is important to draw upon and celebrate Kalamazoo's diversity in order to build a better community.

GOALS, OBJECTIVES AND FUTURE PROSPECTUS

Encourage a Culture of Acceptance and Tolerance

GOAL 1: Encourage and practice respect for race, cultural, religion, age and individual differences, including disabilities and sexual orientation, providing equal opportunity and access for all residents to City services and programs

STRATEGIC OBJECTIVE 1: Act as a proactive partner to improve cultural competency within the City organization and throughout Kalamazoo County

STRATEGIC OBJECTIVE 2: Serve as an example to the community through the City's employee relations and employment programs



UPDATE AND ACCOMPLISHMENTS

- The City co-sponsored the annual community diversity event *Respecting Differences*. The guest speaker this year was Dr. Boyce Watson, a nationally known academic who spoke on several issues involving race, including political issues, social issues, and current events. 693 people attended the two sessions held on April 17 and 18.
- The Human Resources/Labor Relations Director continued to serve as a co-chair for the YWCA Summit on Racism Employment Initiative. The summit is an annual event that was held on September 28
- HR staff participated in 3 job fairs designed to recruit diverse pools of candidates for positions vacating through the ERI.
 - ⇒ March 21 at Kalamazoo Valley Community College
 - ⇒ March 31 at Mt. Zion Baptist Church
 - May 3 at the Kalamazoo Neighborhood Coalition

2013 FUTURE PROSPECTUS

- The City will continue to co-sponsor the annual diversity event *Respecting Differences* in 2013.
- The Human Resources/Labor Relations Director will continue to serve on the YWCA Summit on Racism Employment Initiative and help plan the annual Summit in 2013.
- Although there will be fewer positions to fill in 2013, the staff of the HR Dept. will participate in job fairs again in 2013 in an effort to continue recruiting a diverse workforce.

Continue to Work Toward the Reduction of Poverty throughout Kalamazoo

GOAL 2: Reduce the poverty rate among Kalamazoo residents

STRATEGIC OBJECTIVE 1: Encourage educational and economic initiatives for low income families and work to establish more job opportunities for the underemployed

UPDATE AND ACCOMPLISHMENTS

Supported Summer Youth Employment Program

- Funded summer youth employment and pursued additional outside funding for youth between the ages of 14-17 over the summer.



2013 FUTURE PROSPECTUS

- Create and develop effective youth centers throughout Kalamazoo by collaborating with community organizations to work toward the reduction of poverty throughout Kalamazoo
- Encourage programs and initiatives that support low income families and work to establish more jobs opportunities for the underemployed

Work with Community Partners to Address Homeless Issues

GOAL 3: Work collaboratively with grass roots organizations to implement programs and initiatives that address the needs of the homeless

STRATEGIC OBJECTIVE 1: Continue to encourage discussions and forums regarding homeless issues and concerns

UPDATE AND ACCOMPLISHMENTS

- Fully expended Homeless Prevention Rapid and Re-Housing Program grant, resulting in over 666 people and 266 households avoiding homelessness through the Eviction Diversion Program and more than 196 people and 81 households receiving housing or shelter.

2013 FUTURE PROSPECTUS

- Continue to participate with the Local Initiatives Support Corporation community committee that compiled and addressed a plan to eliminate homelessness in 10 years in Kalamazoo County.



Strategic Focus Area

RESPONSIBLE AND RESPONSIVE GOVERNMENT

Back to Basics

VALUE THEMES

Economic Opportunity and Stability

Our economy should provide jobs, adequate income and the tools to increase our quality of life.

Equity

We are a community that expects the systems serving us to provide equal treatment and access to all our citizens.

It is important to us to have equality across the community when it comes to safety, housing, transportation, jobs, government services and education.

Striking a Balance

We believe it is important to equally consider social, environmental and economic needs so that we can have a livable, sustainable community.

Our residents support community planning and expect action and implementation to follow.

Kalamazoo is a “full-service city”. It provides an array of “core” services related to protecting the health, safety and welfare of its constituents, including public safety, public infrastructure, public utilities, planning and zoning administration, parks, inspection services, maintenance of public rights-of-way, as well as the legal and administrative functions to support those services. The City also provides many other services to residents and the community as a whole, including economic development, transit service, administration of the Community Development Block Grant Program (CDBG) and youth development programming. While neither list is exhaustive, it illustrates the broad range of services the City provides.

In these recent economically challenged times, the City has found it necessary to do an assessment of its deliverables as we face a growing imbalance between residents’ high service demand, dwindling City revenues. As a result, the City continuously evaluates its role in the community as the “new normal” takes shape. Redefining the City’s organizational and community culture in this new economic environment will establish the foundation by which this organization serves its residents in the future.

GOALS, OBJECTIVES AND FUTURE PROSPECTUS

Maintain an Open and Accessible Government

GOAL 1: Maintain a City government that is open and accessible to the community

STRATEGIC OBJECTIVE 1: Enhance communication between the City and community, and increase resident involvement in the decision-making process

STRATEGIC OBJECTIVE 2: Increase accessibility of City services to residents and customers

STRATEGIC OBJECTIVE 3: Strive for a clear understanding between the City and its residents regarding resident preferences for services and the City's capacity to provide them

STRATEGIC OBJECTIVE 4: Develop a community strategy to provide information about City resources and services

STRATEGIC OBJECTIVE 5: Continue to monitor and ensure the alignment of resident expectations for service and the City organization's capacity

STRATEGIC OBJECTIVE 6: Review and evaluate core charter responsibilities / basic services and recommend services essential to City function based on projected fiscal responsibility

UPDATE AND ACCOMPLISHMENTS

- Modifications and enhancements to customer service delivery due to ERI. Website, phone tree, emails, etc...
- Cultural Assessment and Modifications in Field Services Division of Public Services in 2012 and ongoing into 2013. Will assist with and enhance service delivery with the division and department

Continue to evaluate the programs offered and respond to changing use patterns and desires

- Hosted ten youth programs throughout the year utilizing seven different parks: Spring Valley, Milham, Bronson, Upjohn, Southside, Mayors' Riverfront, and Versluis/Dickinson
- Draft RFP has been developed and is in Purchasing for the operation of the Kalamazoo Farmers' Market. The RFP will be bid out by October 2012, and have an operator in place by January 2013
- Held workshops at the Vine Neighborhood Association and the Northside Association for Community Development where children were able to select playgrounds for Axtell Creek Park and Farrell Park



Utilize social media such as: email, Facebook, websites and text messages for promoting programs

- Utilized the internet for promotion through websites, Facebook, e-mails, and newsletters, which cut down on printing, mailings, and staff time
- Coordinated transition resulting from Early Retirement Incentive Program, including decreasing the number of Housing Inspectors and Trade Inspectors, and increasing efforts anti-blight via new Code Compliance Inspectors.
- Advertised, interviewed and hired thirteen staff replacements.
- Worked with the Public Services Department to upgrade sidewalks on Park and Westnedge between downtown and the northern city limits.

Maintained Active City Commission Advisory Boards and Commissions

- Utilized City staff to guide direction of Advisory Boards

New Reloadable Passes for Senior and People with Disabilities

- The Transportation System now sells reloadable passes for seniors and people with disabilities. The cards act as a debit card which can then be reloaded with a value through hardware and software located in our Customer Service Center at the Kalamazoo Transportation Center.



2013 FUTURE PROSPECTUS

- Utilizing different and unique ways to advertise and promote Parks and Recreation
- Continue to evaluate the programs offered and respond to changing use patterns and desires
- Enhance existing facilities and improve playgrounds to meet or exceed barrier-free requirements
- Utilize social media such as: email, Facebook, websites and text messages for promoting programs
- Enhance existing software to allow for online registration

- Evaluate and enhance customer service delivery methods via phone trees, City website, emails, and other reporting mechanisms in 2013.
- Implement amendments to Chapters 9 and 17 of the Code of Ordinances for nuisance and rental housing.
- Revise and update the Historic District Commission operating procedures to simplify the review and approval process.
- Work with the Historic Preservation Commission to retool the way the city approaches education regarding historic preservation issues.
- Continue to participate on boards and committees to help influence issues in the community
- Continue to encourage resident participation during City Commission meetings as well as the distribution of publications to keep residents informed of City endeavors
- Continue to utilize public meetings, forums and study groups as a means to assess City related issues
- Continue to assess the City Charter; propose improvements that will advance the quality of life for all residents



Provide Quality City Services and Programs

GOAL 2: Provide quality services and programs delivered efficiently and cost-effectively

STRATEGIC OBJECTIVE 1: Update the City's information technology infrastructure for better utilization by customers and residents

STRATEGIC OBJECTIVE 2: Continue to provide dynamic parks, trails and recreation programs for all City residents as well as promote youth development initiatives in support of healthy families

STRATEGIC OBJECTIVE 3: Establish and maintain a strong network of public infra-

structure (including streets, sidewalk replacement, maintenance of City urban forest, wastewater disposal and treatment, water supply and treatment, recycling services, road maintenance, street lighting, etc.) essential to maintaining a strong community

STRATEGIC OBJECTIVE 4: Continue to develop the community by improving the overall quality of life of residents through the use of local, state and federal grant programs that support neighborhoods, code administration, community revitalization and reinvestment, housing programs and services

UPDATE AND ACCOMPLISHMENTS

- Human Resources implemented the NeoGov software system more fully in 2012, reducing staff time used to process and track job applicants electronically. The reporting function was implemented, as was the ability of applicants to schedule themselves for tests, further reducing staff time needed to perform these functions.
- Human Resources implemented the Early Retirement Incentive by retiring out 187 of the 219 employees who enrolled in the program. HR also replaced 110 of the 129 positions expected to be filled by the ERI program. This does not include the number of positions that were filled due to internal promotions and transfers.

Continue to provide a variety of quality programs for families, youth and

adults that build healthy bodies, relationships, and enhance life skills

The logo for NeoGov, featuring the word "NEOGOV" in a bold, blue, sans-serif font with a trademark symbol (TM) to the right.

- The 16th Annual Friends of Recreation Golf Classic was held July 20, at Eastern Hills Golf Course. The event raised \$4,267, with \$1,642 going into the Recreation Endowment Fund and \$2,625 to support the operation of the Youth Development Center during 2013
- Over 115 public and private events took place in City parks that generated over \$26,000 in revenue

Develop a proposal for a funding request for the operation of Kik Pool

- Utilized funding of \$43,723, received in 2011, from the Sally Appleyard Estate for additions to recreation programs in 2012. The funding request was for Kik pool (swim lessons), Mini-Camps (one extended mini-camp site, and additional staffing for each of the six mini-camp sites), a Youth Golf Tournament, and the Summer Youth Employment program. Submitted an additional funding request of \$77,150 for a new safety cover at Kik Pool, Special Events, Street Academy, wood chips in various playgrounds and a park tree planting program in 2012



Explore the possibility of grants for programs that address obesity, health and nutrition

- Received approximately in \$82,000 in grants to help run programs that our department would normally not be able to offer



Continued Major and Local Street Paving and Other Improvement Projects

- Continued improvements throughout the city.
- Other activities such as the regular street sweeping program and annual crack sealing program were completed as well as repairs to drainage structures due to damage caused by water runoff and road construction and annual gate valve replacement program.
- Four Metro Transit busses were fully equipped with ITS equipment for Pilot testing. This includes on-board computers, GPS tracking equipment, and cellular 4G networks to allow for testing of the real-time information data gathering and reporting for the ITS project. Upon successful completion of the Pilot test phase, Metro Transit will work with Avail Technologies to install the equipment on the remainder of the fixed-route busses.

- The city's Metro Transit system is partnering with the Kalamazoo County Medical Control Authority, (KCMA), for the purpose of providing emergency transportation in times of natural disasters or other large scale events. In the event a number of non-ambulatory patients must be moved from one site to another for medical treatment, Metro Transit will provide a bus that will be modified by removing all seating in order to be equipped with brackets that can hold up to 18 NATO-type stretchers. KCMCA will reimburse Metro Transit 100% of the cost to equip the bus and then return it to its original condition when the bus is returned to service. The use of the bus will be limited to SW Michigan.

2013 FUTURE PROSPECTUS

- Support Champions for Healthy Kids by providing a variety of quality programs for families, youth and adults that build healthy bodies, relationships, and enhance life skills
- Explore the possibility of grants for programs that address obesity, health and nutrition
- Develop new programs/workshops held at the Farmers' Market addressing nutrition and health
- Human Resources implemented the NeoGov software system more fully in 2012, reducing staff time used to process and track job applicants electronically. The reporting function was implemented, as was the ability of applicants to schedule themselves for tests, further reducing staff time needed to perform these functions.
- Human Resources implemented the Early Retirement Incentive by retiring out 187 of the 219 employees who enrolled in the program. HR also replaced 110 of the 129 positions expected to be filled by the ERI program. This does not include the number of positions that were filled due to internal promotions and transfers.
- Complete the implementation of the City-wide VOIP telephone system to realize overall cost savings and improved functionality and continue to provide input and recommendations on new or updated software, as needed

- Continue to enhance major and local street paving and improvement projects with priority placed on streets identified as most critical as indicated in the Pavement Management Program

2013 FUTURE PROSPECTUS

Continue work to diversify workforce

- There will be another 32 employees leaving in 2013 through the ERI that the staff of the HR Dept. will retire out. Additionally, there will be another 19 positions to fill in 2013, not including those positions that need to be filled due to transfers and promotions.

Embrace Ethical, Integrity-Based, Quality Customer Service Performance Practice

GOAL 3: Implement the City’s integrity based, quality customer service based practices to address resident and community concerns

STRATEGIC OBJECTIVE 1: Continue to implement changes to the City’s “operating approach” and culture based on a comprehensive inter-departmental and inter-divisional analysis and development of outcome-based solutions to key community priorities



STRATEGIC OBJECTIVE 2: Continue to work collaboratively, interdepartmentally, with residents and community partners to address sensitive community needs and concerns

STRATEGIC OBJECTIVE 3: Continue to evaluate the organizational structure, City policies, programs, and procedures to achieve maximum efficiency, effectiveness and responsiveness

STRATEGIC OBJECTIVE 4: Improve employee relations and develop a more diverse and effective workforce by continuing to implement Kalamazoo’s plan that includes building a diverse, inclusive and responsive organization

UPDATE AND ACCOMPLISHMENTS

- Staff of the Human Resources Department continued to train city employees in prevention of harassment and discrimination. Six sessions were held on this topic, primarily in the Public Services Department.

- HR staff worked with leadership in the Department of Public Safety to review written test practices that resulted in greater diversity in the recruitment pools.



Examined Administrative Protocols for Efficiencies

- Held monthly meetings with Department Directors, City Administration and Appointees to discuss and update administrative protocols to maximize organization efficiencies
- Employer Support of the Guard and Reserve (ESGR), a Department of Defense (DOD) agency, announced Kalamazoo Department of Public Safety (KDPS) has been selected to receive the 2012 Secretary of Defense Employer Support Freedom Award. Fifteen employers will be honored with this year's Freedom Award, the DOD's highest recognition given to employers for exceptional support of Guard and Reserve employees.
- These recipients distinguished themselves among the 3,236 nominations submitted earlier this year by Guardsmen and Reservists, or family members acting on their behalf. Freedom Award recipients go above and beyond what the law requires of Guard and Reserve employers. KDPS was nominated by a member of the Army Reserve. The Reservist reported KDPS started a "Family Readiness Group" that watches over and assists the families of deployed employees. The group organized a collection to help make sure the nominator's family had a good Christmas while he/she was deployed. Indicative of its sup-

port, the department also retrained an employee to shoot left-handed after his right hand was injured in combat, so he would not have to be reassigned to a different job.

2013 FUTURE PROSPECTUS

- There will be more resources devoted to training in 2013, particularly in the prevention harassment and discrimination. Because most HR resources in 2012 were devoted to the implementation of the ERI, training temporarily became a lower priority. In 2013 additional training will be conducted for all new hires entering into city employment, particularly in the areas of supervisory skills, coaching/counseling and union contract administration.
- Continue to work to implement the tenets of the Strategic Fiscal and Organizational Plan
- Continue to train hiring managers in the three key areas that help them understand the value of diversity in the workplace; AA/EEO, Harassment and Discrimination and Recruitment and Interviewing and continue to review the recruitment and promotion processes within all departments to ensure the integrity of the processes
- Enable management to evaluate and improve effectiveness of core services
- Finalize the analysis of the City's Growth Plan and determine optimal utility governance alternative

Provide Prompt, Professional Safety and Emergency Services

GOAL 4: Provide efficient, effective and professional police, fire and emergency medical services, including concentrated attention to critical neighborhood problems, while promoting the principles of community policing

STRATEGIC OBJECTIVE 1: Improve public relations, education and outreach to the community regarding public safety, including citizens' responsibility in interacting with the Public Safety Department

STRATEGIC OBJECTIVE 2: Review and, where appropriate, revise Public Safety's internal policies, procedures, and training programs to improve professional-



ism, ethics, accountability, user-friendliness, and respectful treatment of citizens, and to track responsiveness

STRATEGIC OBJECTIVE 3: Assess Public Safety's service delivery and capabilities

UPDATE AND ACCOMPLISHMENTS

Implemented Continued Website Revisions Public Safety

- Continued to make modification to redesigned website launched in 2010 for better usage by end-user/consumers



Collaborated with Silent Observer to Gather Valuable Crime Information

- Continued *Fast 50*, a program that encourages residents to text their crime tips to Public Safety/Silent Observer. If the tip results in an arrest or valuable information leading to an arrest, the resident will receive \$50

Implemented Racial Profiling Study

- Public Safety hired a consultant to examine practices related to racial profiling during average/daily traffic stops. Data gathered by the consultant will be analyzed by Public Safety officials
- Utilized Citizen Public Safety Review and Appeals Board to help develop officer selection criteria and served on selection committee

Examined Crime Trends

- Continued the examination of crime trend in an effort to assess Public Safety's service deliverability in the community realizing the third straight year of crime reduction
- Investigated several crime patterns in order to decrease occurrence

- ⇒ Initiated interdepartmental collaboration (e.g., Criminal Investigation Department, Operations Division, Information Management) to investigate the increase of larceny, which concluded that nearly all assaults were committed by a known suspect
- ⇒ Implemented and directed saturation patrols to address noted crime trends; as well as, neighborhood concerns and quality of life issues



- ⇒ Initiated interdepartmental collaborations (e.g., CPO, KVET) during the summer in an attempt to conduct proactive, direct patrols downtown to deter crime at the various festivals (Greek Fest, Taste of Kalamazoo, etc.)
 - The Detectives Bureau focused their efforts on investigating new leads on several cold cases.

2013 FUTURE PROSPECTUS

- Encourage continued diversity and sensitivity training for officers to inspire the highest level of integrity and ethics throughout the department
- Expand collaboration with area fire agencies to reduce response time and evaluate emergency medical response protocols and improve efficiencies when appropriate

Design and Implement a Multi-Modal Transportation Strategy

GOAL 5: Support the design and implement a comprehensive, multi-modal regional transportation system and improved non-motorized facilities

STRATEGIC OBJECTIVE 1: Continue to support public transit to aid access to employment, educational and community activities

STRATEGIC OBJECTIVE 2: Implement the City's non-motorized transportation plan

STRATEGIC OBJECTIVE 3: Lobby for and encourage the development of the US-131 interchange and connector

UPDATE AND ACCOMPLISHMENTS

Began Project for Equipping Busses with GPS

- In an effort to produce a cleaner, faster, more reliable transportation system, Metro Transit began the GPS system, which will provide real time operational status for better fleet management. The project is slated to take up to 3 years.

Continued Metro Transit Office Expansion

- Work continued throughout the year to expand the office space at the Transportation Center. The project is funded 80% federal and 20% state. KCTA staff have moved into the newly renovated space.

Participated in Click Downtown

- Participated with Downtown Kalamazoo Inc. and WMU sponsored promotion, offering transportation to WMU freshmen from campus to downtown and back in an attempt to familiarize new students with downtown.

2013 FUTURE PROSPECTUS

- Work with Kalamazoo County Transportation Authority on renewal of millage that will provide transit countywide
- Implement community service van pilot program which allows volunteer drivers from non-profit agencies in outlying areas access to the City
- Continue vehicle replacement program with the replacement of three demand service vans
- Expand Support transportation enhancement improvements
- Complete the trail-way system throughout Kalamazoo



Strategic Focus Area

FISCAL STEWARDSHIP

Fiscal Stewardship represents the City's commitment to prudently manage the City's resources and maintain a stable economic environment. Some of the goals within this focus area specifically deal with what the City government can do to responsibly address our short and long-term fiscal challenges, while other goals focus on the value of a regional approach in tackling the significant economic hurdles facing the Kalamazoo community and many other communities in the State of Michigan.

A recurring issue regarding the City's financial structure has been an equitable distribution of the tax burden. A number of properties within the City are exempt from paying City property tax. The City has used the issuance of tax abatements to businesses and corporations as an economic development incentive tool.

One solution proposed in the *2000 Blueprint for Action* community process was to take a regional approach to the delivery of services necessary for a thriving, sustainable community. The City is carefully examining duplications of services and the importance of achieving economy of scale through consolidations and working partnerships with the private sector and regional governmental jurisdictions.

The City acknowledges that achieving regional solutions through intergovernmental collaboration can sometimes be time consuming, but remains convinced that a regional view is essential in light of current and future fiscal challenges. In making its 2007 decisions regarding a short and long-term fiscal strategy, the City was guided by information gleaned from the 2006 updated Community Sketch and by common issues, themes, historical trends, observations and suggestions received from citizens as reflected in the original *2000 Blueprint for Action* document.

It is essential that the City provide core services for citizens within the budgetary parameters of the City's financial resources. Although citizens have enjoyed services such as housing assistance, business retention/assistance, community development, street cleaning/snow removal, weekly recycling, recreation opportunities, etc., it is imperative that the City continue to explore non-traditional means to provide essential services and look beyond jurisdictional boundaries to balance costs and revenues.

Communication updating between the City and its citizens is paramount as the City prepares to provide the framework for a five-year fiscal strategy. While some citizens are aware of the serious constraints on the City's ability to maintain its traditional level of programs and services, it is likely that most will expect to see their tax investment continue to purchase the services to which they have become accustomed. Therefore, it is important that the City continue to keep the citizens informed as decisions regarding the financial future of the City are determined.

GOALS, OBJECTIVES AND FUTURE PROSPECTUS

Balance City Revenues and Expenditures

GOAL 1: Continue to implement the Five-Year Fiscal Plan to increase the capacity of the City's organization by identifying available and potential resources and prioritizing expenditures

STRATEGIC OBJECTIVE 1: Continue to assess, monitor and modify the financial targets and strategies on which the five-year fiscal plan is based

STRATEGIC OBJECTIVE 2: Ensure that adequate funding is available to provide a sustainable capital improvement program, including an appropriate local street repair program, other infrastructure needs, technology and maintenance of City-owned assets

STRATEGIC OBJECTIVE 3: Prioritize expenditures through an outcomes-based approach in development of the City budget

STRATEGIC OBJECTIVE 4: Further the integration of sound community and economic development strategies for tax base stabilization and/or growth

STRATEGIC OBJECTIVE 5: Support the adoption of best local governmental management practices and effectiveness measures (quality and efficiency) to increase financial stability

STRATEGIC OBJECTIVE 6: Seek, develop, administer and maintain grants that subsidize City expenditures

UPDATE AND ACCOMPLISHMENTS

Utilize grant opportunities to assist in funding programs and capital improvement projects

- The Department of Public Safety secured grants to fund self contained breathing apparatus in the amount of \$647 thousand
- Federal funds were used to supplement Park Improvement projects such as LaCrone Park

Evaluate the program fee structure and increase fees where appropriate

- Fee schedules have been evaluated. Revised fee schedules were approved for Parks & Recreation Department

Work with management staff schedules to reduce overtime within the department

- New administrative standards were implemented in the Public Safety Department and has yielded savings

Evaluate subcontracting of mowing and solid waste removal from Parks

- The mowing of the parks, boulevards, and medians was contracted out with an estimated annual savings to the City of over \$167,000.

Evaluate establishment of concession agreements for the Parks and Recreation facilities

- Draft RFP has been developed for proposal to vendors to operate a concession program with the goal of the project being bid out at the end of 2012, and in place for 2013 events
- A Draft RFP has been developed for contracting out the overall operations and day to day operations of the Kalamazoo Farmers' Market
- Revised the Department's Cost Recovery Fee Schedule.

- More than 675 building inspections were conducted on behalf of the City by a private inspections company, resulting in substantial cost savings.
- Worked with the City Attorney's Office and City Assessor to bring three Payment in Lieu of Taxes (PILOT) requests to City Commission for approval.

Received Award for Achievement in Procurement

- The Purchasing Division earned the *Achievement of Excellence in Procurement* for the fifth consecutive year for the department's responsible use of procurement practices

Received Award for Budget Presentation and Financial Reporting

- Staff earned the Distinguished Budget Presentation Award for the 2012 Budget Document and the Award for Excellence in Financial Reporting for the 2010 Comprehensive Annual Financial Report

Updated Kalamazoo Dashboard

- The *Michigan Dashboard* is a tool that measures Michigan's performance in the areas of Economic Strength, Health and Education, Value of Education, Quality of Life and Public Safety. The City unveiled its own performance gauge, specific to Kalamazoo's performance to be in compliance with State of Michigan directives

Budget Monitoring

- Staff prepared and made website quarterly budget monitoring reports available online with in depth analysis of economic drivers

Collected taxes

- Approximately 95% of bills issued received a payment (whether in full or a partial/installment payment)

Received Funds from Auction of Surplus Items

- The City received \$46,031 at the semi-annual intergovernmental auction of surplus personal property administered by the Purchasing Department

Continued Online Bill Pay System

- Treasury staff worked with outside vendors to establish an online bill payment system allowing consumers to make payments electronically by credit card, debit card or electronic funds transfer from checking or savings account
- Computerizing and consolidating payment operations has allowed the city to realize a \$400,000 annual savings in personnel costs and banking fees
- The City sold surplus personal property totaling \$46,031 at the semi-annual intergovernmental auction administered by the Purchasing Division.
- The City of Kalamazoo Purchasing/Risk Management Division took the lead in jointly bidding a janitorial supplies term contract. Working cooperatively, the requirements of Kalamazoo County and the City of Portage were combined with the City of Kalamazoo's.



2013 FUTURE PROSPECTUS

- Utilize grant opportunities to assist in funding programs and capital improvement projects
- Promote gifting to the City through endowments and partnerships for the enhancement of Parks and Recreation
- Evaluate the program fee structure and increase fees where appropriate
- Explore the possibility of utilizing the Municipal Recreation Endowment funds to supplement budget for youth programs
- Evaluate subcontracting of solid waste removal from Parks and Recreation facilities
- Evaluate establishment of concession agreements for the Parks and Recreation facilities
- Balance City Revenue and Expenditures
- Implement an updated cost recovery fee schedule for permits and inspections.
- Continue to coordinate private inspection services with Cornerstone Inspection

Services.

- Explore changes to the Payment In Lieu of Taxes program and develop recommendations for improvements.
- Apply for grant opportunities to partner with the city of Grand Rapids to collaboratively use technology for documenting historic resources.
- Continue to implement the Five-Year Fiscal Plan and Organizational Management Approach
- Develop and evaluate options for ensuring a sustainable general fund and DDA budget, including researching new funding and revenue strategies and sources, cost reduction opportunities and/or funding partnerships from the private sector or regional governmental agencies
- Continue to seek grants to fund recreational programs, services, and youth development opportunities as well as specific funding for the Summer Youth Employment Program and the Street Academy to leverage general fund dollars
- Strategically implement ERI to adhere to principles/financial goals identified in program



Kalamazoo Living

A Thumbnail Sketch
of Life in Kalamazoo

THE CITY OF



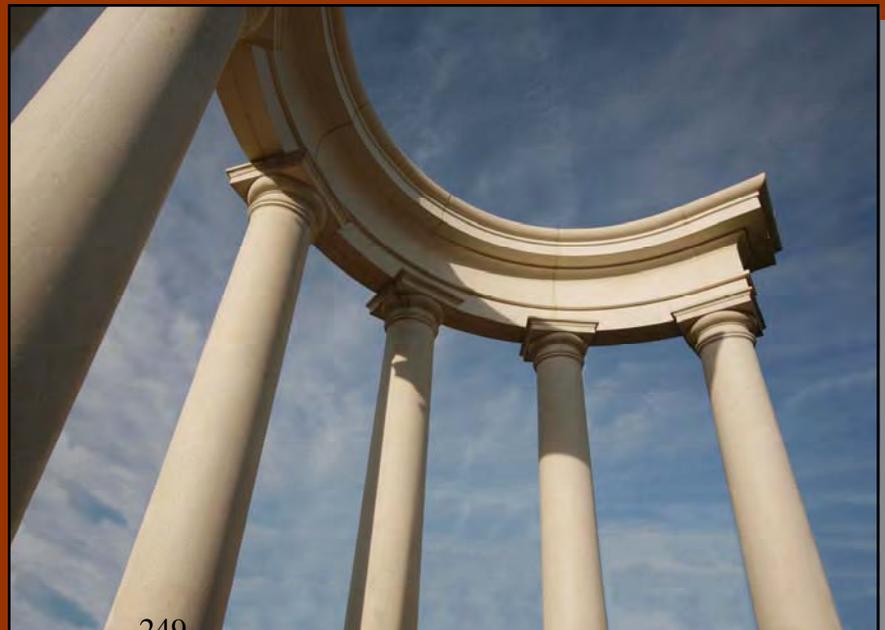
CITY THUMBNAIL SKETCH

In 2001, the City of Kalamazoo initiated two source documents, the *Blueprint for Action* and *City Thumbnail Sketch*.

The *Blueprint for Action* provides a strategy for the City to implement programs and services to improve the quality of life for its residents and the *City Thumbnail Sketch* documents City statistics and trends.

This 2012 *City Thumbnail Sketch* will show how Kalamazoo ranks in comparison to other cities in the State of Michigan and offers information regarding local, regional, state and national trends.

Although this is not a comprehensive report, the information provides a glimpse into the current conditions of the Kalamazoo area.





INCLUDED IN THIS ISSUE

Governance

Governance
 Locality
 Elections
 City Boards & Commissions

People in the Community

Population Demographics
 Ethnic Composition
 Poverty in Kalamazoo County
 Homeless in Kalamazoo County
 Family Composition in Kalamazoo County
 Population Trends
 Community Health

Jobs and Economics Growth

Employment by Industry in Kalamazoo County
 Residential, Commercial and Industrial
 Tax Valuations
 Economic Incentives
 Downtown Development

Neighborhood Composition

Kalamazoo Neighborhoods
 Housing
 Affects of Foreclosure on the State of Michigan and Kalamazoo

Education

Kalamazoo Public Schools
 Kalamazoo Promise
 Higher Education

City Services and Utilities

Community Planning & Development
 Economic Development
 Parks and Recreation
 Public Safety
 Public Services
 Transportation



KALAMAZOO GENERAL FACTS

POPULATION

Michigan population	10,003,422 (2008)	9,969,727 (2009)	9,883,640 (2010)
County population	245,912 (2008)	248,407 (2009)	250,331 (2010)
City population	72,179 (2008)	72,825 (2009)	74,262 (2010)

SOURCE: 2010 American Fact Finder (<http://factfinder2.census.gov/main.html>)

DEMOGRAPHICS

Gender	
Male	49.3
Female	50.7
Race	
White	68.1
Black	22.2
Hispanic	6.4
Other	5
Median Age	26.2

SOURCE: 2010 American Fact Finder (<http://factfinder2.census.gov/main.html>)

EMPLOYMENT

** Michigan labor force	4,966,000 (2008)	4,859,000 (2009)	4,790,000 (2010)
** Michigan unemployment rate	8.3 (2008)	13.3 (2009)	12.5 (2010)
** County labor force	135,116 (2008)	131,588 (2009)	129,608 (2010)
** County unemployment rate	6.2 (2008)	9.8 (2009)	10.2 (2010)
** City labor force	40,708 (2008)	40,238 (2009)	39,688 (2010)
** City unemployment rate	8.6 (2008)	13.4 (2009)	13.9 (2010)
%^ Total downtown workers	n/a	12,940	12,553
++ Largest employers in Kalamazoo County	Borgess Medical Center Western Michigan University Bronson Healthcare Group Pfizer Stryker Corporation	4,201 4,045 3,779 3,200 2,083	

SOURCE: ** - Michigan Department of Technology, Management & Budget Labor Market Information (<http://mlmi.org/>)

%^ - Downtown Kalamazoo, Inc., State of Downtown 2011: Setting the Stage for a Promising Future

(<http://www.downtownkalamazoo.org/About-Downtown/State-of-Downtown.aspx>)

++ - Kalamazoo Regional Chamber of Commerce: Largest Employers in Southwest Michigan as of April 2010

(<http://www.kazoochamber.com/clientuploads/Largest%20Employers%202010.pdf>)

EDUCATION

Area college student population and institutions	40,000+ Western Michigan University, Kalamazoo College, Kalamazoo Valley Community College, Davenport University
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SOURCE: Western Michigan University (www.wmich.edu/); Kalamazoo College (www.kzoo.edu/); Kalamazoo Valley Community College (www.kvcc.edu/); Davenport University (www.davenport.edu/);

COST OF LIVING & HOUSING

** Cost of living index (as of January 2011)	83.5 of 100
++ Median Household Income	\$29,299
Owner occupied	\$50,876
Renter occupied	\$18,107
++ Median Household Value (owner occupied)	\$108,800
++ Owner Occupied/ Renter Occupied Housing Units (number)	12,949
Owner occupied	15,489
Renter occupied	
++ Median Household Monthly Housing Costs	\$741
Owner occupied	\$886
Renter occupied	\$637

SOURCE: ** - City Data - Kalamazoo (<http://www.city-data.com/city/Kalamazoo-Michigan.html>)
++ - 2009 American Fact Finder (http://factfinder.census.gov/servlet/STSelectServlet?_ls=331126129399)

DOWNTOWN KALAMAZOO

Kalamazoo Library	1,000,000 visitors annually
Radisson Plaza, Hotel & Restaurants	800,000 visitors annually
Arcadia Festival Site	450,000 visitors annually

SOURCE: Downtown Kalamazoo, Inc., Employment & Traffic: Economic Indicators (<http://www.downtownkalamazoo.org/Do-Business/Economic-Indicators-Vacancy-Employment-and-Traffic.aspx>)

GOVERNANCE

- The City of Kalamazoo was incorporated as a commission-manager form of government in 1918, which grants the Commission as the legislative and governing body of the City



- The City Commission consists of seven members who are elected at-large on a non-partisan basis to serve a two-year term in office. The Commissioner receiving the most votes becomes mayor with executive power over the Commission. Subsequently, the Commissioner receiving the second number of votes becomes the vice mayor and performs mayoral duties in the absence of the mayor
- The City Manager is appointed by the City Commission and functions as the Chief Administrative Officer for the City. He/She is responsible for all administrative appointments with the exception of the City Assessor, Attorney, Clerk and Internal Auditor

Locality

- The City, which is a part of Kalamazoo County, encompasses an area approximately 26 square miles and is located in the southwest corner of Michigan's lower peninsula approximately 136 miles west of Detroit, 73 miles southwest of Lansing (state capital of Michigan), 50 miles south of Grand Rapids, 23 miles

west of Battle Creek and 145 miles east of Chicago, Illinois. The City, also the county seat, is easily accessible from both I-94 and U.S. 131, which crosses the State from east to west and north to south, respectively

Elections

- Participation rates for City elections have varied since 2006. However, historical markers indicate that residents are more likely to participate in the election process based on the type of election (e.g., presidential, gubernatorial, general, county-wide, etc.)
- Since 2009, election participation in the City of Kalamazoo ranged from 10.3% (May 2010-General Election) to 31.9% (November 2010-Gubernatorial Election)
- The November 2009 municipal elections yielded a remarkable 22.8% turnout mostly due to a controversial ballot measure (e.g., Ordinance 1856) that proposed to extend anti-discrimination protections to gays, lesbians and transgendered individuals



Voting Statistics for the City of Kalamazoo

Since 2009

Date of Election / Type of Election	Total Registered Voters	Total Precinct Voters	Total Absentee Voters	Total Voters	Precinct Turnout	Total Turnout
May 2011-General Election <i>(local school board)</i>	51,218	4,159	2,120	6,279	8.1%	12.3%
November 2010-Gubernatorial Election <i>(legislative/congressional elections)</i>	55,209	13,846	3,791	17,639	25%	31.9%
August 2010-General Election <i>(County Commission; gubernatorial/legislative/ congressional primary)</i>	55,028	5,424	2,148	7,572	9.8%	13.8%
May 2010-General Election <i>(local school board; education millage; law enforcement millage)</i>	54,838	3,351	2,294	5,645	6.1%	10.3%
November 2009-Municipal Election <i>(City Commission; transit millage; Ordinance 1856)</i>	55,772	10,152	2,548	12,700	18.2%	22.8%
May 2009-General Election <i>(local school board; transit millage)</i>	57,411	5,181	2,212	7,393	9%	12.9%

SOURCE: City of Kalamazoo website; City Clerk; Elections: www.kalamazoo-city.org/portal/government.php?page_id=432

City Boards & Commissions

- Besides voting, Kalamazoo residents are involved in civic life through strong neighborhood organizations, monthly neighborhood organization meetings with the City Commission and through public involvement processes on such City projects as the selection of a new City Attorney and Public Safety Chief as well as Community Policing and EPA Superfund Site clean-up efforts (former Allied Paper)
- Residents and business owners are able to participate on various Boards and Commissions that aid the City Commission with issues related to the quality of life of residents in Kalamazoo. There are 28 boards and commissions which include:

Board of Review for Assessments – This board has the power to raise or lower the assessed value of properties in light of the evidence presented and in accordance with state law

Brownfield Redevelopment Authority (BRA) - BRA was established to promote the revitalization of environmentally distressed, contaminated or blighted areas of the City of Kalamazoo. The BRA develops and implements a plan for the utilization of tax increment funds to ameliorate environmental contamination on development sites. The membership of the BRA Board is the same as the Economic Development Corporation Board

Civil Service Board - Board reviews and investigates complaints from the city employees who allege discrimination on the basis of race, color, religion, national origin, ancestry, sex or age. The Board reports the findings of its investigations to the City Manager or City Commission. The CSB also serves as a board of appeal for city employees concerning findings and decisions of the City Manager

Community Development Act Advisory Board (CDAAC) - This Board's primary responsibility is to review applications from community organizations for Community Development Block Grant (CDBG) funds and make recommendations to the City Commission for the allocation of these funds

Construction Board of Appeals (CBA) - This Board considers appeals regarding the requirements, determinations, and decisions made by the city's building, plumbing, mechanical and electrical inspectors. Also, the board grants

variances to elements of the building and fire codes in instances where literal application of the code would result in exceptional practical difficulty. In granting variances, the board may approve alternate materials and methods of installation

Dangerous Buildings Board (DBB) - DBB conducts hearings concerning structures the city has determined to be "blighted or dangerous buildings." These hearings give property owners the chance to challenge the building officials' determination and to seek relief from some or all of the requirements of the determination. The final decisions of the Dangerous Buildings Board can be appealed to Circuit Court



Downtown Development Authority (DDA) - This Board is the governing body of a special purpose local authority established under state enabling law to halt deterioration and to foster development of the downtown business area. The DDA contracts with Downtown Kalamazoo Incorporated (DKI) to administer the city's parking system and to manage the

economic development programs funded by Tax Increment Financing (TIF) dollars

Economic Development Corporation (EDC) - Governing board of a special purpose corporation established under state enabling legislation to set up project areas and to provide financing and other assistance for commercial and industrial development projects. Members of EDC are also members of the Brownfield Redevelopment Authority Board

Employee Retirement System Board of Trustees – This Board oversees all matters relating to the administration of the city's pension system. These matters include approving the disbursement of funds, pensions, and rendering decisions in duty disability and buy-back cases

Environmental Concerns Committee (ECC) - ECC monitors significant environmental trends affecting the City of Kalamazoo and advises the City Manager and

City Commission regarding environmental matters. The Committee also serves as a citizens' forum for environmental issues

Friends of Recreation Board - The *Friends of Recreation Board* seeks funds through donations, gifts, fund-raising events, and bequests for projects identified in the Parks and Recreation Master Plan. These funds are deposited into the Kalamazoo Municipal Recreation Endowment Fund at the Kalamazoo Community Foundation with the intent to someday fully fund the Parks and Recreation budget



Housing Board of Appeals (HBA) - This Board considers appeals regarding the requirements, determinations, and decisions made by the city's inspectors in their enforcement of Chapter 17 of the Code of Ordinances (*Housing Code*). The Board also grants variances to elements of the Housing Code in instances where literal application of the code would result in exceptional practical difficulty

Investment Committee of the Retirement System & Perpetual Care Investment Committee - This group has dual responsibility and manages the assets of the Employees' Retirement System and Perpetual Care Fund and has full authority to invest and reinvest those assets according to the policies, strategies, and guidelines approved by the City Commission

Kalamazoo Historic District Commission - This Commission conducts design review hearings in a quasi-judicial capacity to decide issues relating to the enforcement of the Historic District ordinance and to permit, within standards established by the ordinance, exceptions to strict compliance with the terms of the ordinance in recognized historic districts and as applied to designated landmarks

Kalamazoo Historic Preservation Commission (HPC) - This body advises the City Commission on historic preservation issues including the establishment of historic districts and landmarks and the nomination of such districts and landmarks to the National Register of Historic Places

and the state register. HPC encourages and promotes historic preservation through publications, education, the collection of historical materials, and the identification of historical resources which warrant preservation

Kalamazoo Hospital Finance Authority (HFA) - HFA was incorporated under state enabling legislation for the purpose of constructing, acquiring, reconstructing, remodeling, improving, adding to, enlarging, repairing, owning, and leasing hospital facilities for the use of any non-profit hospital within or without the boundaries of the City of Kalamazoo

Kalamazoo Municipal Golf Association (KMGA) - KMGA Board of Governors oversees the operations of the city's three public golf courses (Red Arrow, Milham Park, and Eastern Hills). The Board adopts an annual budget, sets the greens and membership fees, and establishes rules and regulations for the grounds and the behavior of members

Kalamazoo Transit Authority Board - This Board provides oversight to the management of the city's Metro Transit system

Local Development Finance Authority (LDFA) - Established under state enabling legislation, LDFA exists to foster economic growth through the development of land and facilities within the Business, Technology and Research (BTR) Park located at the intersection of Drake Road and Parkview Avenue. Revenue from the Tax Increment Financing (TIF) District located at the BTR Park is used to fund the Authority's projects

Local Officers Compensation Commission (LOCC) - A special purpose body established pursuant to state law, LOCC meets every two years to set the compensation for elected City officials. The City Commission, by a 2/3 vote, may reject the compensation levels recommended by the LOCC

Parks and Recreation Advisory Board (PRAB) - Strictly an advisory board, PRAB makes recommendations to the City Manager and City Commission regarding parks and recreation planning and programming

Planning Commission - This body is required and regulated by state law. One of its major duties is the development of the city's Comprehensive Plan, a master plan for current and future land use. In accordance with this plan and the current Zoning Ordinance, the Planning Commission provides recommendations to the City Commission on re-zoning requests and changes to the Zoning Ordinance text. The Planning Commission also has responsibility for reviewing and approving Special Use Permits, and site plans for buildings within WMU's BTR Park



Traffic Board - This administrative board hears citizen appeals/requests and considers recommendations from the Traffic Engineer regarding traffic control orders and parking regulations

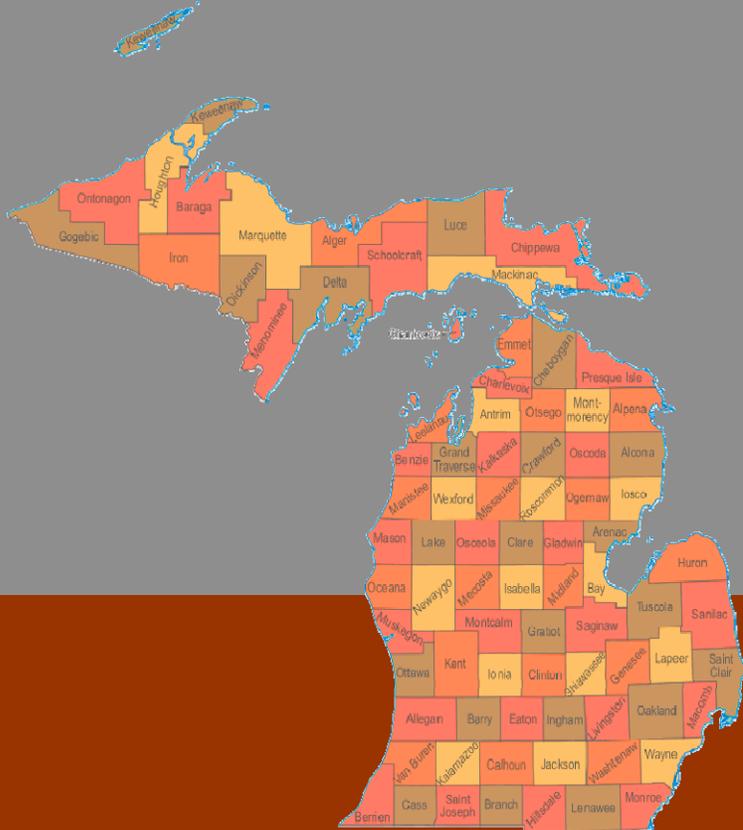
Tree Committee - The purpose of the Tree Committee is to develop guidelines, subject to City Commission approval, related to the implementation and enforcement of the tree ordinance (Chapter 42 of the Code of Ordinances) and to recommend modifications or changes to the guidelines as necessary

Zoning Board of Appeals (ZBA) - The Zoning Board of Appeals' primary role is to hear requests for granting variances from the Zoning Ordinance. The ZBA also provides interpretations of the Zoning Ordinance and appeals of administrative zoning decisions



Population Demographics

- According to 2010 US Census Bureau statistics, there were 308,745,538 residents of the United States (up from 304,059,724 in 2008), of which, 9,883,640 resided in the State of Michigan (down from 10,003,422 in 2008), 250,331 in Kalamazoo County (up from 245,912 in 2008) and 74,262 in the City of Kalamazoo (up from 72,161 in 2008)



- According to the 2010 US Census, Kalamazoo County is the 9th largest county in the State

- Wayne County - 1,820,584
- Oakland County - 1,202,362
- Macomb County - 840,978
- Kent County - 602,622
- Genesee County - 425,790
- Washtenaw County - 344,791
- Ingham County - 280,895
- Ottawa County - 263,801
- Kalamazoo County - 250,331
- Saginaw County - 200,169

- Since 2009, Wayne County has led the nation in population loss followed by Cuyahoga County (OH) and Genesee County (MI) according to the US Census Bureau

- According to US Census estimates, Ottawa and Kalamazoo counties were the only counties to experience population growth from 2008 to 2010. Other counties experiencing population growth from 2009 to 2010 were Genesee, Ingham, Saginaw and Eaton counties

	2010 Population	2009 Population	2008 Population
Wayne	1,820,584	1,925,848	1,949,024
Oakland	1,202,362	1,205,508	1,202,352
Kent	602,622	608,315	604,723
Genesee	425,790	424,043	428,859
Washtenaw	344,791	347,563	344,767
Ingham	280,895	277,633	277,971
Ottawa	263,801	261,957	260,891
Kalamazoo	250,331	248,407	246,157
Saginaw	200,169	200,050	200,858
Muskegon	172,188	173,951	174,569
Berrien	156,813	160,472	160,319
Calhoun	136,146	135,616	136,404
Eaton	107,759	106,077	106,816
Van Buren	76,258	77,227	77,978
St. Joseph	61,295	61,723	62,273

SOURCE: US Census Bureau: American Fact Finder
 NOTE: Counties placed in chronological order (largest to smallest) based on 2010 statistics

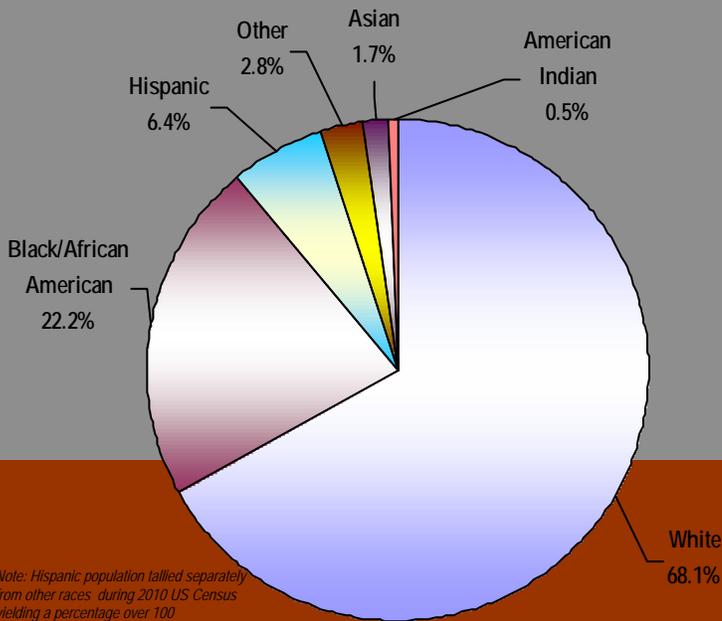
	2010 Population	2008 Population
Detroit	713,777	912,062
Grand Rapids	188,040	193,396
Warren	134,056	133,939
Lansing	114,297	113,968
Ann Arbor	113,934	114,386
Flint	102,434	112,900
Dearborn	98,153	86,477
Livonia	96,942	91,220
Westland	84,094	78,961
Troy	80,980	80,264
Farmington Hills	79,740	78,522
Kalamazoo	74,262	72,179
Wyoming	72,125	70,462
Southfield	71,739	75,392
Rochester Hills	70,995	69,014

SOURCE: US Census Bureau: American Fact Finder
 NOTE: Cities placed in chronological order (largest to smallest) based on 2010 statistics

Ethnic Composition

- According to *American Fact Finder* (associated with the 2010 *US Census Bureau*) there were 70,828 (95.4%) people reporting one race in Kalamazoo (city):

White – 50,604 (68.1%)
 Black/African American – 16,460 (22.2%)
 Hispanic – 4,736 (6.4%)
 Reported two or more races – 3,434 (4.6%)
 Other – 2,074 (2.8%)
 Asian – 1,279 (1.7%)
 American Indian/Alaska Native – 384 (.5%)
 Native Hawaiian/Other Pacific Islander – 27 (less than 0%)



Racial Composition (Percentage)
 Select Cities in Michigan
 2010

	White	Black	Asian	Native American	Hispanic	Other
Ann Arbor	73	7.7	14.4	.3	4.1	1
Battle Creek	71.7	18.2	2.4	.7	6.7	2.7
Detroit	10.6	82.7	1.1	.4	6.8	3
Flint	37.4	56.6	.5	.5	3.9	1.1
Grand Rapids	64.6	20.9	1.9	.7	15.6	7.7
Holland	80	3.6	3	.6	22.7	9.2
Kalamazoo	68.1	22.2	1.7	.5	6.4	2.8
Lansing	61.2	23.7	3.7	.8	12.5	4.3
Muskegon	57	34.5	.4	.9	8.2	2.6
Portage	86.9	4.9	3.8	.4	3.1	1
Saginaw	43.5	46.1	.3	.5	14.3	5.2
Warren	78.4	13.5	4.6	.4	2.1	.4
Wyoming	75.8	7.2	2.8	0	19.4	9.6

SOURCE: American FactFinder website (<http://factfinder2.census.gov/main.html>)
 NOTE: Statistics as of 2010 US Census; Cities listed in alphabetical order

- American Community Survey* statistics also noted that of the 2010 Kalamazoo County population, 51% were female and 49% were male, while in the city of Kalamazoo, 49.3% were men and 50.7% were women
- In the city of Kalamazoo, the median age was 26.4 years old and in Kalamazoo County, the median age was 34.1

Percentage of Population by Age
 Kalamazoo (city) and Kalamazoo (county)
 2010

Age Range	Kalamazoo (city) 74,262	Kalamazoo (county) 250,331
Under 5	6.4%	6.3%
5-9	5.7%	6.3%
10-14	5.2%	6.4%
15-19	10.1%	7.8%
20-24	20.1%	11.1%
25-29	8.6%	7.2%
30-34	6.4%	6.1%
35-39	5.2%	5.8%
40-44	4.7%	6.0%
45-49	5.0%	6.6%
50-54	5.1%	6.9%
55-59	4.6%	6.4%
60-64	3.5%	5.1%
65-69	2.5%	3.7%
70-74	1.8%	2.7%
75-79	1.6%	2.2%
80-84	1.5%	1.8%
85 and over	2.0%	1.9%

SOURCE: American FactFinder website (factfinder2.census.gov/main.html)

NOTE: Statistics as of 2010 US Census; information listed by ages

Poverty in Kalamazoo

- According to the *US Office of Management and Budget*, federal guidelines to calculate poverty statistics are established by the *US Census Bureau* and are referred to as the **poverty threshold**. In contrast, the US Department of Health & Human Services determines the minimum financial capacity for an individual and/or family to maintain a household, referred to as **poverty guidelines**)

Living with Poverty (county)

- According to the 2010 US Census, the population for whom the poverty status was determined for Kalamazoo county was 242,812 residents. Of which, 49,724 (20.5%) lived below the poverty limits - 23,051 (19.4%) were male and 26,673 (21.5%) were female
- Of the 242,812 individuals 26.7% (15,062) residents were under the age of 18 years old, 21.2% (33,120) are between the ages of 18 and 64 years old lived below the poverty line and 5.2% (1,542) were over 65 years old
- All people living at or below the poverty limit are not unemployed. In Kalamazoo County, of the 128,875 residents over the age of 16 and eligible to work

70,193 people worked full-time, year round for 12 months in 2010, of whom 3,459 or 4.9% lived below the poverty line

60,665 people worked part-time or part of the year or 12 months in 2010, of whom 18,342 or 30.2% lived below the poverty line

61,893 people did not work at all in 2010, of whom 14,199 or 22.9% lived below the poverty line

- The median income deficit for individuals in Kalamazoo county was not available

Living with Poverty (city)

- According to the 2010 US Census, the population for whom the poverty status was determined for Kalamazoo city was 67,452 residents. Of which, 26,201 (38.8%) lived below the poverty limits - 12,159 (38.3%) were male and 14,042 (39.3%) were female
- Of the 67,452 individuals 53.3% (8,012) residents were under the age of 18 years old, 38.7% (17,694) are between the ages of 18 and 64 years old lived below the poverty line and 7.3% (495) were over 65 years old
- Of the 53,879 residents over the age of 16 years old, eligible to work and living within the city limits

17,229 people worked full-time, year round for 12 months in 2010, of whom 2,246 or 13% lived below the poverty line

20,721 people worked part-time or part of the year for 12 months in 2010, of whom 10,884 or 52.5% lived below the poverty line

15,929 people did not work at all in 2010, of whom 5,665 or 35.6% lived below the poverty line

- The median income deficit for individuals in the city was \$6,049

Employment Statistics for Men and Women Living Kalamazoo County 2010

	Total Number of Residents Available for Employment	Total Number of People Living Below Poverty Limit	Percentage of Population Living Below Poverty Limit
Employed	111,879	14,122	12.6%
Unemployed	16,996	7,733	45.5%

SOURCE: 2010 US Census: Poverty Status in the Past 12 Months: www.factfinder2.census.gov

Employment Statistics for Men and Women Living Within the Kalamazoo City Limits 2010

	Total Number of Residents Available for Employment	Total Number of People Living Below Poverty Limit	Percentage of Population Living Below Poverty Limit
Employed	30,326	8,262	27.2%
Unemployed	6,220	4,315	69.4%

SOURCE: 2010 US Census: Poverty Status in the Past 12 Months: www.factfinder2.census.gov

- Since 2006, the percent of people living below the poverty level fluctuated for each age group within the State, County and City

Percentage of Population Below Poverty Level by Age Range
Kalamazoo County, City of Kalamazoo, State of Michigan
2009 and 2010 Comparison

	State of Michigan		Kalamazoo County		City of Kalamazoo	
	2010 1,618,257 <i>residents living below poverty</i>	2009 1,417,380 <i>residents living below poverty</i>	2010 49,724 <i>residents living below poverty</i>	2009 42,696 <i>residents living below poverty</i>	2010 26,201 <i>residents living below poverty</i>	2009 22,970 <i>residents living below poverty</i>
Under 18	23.5	19.8	26.7	18.1	53.3	36.5
18-64	16.1	13.6	21.2	19.8	38.7	37
65+	8	8.5	5.2	8	7.3	15.8

SOURCE: 2010 US Census: Poverty Status in the Past 12 Months (www.factfinder2.census.gov) 2009 American Community Survey- Poverty Status in the Past 12 Months (2009); State of Michigan, Kalamazoo County, Kalamazoo City

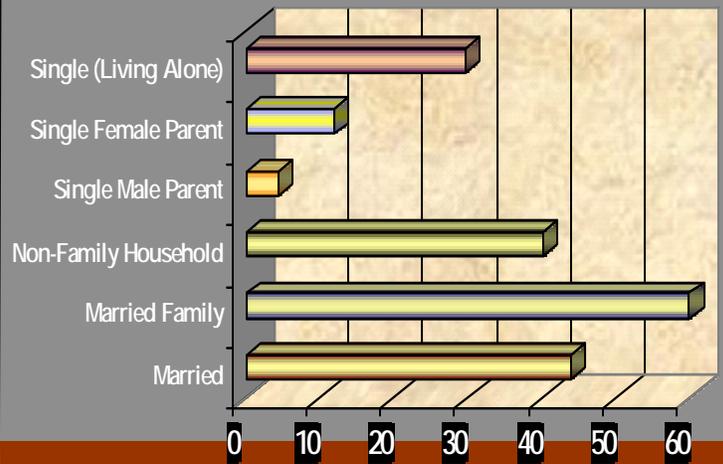
Children / Elderly and Poverty

- The child poverty rate in the city in 2006 was 40.9%, representing approximately 5,366 children under 18 years old. In 2009, the child poverty rate was slightly lower (36.5%) representing 5,064 children of which 4,998 were siblings according to the 2010 American Fact Finder
- In 2006, the poverty rate for the elderly (65 years and older) was 10.9%. In 2009, the poverty rate increased to 15.8% affecting 983 residents according to the 2010 American Fact Finder



Household Composition

- According to the 2010 American Fact Finder, the average household size in the city of Kalamazoo is 2.40 people and average family size is 2.98. The family composition of the average household in the city of Kalamazoo is as follows:
 - Married – 43.9%
 - Married Family – 59.9%
 - Non-Family Household (*which includes students*) – 40.1%
 - Single Male Parent – 4.2%
 - Single Female Parent – 11.8%
 - Single (Living Alone) – 29.6%



**Household Composition
Select Cities in Michigan
2010**

	Average Household Size	Unmarried Partners	Married Couple	Married Couple with Children	Single Parent Male	Single Parent Female	Single Household Male	Single Household Female
Ann Arbor	2.17	2.4%	34.2%	14.4%	19%	45.3%	.9%	3.8%
Battle Creek	2.41	3.5%	37.1%	15%	19.1%	37.5%	3.1%	12%
Detroit	2.59	2.7%	21.5%	8.5%	24.2%	48.9%	2.8%	16.3%
Flint	2.45	3.7%	23.1%	8.3%	23.6%	46.5%	3.2%	17.4%
Grand Rapids	2.49	3.1%	35.5%	51.4%	15.6%	34.8%	2.4%	10.2%
Holland	2.52	2.4%	46.5%	19.6%	20.3%	30.8%	2.6%	7.6%
Kalamazoo	2.29	3.4%	26.1%	10.7%	20.8%	36.1%	2.2%	10.3%
Lansing	2.33	4.1%	30.8%	12.5%	21.4%	36.9%	2.7%	11%
Muskegon	2.38	3.3%	27.9%	10.7%	21.1%	43.6%	3.1%	14.3%
Portage	2.40	2.8%	50.1%	21.3%	15.6%	28.2%	2.3%	6.7%
Saginaw	2.52	3.2%	26.9%	10.3%	21%	46.1%	2.9%	17.5%
Warren	2.49	2.8%	42.2%	16.9%	19.4%	32.8%	2.4%	8%
Wyoming	2.66	3.1%	47.1%	21.9%	17.5%	28.2%	3%	8.8%

SOURCE: 2010 American Fact Finder (www.factfinder2.census.gov)

NOTE: Statistics as of 2010; Cities listed in alphabetical order; Single=male/female householder, no wife/husband present + nonfamily householder living alone by gender; Families/Single Male/Female with children under 18 years

Community Health

- Infant mortality rates are universal quality indicators and are closely linked to access to prenatal care and poverty. This rate measures the number of infant deaths under the age of one per 1,000 live births
- According to the Michigan Department of Community Health, the Michigan infant mortality rate continues to be higher than the national rate. In 2009, Michigan realized a 7.5 infant mortality rate versus a 6.3 rate for the nation
- Kalamazoo county consistently realizes more infant deaths than the State and national average. In 2000, 2002-2004 Kalamazoo city, realized more infant deaths than the national, state and county averages. However, in 2006, 2008 and 2009, Kalamazoo city managed to average fewer infant deaths than the national, state and county averages

Numbers of Infant Deaths Comparison of the United State, Michigan (state), Kalamazoo (county) and Kalamazoo (city) 2000-2009

	United States	Michigan	Kalamazoo (county)	Kalamazoo (city)
2000	6.9	8.2	8.8	10.2
2001	6.8	8.0	11.0	7.6
2002	7.0	8.1	11.5	14.4
2003	6.9	8.5	8.2	10.6
2004	6.8	7.6	6.7	10.1
2005	6.9	7.9	7.4	7.1
2006	6.7	7.4	5.5	4.3
2007	6.8	8.0	8.6	9.7
2008	6.6	7.4	7.0	6.0
2009	6.3	7.5	9.5	5.8

SOURCE: Michigan Department of Community Health - 1989-2009 Michigan Resident Birth and Death Files, Division for Vital Records & Health Statistics - <http://www.mdch.state.mi.us/pha/osr/InDx/Main/InDx.ASP>; Number and Rate of Infant Deaths by Race, Michigan and United States; Infant Deaths, Live Births & Infant Death Rates Kalamazoo city, Kalamazoo County Residents, 1989-2009 - <http://www.mdch.state.mi.us/pha/osr/CHI/InDx/frame.html>; Infant Deaths, Live Births and Infant Death Rates Kalamazoo County Residents, 1989-2009 - <http://www.mdch.state.mi.us/pha/osr/CHI/InDx/frame.html>

NOTES: Rates are per 1,000 live births. Adding and subtracting the number shown after the ± symbol from the rate creates a confidence interval indicating that the true rate lies between the lower and upper bounds of this interval with 95 % statistical confidence

**Number of Infant Deaths, Live Births and Infant Death Rate
Select Cities in Michigan
2009**

	Infant Deaths	Live Births	Infant Death Rate
Holland	3	513	**
Muskegon	6	950	6.3
Ann Arbor	8	1,254	6.4
Battle Creek	9	1,076	8.4
Kalamazoo	10	1,738	5.8
Wyoming	10	1,245	8.0
Portage	11	591	18.6
Lansing	18	2,095	8.6
Warren	18	1,621	11.1
Saginaw	22	1,034	21.3
Flint	28	2,174	12.9
Grand Rapids	28	3,592	7.8
Detroit	166	11,199	14.8

SOURCE: Michigan Department of Community Health - 2005 - 2009 Michigan Resident Birth & Death Files, Division for Vital Records & Health Statistics; <http://www.mdch.state.mi.us/pha/osr/InDxMain/Tab4.asp> - Number of Infant Deaths, Live Births and Infant Deaths for Selected Cities of Residence, 2009 and 2005-2009

NOTES: Cities arranged from lowest to highest rate of infant death; this table shows cities with (1) populations greater than 40,000 according to 2007 estimates and (2) three-year average births of greater than 200. Some city rates may be subject to MCD residence misallocation errors. See Data Quality Considerations for further details. Rates are per 1,000 live births. Adding and subtracting the number shown after the ± symbol from the rate creates a confidence interval indicating that the true rate lies between the lower and upper bounds of this interval with 95 % statistical confidence

** - a rate is not calculated when there are fewer than 6 events because the width of the confidence interval would negate any usefulness for comparative purposes

- There is still a large disparity between the black infant mortality rate and the rate by which white infants expire in Michigan. In 2009 the white infant mortality rate was 5.4 per 1,000 live births while the black rate was 15.5 per 1,000 live births. The infant mortality rate for infants of other races including biracial children was 6.6 per 1,000 live births (<http://www.mdch.state.mi.us/pha/osr/InDxMain/Tab2.asp>)



**Number of Infant Deaths, Live Births and Infant Death Rates By Race
Michigan Residents, 2004 - 2009**

	White			Black			Other		
	Infant Deaths	Live Births	Infant Death Rate	Infant Deaths	Live Births	Infant Death Rate	Infant Deaths	Live Births	Infant Death Rate
2004	527	100,795	5.2	388	22,484	17.3	61	5,719	10.7
2005	549	99,117	5.5	400	22,365	17.9	62	5,461	11.4
2006	534	98,551	5.4	339	22,873	14.8	60	5,636	10.6
2007	549	93,868	5.8	368	22,314	16.5	74	6,932	10.7
2008	496	91,509	5.4	332	22,695	14.6	61	6,691	9.1
2009	470	87,471	5.4	346	22,292	15.5	46	6,980	6.6

SOURCE: Michigan Department of Community Health website: www.mdch.state.mi.us/pha/osr/InDxMain/Tab2.asp - Number of Infant Deaths, Live Births and Infant Death Rates by Race Michigan Residents, 1970-2009; 1970 - 2009 Michigan Resident Birth and Death Files, Division for Vital Records & Health Statistics, Michigan Department of Community Health

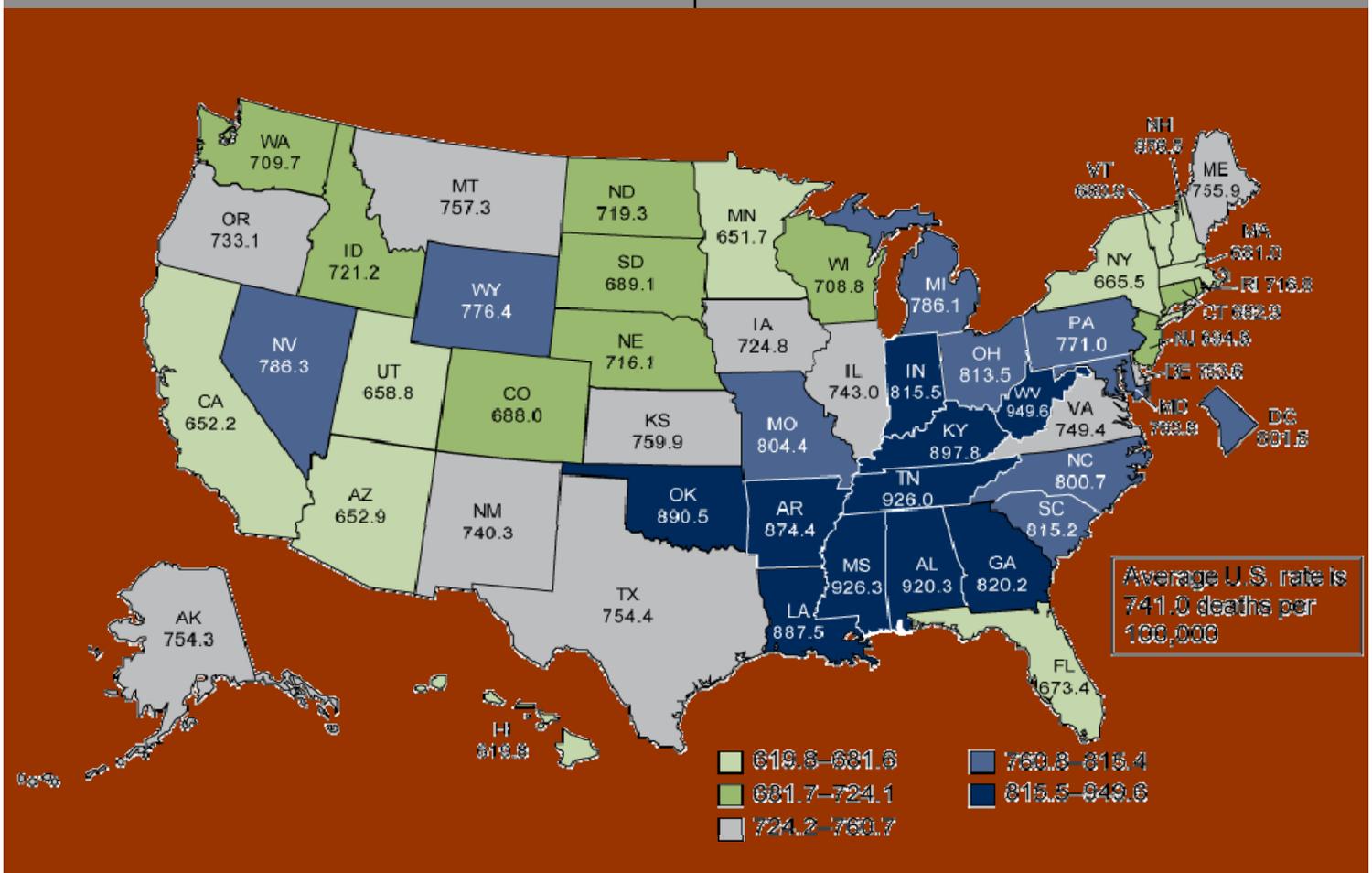
NOTE: Infant deaths by race of infant; live births used in calculating infant death rates are by race of mother. Rates are per 1,000 live births. Adding and subtracting the number shown after the ± symbol from the rate creates a confidence interval indicating that the true rate lies between the lower and upper bounds of this interval with 95% statistical confidence. Infant deaths of unknown race are not included in this table

Mortality in the United States

- According to the preliminary data from the *Center for Disease Control National Center for Health Statistics (CDC-NCHS)*, the number of deaths in the United States in 2009 was 2,436,682, down 36,336 from 2008 totals
- Additionally, CDC-Division of Vital Statistics notes that the "age adjusted death rate for the United States reached a record low of 741.1 per 1000,000 population. Life expectancy at birth reached a record high of 78.2 years"
- According to the *National Center of Health Statistics Data Brief*, "states experience different risks of mortality" (http://www.cdc.gov/nchs/data/nvsr/nvsr59/nvsr59_04.pdf)
- According to preliminary 2009 death rates, the highest number of deaths occur in the lower midwest and southeast portions of the country to include states such as Indiana (815.5), Kentucky (897.8), Tennessee (926) and as far south as Oklahoma (890.5), Louisiana (887.5), Mississippi (926.3) and Georgia (820.2)
- Although the death rate in the country has fallen from 825.9

in 2006 to 741 in 2009, West Virginia still leads the nation with the highest death rate realizing a 194.1 reduction in deaths in 2006 (1,143) to 949.6 in 2009. Conversely, Hawaii had the lowest death rate in the country in 2009 (619.8).

- According to the Center for Disease Control, the leading cause of death in the United States in 2009 was heart disease followed by malignant neoplasm (cancer), chronic lower respiratory disease, cerebrovascular disease and fatalities caused by unintentional accidents
- Cerebrovascular disease replaces stroke as one of the top 5 leading causes of death in the United States and comprises all conditions that restrict blood flow to the brain including stroke, aneurysm or other circulatory conditions of the brain



Mortality in Michigan

- The leading causes of death in Michigan are deaths related to heart disease, cancer, stroke, chronic lower respiratory and unintentional injuries caused by accidents
- From 2006, Kalamazoo County realized an increase in overall total deaths, deaths related to cancer and stroke. Kalamazoo County decreased death numbers with heart disease, accidents and chronic lower respiratory disease

Number of Deaths for the State of Michigan and Select Counties 2005 - 2009

	2005	2006	2007	2008	2009
State of Michigan	86,785	85,945	86,642	88,272	86,310
Calhoun	1,403	1,414	1,451	1,376	1,326
Genesee	3,996	3,977	3,865	4,005	4,084
Ingham	1,922	1,895	1,926	1,925	1,975
Kalamazoo	1,902	1,845	1,908	1,974	1,985
Kenil	4,242	4,021	4,030	4,238	4,121
Macomb	7,423	7,356	7,468	7,642	7,572
Muskegon	1,586	1,643	1,581	1,539	1,634
Ottawa	1,493	1,546	1,588	1,643	1,579
Saginaw	2,136	2,132	2,066	2,065	1,979
Van Buren	727	666	720	740	714
Washtenaw	1,840	1,858	1,938	2,004	1,944
Wayne	18,870	18,576	18,581	18,795	17,625

SOURCE: Michigan Department of Community Health website - All Causes Deaths and Death Rates, 1989-2009- Michigan Resident Death Files. Vital Records & Health Data Development Section, Michigan Department of Community Health - <http://www.mdch.state.mi.us/pha/osr/chi/crf/frame.html>

- Over the last 5 years, the number of deaths in Michigan has fluctuated resulting in the most significant decline in overall causes of deaths (1,962) between 2008 and 2009
- Kalamazoo County has experienced a consistent increase in overall deaths since 2006. The lowest total number of deaths was realized in 1980 (1,434) and the highest number in 2009 (1,985)
- For 2009, Kalamazoo ranked the 7th lowest in overall causes of deaths among select Michigan cities

Mortality Totals for the 5 Leading Causes of Death

Select Cities in Michigan

2009

	Total Deaths	Deaths Related to Heart Disease	Deaths Related to Cancer	Deaths Related to Chronic Lower Respiratory Disease	Deaths Related to Cerebrovascular Disease	Deaths Related to Accidents - Unintentional Injuries
State of Michigan	86,310	23,044	20,174	4,941	4,415	3,671
Holland	301	57	54	18	22	13
Portage	390	89	99	22	13	18
Wvoming	453	107	101	33	20	27
Muskegon	495	97	118	26	38	18
Ann Arbor	512	127	120	17	23	23
Battle Creek	552	130	120	24	26	27
Kalamazoo	597	109	140	42	25	23
Saginaw	618	146	136	33	32	21
Lansing	945	232	212	61	43	30
Flint	1,092	274	251	60	46	64
Warren	1,554	468	353	68	85	76
Grand Rapids	1,651	441	323	79	79	96
Detroit	7,661	2,346	1,634	235	355	381

SOURCE: Michigan Department of Community Health website - 2009 Michigan Resident Death File, Division for Vital Records & Health Statistics, Michigan Department of Community Health and National Center For Health Statistics, Deaths: Preliminary Data for 2008. National vital statistics reports: vol. 59 no 2. Hyattsville, MD: National Center for Health Statistics, December 2010. <http://www.mdch.state.mi.us/pha/osr/chi/Deaths/frame.html> - Deaths and Crude Rates for Ten Leading Causes of Death, 2009 Michigan Residents and 2008 United States Residents
NOTE: Rates are per 100,000 population. Data displayed are by the underlying cause of death which is the condition giving rise to the chain of events leading to death. Causes of death are classified in accordance with the Tenth Revision of the International Classifications of Diseases (ICD-10), a coding structure developed by the World Health Organization. This revision has been used to classify deaths occurring on or after January 1, 1999- Cities ranked from lowest to highest total deaths



Employment in the Nation, Region & State

- According to the Bureau of Labor Statistics the national unemployment rate was 9.3% in June 2011, while regional and state unemployment numbers for the same period were virtually unchanged
 - * 28 states and the District of Columbia registered unemployment rate increases
 - * 8 states recorded rate decreases
 - * 14 states had no rate change at all

- The West reported the highest regional unemployment rate in June (10.4%) while the Northeast reported the lowest rate (8.1%)

- Over the month, two regions experienced statistically significant jobless rate changes: the Midwest (+0.2 percentage point) and South (+0.1 point). Three of the regions registered significant rate changes from a year earlier: the Midwest (-1.1 percentage points) and Northeast and West (-0.6 point each)
 - * Nevada recorded the largest jobless rate decrease from June 2010 (-2.5 percentage points). 2 other states had rate decreases of at least 2.0 percentage points--Michigan (-2.1 points) and Indiana (-2.0 points)



Employment in Kalamazoo (city)

- According to the *Michigan Department of Technology, Management & Budget*, there has been a steady increase in unemployment since 2000 in Kalamazoo (city). Unemployment rates were at its height in 2010 at 13.9 and realized its largest increase (4.8) from 2008 to 2009

Annual Unemployment Rates for Kalamazoo (city) 2000-2010		
PERIOD	UNEMPLOYMENT	UNEMPLOYMENT RATE
2000	1,648	4.2
2001	2,257	5.7
2002	2,553	6.6
2003	2,967	7.6
2004	3,109	7.9
2005	2,847	7.2
2006	2,875	7.1
2007	2,969	7.3
2008	3,509	8.6
2009	5,409	13.4
2010	5,512	13.9

SOURCE: State of Michigan, Department of Labor and Economics, Labor Market Information, Data Explorer <http://mlmi.org/>
 NOTES: Information includes annual unemployment statistic.



- In June 2011, the unemployment rate for the State of Michigan and Kalamazoo County was 11% and 12.3%, respectively both higher than the national rate

Employment by Industry in Kalamazoo (county)

- Employers in Kalamazoo reflect our community's strength. Industries in Kalamazoo include pharmaceuticals, healthcare,

Employment Statistics United States, Michigan, Select Cities June 2011				
	Total Workforce	Number of People Employed	Number of People Unemployed	Unemployment Rate
United States	154,538,000	140,129,000	14,409,000	9.3
Michigan	4,766,000	4,242,000	524,000	11.0
Portage	25,837	24,046	1,791	6.9
Ann Arbor	62,313	57,231	5,082	8.2
Wyoming	40,302	36,583	3,719	9.2
Battle Creek	25,030	22,233	2,797	11.2
Holland	17,660	15,591	2,069	11.7
Grand Rapids	102,502	90,048	12,454	12.2
Kalamazoo	40,422	35,456	4,966	12.3
Lansing	65,702	57,109	8,593	13.1
Muskegon	17,237	14,825	2,412	14.0
Warren	67,397	57,525	9,872	14.6
Saginaw	25,223	20,922	4,301	17.1
Flint	48,955	39,187	9,768	20.0
Detroit	354,730	278,156	76,574	21.6

SOURCE: State of Michigan, Department of Labor and Economics, Labor Market Information, Data Explorer <http://lmi.mi.org/>

NOTES: Information includes June 2011 labor force statistics. Cities ranked from lowest to highest unemployment rate.

education, automotive manufacturing, banking, government services, insurance, telecommunications, media, injection molding and plastics

- According to the Kalamazoo Regional Chamber of Commerce, there are more than 400 industrial employers in Kalamazoo County 'providing jobs for nearly 20% of the area's workforce'
- According to the Chamber of Commerce, in April 2010, Borgess Hospital is the largest employer in Kalamazoo County employing 4,201 employees, followed by Western Michigan University (4,045), Bronson Methodist Hospital (3,779), Pfizer (3,200), Stryker (2,083) and PNC (2,000). Of the 54,049 people employed in Kalamazoo County
 - * 40,574 people work for companies that employ 1,000 people or more
 - * 8,670 people work for companies with 500-999 employees
 - * 4,805 people work for companies with 200-499 employees



edu-

Residential, Commercial & Industrial Tax Valuations

- Based on information from the City's *2010 Comprehensive Annual Financial Report*, the tax base is still quite diverse with residential, commercial and industrial valuations accounting for approximately 50.18% (up from 48.92% in 2009) 33.77% (down from 34.62% in 2009) and 16.06% (down from 16.46% in 2009), respectively, of its total taxable value based on the fiscal year ending December 31, 2010

Percent of Total Taxable Value by Use & Class 2006-2010					
	2006	2007	2008	2009	2010
Residential	47.99	48.65	49.34	48.92	50.18
Commercial	34.67	34.80	33.98	34.62	33.72
Industrial	17.34	16.55	16.68	16.46	16.06

SOURCE: 2010 Comprehensive Annual Financial Report, City of Kalamazoo, Management Services Department, Assessor Division

- 40% of Kalamazoo's tax base is owned by institutions that are not taxable. As a result, the City does not recover all costs on services delivered under the current revenue structure
- Residential property accounts for 50% of the tax base, with commercial property at 34%
- Kalamazoo realized a 4.5% decline in assessments in 2010 compared to 2009 as commercial assessments were down 11%, residential values down 4% and industrial assessments down 2%

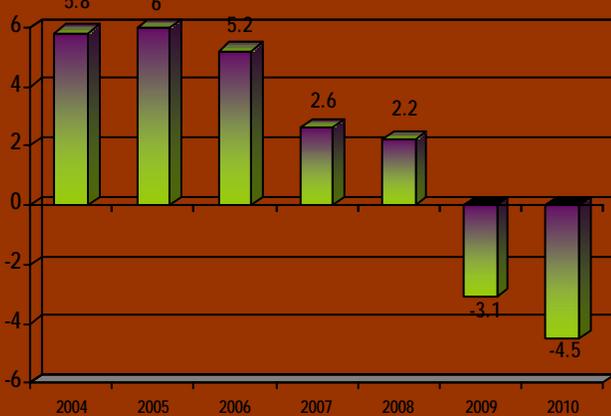


State Equalized Valuations by County and Classification Select Counties 2007 & 2010

		Commercial	Industrial	Residential	Total Real and Personal Property
Calhoun	2007	\$360,497,780	\$556,065,198	\$2,785,334,379	\$4,428,748,693
	2010	\$681,615,790	\$189,424,499	\$2,562,051,523	\$4,336,796,209
Genesee	2007	\$2,441,415,634	\$507,740,852	\$10,154,661,030	\$14,156,934,349
	2010	\$2,248,063,789	\$421,919,001	\$7,269,244,631	\$10,798,912,285
Kalamazoo	2007	\$1,719,347,867	\$505,724,481	\$6,159,696,308	\$9,411,054,325
	2010	\$1,743,345,742	\$399,521,368	\$5,734,285,28	\$8,987,753,185
Kent	2007	\$4,421,321,198	\$1,964,202,450	\$15,791,563,476	\$24,338,570,446
	2010	\$4,749,084,700	\$1,545,240,000	\$14,114,465,475	\$22,577,744,317
Macomb	2007	\$5,053,234,643	\$2,681,261,126	\$27,627,368,273	\$38,357,400,548
	2010	\$4,676,384,437	\$2,175,330,455	\$19,618,528,805	\$29,264,162,054
Muskegon	2007	\$845,349,137	\$250,108,480	\$3,941,533,537	\$5,543,825,045
	2010	\$842,644,200	\$267,426,500	\$3,573,981,700	\$5,221,199,500
Ottawa	2007	\$1,328,378,003	\$828,518,629	\$8,322,378,855	\$11,719,793,894
	2010	\$1,320,574,090	\$844,725,800	\$7,618,003,419	\$10,990,874,852
Saginaw	2007	\$1,020,122,237	\$153,977,661	\$3,941,749,626	\$5,981,826,799
	2010	\$1,059,705,076	\$146,001,351	\$3,386,884,167	\$5,534,223,582
Washtenaw	2007	\$3,454,743,68	\$955,904,700	\$13,180,821,892	\$19,330,951,897
	2010	\$3,541,600,760	\$523,122,733	\$10,619,743,038	\$16,263,508,267
Wayne	2007	\$10,207,580,746	\$4,866,833,743	\$45,073,474,033	\$66,127,289,684
	2010	\$9,400,509,146	\$4,281,155,663	\$31,639,690,635	\$50,648,353,534

SOURCE: State of Michigan, *State Tax Commission 2007 Annual Report*, (www.michigan.gov/documents/treasury07AnnualReport_223787_7.pdf); State of Michigan, *State Tax Commission 2010 Annual Report*, (http://www.michigan.gov/documents/treasury/2010_Annual_Report_345719_7.pdf)

Change in Annual Residential Assessed Values 2004-2010



Downtown Development

- Ten years ago, population trends marked the nation moving away from urban centers to rural/ suburban areas. At present, revitalization efforts target the urban core and are attracting people back to the inner city. Kalamazoo is following that trend and has focused on developing downtown Kalamazoo
- Downtown construction includes the development of lofts/ condos, restaurants and retail shops. Some projects include
 - * **Rickman House** – The redevelopment project began February 2011. Expected completion summer 2012



- * **Metropolitan Center Construction** – Redevelopment of the 100 block of E Michigan began December 2010 with the creation of a mixed use structure with living space and retail stores scheduled for completion in 2012



- According to the *2011 State of the Downtown Address* presented by *Downtown Kalamazoo Incorporated*, other downtown Kalamazoo Facts include
 - * Number of People Working Downtown – 12,553 workers in 2010, a net loss of 387 workers from the previous year representing 600 downtown businesses
 - * Retail Incubation Program – incentive program of offering subsidized rental assistance to new businesses opening downtown Kalamazoo
 - * Events downtown – hosted 42 events (April to October) yielding an estimated 150,000 visitors and \$371,000 in revenue
 - * Crime Stats – In 2010, calls for service were down 9% from previous year; Sherriff's Mounted Patrol division added more surveillance to downtown events including late night festivals, expanded art hops and holiday shopping
 - * Electric Vehicle Charging Stations – added several 240 -volt charging stations in downtown parking garages for motorists with electric cars
 - * Created 500 new residents downtown over the last 10 years



Economic Incentives

- According to the *US Department of Commerce, Bureau of Census and US Department of Labor Employment/Training Administration*, 99.9% of the 27.2 million businesses in the United States are small companies with less than 500 employees



- According to the *US Small Business Administration*, small businesses in the United States
 - * provide 99.7% of the workforce
 - * employ ½ of all private sector employees
 - * 44% of total US private payroll
 - * generated 65% of net new jobs over the past 17 years
 - * create more than ½ of non-farm private gross domestic product (GDP)
 - * hire 43% of high tech workers, scientists, engineers, computer programmers, etc.
 - * 52% home-based/2% franchise

State Business Incentives

- **Michigan Economic Growth Authority (MEGA) Tax Credit** - provides a refundable tax credit against the Michigan Business Tax (MBT) to companies expanding or relocating their operations in Michigan. Eligible companies include manufacturing, research and development, wholesale trade
- **Industrial Property Tax Abatement (PA 198)** - provides incentive for Michigan manufacturers to build new plants, expand existing plants, renovate aging plants or add new machinery and equipment. Companies in Kalamazoo that have taken advantage of this program include Fabri-Kal, Graphic Packaging and Aggregate Industries



- **Private Activity Bond Program** - provides profitable firms with capital cost savings stemming from the difference between taxable and tax-exempt interest rates
- **Economic Development Job Training Program** - provides a training resource to retain and attract business and people
- **Worker Recruitment Services** - provides customized recruitment services to Michigan employers with major expansions and large numbers of job openings
- **Procurement Technical Assistance Centers** - helps companies acquire government contracts

Local Business Incentives

- **Renaissance Zones** - tax free areas available to businesses and residents designed to provide selected communities with the most powerful market-based incentive - no taxes - to create new jobs and investment such as *Kalamazoo Renaissance Zones* such as *Vine Neighborhood* and *Midlink Business Park*



- **Brownfield Redevelopment** - industrial or commercial property available for redevelopment that may be contaminated are eligible for tax incentives such as Davis Creek Business Park, Mavcon's Metropolitan Center, McKenzies' Bakery and the United Building



NEIGHBORHOOD COMPOSITION

Kalamazoo Neighborhoods

- There are more than 20 active neighborhood associations in the City of Kalamazoo. Of these associations, seven neighborhoods are contiguous to downtown Kalamazoo
- The City of Kalamazoo receives annual funding from HUD through three separate programs: *Community Development Block Grant (CDBG)*, *Home Investment Partnerships Program (HOME)* and *Emergency Shelter Grant (ESG)*

Housing

- According to the *2010 US Census Bureau, American Fact Finder*, Michigan residents occupied about 3.8 million housing units of which approximately 2.7 million (72.1% down from 75% in 2006) were owner occupied and approximately 1 million (27.9% up from 25% in 2006) were occupied by renters

- Kalamazoo County residents occupied a total of 110,033 housing units, of which 9.8% were vacant. Of the total housing units, 70.1% were single-unit structures, 26.3% were multi-unit structures and 3.6% were mobile homes. 23.2% of these housing units were built since 1990
- Kalamazoo city residents occupied 28,181 housing units of which 49.4% were owner occupied and 50.6% were occupied by renters
- The median monthly housing cost for residents with mortgages was \$1,143, owners without a mortgage averaged \$420 and renters paid on average \$719 in Kalamazoo city. Kalamazoo County residents make up 68.1% of owners with mortgages and 31.9% of owners without mortgages. 53.1% of renters in Kalamazoo County spent more than 35% of their household income on housing

Occupied Housing Units
United States, Michigan, Kalamazoo County, Select Cities in Michigan
2010

	Total Housing Units	Total Occupied Housing Units	Total Vacant Housing Units	Total Owner Occupied Units	Total Renter Occupied Units	% of Owner Occupied Units	% of Renter Occupied Units
United States	131,704,703	116,716,292	14,988,438	75,986,074	40,730,218	65.1	34.9
Michigan	4,532,233	3,872,508	659,725	2,793,342	1,079,166	72.1	27.9
Kalamazoo (county)	110,007	100,610	9,397	64,254	36,356	63.9	36.1
Ann Arbor	49,789	47,060	2,729	21,078	25,982	44.8	55.2
Battle Creek	24,277	21,118	3,159	12,799	8,319	60.6	39.4
Detroit	349,170	269,445	79,725	137,730	131,715	51.1	48.9
Flint	51,321	40,472	10,849	22,364	18,108	55.3	44.7
Grand Rapids	80,619	72,126	8,493	40,391	31,735	56	44
Holland	13,212	12,021	1,191	7,656	4,365	63.7	36.3
Kalamazoo	32,433	29,141	3,292	12,723	16,418	43.7	56.3
Lansing	54,181	48,450	5,731	20,019	22,431	53.7	46.3
Muskegon	16,105	13,967	2,138	7,332	6,635	52.5	47.5
Portage	20,559	19,199	1,360	13,220	5,979	68.9	31.1
Saginaw	23,574	19,799	3,775	11,939	7,860	60.3	39.7
Warren	57,938	53,442	4,496	39,723	13,719	74.3	25.7
Wyoming	28,983	26,970	2,013	17,776	9,194	65.9	34.1

SOURCE: 2010 US Census Bureau, American Fact Finder, *American Community Survey: Selected Housing Characteristics* (www.factfinder2.census.gov)

- The median monthly housing cost for Michigan homeowners with a mortgage was \$1,288 (\$1,259 for Kalamazoo county, \$1,143 for Kalamazoo city)
- Homeowners without a mortgage paid on average about \$438 while renters paid on average \$709
- The Michigan State Housing Development Authority (MSHDA) continues to create programs to promote homeownership throughout the State such as
 - * Michigan Mortgage Credit Certificate – a reformed program that reduced the amount of federal income tax a homebuyer pays to make more money available for conventional mortgage loans and house payments
 - * Down Payment Assistance – increases income limits to parallel single family income limits, improving the potential ability for homebuyers to qualify for loans

- * Hardest Hit Fund – partnership with Michigan Bankers Association, Michigan Credit Union League, Michigan Association of Community Bankers, Michigan Associations of Realtors, Michigan Foreclosure Task Force to provide resources and counseling for new homeowners



- Locally, the Community Planning and Development department in conjunction with the Kalamazoo County Land Bank Authority and Homebuilders Association of Greater Kalamazoo are utilizing \$4 million in stimulus funding to construct 24 new homes in the Edison neighborhood over the next 2-3 years creating affordable housing opportunities for new homeowners, work experience for ex-offenders and work for local home builders

Median Monthly Housing Costs
United States, Michigan, Kalamazoo County, Select Cities
2010

	Median Housing Costs for Homeowners with Mortgages	Median Housing Costs for Homeowners without Mortgages	Median Housing Costs for Renters	% of Homeowners with Mortgages	% of Homeowners without Mortgages	% of Renters who spend more than 35% of household income
United States	\$1,496	\$431	\$855	37.2%	32.8%	43.8%
Michigan	\$1,288	\$442	\$730	66%	34%	46.9%
Kalamazoo (county)	\$1,295	\$446	\$701	68.1%	31.9%	53.1%
Ann Arbor	\$1,818	\$695	\$922	68.7%	31.3%	37.6%
Battle Creek **	\$1,100	\$419	\$624	66.4%	33.6%	38.2%
Detroit	\$1,088	\$449	\$733	55.4%	44.6%	61.6%
Flint	\$858	\$382	\$660	55.7%	44.3%	68.2%
Grand Rapids	\$1,103	\$410	\$736	71.2%	28.8%	49.2%
Holland**	\$1,279	\$454	\$718	69%	31%	49.4%
Kalamazoo	\$1,143	\$420	\$719	65.3%	34.7%	63.8%
Lansing	\$1,046	\$427	\$724	76.5%	23.5%	51.5%
Portage **	\$1,237	\$418	\$683	68%	32%	51.9%
Muskegon **	\$1,050	\$380	\$649	61.9%	38.1%	48%
Saginaw **	\$1,096	\$406	\$686	60.7%	39.3%	46.6%
Warren	\$1,160	\$440	\$809	62.3%	37.7%	50.8%
Wyoming	\$1,169	\$415	\$656	74.2%	25.8%	47.2%

SOURCE: 2010 US Census Bureau, American Fact Finder, *American Community Survey: Selected Housing Characteristics* (www.factfinder2.census.gov)

NOTES: Cities listed in alphabetical order; **-Individual areas not available. Metropolitan Statistical Areas listed

Real Estate Trends

- According to *RealtyTrac* statistics from July 2011, Michigan reported 10,894 foreclosed homes (about 1 in 417 homes) lower than the national rate (1 in every 611 homes or 1,625,087 homes)

Foreclosure Statistics United States, Michigan, Kalamazoo County, Select Cities July 2011				
	Statistics <i>as of July 2011</i>	Number of Homes <i>(1 in every XX home)</i>	Total Number of Homes to Date	Average Cost of Homes
United States	n/a	611	1,629,468	\$173,450
Michigan	10,894	417	84,542	\$69,220
Kalamazoo (county)	n/a	803	1,873	\$71,645
Portage	22	993	267	\$68,007
Lansing	41	379	1,935	n/a
Ann Arbor	46	1,527	481	\$165,853
Holland	60	648	697	n/a
Wyoming	65	397	426	\$47,669
Kalamazoo	84	826	1,185	\$68,317
Battle Creek	102	412	1,127	\$69,554
Flint	160	558	1,571	\$17,715
Saginaw	214	298	1,107	\$51,169
Warren	248	256	1,924	36,793
Muskegon	269	208	1,766	\$42,740
Grand Rapids	360	428	2,596	\$58,593
Detroit	1,050	339	18,748	\$49,148

SOURCE: 2011 RealtyTrac: National Real Estate Trends: Foreclosure Trends (<http://www.realtytrac.com/trendcenter/>)
 NOTES: Cities listed chronologically from lowest reported foreclosure statistics in July 2011



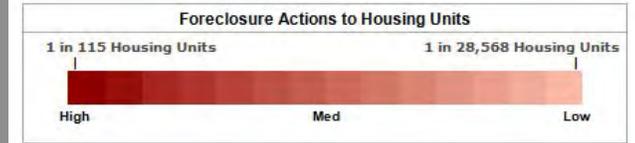
National Real Estate Trends

- July 2011 *RealtyTrac* reported that the highest foreclosure action in the US occurred on the west coast in Nevada (9,930 foreclosures = 1 in every 115 homes) followed by California (56,193 foreclosures = 1 in 239 homes) and Arizona (10,098 foreclosures = 1 in 273 homes)
- Conversely, the lowest rate of foreclosures in the country occurred in Vermont (11 foreclosures = 1 in 28,568 homes) followed by the District of Columbia (27 foreclosures = 1 in 10,561 homes) and North Dakota (35 foreclosures = 1 in 9,041 homes)



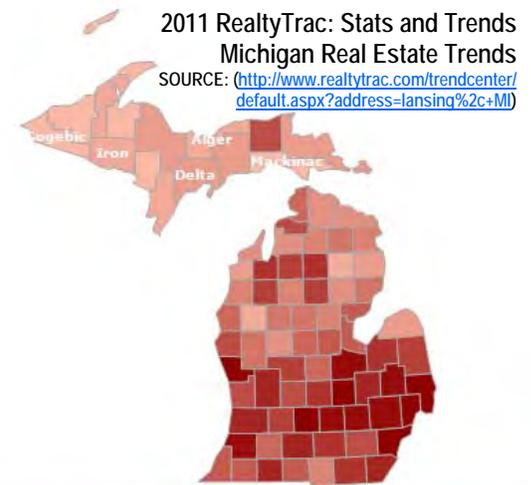
2011 RealtyTrac: Stats and Trends
United States Real Estate Trends

SOURCE: (<http://www.realtytrac.com/trendcenter/trend.html>)



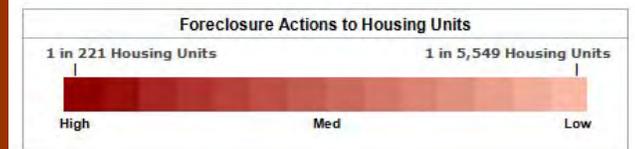
Michigan Real Estate Trends

- July 2011 *RealtyTrac* also reported that the highest foreclosure action in Michigan occurred in Shiawassee County (138 foreclosures = 1 in every 221 homes) followed by Muskegon County (313 foreclosures = 1 in 235 homes) and Eaton County (190 foreclosures = 1 in 241 homes)
- Conversely, the lowest rate of foreclosures in Michigan occurred in the Upper Peninsula in Gogebic County (2 foreclosures = 1 in 5,549 homes) followed by Mackinac County (2 foreclosures = 1 in 5,025 homes) and Dickinson County (4 foreclosures = 1 in 3,557 homes)



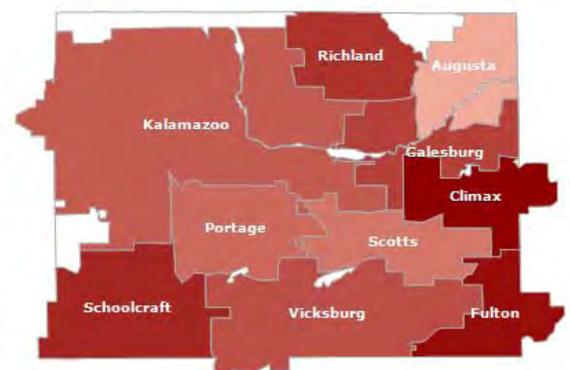
2011 RealtyTrac: Stats and Trends
Michigan Real Estate Trends

SOURCE: (<http://www.realtytrac.com/trendcenter/default.aspx?address=lansing%2c+MI>)



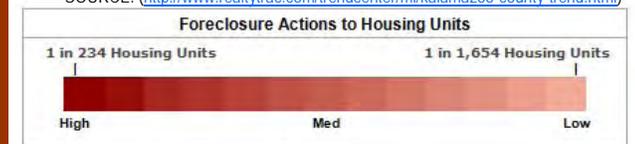
Kalamazoo County Real Estate Trends

- In Kalamazoo County, RealtyTrac reported that the highest foreclosure action occurred in Climax (2 foreclosures = 1 in every 234 homes) followed by Fulton (1 foreclosure = 1 in 335 homes) and Schoolcraft (5 foreclosures = 1 in 436 homes)
- Conversely, the lowest rate of foreclosures in Kalamazoo County occurred in Augusta (1 foreclosure = 1 in 1,654 homes) followed by Scotts (1 foreclosure = 1 in 1,242 homes) and Portage (22 foreclosures = 1 in 993 homes)



2011 RealtyTrac: Stats and Trends
Kalamazoo County Real Estate Trends

SOURCE: (<http://www.realtytrac.com/trendcenter/mi/kalamazoo-county-trend.html>)



Kalamazoo Public Schools

- **Kalamazoo Public Schools (KPS)** boasts one of the lowest pupil-teacher ratios among urban school districts
 - * Kindergarten – 20:1
 - * Lower Elementary (Grades 1-3) – 20:1
 - * Upper Elementary (Grades 4-6) – 26:1
 - * Middle School (Grades 7-8) – 24:1
 - * High School (Grades 9-12) – 29:1

- According to the **Annie E. Casey Foundation's Kids Count Data Center**, Michigan spent on average \$10,318 per student. Utah spent the least (\$6,525 per student) and Wyoming spent the most (\$17,114) during the 2010-2011 school year. The national average was \$11,223 per student

- According to the **Michigan Center for Educational Performance and Information (CEPI)** and **Michigan School Data**, **Kalamazoo Regional Educational Service Area (KRESA)** was the 9th largest school district in the State during the 2010-2011 school year
 - * Wayne RESA – 299,779 students
 - * Oakland Schools – 192,659 students
 - * Macomb RESA – 137,997 students
 - * Kent ISD – 103,493 students
 - * Genesee ISD – 73,465 students
 - * Ottawa Area ISD – 46,873 students
 - * Washtenaw ISD – 46,813 students
 - * Ingham ISD – 43,690 students
 - * Kalamazoo RESA – 34,296 students
 - * Saginaw ISD – 30,999 students

- For the 2011-2012 school year, Kalamazoo Public Schools opened 25 school buildings to accommodate a total enrollment of 12,216 students and continues to be the largest school district in Southwest Michigan and the second largest on the west side of the State

- Kalamazoo leads the State in LEED Gold Certification with two schools receiving the certification, Prairie Ridge Elementary and Linden Grove Middle Schools



Linden Grove Middle School

- According to the **Michigan Department of Education's 2011 Michigan Public School Top to Bottom Ranking**, Indian Prairie (ranked #91), Winchell (ranked # 69) and Greenwood (ranked #49) elementary schools were the highest ranking schools on the statewide list of achievement. Ada Elementary School in Kent ISD, Angell School in Washtenaw ISD and Birmingham Covington School from the Oakland School District were among the highest ranked schools on the list

- According to the *Michigan Department of Education, Center for Educational Performance and Information (CEPI)*, in 2010 there were 867 1st time 9th graders, 478 on-track graduations and 126 dropouts in Kalamazoo Public Schools yielding a graduation rate of 63.06% and dropout rate of 16.62%, slightly higher than the State graduation and dropout rates, 78.95% and 11.07%, respectively

	Total	White	Black	Hispanic	Asian/Pacific Islander	American Indian/Alaska Native
2005	9.4	6.0	10.4	22.4	2.9	14.0
2006	9.3	5.8	10.7	22.1	3.6	14.7
2007	8.7	5.3	8.4	21.4	6.1	19.3
2008	8	4.8	9.9	18.3	4.4	14.6
2009	8.1	5.2	9.3	17.6	3.4	13.2

NOTE: The status dropout rate is the percentage of 16- through 24-year-olds who are not enrolled in high school and who lack a high school credential. A high school credential includes a high school diploma or equivalent credential such as a General Educational Development (GED) certificate. Estimates beginning in 1987 reflect new editing procedures for cases with missing data on school enrollment items. Estimates beginning in 1992 reflect new wording of the educational attainment item. Estimates beginning in 1994 reflect changes due to newly instituted computer-assisted interviewing

SOURCE: U.S. Department of Education, National Center for Education Statistics. (2011). *The Condition of Education 2011* (NCES 2011-033). <http://nces.ed.gov/ipeds/data/ipedsdatatools/datafiles/conditionofeducation2011/>

- Gaps between the rates of Blacks and Whites and Hispanics and Whites have consistently decreased as well as the dropout rates for each group mentioned. However, the dropout rate for American Indians/Alaska Natives and Asian/Pacific Islanders spiked in 2007, 19.3 and 6.1 respectively, but both realized significant declines in 2008 and 2009
- According to a March 2011 press release from the *Michigan Department of Education*, "student math and reading scores have risen on the statewide Michigan Educational Assessment Program (MEAP) test in all grades since rigorous K-8 Grade

Level Content Expectations began to be implemented in 2004 and assessed in 2005"

- According to the Kalamazoo Public Schools website, "in mathematics, KPS students scored higher in five of six grades on the October 2010 MEAP compared with results from the October 2009 MEAP. KPS also improved relative to the state in five of six grades tested. For grades 3-8, the percentage of students at or above proficiency in mathematics rose from 71.1 percent to 76.0 percent in 2010, an increase of 4.9 percentage points. In total, 452 more students in grades 3 through 8 tested at or above proficiency compared to the previous year. In the last two years, math achievement has improved in KPS by triple the rate in the state as a whole: 10.0 percentage points in KPS compared to 3.2 percentage points across the state"
- In 2010, reading test scores showed a consistent decline in the percentage of students who met or exceeded reading standards from grades 3 to 7, but showed an increase of students (72.9%) who met or exceeded standards in the 8th grade
- Simultaneously, math test scores were the strongest in the 3rd grade (93.2% students met or exceeded standards) with decreases in the percentage of students meeting or exceeding competency through the 5th grade (67.5%) with an increase in 6th grade (70.7%)



Kalamazoo Public Schools - Fall 2010 MEAP Scores
Math, Reading, Writing, Social Studies, Science
Grades 3-8

	3 rd		4 th			5 th			6 th			7 th			8 th		
	Math	Reading	Math	Reading	Writing	Math	Reading	Science	Math	Reading	Social Studies	Math	Reading	Writing	Math	Reading	Science
Total Tested	977	977	962	960	959	972	969	972	905	910	909	908	908	909	863	866	858
Standards Met or Exceeded	93.2	82	84.3	75.2	35.7	67.5	73	58.8	70.7	72.3	55.8	69.1	61.1	34.3	69.3	72.9	63.9
Standards Not Met	6.8	18	15.7	24.8	64.3	32.5	27	41.2	29.3	27.7	44.2	30.9	38.9	65.7	30.7	27.1	36.1

NOTES: Standards notated in percentages
SOURCE: Michigan Department of Education – Fall 2010 MEAP Scores: http://www.michigan.gov/documents/mda/F2010_MEAP_Score_Categories_and_Scale_Score_Ranges_346226_7.pdf



The Kalamazoo Promise

kept exclusively at The Kalamazoo Public Schools



- The *Kalamazoo Promise* is a scholarship offered to every Kalamazoo Public School student that awards free tuition to students who graduate and attend Michigan public schools of higher education
- The *City of Kalamazoo* along with the *Kalamazoo Public Schools* and *Kalamazoo Communities in Schools* work together to sponsor Promise Partners, an employee based mentoring program benefitting students in *Kalamazoo Public Schools*
- More than 32 City of Kalamazoo staff spent 112 total hours mentoring or tutoring students around KPS
- At present, more than 1,000 students have taken advantage of the *Kalamazoo Promise* since its inception
- The *Kalamazoo Promise* has brought state and national recognition to the district and community including the **2011 Champion for Children** by the Michigan Association for School Administrators, the superintendents' state association

Higher Education

- There are 8 colleges/universities/trade schools within the City limits; three traditional 4- year institutions (Western Michigan University, Kalamazoo College, Davenport University), one traditional community college (Kalamazoo Valley Community College), three satellite campuses (University of Phoenix, Cornerstone University, Spring Arbor College) and one trade school (Olympia Career Training Institute)
- Of the three traditional, 4-year institutions only two confer graduate degrees (Western Michigan University, Davenport University)

- According to *President's Council of State Universities of Michigan*, in 2010, 302,186 students attended public institutions for higher education in the state of Michigan; 223,919 undergraduates and 68,267 graduates realizing increases from 2009
 - * Subsequently, there are more than 2 million living alumni of Michigan's 15 public universities
- 4 institutions (Michigan State University, Michigan Tech University, Northern Michigan University, Wayne State University) realized decreases in enrollment from Fall 2009 to Fall 2010
- As of Fall 2010, 9 public institutions boasted enrollments with more than 14,000 students. Western Michigan University had the 5th highest total student enrollment (25,045) among like institutions



- Michigan State University has the largest total enrollment and undergraduate enrollment, 47,131 and 36,058, respectively. However, University of Michigan – Ann Arbor has the largest graduate student population, 14,897

Public Universities in Michigan Enrollment Fall 2010			
	Total Enrollment	Undergraduate Students	Graduate Students
Lake Superior State University (<i>Sault Sainte Marie</i>)	2,637	2,566	71
Michigan Technological University (<i>Houghton, MI</i>)	6,976	5,720	1,256
University of Michigan – Flint (<i>Flint</i>)	8,138	6,874	1,264
University of Michigan - Dearborn (<i>Dearborn</i>)	8,885	7,224	1,661
Northern Michigan University (<i>Marquette</i>)	9,417	8,719	698
Saginaw Valley State University (<i>University Center</i>)	10,656	9,116	1,540
Ferris State University (<i>Big Rapids</i>)	14,381	13,134	1,247
Oakland University (<i>Rochester</i>)	19,053	15,530	3,523
Eastern Michigan University (<i>Ypsilanti</i>)	23,504	18,529	4,975
Grand Valley State University (<i>Allendale</i>)	24,541	20,986	3,555
Western Michigan University (<i>Kalamazoo</i>)	25,045	19,966	5,079
Central Michigan University (<i>Mount Pleasant</i>)	28,389	21,633	6,756
Wayne State University (<i>Detroit</i>)	31,509	20,837	10,672
University of Michigan – Ann Arbor (<i>Ann Arbor</i>)	41,924	27,027	14,897
Michigan State University (<i>East Lansing</i>)	47,131	36,058	11,073
Total	302,186	233,919	68,267

NOTES: Universities arranged from smallest to largest institution
Source: Presidents Council-State Universities of Michigan Enrollment Report (Fall 2010) - <http://www.pcsum.org/Portals/0/docs/PCSUMEnrollmentReport2010.pdf>

Area Colleges/Universities

- Western Michigan University (WMU) is a public, four year institution with a current enrollment of 25,045 (as of Fall 2010)



- WMU instituted an instrumental pilot program, *Foster Youth and Higher Education Initiative*. This program is designed to recruit and offer a support structure and financial aid to young people who have aged out of the foster care system and quali-

fy for admission or transfer to WMU. This effort is being launched in coordination with the Michigan Campus Compact and the Michigan Department of Human Services

- US News & World Report* ranks WMU 179th of national universities and 97th for top public institutions. WMU also ranks among the top 50 in the nation for occupational therapy (#33), physician assistant (#38), rehabilitation counseling (#45) and speech pathology (#38)
- WMU began offering extension classes in 1905, just two years after its founding. Today, the University is home to eight branch campuses across Michigan, all of which provide primarily graduate and professional education
- WMU ranks first in Michigan and second in the nation in the use of wireless computing technology on a university campus, according to a 2005 study conducted by Intel

- Kalamazoo College is a private, nationally ranked, four year liberal arts college with a current enrollment of 1,369 (as of Fall 2010) [students represent 40 states and 25 countries; 18 percent students of color]



- Kalamazoo College has maintained their ranking as one of the best liberal arts colleges in the nation based on *US News and World Report-100 Best Liberal Arts Colleges*. Kalamazoo College is best known for its international education focus and the "K-Plan," which allows students to customize a number of outstanding educational options to produce a unique collegiate experience



- Davenport University, headquartered in Grand Rapids, has a very active campus for non-traditional students in Kalamazoo
- Davenport University offers four-year and two-year degrees as well as certificates in various subject areas. Currently, there are more than 1,200 students enrolled in the Kalamazoo campus

- Kalamazoo Valley Community College (KVCC), a two-year public institution, has a total enrollment of more than 13,000 students and boasts small class sizes

- KVCC offers certificate programs in more than 20 areas of study and associate degrees in 25 others. These "go-to-work" programs include careers in business, health care, human and public service, technical occupations, and industry



- KVCC was established in 1966 by the overwhelming approval of voters in nine K-12 school districts. KVCC has two campuses: the Texas Township Campus and the Arcadia Commons Campus
- Expanded several times over the last 35 years, the Texas Township Campus boasts a 430,000-square-foot complex featuring modern classrooms, comprehensive library and computer capabilities, two gymnasiums, a swimming pool, ball fields, tennis courts, a running track, two auditoriums, food services, free parking in expansive lots, and fully equipped labs for teaching science, industrial and manufacturing technologies



Public Services

- The City of Kalamazoo provides services and programs on an ongoing basis through the Public Services Department including
 - * Water/Wastewater Services
 - * Spring brush and fall leaf pick-up
 - * Weekly recycling
 - * Street cleaning and snow removal
 - * Road maintenance and construction
 - * Sidewalk repair and construction
- The City of Kalamazoo operates a water and wastewater system that services a large portion of the county outside of the City of Kalamazoo's corporate limits, and both systems are financially self-supporting
- Currently, there are 45,153 water and 30,333 wastewater services within the respective systems and on an annual basis add more than 430 large and small water services to the system. All of the meters and hydrants within the water system are serviced and maintained by Public Services
- There are over 780 miles of watermains throughout the 110 square mile service area that is strategically looped to ensure system reliability. The water system utilizes 102 production wells and 18 pumping stations to produce an average of 19 million gallons per day



- The average quarterly bill for a resident in the city of Kalamazoo for water and sewer usage is \$25.35 the lowest in the State

Water/Wastewater Rate Comparison 2003 & 2010				
	2010	2010 State Ranking	2003	2003 State Ranking
Kalamazoo <i>(inside city limits)</i>	\$25.35	1	\$28.44	6
Wyoming	\$42.79	2	\$28.82	8
Holland	\$45.59	3	\$29.75	14
Jackson <i>(inside city limits)</i>	\$46.35	4	n/a	n/a
Dearborn	\$46.70	5	n/a	n/a
Kalamazoo <i>(outside city limits)</i>	\$46.95	6	n/a	n/a
Muskegon	\$50.07	7	\$25.07	2
Battle Creek <i>(inside city limits)</i>	\$53.63	8	\$38.65	35
Ann Arbor	\$58.61	9	\$37.98	34
Detroit	\$61.60	10	\$29.69	12
Battle Creek <i>(outside city limits)</i>	\$64.57	11	n/a	n/a
Grand Rapids	\$72.28	12	\$48.26	47
Jackson <i>(outside city limits)</i>	\$77.40	13	n/a	n/a
Saginaw <i>(inside city limits)</i>	\$116.23	14	\$32.98	19
Bay City	\$142.75	15	n/a	n/a
Flint	n/a	n/a	\$64.91	53
Lansing	n/a	n/a	\$58.56	52
Warren	n/a	n/a	\$26.78	4

NOTES: State Rankings based on Cities & Townships lowest monthly water & wastewater bills & assumes 7,500; Communities with no available (n/a) information ranked lower than 16th in the State; Communities listed from lowest to highest combined 2010 water/sewer bills; Communities listed from lowest to highest combined 2010 water /sewer bills
SOURCE: Sample Comparison of Typical Residential Water/Sewer Bills in Michigan Communities conducted by The Foster Group, October 2011

- Public Services staff
 - * Collected over 2,000 tons of bulk trash through the Monthly bulk trash collection program
 - * Collected over 2,500 tons of recycling
 - * Collected 1,109 cubic yards of brush
 - * Responded to over 5,000 calls for curb lawn trash, tall grass and weeds

- The Environmental Services Division within the Public Services Department is responsible for environmental and safety program development and management, inspections, sampling, analysis and training in support of all Public Services operational groups. Some examples of types of services Environmental Services personnel provide each year to the Public Services Department:

- * Conduct over 300 inspections of drinking water backflow prevention devices in high/low risk locations
- * Collect over 20,000 water & wastewater samples
- * Perform over 58,000 chemical analyses for state and federal regulatory compliance monitoring and operational control with <1% error

Transportation

- Interstate 94, the State's major east-west artery, bisects the City, providing direct access to Battle Creek, Jackson and Detroit to the east and St. Joseph, Benton Harbor and Chicago to the west
- US-131 is the City's principle north-south highway, providing direct access to Grand Rapids. Other major highways providing access across the City and County include Michigan Highways 89, 43 and 96
- Three airlines provide daily air service from newly renovated Kalamazoo-Battle Creek International Airport to several hubs throughout the country including Chicago, Detroit, Minneapolis, Orlando and Ft. Meyers, Florida
- Amtrak provides passenger rail service, while Norfolk Southern and CN North America provide freight service to the area. Greyhound and Indian Trails bus lines provide inter-city bus transportation for the area
- Metro Transit ridership trends have fluctuated since 2003. According to the 2003 *Kalamazoo Area Transportation Study*, 38.35% of Metro Transit passengers are considered "captive" riders versus "choice" riders. Captive riders are those passengers who have no driver's license, no automobile available in their household or no other alternative means of personal transportation

- 2035 Metropolitan Transportation Plan for the Kalamazoo Area* is a plan adopted by the Kalamazoo Area Transportation Study Policy Committee in June 2011. The document forecasts efficient and effective short and long range transportation strategies, decisions, and investments (http://www.katsmpo.org/html/2035_plan.html)

Kalamazoo Metro Transit Ridership 2006 - 2010				
2006	2007	2008	2009	2010
3,055,211 (.1% loss from 2005)	3,011,536 (-1.4% from 2006: 43,673 riders)	3,094,575 (+2.8% from 2007: 83,039 riders)	2,833,093 (-4.45% from 2008: 132,597 riders)	2,534,819 (-11.83% from 2009: 299,774 riders)
NOTE: Resident ridership based on number of actual ridership during the years listed above SOURCE: City Manager Reports – December Transportation section February 2007-2011				

- According to *Sterling's Best Places*, in 2009, 75% of commuters used a car to get around Kalamazoo. On average, drivers took 20 minutes to commute one way to their respective destinations. Only 11% of people carpool and 3% of commuters use the mass transit system

Transportation Statistics for Select Michigan Cities 2010					
	Average time for one way commute	% of commuters w/ car	% of people who carpool	% of commuters who take mass transit	% of people who work from home
Holland	17 minutes	75%	13%	1%	3%
Kalamazoo	19 minutes	73%	9%	3%	3%
Battle Creek	20 minutes	82%	12%	1%	2%
Saginaw	20 minutes	81%	12%	1%	2%
Grand Rapids	21 minutes	73%	13%	4%	4%
Portage	21 minutes	89%	6%	0%	3%
Muskegon	21 minutes	74%	16%	2%	4%
Wyoming	21 minutes	82%	6%	0%	3%
Ann Arbor	22 minutes	59%	7%	9%	6%
Lansing	22 minutes	78%	11%	4%	2%
Flint	25 minutes	76%	15%	3%	3%
Warren	26 minutes	84%	11%	1%	2%
Detroit	29 minutes	71%	14%	8%	3%
NOTE: Statistics as of 2010: Cities listed in chronological order based on shortest average commute one way to longest SOURCE: Sperling's Best Places - http://www.bestplaces.net/					

Public Safety

- The City of Kalamazoo provides services and programs on an ongoing basis through the Public Safety Department including police and fire protection and remains the largest public safety department in the country
- The Federal Bureau of Investigation has replaced the Uniform Crime Reporting (UCR) system with the *National Incident-Based Reporting System (NIBRS)* for the collection of crime statistics and data. As a result, the utilization of categorizing index and non-index crime has been eliminated
- Crime is categorized into two categories
 - * **Group A** crimes includes arson, bribery, burglary, counterfeiting/forgery, destruction of property, drug/narcotic, embezzlement, extortion, fraud, gambling, homicide, kidnapping, larceny, auto theft, pornography, robbery, prostitution, sex offense, stolen property, weapon law violation
 - * **Group B** crimes include bad check, curfew, disorderly conduct, dui, drunkenness, family offenses, liquor law, peeping tom, runaway, trespass of real estate, all other offenses
- There are 243 women and men of Public Safety that responded to more than 90,000 requests for service in 2010 from police, fire and emergency medical services personnel realizing a 16% drop in overall crime



- According to the *Michigan Incident Crime Reporting*, Kalamazoo Public Safety reported a total of 16,135 offenses reported in 2010 with 3,569 arrests
 - * Of the offenses, larceny led the city in the greatest number of reported offenses (981) followed by burglary (forced entry – 868)

Number of Violent Offenses (Against People) Comparisons of Select Cities in Michigan Reporting 12 Month Cycle 2010				
	Murder Non- Negligent Man- slaughter	Rape	Robbery	Aggra- vated Felonious As- sault
Michigan	528	4,397	11,386	26,465
Detroit	291	396	5,549	9,382
Flint	51	92	673	1,343
Grand Rapids	9	91	521	1,025
Saginaw	4	61	192	740
Warren	5	74	171	431
Kalamazoo**	8	79	187	394
Battle Creek	5	62	122	375
Lansing	9	79	24	282
Muskegon	1	45	90	190
Ann Arbor	0	43	769	140
Wyoming	1	37	46	118
Holland**	0	30	15	84
Portage**	1	20	16	61

NOTES: Cities listed chronologically from highest to lowest aggravated assault offenses; Rape figures include two categories of sexual assault-1st and 3rd degree
 ** - cities reporting only 11 months
 SOURCE: Michigan Incident Crime Report: 2010 All Offenses Reported by County/Agency-
www.michigan.gov/documents/misp/2010_Annual_Offenses_By_County_Agency_358718_7.pdf

- According to the *Michigan Incident Crime Reporting: 2010 All Offenses Reported by County/Agency*, aggravated assaults were the most prevalent of the reported violent crimes in 2010 with 26,465 reports while larceny was the most widespread of the property offenses with 161,423 cases reported



Number of Property Offenses (Against Property)
Comparisons of Select Cities in Michigan Reporting 12 Month Cycle
2010

	Burglary	Larceny	Auto Theft	Arson
Michigan	71,810	161,423	26,875	2,930
Detroit	17,259	17,896	12,563	1,081
Grand Rapids	2,767	3,803	380	100
Lansing	1,428	2,100	253	34
Flint	3,606	1,911	664	343
Ann Arbor	1,527	1,872	124	22
Warren	955	1,804	730	35
Battle Creek	1,094	1,646	157	19
Muskegon	529	1,465	97	23
Kalamazoo**	868	1,119	188	36
Portage**	238	892	47	10
Saginaw	1,321	769	125	23
Holland**	196	736	24	6
Wyoming	521	621	164	8

- Among select cities in Michigan, Kalamazoo ranked 9th for their ability to clear/close cases. Wyoming ranked the highest with a 45.6% total offense clearing rate and Flint ranked lowest with 7.5% clearing percentage



NOTES: Cities listed chronologically from highest to lowest larceny offenses; Larceny figures include seven categories-pick pocketing, purse snatching, theft from a building, theft from a coin operated machine/device, car theft, theft of auto parts; Burglary figures include two categories-forced entry, entry without force (intent)
** - cities reporting only 11 months
SOURCE: Michigan Incident Crime Report: 2010 All Offenses Reported by County/Agency-
www.michigan.gov/documents/mspi/2010_Annual_Offenses_By_County_Agency_358718_7.pdf

Total Offences and Clearance Rates
Group A & Group B Crime Totals
Comparisons of Select Cities in Michigan
2006 & 2010

	Total Offenses		Group A		Group B		Total Cleared		Cleared Rate (%)	
	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010
Wyoming	7,024	4,793	2,550	3,421	4,474	1,372	3,251	2,185	46	45.6
Holland	6,240	5,389	1,361	2,891	4,879	2,498	2,280	2,077	37	38.5
Portage **	**	5,637	**	3,325	**	2,312	**	2,073	**	36.8
Warren	13,061	10,666	5,774	9,173	7,287	1,493	4,341	3,693	33	34.6
Ann Arbor	8,084	7,055	3,289	5,148	4,795	1907	3,064	2,144	38	30.4
Grand Rapids	27,994	22,405	12,156	17,936	15,838	4,469	6,280	6,049	24	27
Lansing	14,099	11,817	5,865	9,668	8,234	2,149	3,779	2,978	27	25.2
Battle Creek	8,978	7,939	4,283	6,879	4,695	1060	2,141	1,989	24	25.1
Kalamazoo	17,766	14,275	5,734	9,679	12,032	4,596	4,077	3,626	23	22.9
Saginaw	9,569	7,538	4,657	6,140	4,912	1,398	1,853	1,550	19	20.6
Detroit	141,789	110,029	84,587	102,528	57,202	7,501	23,630	17,841	17	16.2
Muskegon	11,646	10,406	3,149	6,332	8,497	4,074	2,205	1,108	19	10.6
Flint	21,628	14,946	11,378	13,855	10,250	1,091	2,746	1,117	13	7.5

NOTES: Cities listed chronologically based on highest percentage clearance rate; Group A crimes include arson, bribery, burglary, counterfeiting/forgery, destruction of property, drug/narcotic, embezzlement, extortion, fraud, gambling, homicide, kidnapping, larceny, auto theft, pornography, robbery, prostitution, sex offense, stolen property, weapon law violation; Group B crimes include bad check, curfew, disorderly conduct, dui, drunkenness, family offenses, liquor law, peeping tom, runaway, trespass of real estate, all other offenses
** - City of Portage was not included in 2006 comparison
SOURCE: Michigan Incident Crime Report: 2010 Agency Clearance - http://michigan.gov/documents/mspi/2010_Annual_AgencyClearance_358716_7.pdf

- According to the *Michigan Incident Crime Report: 2010 Agency Clearance Information*, Kalamazoo had the 3rd largest department among cities in the comparison and increased its department by 7 officers between 2006 and 2010. The only other department to increase its ranks was the Battle Creek Police Department
- Flint Police Department realized the greatest decrease in personnel from 2006 to 2010 with a loss of 126 officers. Conversely, Kalamazoo had the greatest increase of personnel (236 officers to 243) and the Muskegon Police Department personnel remained unchanged (79 officers)
- Detroit had the largest number of women law enforcement officers (722) and largest percentage of female officers in their department (26.7%). Female officers made up 12% of Kalamazoo Public Safety



**Number of Law Enforcement Personnel
Comparisons of Select Michigan Cities Comparison
2006 & 2010**

	Total Number of Full Time Officers		Total Number of Male Officers		Total Number of Female Officers		Total Number of Civilian Workers **	Total Number of Assaults on Officers **
	2006	2010	2006	2010	2006	2010		
Detroit	3,164	2890	2,310	2118	854	772	320	143
Grand Rapids	332	315	285	273	47	42	77	0
Kalamazoo	236	243	208	213	28	30	44	3
Flint (city)	258	132	237	114	21	18	23	19
Lansing	243	226	185	172	58	54	75	34
Warren	235	214	226	203	9	11	36	40
Ann Arbor	155	124	119	91	36	33	47	8
Battle Creek	113	116	99	101	14	15	18	14
Saginaw **	**	104	**	91	**	13	9	15
Wyoming	88	83	78	73	10	10	13	3
Muskegon	79	79	70	70	9	9	9	5
Holland	61	58	53	50	8	8	10	6
Portage **	**	53	**	49	**	4	16	3

NOTES: Cities listed by largest number of total full time officers in 2010

** - Not in the original comparison

SOURCE: Michigan State Police Criminal Justice Information Center - http://www.michigan.gov/msp/0,1607,7-123-1593_24055-35982--,00.html - 2006 Uniform Crime Report; 48th Annual Edition Compiled by Michigan State Police Criminal Justice Information Center

- Of law enforcement agencies in the Kalamazoo area, Kalamazoo Public Safety has the largest department (243 full time officers) with the largest number of female officers (30)
- Female officers made up 14.2% of the WMU department, 12.3% of Kalamazoo Public Safety and Kalamazoo Sheriff's departments, 10.3% of Kalamazoo Township Police department and 7.5% of the Portage Police department



Number of Law Enforcement Personnel in Kalamazoo Area & Comparison of Total Group A and Group B Crimes, Rate of Cleared Offences 2006 & 2010

	Full Time Officers		# of Female Officer		# of Male Officers		Group A Crimes		Group B Crimes		Total Offenses		Total Cleared Offenses		Total Cleared Offenses Rate	
	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010
Western Michigan University Police Department	100	28	5	4	95	24	3,167	12	3,031	15	8,859	27	4,014	17	45%	63%
Kalamazoo Township Police Department	30	29	3	3	27	26	889	1,124	1,156	685	2,045	1,809	765	899	37%	49.7%
Portage Police Department	57	53	6	4	51	49	2,204	3,325	1,232	2,312	5,478	5,637	1,807	2,073	33%	36.8%
Kalamazoo County Sheriff's Department	160	146	25	18	135	128	2,756	4,531	5,011	1,579	7,767	6,110	2,096	1,610	27%	26.4%
Kalamazoo Department of Public Safety	236	243	28	30	208	213	5,736	9,679	12,032	4,596	17,766	14,275	4,077	3,262	23%	22.9%

NOTES: Departments listed chronologically by highest percentage of cleared offenses in 2010

SOURCE: Michigan Incident Crime Reporting: 2010 Agency Clearance Information-Number of Officers and Clearance List: http://michigan.gov/documents/msp/2010_Annual_AgencyClearance_358716_7.pdf

Community Planning & Development

- The mission of the Community Planning & Development (CP&D) is to assist with the creation of a healthy, safe and sustainable community of choice, through leadership, education, partnerships and stewardship of resources and assets. CP&D includes three primary areas of focus:

- * **Planning** - works with current land use planning, future land use planning and historic preservation. Utilizing the City's Comprehensive Plan and Code of Ordinances efforts are made to direct future growth, redevelopment and historic preservation to help create a more sustainable community
- * **Code Administration** - includes *Housing* (protects the public health, safety and the general welfare of the people of the City as it relates to housing conditions), *Zoning* (serves as a valuable land use tool for facilitating the orderly growth and development of our community), *Building & Trades* (protects public health, safety and the general welfare of the people of the City as it relates to building, electrical, plumbing, mechanical, fire and related aspects of the Code)
- * **Community Development** - invests federal, state and local funds in programs and services that benefit targeted neighborhoods, low- and moderate-income households, and more. These investments address housing needs, youth programs, job creation and retention, and community reinvestment through partnerships with neighborhood associations, non-profit organizations and more

- The City of Kalamazoo receives annual funding from the *U.S. Department of Housing and Urban Development (HUD)* for three programs: *Community Development Block Grant (CDBG)*, *Home Investment Partnerships Program (HOME)* and *Emergency Shelter Grant (ESG)*. The City sub-grants some HUD funding through a yearly competitive application process for the CDBG, HOME, and ESG programs



- * CDBG funds must be used to address one of three national objectives: benefits low-to-moderate in-

come persons, prevents or eliminates slums and blighted conditions, meets an urgent need

- * HOME funds provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the City's ability to provide housing and leverage private sector participation
 - * ESG funds assist homeless shelters, those in jeopardy of becoming homeless, and victims of domestic assault and their dependents
- The City received \$1.7 million in Neighborhood Stabilization Program 1 (NSP1) funding under Title III of Division B of the Housing and Economic Recovery Act of 2008 (HERA) through HUD. These funds were used to acquire, demolish, and/or rehabilitate blighted homes in a target area
 - In conjunction with the Kalamazoo County Land Bank Authority, the City is part of the Michigan State Housing Development Authority's NSP2 Consortium, which acquired land and constructed homes in the Edison neighborhood over the next 2-3 years is expected to create 24 new homes, exciting home ownership opportunities for a wide range of buyers, work experience for ex-offenders and work for local builders



- * *Marketplace* received \$4 million in federal stimulus money to transform a vacant, seven-acre site in the Washington Square area into Kalamazoo's largest, single-family-home project in decade



- * To buy an NSP home annual household income must be 120% or less of the area median income, adjusted for family size, homebuyers must be pre-approved for a mortgage loan by a participating lender - maximum 30 years fixed rate loan, cannot currently own property and cannot use property for investment, and must be primary occupant

Economic Development Corporation

- The Economic Development department offers a wide range of services that include small business assistance loans, availability of tax abatements, navigation of the site plan review process, site selection, an award-winning brownfield redevelopment program, renaissance zones and assistance with locating in Kalamazoo's *SmartZone*
- Brownfield projects underway and their estimated investment
 - * Fabri-Kal Expansion - \$16.9 million-\$32.6 million, up to 202 jobs



- * Kilgore Point - \$2.7 million, 41 jobs
- * Metropolitan Center - \$10 million, 25 residential units



- * People's Food Co-Op - 1.1 million, 11 jobs

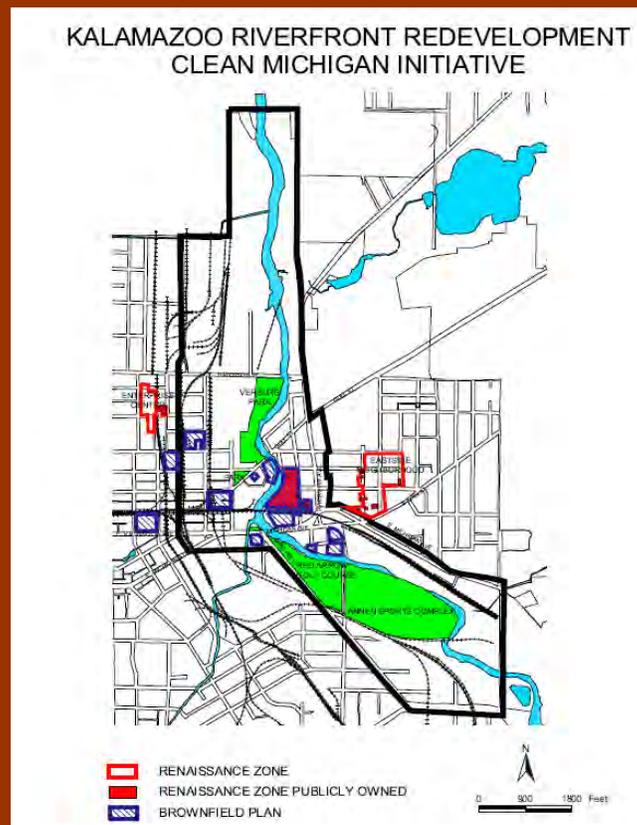


- * LADD Real Estate - \$1.25 million, 14 jobs, 6 residential units
- * Peregrine Plaza - \$2.4 million, 34 jobs, 14 residential units



- * Corporation Hall - \$9.3 million, 16 jobs, 5 residential units

- Since 1997, there has been an investment of \$197-\$230 million, 1,569-1784 jobs, 79 residential units
- The City of Kalamazoo is excited about the prospect of riverfront development, and is tackling related complex issues through many means, including our \$2.83 million Clean Michigan Initiative Waterfront Redevelopment grant, grant funds from our USEPA Brownfield Assessment pilot, and the city's Brownfield Redevelopment Plan



- The Riverfront Redevelopment Plan calls for a shift from the heavy industry of the past, which has left our precious resource littered with abandoned and often contaminated properties, to mixed use development in a new urbanist, or traditional neighborhood design. The "Work-Live-Play" theme will provide for a mix of uses including public space along the river



urbanist, or traditional neighborhood design. The "Work-Live-Play" theme will provide for a mix of uses including public space along the river

Parks & Recreation

- The Parks & Recreation Department oversees thirty-six parks and tot-lot playgrounds, including Bronson Park and the Kalamazoo Farmer's Market on Bank Street; manages the protection of physical and natural assets in the City; and provides recreation and leisure programs for youth, adults, senior citizens, and citizens with disabilities



- In 2009, Parks and Recreation developed the Master Park Plan to address current recreation issues and identify future needs of the community and the means for meeting those needs over a five-year period

- For the last 22 years, the Michigan Department of Natural Resources has been instrumental in providing funds for park renovations including Upjohn Park (\$370,000), Spring Valley (\$205,000), Versluis/Dickinson (\$500,000) and Arcadia Creek (\$400,000)

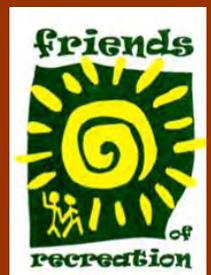


- *Fairmount Dog Park* is the first dog park in the region and features landscaping, dog waste stations, people/pet drinking fountains, a small dog area, benches and fire hydrants



- The *Youth Development Center* (YDC) is a community collaboration focused on helping youth reach their potential and serves as the City's significant commitment to youth in cooperation with a host of other agencies such as the Kalamazoo Youth Development Network (KYDNet), Boys and Girls Club and Kalamazoo Public Schools

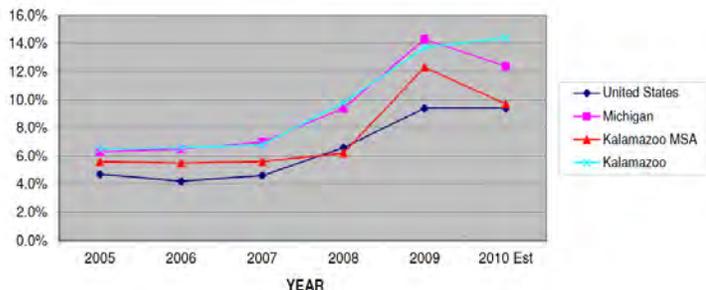
- *Friends of Recreation* is an active, City Commission appointed advisory board that exists to develop funding partnerships with corporations and individuals for municipal parks and recreation in our community to ensure that local funding for parks, recreation and leisure programs will continue to be available for all people in our community in the future



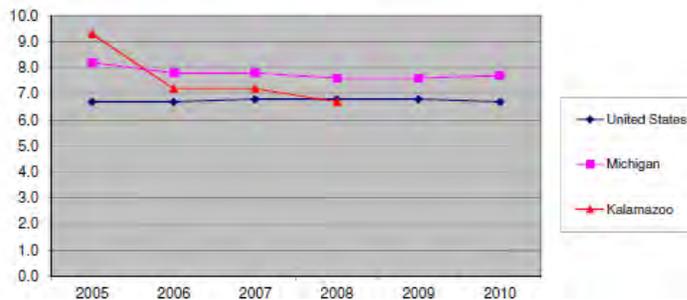
KALAMAZOO DASHBOARD

- The *Kalamazoo Dashboard* represents the City's evaluation tool based on State of Michigan requirements, which recaps the 2011 Thumbnail

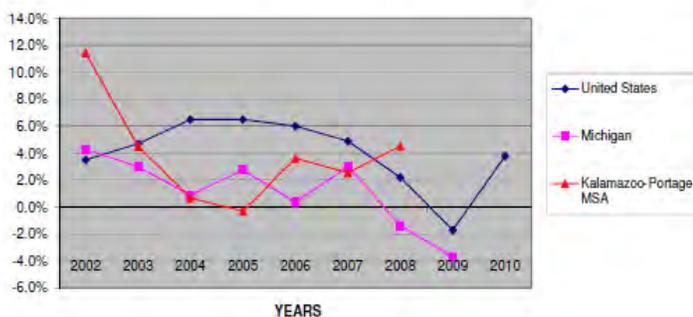
PERCENTAGE UNEMPLOYED
SEASONALLY ADJUSTED



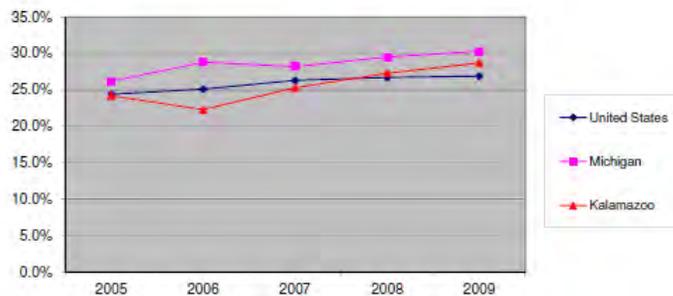
Infant Mortality
Per 1,000 Live Births



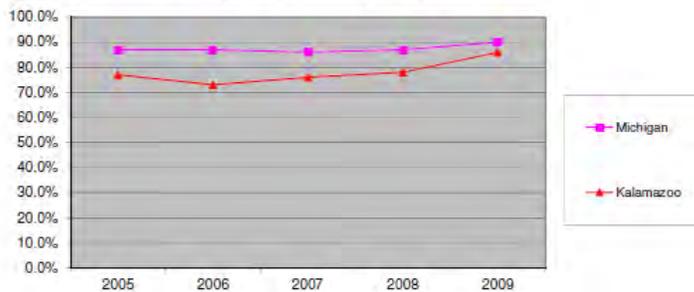
GROWTH IN GDP



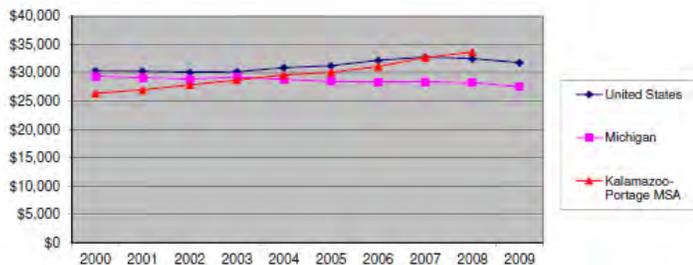
Obesity in the Population



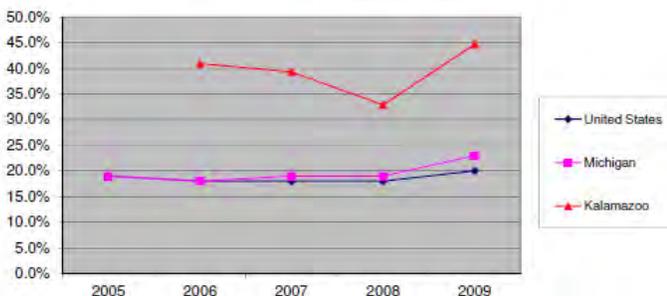
Reading Capability of Third Graders
Percentage of 3rd graders meeting reading expectations



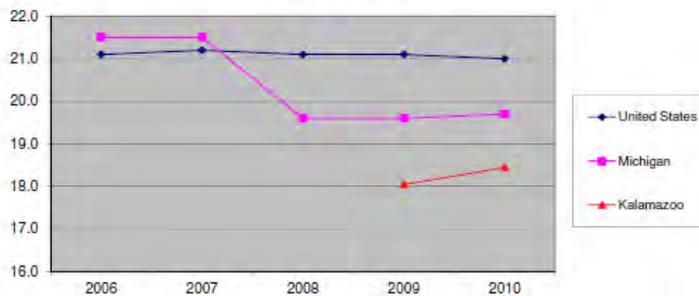
Real Personal Income Per Capita



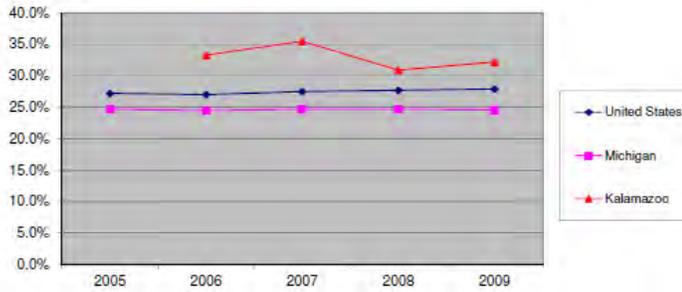
Percent of Children Living in Poverty



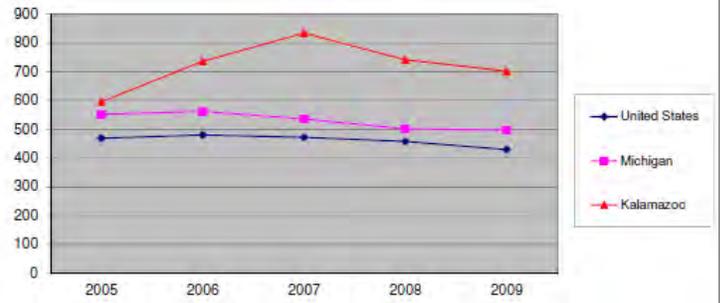
College Readiness
Average ACT Scores



Population with Bachelor's Degree or Higher



Violent Crime Rates

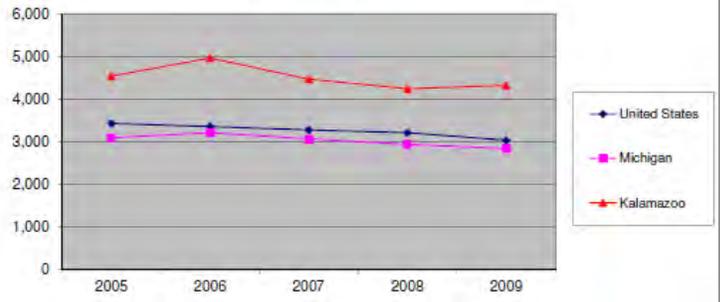


City of Kalamazoo Bond Ratings

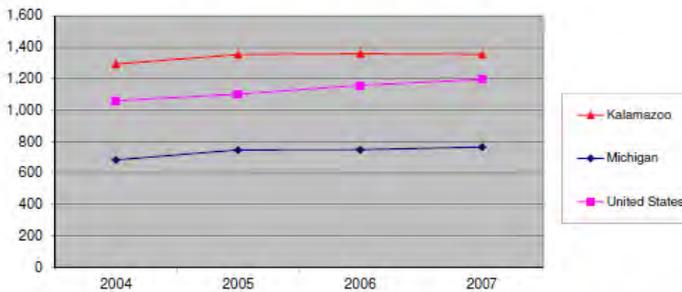
	2005	2006	2007	2008	2009	2010	2011
S & P	AA						
FITCH	A+	A+	A+	A+	A+	AA+	AA+

Kalamazoo Department of Management Services

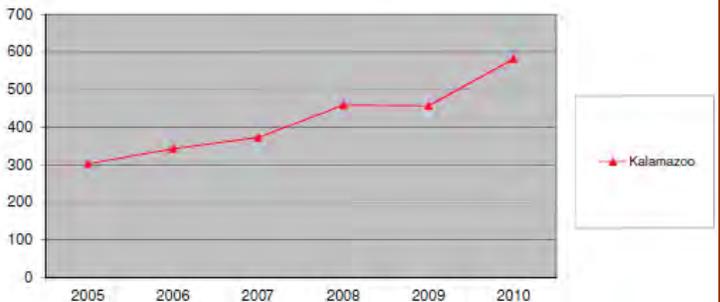
Property Crime Rates



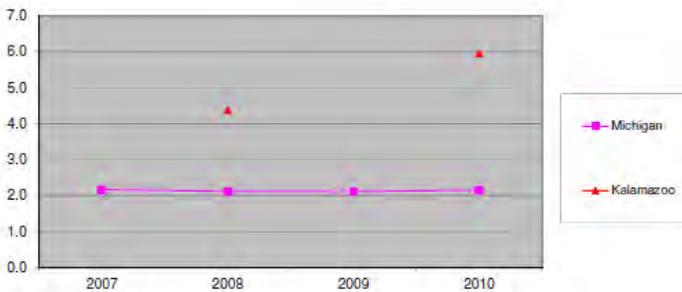
Government Debt Burden Per Capita



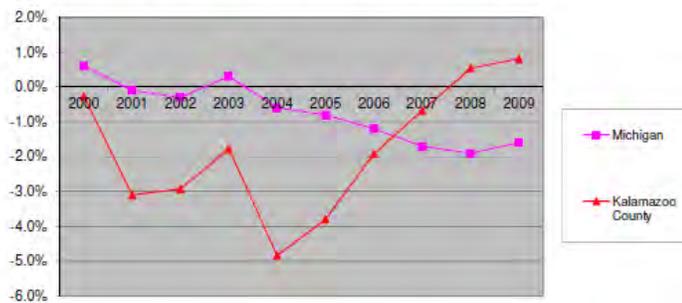
Traffic Incidents Injuries



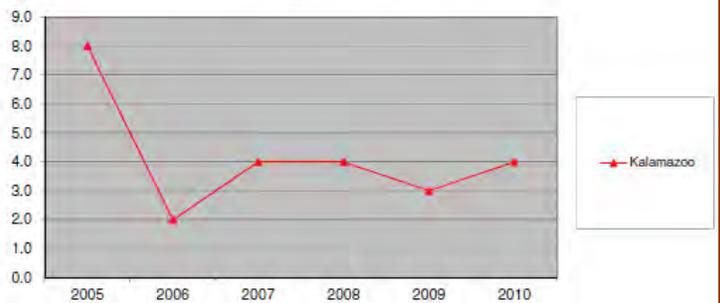
Park Popularity



Percentage Change in Population Ages 25-34



Traffic Incidents Fatalities



THE CITY OF



**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation		Department Total
CITY ADMINISTRATION		
F102	City Manager	1
E92	Deputy City Manager	1
C41	Administrative Support Manager	1
B22	Executive Assistant	1
		4
CITY ATTORNEY		
E83	City Attorney	1
D72	Assistant Attorney III	3
B21	Administrative Legal Secretary	1
B21	Legal Secretary	1
		6
CITY CLERK		
Administration		
D61	City Clerk	1
C41	Deputy City Clerk/Office Manager	1
	Subtotal:	2
Elections		
S30	Elections Specialist	1
	Subtotal:	1
Records Management, Research and Archives		
S34	Archives Specialist	1
S24	Archives Records Clerk	1
	Subtotal:	2
INTERNAL AUDITOR		
C41	Internal Auditor	1
		1
HUMAN RESOURCES		
E83	Human Resources/Labor Relations Director	1
D61	Labor Relations Specialist	1
C51	Senior Human Resources Advisor	2
C41	Human Resources Advisor	1
C42	Human Resources Benefits Specialist	1
B21	Human Resources Assistant	1
		7
INFORMATION TECHNOLOGY		
E83	IT Director	1
C43	Senior Systems Analysts Level II	2
C42	Senior Technical Analyst	2
C42	Technical Analyst	1
S28	Accounts Coordinator/Secretary-Part Time	1
		7

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
MANAGEMENT SERVICES	
Budget and Accounting	
E83 Management Services Director/Chief Financial Officer	1
E81 Management Services Deputy Director/Comptroller	1
D61 Financial Services Manager	2
C41 Financial Analyst	1
B21 Payroll Control Clerk	1
S40 Senior Accountant	3
S28 Accounts Coordinator	4
Subtotal:	13
Assessor	
S26 Assessing Records Clerk	1
Subtotal:	1
Treasury	
D72 City Treasurer	1
C51 Assistant City Treasurer/Assessor	1
B31 Utilities Coordinator	1
S28 Accounts Receivable Coordinator	1
S28 Accounts Connection Coordinator	1
S24 Treasury Records Clerk	1
S24 Public Services Coordinator	3
S20 Clerk Cashier II	3
Subtotal:	12
Purchasing	
D72 Purchasing Manager	1
B21 Administrative Support Coordinator	1
S36 Buyer	1
S18 Clerk Cashier I/Purchasing Clerk I	1
Subtotal:	4
PUBLIC SAFETY	
Administration	
E91 Public Safety Chief	1
E81 Deputy Public Safety Chief	1
D72 Assistant Chief / Operations	1
D72 Assistant Chief / Professional Standards	1
D71 Financial Services Division Manager	1
B21 Administrative Support Coordinator	1
S139 Public Safety Lieutenant	1
Subtotal:	7
Subtotal:	30

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation	Department Total
PUBLIC SAFETY continued	
COPS (formally KVET)	
B21 KVET Secretary	1
S149 Public Safety Captain	1
S134 Public Safety Sergeant	2
P117 & P217 Public Safety Officer	16
Subtotal:	20
Operations	
S24 Operations/Service Division Secretary	1
S24 Operations Division Secretary	1
S149 Public Safety Captain	1
S139 Public Safety Lieutenant	6
S138 Executive Public Safety Lieutenant	1
S137 Senior Public Safety Lieutenant	2
S134 Public Safety Sergeant	25
P117 & P217 Public Safety Officer	120
P50 Fire Marshal	1
Subtotal:	158
Criminal Investigation	
S24 CID Division Secretary	2
S149 Public Safety Captain	1
S138 Executive Public Safety Lieutenant	1
S134 Public Safety Sergeant	1
P34 Polygraph Examiner	1
P33 Crime Lab Specialist II	1
P32 Crime Lab Specialist I	1
P30 Lab Technician I	3
P26 Detective	17
P71 CSO Investigative Aide	1
Subtotal:	29
Support Services	
D63 Public Safety Information Management Manager	1
C43 Senior Systems Analyst Level II	1
C42 Senior Systems Analyst	1
S28 Service Division Coordinator	1
S28 Training Division Accounts Coordinator/Secretary	1
S18 Computer Information Processor/Offense Records Clerk	4
S14 Public Safety Records Clerk	2
S149 Public Safety Captain	1
S138 Executive Public Safety Lieutenant	1
S134 Public Safety Sergeant	3
P117 & P217 Public Safety Officer	4
P79 CSO Service	1
P78 CSO Evidence Quartermaster	3
P73 CSO Computer Analyst	1

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation		Department Total
PUBLIC SAFETY, Support Services continued		
P73	CSO Dispatch Group Leader	3
P72	CSO Dispatcher	16
P70	CSO Dispatcher - Part Time	4
Subtotal:		48
PUBLIC SERVICES		
City-Wide Maintenance Division		
B31	Maintenance Foreperson	1
S36	Buildings Technician	1
H38	Lead Maintenance Mechanic	2
H24	Custodian II	2
Subtotal:		6
Engineering Division		
E81	City Engineer	1
D71	Assistant City Engineer	1
C43	Senior Civil Engineer	4
C43	Traffic Engineer	1
C41	Public Services Records Supervisor	1
B31	Engineer Associate Surveyor	1
S36	Lead Drafter	1
S32	Engineer Technician I - Utility	2
S32	Traffic Engineer Technician I	1
S24	Engineering Technical Secretary	1
Subtotal:		14
Fleet Services		
D61	City Fleet Director	1
C41	Vehicle Operations Supervisor	1
H40	Lead Master Mechanic	1
H38	Master Mechanic	5
H34	Vehicle Mechanic III	1
H26	Vehicle Mechanic I	1
Subtotal:		10
Public Works		
B32	Forestry Supervisor	1
B31	Right of Way Coordinator	1
B31	Utility Zone Foreperson	2
S24	Public Works Coordinator	1
H38	Lead Tree Trimmer	2
H38	Lead Maintenance Mechanic	2
H32	Tree Trimmer	4
H30	Equipment Operator II	8
H26	Equipment Operator I	1
H28	Mason	4
H26	Labor Foreperson I	2

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
PUBLIC SERVICE, continued	
H24 Municipal Worker Apprentice	2
H24 Laborer II	6
Subtotal:	36
Wastewater	
D72 Wastewater Superintendent	1
D72 Environmental Services Superintendent	1
D71 Facilities Engineer	1
D62 Environmental Programs Manager	1
C43 Process Control Engineering Supervisor	1
C45 Senior Systems Analyst Program Manager	1
C43 Senior Systems Analyst Level II	1
C42 Senior Environmental Services Supervisor	1
C41 Laboratory Supervisor	1
C41 Senior Equipment Maintenance Supervisor	1
B33 Treatment Control Supervisor	1
B33 Treatment Operations Supervisor	6
B31 Utility Zone Foreperson	1
S46 Master Utility Electrician	1
S44 Instrument Technician	5
S36 Electronics Technician	1
S36 Environmental Services Technician III	2
S32 Instrumentation Records Specialist	1
S32 Environmental Services Technician II	2
S30 Environmental Services Technician I	2
Wastewater, continued	
S28 Accounts Coordinator/Secretary	1
S26 Stores/Procurement Clerk	1
H36 Sewer Surveyor	1
H34 Vactor Jet Operator	2
H38 Lead Maintenance Mechanic	3
H38 WW O/M III - Maint	1
H38 WW O/M II - Maint	4
H38 WW O/M I - Maint	2
H42 WW O/M III - Ops	1
varies WW O/M II - Ops	3
varies WW O/M I - Ops	5
H24 WW O/M Appr - Ops	3
H28 Mason	2
H38 Municipal Worker I Apprentice	1
H24 Laborer II	2
Subtotal:	64

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
PUBLIC SERVICES, continued	
Water	
E83 Public Services Director	1
E81 Deputy Public Services Director	1
D72 Water Superintendent	1
D72 Public Services Field Manager	1
D61 Public Services Financial Manager	1
B21 Administrative Support Coordinator	1
C41 Water Supply Operations Supervisor	1
B32 Capital Improvements Supervisor	1
B31 Administrative Analyst	1
B31 Public Services Dispatch Coordinator	1
B31 Utility Zone Foreperson	1
S28 Accounts Coordinator	1
S26 Stores/Procurement Clerk	1
S14 Clerk Typist	1
H38 Lead Maintenance Mechanic	1
H38 Municipal Worker I	1
H38 Water Well Driller II	1
varies Water Operator/Maintainer	5
varies Water Operator/Maintainer Apprentice	4
H38 Water Operator III	1
H32 Lead Distribution Servicer	5
H30 Distribution Servicer II	7
H30 Equipment Operator II	4
H30 Field Maintenance Servicer	3
H24 Municipal Worker Apprentice	4
Subtotal:	50
COMMUNITY PLANNING AND DEVELOPMENT	
Code Administration	
C43 Building Official	1
C42 Housing Inspections Supervisor	1
S36 Zoning /Electrical Inspector	1
S38 Building Inspector Plan Review Technician	2
S38 Mechanical/Plumbing Inspector	1
S36 Housing Inspectors	4
S36 Zoning Inspector	1
S36 Code Compliance Inspector II	2
S32 Code Compliance Inspector I	2
S30 Code Permit Technician	1
S24 Community Development Records Coordinator	1
S20 Code Administration Clerk/Cashier	2
Subtotal:	19

CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
COMMUNITY PLANNING AND DEVELOPMENT, continued	
Planning	
D71 City Planner	1
C42 Assistant City Planner	1
C42 Historic Preservation Coordinator	1
S24 Community Planning & Development Secretary	1
Subtotal:	4
Community Development (HUD)	
E83 Community Planning & Development Director	1
E81 Deputy Community Planning & Development Director	1
C42 CD Compliance Specialist II	1
C41 CD Compliance Specialist I	1
C41 Community Development Project Coordinator	1
C41 Grants Finance Officer	1
S38 Senior Program Specialist	1
S26 Anti-Blight/Dangerous Bldgs Board Clerk	1
S24 Community Planning & Development Secretary	1
Subtotal:	9
ECONOMIC DEVELOPMENT	
E83 Director Economic Development Corporation	1
D61 Redevelopment Manager	1
C41 Redevelopment Coordinator	1
B22 Administrative Secretary	1
Subtotal:	4
PARKS AND RECREATION	
Parks	
D61 Parks & Recreation Facilities & Operations Manager	1
H30 Horticultural Coordinator - 8 month	1
H38 Buildings & Grounds Technician	1
H30 Parks Coordinator	2
Subtotal:	5
Recreation	
E83 Parks & Recreation Managing Director	1
D61 Parks & Recreation Program Manager	1
D61 Administrative & Financial Services Manager	1
S32 Parks & Recreation Program Coordinator	1
S28 Accounts Coordinator	1
S26 Parks & Recreation Program Assistant - Part Time	2
H30 Sports Facilities Coordinator	1
Subtotal:	8

**CITY OF KALAMAZOO
2013 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation	Department Total
PARKS AND RECREATION, continued	
Kalamazoo Farmers Market	
H30 Market Coordinator - 8 month	1
Subtotal:	1 14
TRANSPORTATION	
E83 Transportation Director	1
D61 Operations Manager	1
D61 Administration Manager	1
D61 Maintenance Manager	1
C42 IT Technical Analyst	1
C41 Financial Analyst	1
B31 Equipment Maintenance Supervisor	1
B31 Maintenance Foreperson	1
B31 Transportation Dispatch Supervisor	5
B22 Customer Service Supervisor	1
B22 Travel Trainer	1
B22 Special Project Coordinator	1
B22 Marketing Specialist/Publisher	1
B31 Inventory Maintenance Foreperson	1
A13 Senior Secretary	1
A13 Customer Service Specialist	1
A13 Paratransit Specialist	1
S28 Accounts Coordinator - Part Time	1
S18 Payroll/Accts Payable-Clerk Cashier I	1
S18 Clerk Cashier I	3
S14 Clerk Typist	1
H38 Lead Maintenance Mechanic	1
T8 Master Mechanic	1
T7 Inventory Control Clerk	1
T7 Inventory Control Clerk/IT	1
T6 Class C Mechanic	1
T5 Class A Mechanic	4
T4 Class B Mechanic	6
T4 Body Repair Person	1
T3 Bus Driver	55
T3 Bus Driver -Part Time	19
T2 Utility Worker	2
T1 Service Lane Attendant	3
Total	674 122

GLOSSARY

ACRONYMS

ADA	Americans with Disabilities Act
AFSCME	American Federation of State County & Municipal Employees
ATU	American Transit Union
ARRA	American Reinvestment and Recovery Act
BRA	Brownfield Redevelopment Authority
BRI	Brownfield Redevelopment Initiative
BTR	Business Technology and Research Park
C-PSRAB	Citizen-Public Safety Review and Advisory Board
CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CC	City Commission
CCR	Consumers Confidence Report
CDAAC	Community Development Advisory Act Committee
CDBG	Community Development Block Grant
CDBG-R	Community Development Block Grant-Recovery
CHAS	Comprehensive Housing Affordability Strategy
CID	Criminal Investigations Division
CIP	Capital Improvement Program
CIS	Communities In School
CMAQ	Congestion Mitigation Air Quality
CMI	Clean Michigan Initiative
COA	Comprehensive Operational Analysis
CPSU	Community Public Safety Unit
CRB	Community Relations Board
DCBP	Davis Creek Business Park
DDA	Downtown Development Authority
DKI	Downtown Kalamazoo Incorporated
DTI	Downtown Tomorrow, Incorporated
EDA	Economic Development Authority
EDC	Economic Development Corporation
EIF	Economic Initiatives Fund
EPA	Environmental Protection Agency
ERI	Early Retirement Incentive
ERP	Enterprise Resource Planning
ESG	Emergency Shelter Grant
FIA	Family Independence Agency
FOIA	Freedom of Information Act
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board

GLOSSARY

ACRONYMS, (continued)

GIS	Geographic Information System
HOME	Home Investment Partnerships Grant
HOPE	Home Ownership for Public Employees
HPRP	Homeless Prevention Rapid Re-Housing Program
HR/LR	Human Resources / Labor Relations
HUD	Housing and Urban Development
INET	Institutional Network
ISF	Internal Service Fund
IT	Information Technology
KDPS	Kalamazoo Department of Public Safety
KMEA	Kalamazoo Municipal Employees Association
KMGA	Kalamazoo Municipal Golf Association
KPSOA	Kalamazoo Public Safety Officers Association
KPS	Kalamazoo Public Schools
KPSA	Kalamazoo Police Supervisors Association
KTC	Kalamazoo Transportation Center
KRESA	Kalamazoo Regional Educational Service Agency
KVCC	Kalamazoo Valley Community College
KVET	Kalamazoo Valley Enforcement Team
KWRP	Kalamazoo Water Reclamation Plant
LDFA	Local Development Financing Authority
LSRRF	Local Site Remediation Revolving Fund
MEDC	Michigan Economic Development Corporation
MGD	Million Gallons per Day
MRP	Mayor's Riverfront Park
MTF	Michigan Transportation Fund
NSP	Neighborhood Stabilization Program
OPA	Office of Prosecuting Attorney
PBC	Partners Building Community
PILOT	Payment In-Lieu of Taxes
PMN	Public Media Network
PSO	Public Safety Officer
SAP	Strategic Alignment Plan
SEV	State Equalized Value
SMIC	Southwest Michigan Innovation Center
TANs	Tax Anticipation Notes
TIF	Tax Increment Financing
TRU	Tactical Response Unit
WMU	Western Michigan University

GLOSSARY

ACCRUAL BASIS of ACCOUNTING – Method of accounting that recognizes the financial effect of transactions, events and inter-fund activities when they occur, regardless of the timing of the related cash flows.

APPROPRIATION - An authorization made by the City Commission that permits the City to incur obligations and to make expenditures for specific purposes.

ASSESSED VALUATION - The total value of real estate and personal property as determined by the Assessor that is the basis used for levying taxes. (S.E.V. = State Equalized Value)

BALANCED BUDGET – A spending plan where revenues and/or other financing sources match expenditures.

BOND - A written promise to pay a specific sum of money plus interest at a specified rate within a specific period of time, primarily to finance street construction, facility improvements, or public safety equipment.

BUDGET - A financial plan for a specified fiscal year that contains estimated expenditures and revenues.

- a) Operating Budget - the portion of the budget that relates to daily operations that provide governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies and services.
- b) Capital Improvements Program Budget - a Capital Improvements Program (CIP) Budget includes projects which are usually construction or renovation projects designed to improve the value of the government assets. Examples are street construction, water and sewer facilities, recreational projects, park improvements and building renovations.
- c) Budget Amendment - A procedure to revise a budget appropriation either by City Commission approval or by City Manger authorization to adjust appropriations.

CAPITAL IMPROVEMENT PROGRAM (CIP) - A long range plan which outlines proposed capital improvement projects and estimates the costs and funding sources associated with those projects. A ten-year plan is submitted for City Commission, but the first year of this plan is the adopted Capital Improvements Program Budget.

CAPITAL OUTLAY - Expenditures budgeted to acquire or add to fixed assets costing \$500 or more and with an expected useful life of a least one year.

CIP FUNDED – Projects supported by resources in the Capital Improvement Program (CIP).

DEBT SERVICE - The amount of interest and principal that the City must pay each year on net direct long-term debt plus the interest it must pay on direct short-term debt.

DEPARTMENT - A major administrative section of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area.

GLOSSARY

DIVISION - A group of costs centers within a service group, i.e., the Water Division is a cost center within the Public Service Group (which is considered a department).

ENCUMBRANCE - A legal financial commitment of appropriated funds to purchase an item or service. To encumber funds, means to set aside or commit funds for a future expenditure.

EXPENDITURE/EXPENSE - Cost of goods and services obtained, including debt service and capital outlay.

FEDERAL - Refers to the United States of America national government entity

FISCAL YEAR – The twelve month time period designated by the City that signifies the beginning and ending periods for recording financial transactions. The City of Kalamazoo fiscal year is January 1 to December 31.

FIXED ASSETS - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FULL-TIME EQUIVALENT (FTE) - Combines all full time and part time personnel into a standard equivalent for time management.

FUND - A set of accounts to record revenues and expenditures associated with a specific purpose.

FUND TYPES:

Governmental Funds: Funds generally used to account for tax supported activities. There are five different types of governmental funds: general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

General Fund: The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund: Governmental fund type used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds: Governmental fund type used to account for the accumulation of resources for, and the payment of, general long term debt principal and interest.

Capital Improvement Project Funds: Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Permanent Funds: Government fund type used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (i.e. for the benefit of the government or its citizenry).

GLOSSARY

Proprietary Funds: Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Enterprise Fund: Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

Internal Service Funds: Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

Fiduciary Funds: Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and agency funds.

Pension (and Other Employee Benefit) trust funds: Fiduciary fund type used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, or the postemployment benefit plans, or other employee benefit plans.

Investment trust funds: Fiduciary Fund type used to report governmental external investment pools in separately issued reports and the external portion of these same pools when reported by the sponsoring government.

Private-purpose trust funds: Fiduciary Fund type used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments.

Agency funds: Fiduciary fund type used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, remittance of fiduciary resources to individuals, private organizations or other governments.

FUND BALANCE - Fund Balance is the difference between assets and liabilities in a governmental fund.

GENERAL OBLIGATION BONDS - A municipal bond backed by the credit and "taxing power" of the issuing jurisdiction rather than the revenue from a given project.

GENERAL APPROPRIATION RESOLUTION - The budget as adopted by the City Commission.

GOALS - A statement of broad direction, purpose or intent based on the needs of the community; a goal is general, timeless, and is not concerned with a specific accomplishment, but with the nature of desired effects of activities and operations.

GRANT - A contribution by the state or federal government or other organization to support a specific function. Grants may be classified as either categorical or block.

GLOSSARY

IN-LIEU PROPERTY TAXES - An amount charged enterprise operations equivalent to the City property taxes that would be due on plant and equipment if the enterprise operations were for-profit companies.

INTERFUND TRANSFERS - The exchange of resources between funds that are not recorded as revenues to the fund receiving or expenditures to the fund providing.

LONG TERM DEBT – Borrowings with a maturity of more than one year after issuance date.

MODIFIED ACCRUAL BASIS – An accounting method that recognizes revenues when they are both “measurable and “available,” to finance expenditures of the current period. Expenditures are recognized when the related liability is incurred.

OBJECTIVES - Are time-related, goal directed, quantified statements of results expected within the fiscal year. They are measurable, realistic and obtainable, and are consistent with overall department and City goals.

PERFORMANCE MEASURERS - Specific quantitative and qualitative indicators of work performed as an objective of a service group/division. Indicators in some instances may not have measurable results, nor be measured on a recurring basis, but success may be measured by the accomplishment of the goal and objective.

RESERVE - An account used to indicate that a portion of a fund's assets are legally restricted for a specific purpose and is, therefore, not available for general appropriation.

REVENUE or RESOURCES - Funds received as income, including taxes, charges and fees for specific services, subsidies from other governments, fines, forfeitures, grants, shared revenues and interest income.

REVENUE BOND: A municipal bond supported by the revenue from a specific project or operation, such as a toll bridge, highway, utility or local stadium.

RISK MANAGEMENT - An effort organized to protect assets against loss most economically.

STATE – Refers to the State of Michigan

STATE EQUALIZED VALUE (SEV) - The final assessed value after equalized by the State Tax Commission. If the County board of commissioners considers the assessments to be relatively unequal, they will equalize the assessments by adding to or deducting from the valuation of the taxable property, resulting in final SEV.

TAX LEVY - Taxes imposed for the support of governmental activities.

TRANSFERS - Transfers are the authorized exchanges of cash or other resources between funds.

WORKING CAPITAL – Funds used from or contributed to unreserved and undesignated balances.