



2014
Adopted Budget

City of
Kalamazoo, Michigan

City of Kalamazoo
Michigan

Fiscal Year 2014

Adopted Budget

City of Kalamazoo

50TH CITY COMMISSION



From Left to Right: *Commissioner Stephanie Moore, Commissioner Barbara Hamilton Miller, Vice Mayor David Anderson, Mayor Bobby Hopewell, Commissioner Don Cooney, Commissioner Robert H. Cinabro, & Commissioner Jack Urban*

Appointees

City Manager
James K. Ritsema

City Attorney
Clyde Robinson

City Clerk
Scott Borling

City Assessor
Aaron Powers

Internal Auditor
Ann Videtich

Administration

**Deputy City
Managers**
Patsy Moore
Jeff Chamberlain

**Community Planning &
Development Director**
Laura Lam

**Information Technology
Director**
Ed Freed

**Public Safety
Chief**
Jeff Hadley

**Parks & Recreation
Director**
Sean Fletcher

**Assistant City Manager/
Economic Development Director**
Jerome Kisscorni

**Public Services
Director**
Sue Founé

**Human Resources/Labor
Relations Director**
Jerome Post

**Transportation
Director**
Sean McBride

**Management Services
Director**
Thomas C. Skrobola

CITY OF KALAMAZOO

2014 Organizational Chart

CITIZENS OF KALAMAZOO

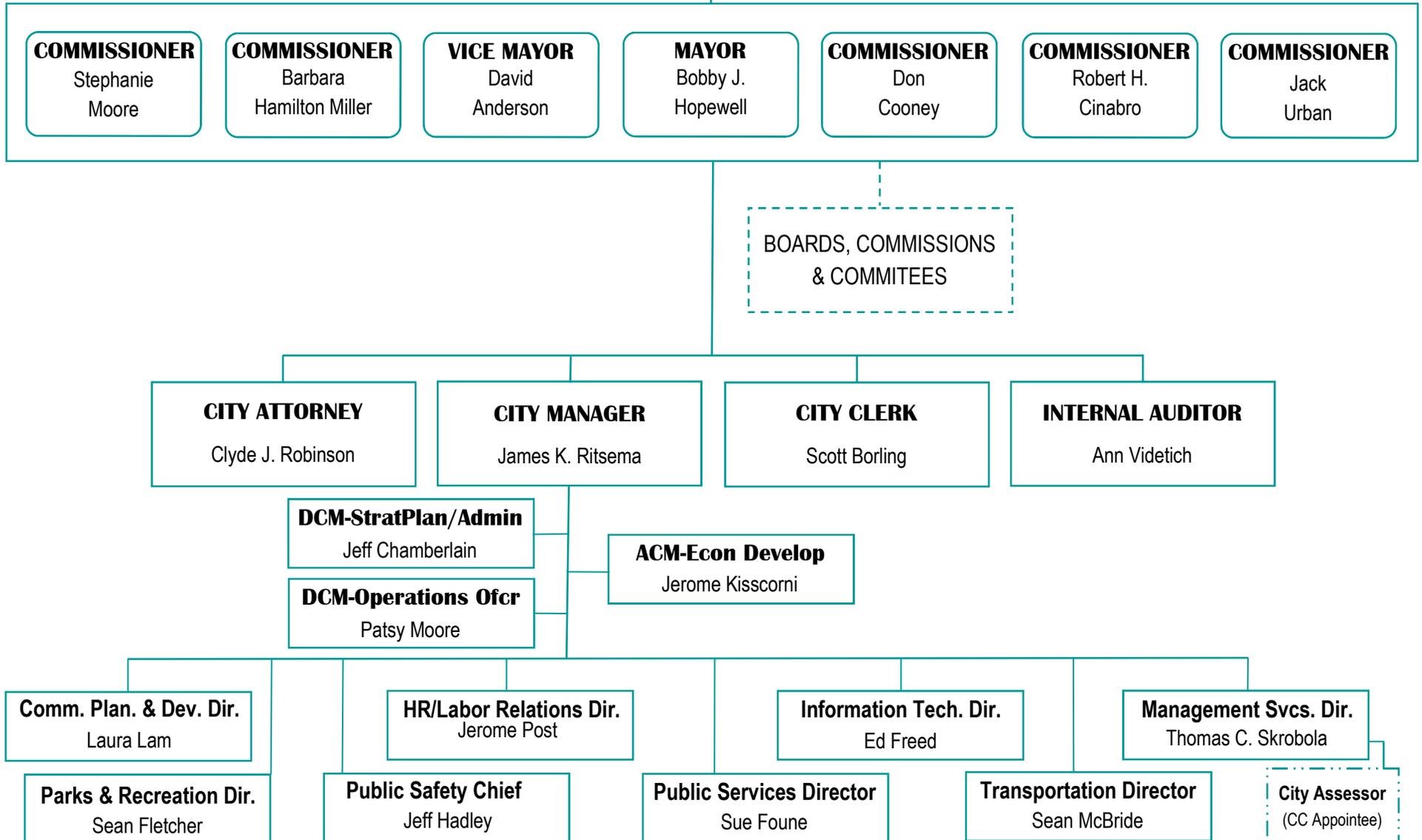


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THE CITY OF



Kalamazoo



FISCAL YEAR 2014-15 PROPOSED BUDGET TRANSMITTAL LETTER

To: Mayor Bobby Hopewell, Vice Mayor David Anderson, and City Commissioners

From: James K. Ritsema, City Manager

Subject: Proposed Fiscal Year (FY) 2014 - 15 Budget

Date: November 27, 2013

The 2014 budget process begins! This document represents the 2014 budget recommendation to the Kalamazoo City Commission based on projected revenues for the upcoming year. Beyond recommended strategies for funding operations in line with expected resources, the document also includes the proposed maintenance of capital assets as well as debt service on the City's long-term debt.

While the 2014 budget has been developed during a transitional time in the City Manager's Office, I believe it does provide a starting point for building a financially sustainable organization for the future. The final retirements under the Early Retirement Incentive (ERI) program will be occurring in late December 2013 and early January 2014. The final results from the program include 218 retirements with the replacement of 120 positions. This loss of talent and the impact to the organization will be mitigated in part through the ongoing roll out of the Strategic Alignment Plan (SAP). In short, a much leaner organization will be tasked with thinking how to provide government differently, so as to have the most impact with fewer resources.

So much has been done the past several years by the City of Kalamazoo to realign its cost structure with limited and in some cases dwindling resources, but based on projections from the Five Year Financial Model, these efforts will not be enough. For the General Fund, a \$2.9 million shortfall is being projected for 2014 and future deficits totaling \$5.5 million will surface without any permanent reductions. **Kalamazoo's financial situation can best be summed up as follows: The City faces a structural deficit caused chiefly by a broken municipal financing model in the State of Michigan.** We cannot wait for the State to fix this problem. We need to begin working on it ourselves in a way that captures the energy and passion that have made Kalamazoo the Promise Community.

A budget development strategy needs to be developed to begin addressing the structural problems. Realizing that the 2014 budget has been developed during a time of transition, the proposed ways to balance the projected deficit include a combination of one-time adjustments and some permanent reductions. Nonetheless, the budget being proposed sets the course for

developing a long-term sustainable strategy which builds on the great work from the past. In working through the budget development, it is my goal to lay out a comprehensive plan that communicates clearly and succinctly the financial issues **(Where are we?)**; reviews past trends and realignment strategies **(How did we get here?)**; develops processes to navigate the weighty financial challenges and generate solutions that deal with legacy costs, service level expectations, and revenue enhancements **(Where are we going?)**. The process of developing this plan will be inclusive, transparent, and deliberate. It will tap into the creative talent of City employees and those outside of the organization to figure out a way to “do government” differently.

I look forward to working with the City Commission as we begin this new journey to build a strong and financially sustainable community to ensure that Kalamazoo can continue to be a City of Promise!

CITY OF KALAMAZOO
2014 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
2014 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
2014 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
2014 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
2014 ADOPTED BUDGET
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
2014 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
2014 ADOPTED BUDGET
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
2014 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

2014 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
2014 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
2014 ADOPTED BUDGET
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
2014 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 cost 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
2014 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
2014 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.

2013 State Equalized Valuation		1,580,975,102
Debt Limit - 10 % of State Equalized Valuations		158,097,510
Debt Outstanding	83,965,000	
Less: Exempt Debt	34,645,000	49,320,000
		49,320,000
Legal Debt Margin		108,777,510

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 2014 ADOPTED BUDGET

Calendar

August 24	Budget Directives Distributed Allocation Worksheets Distributed Position Budget Worksheet Distributed
August 18	Eden Budget Module Open for Entry FY 2013 Year End Projection Worksheets Distributed
August 26	Capital Improvement Program Finalized
September 3	Projection Worksheets Due to Budget and Accounting for Import <i>(Required only if assistance is needed from Budget & Accounting to enter data inot Budget Module)</i>
September 9	FY 2013 Projections Due (Revenue & Expenditures) FY 2014 Budget Proposals Due (Revenue & Expenditures)
October 11	City Manager Review
November 4	FY 2014 Budget Narratives Submitted to Department for Completion & Approval Departments Requested to Complete Blueprint for Action Update/Accomplishments & Future Prospectus
November 6	Budget narratives & Blueprint Updates Due from Departments
November 8	Proposed Budget Finalized
November 22	Proposed Budget Document Finalized
November 26	Electronic Budget Transmitted to City Commission & Posted on Website
December 2	Proposed Printed Document Distributed Adopt Resolution for FY 2014 Budget Public Hearing City Commission Public Work Session Begins
December 5	CIP Presented to City Commission
December 16	Proposed Budget Public Hearing
January 6	FY 2014 Proposed Budget Adopted

THE CITY OF



Kalamazoo

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

SUMMARY OF EXPENDITURES - ALL FUNDS

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2013/2014 Variance	2015 Projected
GOVERNMENTAL							
GENERAL	54,091,691	53,443,395	53,683,662	53,616,133	54,356,238	1.71%	50,376,261
CAPITAL IMPROVEMENT	4,249,456	3,978,782	7,184,189	7,166,423	4,228,469	6.28%	5,565,706
SPECIAL REVENUE							
Major Streets	6,248,244	9,205,190	10,818,718	10,676,329	8,360,864	-9.17%	7,945,380
Local Streets	3,245,882	3,789,092	3,953,214	3,750,406	3,866,022	2.03%	3,685,715
Cemeteries	400,367	515,436	578,677	577,372	523,601	1.58%	519,381
Solid Waste	2,544,314	2,582,038	2,582,038	2,751,580	2,843,352	10.12%	2,562,169
Blight Abatement	10,607	48,762	48,762	10,300	23,476	-51.86%	23,476
Brownfield LSRR	180,215	525,300	525,300	335,300	285,300	-45.69%	268,000
Economic Initiative	200,000	100,000	172,376	172,376	100,000	0.00%	159,000
Economic Opportunity	-	100,000	100,000	-	100,000	0.00%	-
Façade Improvement Program	-	-	48,594	48,594	-	0.00%	-
Small Business Loans	2,536	80,000	431,898	431,898	80,000	0.00%	54,000
Microenterprise Revolving Loans	-	-	-	-	-	0.00%	-
K-VET Drug Enforcement	356,821	400,514	400,514	363,044	1,178,577	194.27%	352,338
Public Safety Contracts	422,666	315,157	315,157	401,320	403,690	28.09%	402,213
Community Development Administration	792,582	920,443	937,938	937,938	917,849	-0.28%	878,914
Community Development Entitlement	2,296,009	150,862	3,010,748	2,927,011	150,000	-0.57%	150,000
Miscellaneous Grants	486,136	-	176,782	176,782	416,000	0.00%	416,000
Recovery Act Grants/Programs	4,111,486	-	40,552	40,552	-	0.00%	-
TOTAL SPECIAL REVENUE	21,297,865	18,732,794	24,141,268	23,600,802	19,248,732	2.75%	17,416,585
TOTAL GOVERNMENTAL	79,639,012	76,154,971	85,009,119	84,383,358	77,833,439	2.20%	73,358,552
ENTERPRISE							
Kalamazoo Farmers Market	67,780	68,535	68,535	23,538	23,278	-66.03%	21,227
Wastewater Division	24,909,477	26,899,288	27,703,070	26,580,265	27,150,737	0.93%	26,371,732
Water Division	18,246,719	19,563,428	20,220,412	18,750,713	19,213,567	-1.79%	19,817,263
Transportation	18,157,527	20,820,917	21,650,917	20,341,012	19,099,184	-8.27%	18,834,577
TOTAL ENTERPRISE	61,381,503	67,352,168	69,642,934	65,695,528	65,486,766	-2.77%	65,044,798
GRAND TOTAL ALL FUNDS	141,020,515	143,507,139	154,652,053	150,078,886	143,320,205	-0.13%	138,403,350
<i>Informational Purposes Only</i>							
PENSION SYSTEM	27,283,043	26,844,950	26,844,950	29,186,364	29,820,907	11.09%	29,820,907
INTERNAL SERVICE FUNDS (ISF)							
Insurance	21,902,336	22,641,617	22,641,617	22,547,457	27,391,067	20.98%	22,653,583

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
REVENUES AND EXPENDITURES BY CATEGORY
BY ALL FUND CATEGORIES

2012 ACTUALS

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	TOTAL ALL FUNDS
REVENUES					
Operating Taxes- Current Year	27,984,422	-	2,263,047	845,928	31,093,397
Other Taxes / PILOT Payment	1,016,494	-	-	-	1,016,494
Licenses, Permits & Fees	1,641,249	-	-	-	1,641,249
Intergovernmental Contributions	8,831,953	386,896	13,095,032	8,224,328	30,538,209
Charges for Services	3,919,917	-	616,498	37,605,660	42,142,075
Other Revenue	5,520,991	517,644	948,524	4,275,197	11,262,356
Local Contributions	-	670,982	75,677	-	746,659
Bond Proceeds	-	1,239,850	3,005,000	-	4,244,850
Transfers In	1,890,252	2,199,996	2,009,767	5,388	6,105,403
Budget Stabilization (Contribution)/Use	-	-	-	-	-
Working Capital Contribution (to)/from	3,286,413	(765,912)	(715,680)	10,425,002	12,229,823
TOTAL REVENUES	54,091,691	4,249,456	21,297,865	61,381,503	141,020,515
EXPENDITURES					
Personnel	40,261,434	-	4,389,145	20,729,918	65,380,497
Operating	6,875,728	-	11,150,521	30,392,849	48,419,098
Capital	484,976	1,190,405	321,830	6,525,237	8,522,448
Services	2,654,561	-	2,747,305	-	5,401,866
Debt Service	-	3,059,051	2,639,504	3,374,612	9,073,167
Transfers Out	3,814,992	-	49,560	358,887	4,223,439
Expenditure Reductions	-	-	-	-	-
TOTAL EXPENDITURES	54,091,691	4,249,456	21,297,865	61,381,503	141,020,515

PROJECTED 2013

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	TOTAL ALL FUNDS
REVENUES					
Operating Taxes- Current Year	27,779,003	-	2,453,534	860,118	31,092,655
Other Taxes / PILOT Payment	1,283,412	-	-	-	1,283,412
Licenses, Permits & Fees	1,922,825	-	-	-	1,922,825
Intergovernmental Contributions	9,120,952	1,498,214	11,423,682	15,235,173	37,278,021
Charges for Services	3,964,251	-	512,536	36,562,578	41,039,365
Other Revenue	5,684,797	555,000	902,254	938,924	8,080,975
Local Contributions	-	570,390	65,754	-	636,144
Bond Proceeds	-	1,103,752	3,000,000	-	4,103,752
Transfers In	896,682	2,450,000	1,936,472	50,000	5,333,154
Budget Stabilization (Contribution)/Use	1,650,000	-	-	-	1,650,000
Working Capital Contribution (to)/from	1,314,211	989,067	3,306,570	12,048,735	17,658,583
TOTAL REVENUES	53,616,133	7,166,423	23,600,802	65,695,528	150,078,886
EXPENDITURES					
Personnel	39,447,336	-	3,925,223	18,617,714	61,990,273
Operating	7,548,864	-	8,937,897	32,472,605	48,959,366
Capital	613,968	4,034,227	427,317	10,624,833	15,700,345
Services	2,705,965	-	6,480,494	-	9,186,459
Debt Service	-	3,132,196	2,863,961	3,621,489	9,617,646
Transfers Out	3,300,000	-	965,910	358,887	4,624,797
Expenditure Reductions	-	-	-	-	-
TOTAL EXPENDITURES	53,616,133	7,166,423	23,600,802	65,695,528	150,078,886

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
REVENUES AND EXPENDITURES BY CATEGORY
BY ALL FUND CATEGORIES**

ADOPTED 2014

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	TOTAL ALL FUNDS
REVENUES					
Operating Taxes- Current Year	27,705,228	-	2,422,650	904,267	31,032,145
Other Taxes / PILOT Payment	1,264,495	-	-	-	1,264,495
Licenses, Permits & Fees	1,974,735	-	-	-	1,974,735
Intergovernmental Contributions	9,276,149	-	8,430,745	12,947,921	30,654,815
Charges for Services	4,020,551	-	545,940	37,279,576	41,846,067
Other Revenue	5,495,043	600,000	582,064	473,140	7,150,247
Local Contributions	-	10,000	-	-	10,000
Bond Proceeds	-	1,115,000	3,000,000	-	4,115,000
Transfers In	4,442,416	2,280,000	2,100,602	986,358	9,809,376
Budget Stabilization (Contribution)/Use	-	-	-	-	-
Working Capital Contribution (to)/from	177,621	223,469	2,166,730	12,895,504	15,463,325
TOTAL REVENUES	54,356,238	4,228,469	19,248,731	65,486,766	143,320,205
EXPENDITURES					
Personnel	41,184,510	-	4,521,568	19,551,057	65,257,135
Operating	6,845,417	-	6,770,090	33,807,973	47,423,480
Capital	316,620	1,366,200	470,500	7,503,101	9,656,421
Services	2,404,691	-	4,169,300	-	6,573,991
Debt Service	-	2,862,269	3,008,645	3,688,277	9,559,191
Transfers Out	3,605,000	-	308,628	936,358	4,849,987
Expenditure Reductions	-	-	-	-	-
TOTAL EXPENDITURES	54,356,238	4,228,469	19,248,731	65,486,766	143,320,205

PROJECTED 2015

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	TOTAL ALL FUNDS
REVENUES					
Operating Taxes- Current Year	28,099,862	-	2,430,179	996,728	31,526,769
Other Taxes / PILOT Payment	1,633,462	-	-	-	1,633,462
Licenses, Permits & Fees	2,004,356	-	-	-	2,004,356
Intergovernmental Contributions	9,368,910	400,000	8,909,420	11,344,980	30,023,310
Charges for Services	4,100,962	-	554,463	37,279,576	41,935,001
Other Revenue	5,193,690	600,000	805,876	116,500	6,716,066
Local Contributions	-	500,000	-	-	500,000
Bond Proceeds	-	2,070,000	2,515,000	-	4,585,000
Transfers In	-	2,000,000	1,847,131	1,133,511	4,980,642
Budget Stabilization (Contribution)/Use	-	-	-	-	-
Working Capital Contribution (to)/from	(24,981)	(4,294)	354,516	14,173,503	14,498,744
TOTAL REVENUES	50,376,261	5,565,706	17,416,585	65,044,798	138,403,350
EXPENDITURES					
Personnel	39,060,584	-	4,429,233	19,797,256	63,287,073
Operating	7,360,658	-	5,920,781	33,807,973	47,089,412
Capital	532,620	2,970,000	180,000	7,820,888	11,503,508
Services	2,322,398	-	4,113,300	-	6,435,698
Debt Service	-	2,595,706	2,546,271	3,618,682	8,760,659
Transfers Out	3,250,000	-	227,000	-	3,477,000
Expenditure Reductions	(2,150,000)	-	-	-	(2,150,000)
TOTAL EXPENDITURES	50,376,261	5,565,706	17,416,585	65,044,798	138,403,350

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
2013 PROJECTED FUND BALANCE - ALL FUNDS**

	January 1 Balance	Estimated Resources	Projected Expenditures & Transfers	Over/ (Under) Expenses & Transfers	Use of / (Contribution to) Designations	December 31 2013 Balance
GOVERNMENTAL						
GENERAL	8,056,433	50,651,922	53,616,133	(2,964,211)	1,650,000	6,742,222
CAPITAL IMPROVEMENT	1,345,832	6,177,356	7,166,423	(989,067)	-	356,765
SPECIAL REVENUE						
Major Streets	2,395,269	8,540,669	10,676,329	(2,135,660)	222,359	481,968
Local Streets	1,020,020	3,437,017	3,750,406	(313,389)	-	706,631
Cemeteries	230,640	570,412	577,372	(6,960)	-	223,680
Solid Waste	1,340,100	2,258,889	2,751,580	(492,691)	-	847,409
Blight Abatement	99,430	(35,900)	10,300	(46,200)	-	53,230
Brownfield LSRR	427,762	204,945	335,300	(130,355)	-	297,407
Economic Initiative	527,426	248,385	172,376	76,009	-	603,435
Economic Opportunity	100,576	300	-	300	-	100,876
Façade Improvement Program	-	225,000	48,594	176,406	-	176,406
Small Business Loans	553,292	9,631	431,898	(422,267)	-	131,025
Micoenterprise Revolving Loans	-	90,000	-	90,000	-	90,000
K-VET Drug Enforcement	989,172	261,281	363,044	(101,763)	-	887,409
Public Safety Contracts	-	401,320	401,320	-	-	-
Community Development Administration	13	937,938	937,938	-	-	13
Community Development Entitlement	288,100	2,927,011	2,927,011	-	-	288,100
Miscellaneous Grants	74	176,782	176,782	-	-	74
Recovery Act Grants/Programs	-	40,552	40,552	-	-	-
TOTAL SPECIAL REVENUE	7,971,874	20,294,232	23,600,802	(3,306,570)	222,359	4,887,663
TOTAL GOVERNMENTAL	17,374,139	77,123,510	84,383,358	(7,259,848)	1,872,359	11,986,650
ENTERPRISE						
Kalamazoo Farmers Market	113,635	21,668	23,538	(1,870)	-	111,765
Wastewater Division	86,463,574	21,102,790	26,580,265	(5,477,475)	-	80,986,099
Water Division	74,250,867	13,871,431	18,750,713	(4,879,282)	-	69,371,585
Transportation	25,616,094	18,650,904	20,341,012	(1,690,108)	-	23,925,986
TOTAL ENTERPRISE	186,444,170	53,646,793	65,695,528	(12,048,735)	-	174,395,435
TOTAL ALL FUNDS	203,818,309	130,770,303	150,078,886	(19,308,583)	1,872,359	186,382,085
<i>Informational Purposes Only</i>						
PENSION SYSTEM	530,499,393	82,995,892	29,186,364	53,809,528	-	584,308,921
INTERNAL SERVICE						
Insurance	428,973	22,418,616	22,547,457	(128,841)	-	300,132

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
2014 PROJECTED FUND BALANCE - ALL FUNDS**

	January 1 Balance	Estimated Resources	Proposed Expenditures & Transfers	Over/ (Under) Expenses & Transfers	Use of / (Contribution to) Designations	December 31 2014 Balance
GOVERNMENTAL FUNDS						
GENERAL	6,742,222	54,178,617	54,356,238	(177,621)	-	6,564,601
CAPITAL IMPROVEMENT	356,765	4,005,000	4,228,469	(223,469)	-	133,296
SPECIAL REVENUE						
Major Streets	481,968	7,889,913	8,360,864	(470,951)	328,619	339,636
Local Streets	706,631	3,719,336	3,866,022	(146,686)	-	559,945
Cemeteries	223,680	567,769	523,601	44,168	-	267,848
Solid Waste	847,409	2,324,066	2,843,352	(519,286)	-	328,123
Blight Abatement	53,230	-	23,476	(23,476)	-	29,754
Brownfield LSRR	297,407	209,700	285,300	(75,600)	-	221,807
Economic Initiative	603,435	159,308	100,000	59,308	-	662,743
Economic Opportunity	100,876	300	100,000	(99,700)	-	1,176
Façade Improvement	176,406	-	-	-	-	176,406
Small Business Loans	131,025	8,895	80,000	(71,105)	-	59,920
Microenterprise Revolving Loans	90,000	-	-	-	-	90,000
K-VET Drug Enforcement	887,409	315,175	1,178,577	(863,402)	-	24,007
Public Safety Contracts	-	403,690	403,690	-	-	-
Community Development Administration	13	917,849	917,849	-	-	13
Community Development Entitlement	288,100	150,000	150,000	-	-	288,100
Miscellaneous Grants	74	416,000	416,000	-	-	74
Recovery Act Grants/Programs	-	-	-	-	-	-
TOTAL SPECIAL REVENUE	4,887,663	17,082,001	19,248,731	(2,166,730)	328,619	3,049,552
TOTAL GOVERNMENTAL	11,986,650	75,265,618	77,833,438	(2,567,820)	328,619	9,747,448
ENTERPRISE						
Kalamazoo Farmers Market	111,765	21,668	23,278	(1,610)	-	110,155
Wastewater Division	80,986,099	21,410,088	27,150,737	(5,740,649)	-	75,245,450
Water Division	69,371,585	14,487,799	19,213,567	(4,725,768)	-	64,645,817
Transportation	23,925,986	16,671,707	19,099,184	(2,427,477)	-	21,498,509
TOTAL ENTERPRISE	174,395,435	52,591,262	65,486,766	(12,895,504)	-	161,499,931
TOTAL ALL FUNDS	186,382,085	127,856,880	143,320,205	(15,463,325)	328,619	171,247,379
<i>Informational Purposes Only</i>						
PENSION SYSTEM	584,308,921	46,849,776	29,820,907	17,028,869	-	601,337,790
INTERNAL SERVICE						
Insurance	300,132	28,134,301	27,391,067	743,234	-	1,043,366

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
2015 PROJECTED FUND BALANCE - ALL FUNDS**

	January 1 Balance	Estimated Resources	Proposed Expenditures & Transfers	Over/ (Under) Expenses & Transfers	Use of / (Contribution to) Designations	December 31 2015 Balance
GOVERNMENTAL FUNDS						
GENERAL	6,564,601	50,401,242	50,376,261	24,981	-	6,589,582
CAPITAL IMPROVEMENT	133,296	5,570,000	5,565,706	4,294	-	137,589
SPECIAL REVENUE						
Major Streets	339,636	7,863,531	7,945,380	(81,849)	335,912	593,699
Local Streets	559,945	3,615,975	3,685,715	(69,740)	-	490,205
Cemeteries	267,848	519,381	519,381	-	-	267,848
Solid Waste	328,123	2,270,579	2,562,169	(291,590)	-	36,533
Blight Abatement	29,754	30,000	23,476	6,524	-	36,278
Brownfield LSR	221,807	180,000	268,000	(88,000)	-	133,807
Economic Initiative	662,743	370,000	159,000	211,000	-	873,743
Economic Opportunity	1,176	300	-	300	-	1,476
Façade Improvement	176,406	-	-	-	-	176,406
Small Business Loans	59,920	10,000	54,000	(44,000)	-	15,920
Microenterprise Revolving Loans	90,000	-	-	-	-	90,000
K-VET Drug Enforcement	24,007	355,176	352,338	2,838	-	26,845
Public Safety Contracts	-	402,213	402,213	-	-	-
Community Development Administration	13	878,914	878,914	-	-	13
Community Development Entitlement	288,100	150,000	150,000	-	-	288,100
Miscellaneous Grants	74	416,000	416,000	-	-	74
Recovery Act Grants/Programs	-	-	-	-	-	-
TOTAL SPECIAL REVENUE	3,049,552	17,062,069	17,416,585	(354,516)	335,912	3,030,948
TOTAL GOVERNMENTAL	9,747,448	73,033,311	73,358,552	(325,241)	335,912	9,758,119
ENTERPRISE						
Kalamazoo Farmers Market	110,155	21,668	21,227	441	-	110,596
Wastewater Division	75,245,450	21,410,088	26,371,732	(4,961,644)	-	70,283,806
Water Division	64,645,817	14,619,218	19,817,263	(5,198,044)	-	59,447,773
Transportation	21,498,509	14,820,321	18,834,577	(4,014,255)	-	17,484,253
TOTAL ENTERPRISE	161,499,931	50,871,296	65,044,798	(14,173,503)	-	147,326,428
TOTAL ALL FUNDS	171,247,379	123,904,606	138,403,350	(14,498,744)	335,912	157,084,547
<i>Informational Purposes Only</i>						
PENSION SYSTEM	601,337,790	46,849,776	29,820,907	17,028,869	-	618,366,658
INTERNAL SERVICE	1,043,366	23,466,815	22,653,583	813,232	-	1,856,598

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
POSITION COMPARISON**

	Adopted Budget 2012	Adopted Budget 2013	Proposed Changes	Adopted Budget 2014
PERMANENT FULL TIME AUTHORIZED POSITIONS				
CITY ADMINISTRATION	4.0	4.0	1.0	5.0
CITY ATTORNEY	7.0	6.0	-	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	(1.0)	1.0
Total City Clerk	<u>5.0</u>	<u>5.0</u>	<u>(1.0)</u>	<u>4.0</u>
INTERNAL AUDITOR	1.0	1.0		1.0
HUMAN RESOURCES DEPARTMENT	7.0	7.0	-	7.0
INFORMATION TECHNOLOGY	6.0	6.0	-	6.0
MANAGEMENT SERVICES				
Budget and Accounting	13.0	13.0	-	13.0
Assessor	2.0	1.0	-	1.0
Treasury	14.0	12.0	-	12.0
Purchasing	5.0	4.0	-	4.0
Total Management Services	<u>34.0</u>	<u>30.0</u>	<u>-</u>	<u>30.0</u>
KALAMAZOO PUBLIC SAFETY				
Administration	6.0	7.0	(1.0)	6.0
Financial Services	7.0	-	-	-
Training	6.0	-	-	-
COPS formerly KVET	13.0	20.0	1.0	21.0
Operations	194.0	158.0	(5.0)	153.0
Criminal Investigation	31.0	29.0	-	29.0
Support Service	29.0	44.0	(1.0)	43.0
Total Public Safety	<u>286.0</u>	<u>258.0</u>	<u>(6.0)</u>	<u>252.0</u>
PUBLIC SERVICES				
City Wide Maintenance	10.0	6.0	-	6.0
Engineering Services	14.0	14.0	(1.0)	13.0
Fleet Services	12.0	10.0	(1.0)	9.0
Public Works	39.0	36.0	(4.0)	32.0
Wastewater Division	83.0	64.0	3.0	67.0
Water Division	63.0	50.0	1.0	51.0
Total Public Services	<u>221.0</u>	<u>180.0</u>	<u>(2.0)</u>	<u>178.0</u>

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
POSITION COMPARISON**

	Adopted Budget 2012	Adopted Budget 2013	Proposed Changes	Adopted Budget 2014
PERMANENT FULL TIME AUTHORIZED POSITIONS, continued				
COMMUNITY PLANNING AND DEVELOPMENT				
Code Administration	20.0	19.0	-	19.0
Planning	4.0	4.0	(2.0)	2.0
Community Development (HUD)	13.0	9.0	-	9.0
Total Community Planning and Development	37.0	32.0	(2.0)	30.0
ECONOMIC DEVELOPMENT	5.0	4.0	-	4.0
PARKS AND RECREATION				
Parks	9.0	4.0	-	4.0
Recreation	8.0	6.0	-	6.0
Total Parks and Recreation	17.0	10.0	-	10.0
TRANSPORTATION	103.0	102.0	-	102.0
TOTAL FULL TIME POSITIONS	733.0	645.0	(10.0)	635.0
PERMANENT PART TIME AUTHORIZED POSITIONS				
INFORMATION TECHNOLOGY	1.0	1.0	-	1.0
KALAMAZOO PUBLIC SAFETY				
Operations	-	-	3.0	3.0
Support Services	4.0	4.0	(2.0)	2.0
Total Public Safety	4.0	4.0	1.0	5.0
PUBLIC SERVICES				
Wastewater Division	1.0	-	-	-
PARKS AND RECREATION				
Parks	2.0	1.0	-	1.0
Recreation	2.0	2.0	1.0	3.0
Kalamazoo Farmers Market	1.0	1.0	(1.0)	-
Total Parks and Recreation	5.0	4.0	-	4.0
TRANSPORTATION	19.0	20.0	-	20.0
TOTAL PART TIME POSITIONS	30.0	29.0	1.0	30.0
TOTAL CITY ALLOCATED POSITIONS	763.0	674.0	(9.0)	665.0

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

BUDGET OVERVIEW

The City of Kalamazoo Adopted FY 2014 Budget includes expenditures of \$143,320,205, representing a decrease of 0.2% from the FY 2013 Adopted Budget total expenditures. The citywide budget is made up of various funding groups (see Chart 1). The highlights of the recommended spending plan are discussed below in greater detail. This decrease of 0.2% is due to City wide expense control and reductions in personnel.

2014 Adopted Budget \$ 143,320,205

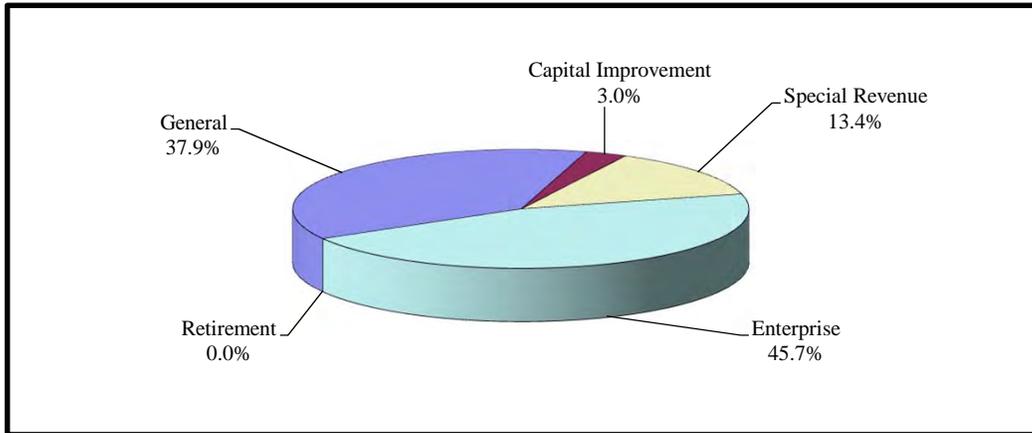


Chart 1

REVENUE

General Fund

General Fund operating revenue is estimated at \$49,736,201 in Adopted FY 2014 Budget, which represents a decrease of 0.04% from the Projected FY 2013 amount. This decrease is due to incremental changes in all revenue categories throughout the General Fund.

2014 General Fund Revenue \$ 49,736,201

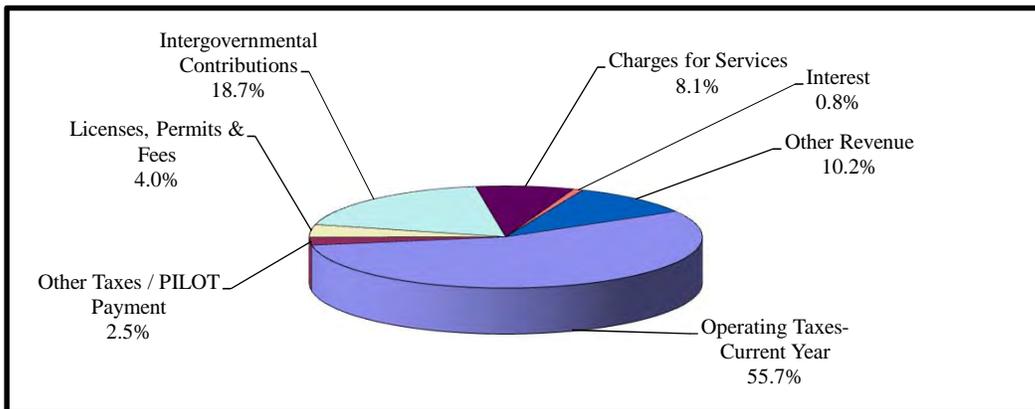


Chart 2

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

The two largest revenue sources, Property Taxes and Intergovernmental Contributions, represent 74.4% of all estimated General Fund resources (see Chart 2). Property Taxes are estimated to increase by 1% in FY 2014. The Five-Year Fiscal Plan had estimated a reduction of 2.5%. This positive experience is attributable to the economic recovery, and better-than-anticipated experience in commercial real estate property sales figures during the past twelve months (see Chart 3).

Property Tax Revenue

Growth Trend (2004-2014)

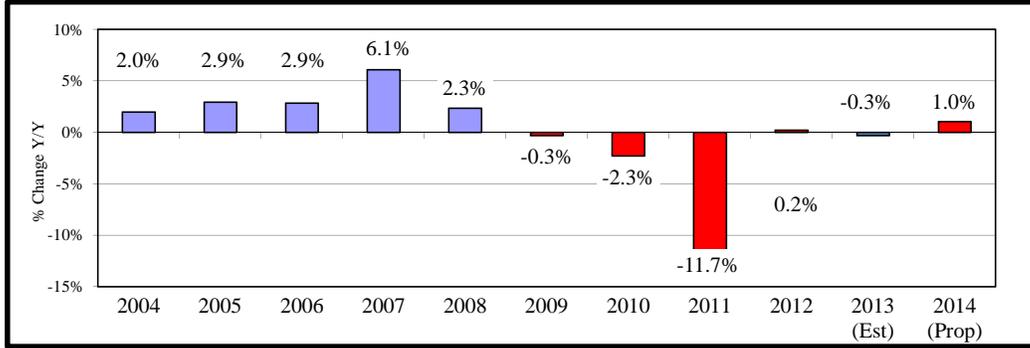


Chart 3

State Revenue Sharing has been restructured by the State and is now the Economic Vitality Incentive Program. This change has resulted in a steady decline in State revenue from a high of \$12.5 million in FY 2001 to \$8.4 million estimated for FY 2014, a reduction of \$4.1 million.

The estimated Revenue Sharing payments of \$8.4 million in FY 2014 is an increase of 1.9% compared to FY 2013 projected receipts of \$7.9 million. (see Chart 4).

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

State Revenue Sharing

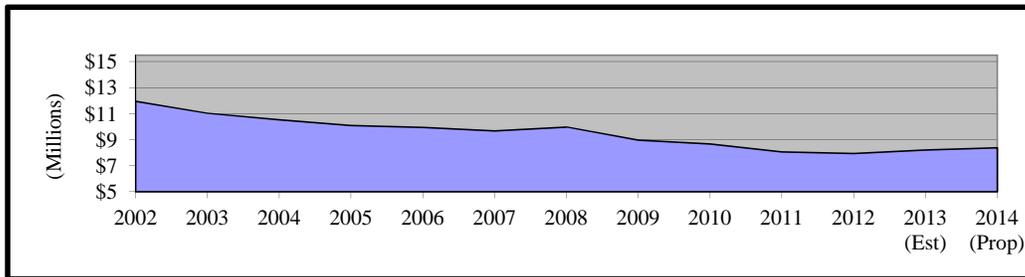


Chart 4

CITY OF KALAMAZOO

2014 ADOPTED BUDGET

The remaining 25.6% 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 levels.

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 1.4% in the Adopted FY 2014 Budget while revenue for License, Permits and Fees are anticipated to increase by 5.7%.

Anticipated revenues from Other Taxes/Pilot Payments are expected to increase by 35.9%, compared to the Adopted 2013 budget. This is due to an increase in commercial property values. The General Fund will receive a \$4.44 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 1.5% decrease. 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 \$1.33 million from the General Fund.

Capital projects are funded with CIP Bonds in the amount of \$1.12 million.

Cemetery

Cemetery operational revenue is projected to remain at FY 2013 levels for FY 2014. Operational revenue is not sufficient to cover operations and capital improvements, therefore a subsidy of \$423 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 \$2.21 million, representing a decrease of 1.6%. The activity is projected to use \$519 thousand of fund balance.

Water Fund

The Adopted FY 2014 Budget revenues reflect no change overall, although individual classes may be subject to some modification.

Wastewater Fund

The Adopted FY 2014 Budget revenues reflect no change overall, although individual classes may be subject to some modification.

Expenditures

General Fund

The Adopted FY 2014 Budget for the General Fund is \$54,356,238, representing an overall increase of 1.7% when compared to the Adopted FY 2013 Budget, and a 1.3% increase compared to the Amended FY 2013 Budget.

CITY OF KALAMAZOO 2014 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, 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)

2014 General Fund Budget Expenditure by Category \$ 54,356,238

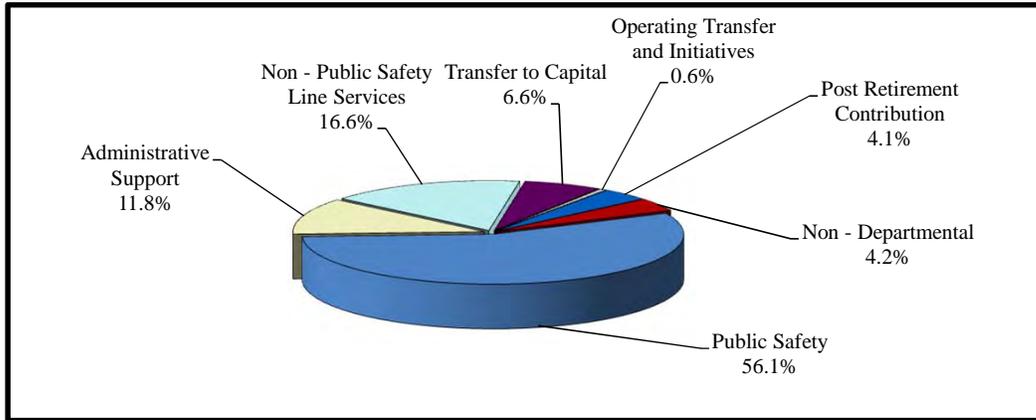


Chart 5

The Adopted FY 2014 General Fund Operating budget represents a decrease of approximately 2.1% from the Adopted FY 2013 Budget. As illustrated above (see Chart 5), 11.8% 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 56.1% of the General Fund budget (see Chart 5). Personnel costs account for 71.3% of all General Fund expenditures as illustrated below (see Chart 6).

2014 General Fund Budget by Object

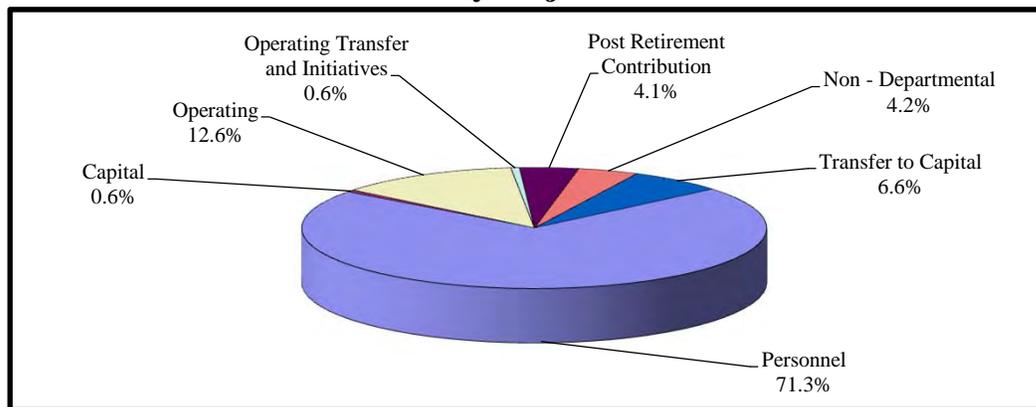


Chart 6

CITY OF KALAMAZOO

2014 ADOPTED BUDGET

The General Fund began contributing to the Budget Stabilization Account and a Capital Contingency Account in FY 2007. Consistent with the prior five year fiscal plan and budget policies, the General Fund will use the budget stabilization reserves of \$1.65 million in FY 2014 to support the 13% fund balance target.

The Capital Contingency Account is designed to be used for emergency capital repairs or acquisitions. There are no contributions or withdrawals adopted in FY 2014.

The Five-Year Fiscal Plan targets a minimum general capital investment of \$5 million annually. The General Fund will transfer \$2.28 million to the Capital Improvement Program in FY 2014. The General Fund capital program for FY 2014, including street funds is \$4.23 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 \$4.62 million dollars in FY 2014. The projected fund balance in FY 2014 is \$6,564,601, which is 13.2% of estimated revenues which is congruent with the Five-Year Fiscal Plan target range for the General Fund of 13% - 15% of revenues. The projected fund balance does not include the Capital Contingency account which has a balance of \$0.35 million.

Position Allocations

The Adopted FY 2014 Budget includes 635 full-time positions, a net reduction of 10 from the Adopted FY 2013 Budget due to the Early Retirement Initiative and elimination of positions. 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 2014 total \$10,646,600 and will be funded by Bonds, Contributin in Aid, Federal Funding and Reserves. (see Chart 7).

Expenses

General Fund

General Fund capital projects, which are funded in the Capital Improvements Program (CIP) Fund, total \$1.36 million. Capital projects in the CIP Fund include \$481.2 thousand in Building Improvements to City Hall, \$495 thousand for Public Safety Building Improvements, \$330 thousand in equipment and various Public Services facility improvements, and \$60 thousand in park improvements.

CITY OF KALAMAZOO 2014 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 adopted at \$3.27 million, to be funded with \$1.27 million in federal funds and \$2 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 \$3.2 million and \$2.1 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. Other various projects include computers, software, security upgrades and replacements, along with plant controls.

2014 Capital Financing by Source

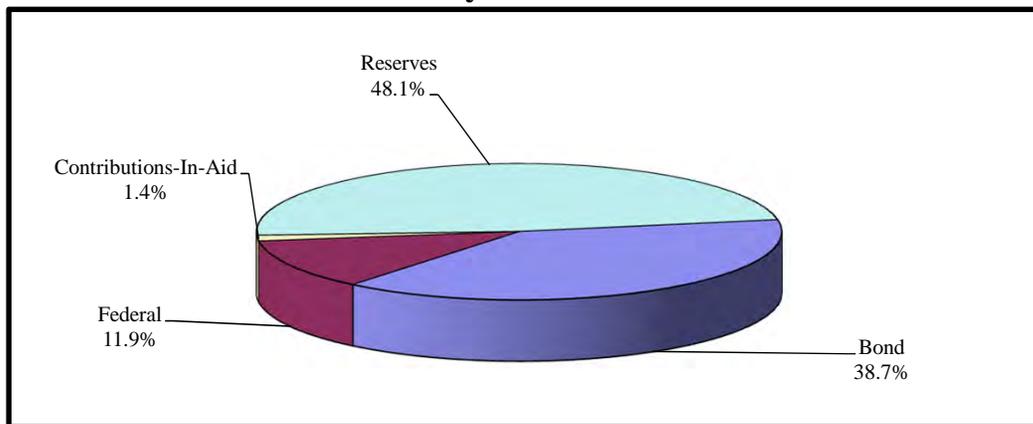


Chart 7

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
TAXABLE VALUE AND TAX LEVY PROJECTIONS**

	2013 Adopted Budget	2013 Roll Confirmation	2014 Adopted Budget	2015 Projected Budget	2016 Projected Budget	2017 Projected Budget	2018 Projected Budget	2019 Projected Budget
Effective Taxable Value (a)	1,518,076,186	1,503,334,136	1,499,749,479	1,522,245,721	1,545,079,407	1,568,255,598	1,591,779,432	1,615,656,123
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	29,254,087	28,970,000	28,900,922	29,334,436	29,774,453	30,221,069	30,674,386	31,134,501
Less: Total Captured TIF (b)	-1,165,379	-1,137,859	-1,195,695	-1,234,575	-1,309,279	-1,110,156	-1,149,790	-1,190,018
Net Operating Revenue	28,088,708	27,832,141	27,705,228	28,099,862	28,465,174	29,110,914	29,524,596	29,944,483
<i>PY Budgeted Loss to Appeals</i>								
Adjusted Tax Revenue	28,088,708	27,832,141	27,705,228	28,099,862	28,465,174	29,110,914	29,524,596	29,944,483
Solid Waste Revenues	2,353,018	2,330,168	2,324,612	2,359,481	2,394,873	2,430,796	2,467,258	2,504,267
Less: Total Captured TIF (b)	-95,181	-85,737	-96,175	-99,302	-105,311	-89,294	-92,482	-95,718
Net Operating Revenue	2,257,837	2,244,431	2,228,437	2,260,179	2,289,562	2,341,502	2,374,776	2,408,549
Adjusted Tax Revenue	2,257,837	2,244,431	2,228,437	2,260,179	2,289,562	2,341,502	2,374,776	2,408,549
Metro Transit Revenues	910,846	902,000	899,850	913,347	927,048	940,953	955,068	969,394
Less: Total Captured TIF (b)	-28,164	-24,360	-24,681	-25,160	-25,829	-18,809	-19,210	-19,617
Net Operating Revenue	882,681	877,640	875,169	888,188	901,219	922,145	935,858	949,776
Adjusted Tax Revenue								
TOTAL	31,229,226	30,954,213	30,808,834	31,248,228	31,655,955	32,374,560	32,835,229	33,302,809

(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 2015 in City of Kalamazoo. Continued approval of .6 mill levy assumed through 2019.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

DEBT SERVICE SCHEDULE

As of: January 1, 2014

City Debt Issues	Remaining Debt				2014			2015		
	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	\$ 3,225,000	\$ 585,733	\$ 2,639,267	\$ 335,000	\$ 126,513	\$ 461,513	\$ 360,000	\$ 116,463	\$ 476,463
Dated: 10/26/06 2006B Building Authority	\$ 4,270,000	\$ 3,125,000	\$ 3,125,000	\$ -	\$ 190,000	\$ 130,880	\$ 320,880	\$ 195,000	\$ 123,280	\$ 318,280
Dated: 1/23/06 2006A Building Authority	\$ 2,840,000	\$ 2,290,000	\$ 2,290,000	\$ -	\$ 90,000	\$ 123,528	\$ 213,528	\$ 95,000	\$ 118,893	\$ 213,893
Dated: 10/12/05 2005B Parking Ramp	\$ 2,835,000	\$ 1,910,000	\$ 1,910,000	\$ -	\$ 90,000	\$ 96,875	\$ 186,875	\$ 95,000	\$ 92,375	\$ 187,375
Dated: 7/26/05 2005 Refunding	\$ 7,725,000	\$ 6,220,000	\$ 6,220,000	\$ -	\$ 370,000	\$ 278,750	\$ 648,750	\$ 375,000	\$ 266,263	\$ 641,263
Dated: 4/11/05 2005A Parking Ramp	\$ 7,325,000	\$ 4,805,000	\$ 4,805,000	\$ -	\$ 185,000	\$ 245,891	\$ 430,891	\$ 205,000	\$ 236,641	\$ 441,641
Dated: 11/17/98 1998 BA Refunding	\$ 5,770,000	\$ 1,195,000	\$ 1,195,000	\$ 70,650	\$ 575,000	\$ 62,738	\$ 637,738	\$ 185,000	\$ 68,250	\$ 253,250
Subtotal	\$ 34,870,000	\$ 22,770,000	\$ 20,130,733	\$ 2,709,917	\$ 1,835,000	\$ 1,065,174	\$ 2,900,174	\$ 1,510,000	\$ 1,022,164	\$ 2,532,164
Michigan Transportation Fund Bonds:										
Dated: 7/26/11 2011 Michigan Transportation Fund Refunding	\$ 2,005,000	\$ 1,145,000	\$ 1,145,000	\$ -	\$ 470,000	\$ 18,200	\$ 488,200	\$ 475,000	\$ 8,750	\$ 483,750
Dated: 7/12/07 2007 Michigan Transportation Fund	\$ 3,860,000	\$ 2,605,000	\$ 2,605,000	\$ -	\$ 245,000	\$ 105,543	\$ 350,543	\$ 255,000	\$ 95,543	\$ 350,543
Dated: 4/27/04 2004 Michigan Transportation Fund	\$ 4,320,000	\$ 490,000	\$ 490,000	\$ -	\$ 490,000	\$ 9,065	\$ 499,065	\$ -	\$ -	\$ -
Subtotal	\$ 10,185,000	\$ 4,240,000	\$ 4,240,000	\$ -	\$ 1,205,000	\$ 132,808	\$ 1,337,808	\$ 730,000	\$ 104,293	\$ 834,293
Wastewater Bonds:										
Dated: 3/29/12 2012 Wastewater Supply Systems	\$ 6,100,000	\$ 5,925,000	\$ 5,925,000	\$ -	\$ 175,000	\$ 289,334	\$ 464,334	\$ 260,000	\$ 183,578	\$ 443,578
Dated: 7/26/11 2011 Wastewater Supply Systems Refunding	\$ 2,815,000	\$ 2,340,000	\$ 2,340,000	\$ -	\$ 250,000	\$ 63,575	\$ 313,575	\$ 320,000	\$ 52,275	\$ 372,275
Dated: 12/22/09 2009 Wastewater Supply Systems	\$ 2,585,000	\$ 2,275,000	\$ 2,275,000	\$ -	\$ 70,000	\$ 141,699	\$ 211,699	\$ 75,000	\$ 137,012	\$ 212,012
Subtotal	\$ 11,500,000	\$ 10,540,000	\$ 10,540,000	\$ -	\$ 495,000	\$ 494,608	\$ 989,608	\$ 655,000	\$ 372,864	\$ 1,027,864
Water Bonds:										
Dated: 6/5/12 2012 Water Supply Systems Refunding	\$ 5,370,000	\$ 4,385,000	\$ 4,385,000	\$ -	\$ 995,000	\$ 65,775	\$ 1,060,775	\$ 975,000	\$ 50,850	\$ 1,025,850
Dated: 12/22/09 2009 Water Supply Systems	\$ 7,685,000	\$ 7,685,000	\$ 7,685,000	\$ -	\$ 5,000	\$ 496,206	\$ 501,206	\$ 5,000	\$ 495,928	\$ 500,928
Dated: 7/12/07 2007 Water Supply Systems	\$ 1,900,000	\$ 1,605,000	\$ 1,605,000	\$ -	\$ 60,000	\$ 73,169	\$ 133,169	\$ 60,000	\$ 70,544	\$ 130,544
Dated: 11/29/06 2006 Water Supply System and Refunding	\$ 4,690,000	\$ 2,495,000	\$ 2,495,000	\$ -	\$ 450,000	\$ 111,841	\$ 561,841	\$ 510,000	\$ 89,341	\$ 599,341
Dated: 4/27/04 2004 Water System Refunding	\$ 5,010,000	\$ 3,695,000	\$ 3,695,000	\$ -	\$ 170,000	\$ 162,830	\$ 332,830	\$ 175,000	\$ 156,455	\$ 331,455
Subtotal	\$ 24,655,000	\$ 19,865,000	\$ 19,865,000	\$ -	\$ 1,680,000	\$ 909,821	\$ 2,589,821	\$ 1,725,000	\$ 863,118	\$ 2,588,118
Downtown Development Bonds:										
Dated: 3/1/11 2011 Downtown Development Refunding	\$ 2,115,000	\$ 2,105,000	\$ 2,105,000	\$ -	\$ 385,000	\$ 67,513	\$ 452,513	\$ 400,000	\$ 56,700	\$ 456,700
Subtotal	\$ 2,115,000	\$ 2,105,000	\$ 2,105,000	\$ -	\$ 385,000	\$ 67,513	\$ 452,513	\$ 400,000	\$ 56,700	\$ 456,700
Capital Improvement Bonds:										
Dated: 3/29/12 2013 Capital Improvement	\$ 4,200,000	\$ 4,200,000	\$ -	\$ 4,200,000	\$ 255,000	\$ 88,800	\$ 343,800	\$ 260,000	\$ 83,650	\$ 343,650
Dated: 3/29/12 2012 Capital Improvement	\$ 4,400,000	\$ 4,180,000	\$ -	\$ 4,180,000	\$ 265,000	\$ 116,253	\$ 381,253	\$ 270,000	\$ 110,953	\$ 380,953
Dated: 7/14/11 2011 Capital Improvement	\$ 4,685,000	\$ 4,200,000	\$ -	\$ 4,200,000	\$ 265,000	\$ 144,150	\$ 409,150	\$ 270,000	\$ 138,850	\$ 408,850
Dated: 7/8/10 2010 Capital Improvement	\$ 2,855,000	\$ 2,390,000	\$ -	\$ 2,390,000	\$ 165,000	\$ 88,413	\$ 253,413	\$ 170,000	\$ 84,700	\$ 254,700
Dated: 6/24/09 2009 Capital Improvement	\$ 4,585,000	\$ 3,645,000	\$ -	\$ 3,645,000	\$ 265,000	\$ 144,523	\$ 409,523	\$ 275,000	\$ 136,573	\$ 411,573
Dated: 7/1/08 2008 Capital Improvement	\$ 4,165,000	\$ 3,045,000	\$ -	\$ 3,045,000	\$ 255,000	\$ 123,331	\$ 378,331	\$ 265,000	\$ 114,406	\$ 379,406
Dated: 7/12/07 2007 Capital Improvement	\$ 855,000	\$ 670,000	\$ -	\$ 670,000	\$ 35,000	\$ 30,433	\$ 65,433	\$ 40,000	\$ 28,963	\$ 68,963
Dated: 4/27/04 2004 Capital Improvement	\$ 8,415,000	\$ 2,115,000	\$ -	\$ 2,115,000	\$ 805,000	\$ 69,560	\$ 874,560	\$ 225,000	\$ 49,878	\$ 274,878
Subtotal	\$ 34,160,000	\$ 24,445,000	\$ -	\$ 24,445,000	\$ 2,310,000	\$ 805,461	\$ 3,115,461	\$ 1,775,000	\$ 747,971	\$ 2,522,971
Grand Total:	\$ 117,485,000	\$ 83,965,000	\$ 56,880,733	\$ 27,154,917	\$ 7,910,000	\$ 3,475,384	\$ 11,385,384	\$ 6,795,000	\$ 3,167,109	\$ 9,962,109

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
GENERAL FUND OPERATING BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2015 Fiscal Plan	2016 Fiscal Plan	2017 Fiscal Plan	2018 Fiscal Plan	2019 Fiscal Plan
REVENUE										
Tax Levy Revenue	27,984,422	28,088,708	28,088,708	27,779,003	27,705,228	28,099,862	28,465,174	29,110,914	29,524,596	29,944,483
Other Tax or PILOT Payments	1,016,494	930,380	930,380	1,283,412	1,264,495	1,633,462	1,657,964	1,682,833	1,708,076	1,733,697
Licenses, Permits & Fees	1,641,249	1,867,700	1,867,700	1,922,825	1,974,735	2,004,356	2,034,421	2,064,938	2,095,912	2,127,350
Intergovernmental Revenue	8,831,953	8,967,035	8,967,035	9,120,952	9,276,149	9,368,910	9,462,599	9,557,225	9,652,797	9,749,325
Charges for Services	3,919,917	4,078,180	4,078,180	3,964,251	4,020,551	4,100,962	4,182,981	4,266,641	4,351,974	4,439,013
Interest & Rentals	324,536	405,050	405,050	370,011	405,000	409,050	413,141	417,272	421,445	425,659
Other Revenue	5,196,455	5,293,279	5,293,279	5,314,786	5,090,043	4,784,640	4,880,333	4,977,939	5,077,498	5,179,048
Total Revenue	48,915,026	49,630,332	49,630,332	49,755,240	49,736,201	50,401,242	51,096,613	52,077,762	52,832,297	53,598,577
EXPENDITURES										
City Commission	67,688	76,115	76,115	72,874	75,385	75,382	76,231	77,584	79,226	80,936
City Administration	643,073	639,772	639,772	582,590	683,303	681,325	688,997	701,228	716,064	731,526
City Attorney	734,126	736,016	736,016	714,522	711,951	709,118	717,103	729,832	745,273	761,366
City Clerk	685,845	583,497	583,497	585,439	620,293	527,585	637,490	542,997	655,165	566,458
Internal Auditor	86,481	92,044	92,044	94,751	93,581	92,744	93,789	95,453	97,473	99,578
Human Resources	797,603	709,738	709,738	732,326	722,656	718,303	726,392	739,286	754,927	771,229
Information Technology	1,302,328	1,266,130	1,266,130	1,268,178	1,236,929	1,234,090	1,247,986	1,270,139	1,297,012	1,325,019
Management Services	2,516,790	2,273,082	2,273,082	2,264,266	2,249,893	2,249,893	2,275,227	2,315,614	2,364,607	2,415,666
Public Safety	30,980,982	31,560,629	31,597,113	31,702,769	30,516,602	31,380,551	32,033,905	33,316,210	34,314,826	35,346,992
Public Services	5,188,946	5,416,021	5,416,021	5,300,133	5,131,591	5,120,944	5,178,608	5,270,532	5,382,044	5,498,259
Community Planning & Development	1,800,609	1,743,969	1,743,969	1,688,712	1,663,086	1,649,372	1,667,944	1,697,551	1,733,467	1,770,898
Economic Development	247,390	263,675	263,675	261,759	241,846	251,214	254,043	339,577	346,263	353,197
Parks & Recreation	2,066,207	1,990,012	1,990,012	1,837,779	1,960,261	1,961,470	1,983,557	2,018,767	2,061,479	2,105,993
Non-Departmental Expenditures	2,318,029	1,891,195	2,034,978	2,344,465	2,285,491	2,222,768	2,289,451	2,205,135	2,271,289	2,339,428
Initiatives	336,532	351,500	361,500	361,500	326,500	301,500	301,500	301,500	301,500	301,500
Expenditure Reductions: 2015	-	-	-	-	-	(2,150,000)	(2,150,000)	(2,150,000)	(2,150,000)	(2,150,000)
Expenditure Reductions: 2016	-	-	-	-	-	-	(650,000)	(650,000)	(650,000)	(650,000)
Expenditure Reductions: 2017	-	-	-	-	-	-	-	(750,000)	(750,000)	(750,000)
Expenditure Reductions: 2018	-	-	-	-	-	-	-	-	(1,125,000)	(1,125,000)
Expenditure Reductions: 2019	-	-	-	-	-	-	-	-	-	(950,000)
Total Operating Expenditure	49,772,629	49,593,395	49,783,662	49,812,063	48,533,079	47,026,261	47,372,223	48,071,406	48,445,615	48,843,045
Transfer to Local Street Fund	1,425,000	800,000	800,000	800,000	1,325,000	1,250,000	1,250,000	1,250,000	1,500,000	1,750,000
Transfer to CIP Fund	2,199,996	2,450,000	2,450,000	2,450,000	2,280,000	2,000,000	2,300,000	2,525,000	2,700,000	2,800,000
Transfer to Water Fund	-	-	50,000	50,000	-	-	-	-	-	-
Transfer to Demolition Fund	39,996	-	-	-	-	-	-	-	-	-
Municipal Golf Association	150,000	-	-	-	-	-	-	-	-	-
Total Transfer for Capital Improvement	3,814,992	3,250,000	3,300,000	3,300,000	3,605,000	3,250,000	3,550,000	3,775,000	4,200,000	4,550,000
Transfer to Pension Fund (ERI Payback: 2012 - 17)	504,070	600,000	600,000	504,070	1,318,159	-	-	-	-	-
Transfer to OPEB Fund	-	-	-	-	900,000	100,000	100,000	100,000	100,000	100,000
Total Transfer to Benefit Trust Fund	504,070	600,000	600,000	504,070	2,218,159	100,000	100,000	100,000	100,000	100,000
TOTAL EXPENDITURES	54,091,691	53,443,395	53,683,662	53,616,133	54,356,238	50,376,261	51,022,223	51,946,406	52,745,615	53,493,045
Beginning Fund Balance	11,342,846	8,056,433	8,056,433	8,056,433	6,742,222	6,564,601	6,589,582	6,663,972	6,795,328	6,882,011
Surplus / (Deficit)	(5,176,665)	(3,813,063)	(4,053,330)	(3,860,893)	(4,620,037)	24,981	74,390	131,356	86,683	105,531
Contribution from/(to) Budget Stabilization	-	1,650,000	1,650,000	1,650,000	-	-	-	-	-	-
Contribution from/(to) Insurance Fund	1,890,252	896,682	896,682	896,682	4,442,416	-	-	-	-	-
Ending Fund Balance	8,056,433	6,790,052	6,549,785	6,742,222	6,564,601	6,589,582	6,663,972	6,795,328	6,882,011	6,987,542
Target Fund Balance	6,358,953	6,451,943	6,451,943	6,468,181	6,465,706	6,552,161	6,642,560	6,770,109	6,868,199	6,967,815
Amount Over (Under) Target	1,697,480	338,109	97,842	274,041	98,895	37,421	21,413	25,219	13,812	19,727
Cumulative Amount Over (Under) Target										
Actual Percentage of Revenues	16.5%	13.7%	13.2%	13.6%	13.2%	13.1%	13.0%	13.0%	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
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2012	2013	2013	2013	2014	2015	2016	2017	2018	2019
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Revenue										
Transfer from General Fund	2,199,996	2,450,000	2,450,000	2,450,000	2,280,000	2,000,000	2,300,000	2,525,000	2,700,000	2,800,000
Transfers from Other Funds	-	-	-	-	-	-	-	-	-	-
Interest	3,931	50,000	50,000	5,000	50,000	50,000	50,000	50,000	50,000	50,000
Subtotal Transfers, Sales and Interest	2,203,927	2,500,000	2,500,000	2,455,000	2,330,000	2,050,000	2,350,000	2,575,000	2,750,000	2,850,000
Special Assessment	-	-	-	-	-	-	-	-	-	-
Reimbursements/Court Consolidation	150,000	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	263,713	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Subtotal Assessments and Reimbursements	513,713	550,000								
Federal Grants										
Farrell Park	134,617	-	11,768	11,768	-	-	-	-	-	-
Lacrone Park	9,596	-	25,324	25,324	-	-	-	-	-	-
I-94 Business Loop Gateway	-	-	169,000	169,000	-	-	-	-	-	-
North Park/Westnedge Sidewalk Project	298,010	-	63,907	63,907	-	-	-	-	-	-
SCBA Replacement	-	-	647,116	647,116	-	-	-	-	-	-
Structural Firefighting Boots	-	-	56,000	56,000	-	-	-	-	-	-
Extractor Washer & Dryer	-	-	10,400	10,400	-	-	-	-	-	-
Command Training Simulator	-	-	44,000	44,000	-	-	-	-	-	-
Hays Park Improvements	-	-	7,500	7,500	-	-	-	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	950,000	-	-	-
Subtotal Federal Grants	442,223	-	1,035,015	1,035,014	-	-	950,000	-	-	-
State Grants										
Woods Lake Park Redevelopment	-	-	363,200	363,200	-	-	-	-	-	-
Lacrone Park	-	-	100,000	100,000	-	-	-	-	-	-
Salt Storage	(55,327)	-	-	-	-	-	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	400,000	-	-	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	300,000	-	-
Milham Park Improvements	-	-	-	-	-	-	-	-	300,000	-
Subtotal State Grants	(55,327)	-	463,200	463,200	-	400,000	-	300,000	300,000	-

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2012	2013	2013	2013	2014	2015	2016	2017	2018	2019
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Private / Grant / Other										
Public Safety Training Complex	15,838	-	-	-	-	-	-	-	-	-
Dispatch Equipment Replacement	611,431	-	-	-	-	-	-	-	-	-
CAD/RMS/ Mobile Data Upgrades	-	-	256,533	256,533	-	-	-	-	-	-
Woods Lake Improvements	-	-	69,755	69,755	-	-	-	-	-	-
Lacrone Park	-	-	91,315	91,315	-	-	-	-	-	-
Mayors' Riverfront Electrical Improvements	20,000	-	46,000	46,000	-	-	-	-	-	-
Ianelli Fountain	2,500	-	-	-	-	-	-	-	-	-
Sidewalk Placement	21,213	-	3,787	3,787	-	-	-	-	-	-
I-94 Business Loop Gateway Improvements	-	-	103,000	103,000	-	-	-	-	-	-
Hays Park Improvements	-	7,500	-	-	-	-	-	-	-	-
Henderson Tot-Lot	-	-	-	-	10,000	-	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	400,000	-	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	970,000	-	-	-
MLK Park Improvements	-	-	-	-	-	100,000	-	-	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	1,400,000	-	-
Milham Park Improvements	-	-	-	-	-	-	-	-	1,400,000	-
Subtotal Private Grants and Other	670,982	7,500	570,390	570,390	10,000	500,000	970,000	1,400,000	1,400,000	-
Subtotal Grants and Fundraising	1,057,878	7,500	2,068,605	2,068,604	10,000	900,000	1,920,000	1,700,000	1,700,000	-
Bond Proceeds	1,220,000	906,500	906,500	1,098,500	1,115,000	2,070,000	4,722,000	2,975,000	730,000	1,130,000
Bond Premiums (Discounts)	19,850	-	-	5,252	-	-	-	-	-	-
Total Resources	5,015,368	3,964,000	6,025,105	6,177,356	4,005,000	5,570,000	9,542,000	7,800,000	5,730,000	4,530,000

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2012	2013	2013	2013	2014	2015	2016	2017	2018	2019
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Expenditures										
Debt Service										
EXISTING										
General Capital Projects										
General Capital Projects - 2004 GO	560,142	555,708	555,708	555,708	556,188	174,910	175,490	172,553	172,445	171,911
General Capital Projects - 2007 GO	68,820	67,385	67,385	67,385	65,933	69,463	67,763	66,043	69,303	67,323
General Capital Projects - 2008 GO	179,661	178,055	178,055	178,055	178,728	179,236	179,265	178,793	178,132	177,282
General Capital Projects - 2009 GO	210,874	210,227	210,227	210,227	211,772	212,832	213,381	215,611	214,964	216,309
General Capital Projects - 2010 GO	193,810	195,178	195,178	195,178	192,670	193,648	194,218	194,028	192,356	190,532
General Capital Projects - 2011 GO	140,031	139,213	139,213	139,213	139,145	139,043	138,678	139,740	140,475	140,866
General Capital Projects - 2012 GO	26	100,275	100,275	111,408	105,752	105,669	105,558	104,033	103,894	103,650
General Capital Projects - 2013 GO	-	39,353	39,353	10,345	81,933	81,897	80,659	79,421	79,361	79,278
Bond Issuance Expenses	146,472	-	95,180	95,180	-	-	-	-	-	-
Subtotal General Capital Projects	1,499,836	1,485,395	1,580,575	1,562,700	1,532,121	1,156,698	1,155,012	1,150,221	1,150,931	1,147,151
Parks										
KMGA and Trailways - 1998 BA	57,869	-	-	-	-	-	-	-	-	-
Subtotal Park Debt Service	57,869	-								
Facilities										
City Hall & Stockbridge Renovation - 1998 Ref	38,557	37,003	37,003	37,021	-	-	-	-	-	-
Justice Facility (Crosstown) - 1999/05B BA Ref	644,128	645,528	645,528	646,028	649,491	642,003	647,003	647,253	646,503	644,753
Park Street Public Safety Station - 2006B BA	320,401	318,401	318,401	318,401	321,201	318,601	315,801	317,801	319,401	320,601
Building Authority 2011 Refunding	270,703	338,986	338,986	338,577	334,494	342,957	325,643	247,618	246,218	240,313
Subtotal Facilities Debt Service	1,273,789	1,339,919	1,339,919	1,340,027	1,305,186	1,303,562	1,288,447	1,212,672	1,212,122	1,205,667
Public Safety Equipment										
Public Safety Dispatch - 2003 BA	227,558	229,469	229,469	229,469	-	-	-	-	-	-
Subtotal Public Safety Equipment Debt Svc	227,558	229,469	229,469	229,469	-	-	-	-	-	-
Subtotal Existing Debt Service	3,059,051	3,054,782	3,149,962	3,132,196	2,837,306	2,460,259	2,443,459	2,362,894	2,363,054	2,352,818
PROPOSED NEW DEBT SERVICE										
General Capital Projects - 2014 GO (Prop)	-	-	-	-	24,962	49,924	49,924	49,924	49,924	49,924
General Capital Projects - 2015 GO (Prop)	-	-	-	-	-	85,523	171,045	171,045	171,045	171,045
General Capital Projects - 2016 GO (Prop)	-	-	-	-	-	-	204,994	409,988	409,988	409,988
General Capital Projects - 2017 GO (Prop)	-	-	-	-	-	-	-	129,152	258,305	258,305
General Capital Projects - 2018 GO (Prop)	-	-	-	-	-	-	-	-	31,691	63,382
General Capital Projects - 2019 GO (Prop)	-	-	-	-	-	-	-	-	-	49,056
Subtotal Proposed New Debt Service	-	-	-	-	24,962	135,447	425,964	760,110	920,954	1,001,701
Total Debt Service	3,059,051	3,054,782	3,149,962	3,132,196	2,862,269	2,595,706	2,869,423	3,123,004	3,284,007	3,354,519

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2012	2013	2013	2013	2014	2015	2016	2017	2018	2019
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Environmental										
Cash/Reserve Funding:										
Auto Ion Env.	4,454	10,000	47,616	47,616	-	-	-	-	-	-
Subtotal Environmental Projects	4,454	10,000	47,616	47,616	-	-	-	-	-	-
Priority Projects										
Priority Projects: Parks										
Cash/Reserve Funding:										
Bronson Park Electrical Upgrade	292	-	-	-	-	-	-	-	-	-
Rose Park Lighting	8,576	-	-	-	-	-	-	-	-	-
Spring Valley Stormwater	41,370	-	-	-	-	-	-	-	-	-
Farrell Park	10,018	-	-	-	-	-	-	-	-	-
Woods Lake Park Redevelopment	39,850	-	116,699	116,699	-	-	-	-	-	-
Lacrone Park	-	-	13,743	13,743	-	-	-	-	-	-
Axtell Creek Park Improvements	-	-	35,650	35,650	-	-	-	-	-	-
Hays Park Improvement Project	-	-	7,500	7,500	-	-	-	-	-	-
Mayors' Riverfront Automated Gate	-	-	20,000	20,000	-	-	-	-	-	-
SCR Building Improvements	-	-	20,000	20,000	-	-	-	-	-	-
Outside Funding:										
Farrell Park	134,617	-	1,750	1,750	-	-	-	-	-	-
Woods Lake Park Redevelopment	-	-	432,955	432,955	-	-	-	-	-	-
Lacrone Park	6,624	-	216,639	216,639	-	-	-	-	-	-
Mayors' Riverfront Electrical Improvements	-	-	46,000	46,000	-	-	-	-	-	-
Hays Park Improvement Project	-	7,500	7,500	7,500	-	-	-	-	-	-
Henderson Tot Lot	-	-	-	-	10,000	-	-	-	-	-
MLK Park Improvements	-	-	-	-	-	100,000	-	-	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	1,700,000	-	-
Milham Park Improvements	-	-	-	-	-	-	-	-	1,700,000	-
Bond Funding:										
ADA Upgrades for KIK Pool	46,000	-	-	-	-	-	-	-	-	-
Axtell Creek Park Improvements	24,600	-	-	-	-	-	-	-	-	-
Parks Facilities Equipment and Repairs	13,585	-	-	-	-	-	-	-	-	-
Parks Facilities Equipment and Repairs	-	25,000	25,000	25,000	-	-	-	-	-	-
Parks and Recreation Five Year Plan	-	45,000	45,000	45,000	-	-	-	-	-	-
Hays Park Improvement Project	-	162,500	162,500	162,500	-	-	-	-	-	-
Kik Pool replacement Panels	-	38,000	38,000	38,000	-	-	-	-	-	-
Henderson Tot Lot Improvements	-	-	-	-	50,000	-	-	-	-	-

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2012	2013	2013	2013	2014	2015	2016	2017	2018	2019
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Parks , continued	-	-	-	-	-	-	-	-	-	-
YDC Facility Improvements	-	-	-	-	-	-	-	-	-	-
Milham Park Portage Creek Dredging	-	-	-	-	-	-	-	-	-	-
Ianelli Sculptural Repairs - Phase II	-	-	-	-	-	600,000	-	-	-	-
MLK Park Improvements	-	-	-	-	-	100,000	-	-	-	-
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	-
Park Improvements	-	-	-	-	-	-	-	-	-	500,000
Subtotal Priority Projects: Parks	325,531	278,000	1,188,936	1,188,936	60,000	1,420,000	215,000	2,215,000	2,150,000	500,000
Priority Projects: Facilities										
Cash/Reserve Funding:										
Public Safety Facility Upgrades	36,275	-	-	-	-	-	-	-	-	-
City Hall Improvements	5,007	-	-	-	-	-	-	-	-	-
City Hall Replace HVAC Equipment	-	-	83,655	83,655	-	-	-	-	-	-
City Hall Security Access	-	-	60,414	60,414	-	-	-	-	-	-
General Fund Equip and Facilities Major Repairs (2012)	-	-	6,299	6,299	-	-	-	-	-	-
City Hall Power Supply Replacement (Design)	-	-	27,000	27,000	-	-	-	-	-	-
City Hall HVAC Equipment	24,405	-	-	-	81,200	-	-	-	-	-
Bond Funding:										
City Hall Improvements	8,735	-	-	-	30,000	30,000	105,000	110,000	30,000	230,000
General Fund Equip and Facilities Major Repairs (2012)	23,701	-	-	-	-	-	-	-	-	-
City Hall HVAC Equipment	-	-	-	-	-	100,000	-	-	-	-
City Hall Security Access	475	-	-	-	-	-	-	-	-	-
Snow-melt System Software Upgrade	9,982	-	-	-	-	-	-	-	-	-
General Fund Equipment & Major Repairs	-	30,000	10,000	10,000	-	-	-	-	-	-
City Hall Fan Coil Replacement	-	-	20,000	20,000	-	-	-	-	-	-
KIK Pool Safety Cover	-	36,000	36,000	36,000	-	-	-	-	-	-
Public Safety Facility Upgrades	-	125,000	82,939	82,939	75,000	-	-	-	-	-
Station #6 Facility Improvements	-	-	42,061	42,061	-	-	-	-	-	-
City Hall Electrical Upgrade	-	-	-	-	400,000	-	-	-	-	-
Public Safety Station- Replace Chillers/Boilers	-	-	-	-	420,000	-	-	-	-	-
Public Safety Station #2 Replacement	-	-	-	-	-	-	2,570,000	-	-	-
Redevelopment of the Farmers Market - Phase I	-	-	-	-	-	-	1,600,000	-	-	-
Public Safety Facility Upgrades	-	-	-	-	-	-	-	-	250,000	400,000
Subtotal Priority Projects: Facilities	108,580	191,000	368,368	368,368	1,006,200	130,000	4,275,000	110,000	280,000	630,000

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2012	2013	2013	2013	2014	2015	2016	2017	2018	2019
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Public Safety Equipment										
Cash/Reserve Funding:										
Repair/Refurbish Fire Apparatus	-	-	121,222	121,222	-	-	-	-	-	-
CAD/RMS Upgrade	-	-	259,413	259,413	-	-	-	-	-	-
SCBA Replacement	-	-	156,400	156,400	-	-	-	-	-	-
Extractor Washer and Dryer	-	-	4,600	4,600	-	-	-	-	-	-
Command/Training Simulator	-	-	9,000	9,000	-	-	-	-	-	-
Internal Funding from Other Funds:										
Structural Firefighting Boots (General Fund-KDPS)	-	-	14,000	14,000	-	-	-	-	-	-
Outside Funding:										
Dispatch Equipment Replacement	102,806	-	-	-	-	-	-	-	-	-
CAD/RMS Upgrade	-	-	256,533	256,533	-	-	-	-	-	-
SCBA Replacement	-	-	647,116	647,116	-	-	-	-	-	-
Structural Firefighting Boots	-	-	56,000	56,000	-	-	-	-	-	-
Extractor Washer and Dryer	-	-	10,400	10,400	-	-	-	-	-	-
Command/Training Simulator	-	-	44,000	44,000	-	-	-	-	-	-
Bond Funding:										
CAD/RMS Upgrade	90,587	-	-	-	-	-	-	550,000	-	-
Repair/Refurbishment/Update Fire Apparatus	-	300,000	300,000	300,000	-	-	-	-	-	-
Video Security System Proximity Readers	-	25,000	25,000	25,000	-	-	-	-	-	-
Investigation/Evidence Database Upgrade	-	120,000	120,000	120,000	-	-	-	-	-	-
Replace Engine 7	-	-	-	-	-	500,000	-	-	-	-
In-Car Camera Supporting Infrastructure Upgrade	-	-	-	-	-	-	82,000	-	-	-
Dispatch Equipment Replacement	-	-	-	-	-	-	-	1,800,000	-	-
Subtotal Priority Projects: Public Safety Equip	193,393	445,000	2,023,684	2,023,684	-	500,000	82,000	2,350,000	-	-
Priority Projects: Other										
Cash / Reserve Funding:										
Ianelli Fountain	6,404	-	-	-	-	-	-	-	-	-
Trailway Development	5,225	-	11,947	11,947	-	-	-	-	-	-
Portage Creek Trailway	8,944	-	20,768	20,768	-	-	-	-	-	-
Spring Valley Park Dam	210,509	-	-	-	-	-	-	-	-	-
I-94 Business Loop Gateway Improvements	-	-	41,588	41,588	-	-	-	-	-	-
North Park/Westnedge Sidewalk Project	6,855	-	-	-	-	-	-	-	-	-
Street Sweeper	-	-	-	-	160,000	-	-	-	-	-
Outside Funding:										
Ianelli Fountain	2,500	-	-	-	-	-	-	-	-	-
Sidewalk Placement	-	-	2,268	2,268	-	-	-	-	-	-
I-94 Business Loop Gateway Improvements	-	-	272,000	272,000	-	-	-	-	-	-
North Park/Westnedge Sidewalk Project	298,010	-	57,052	57,052	-	-	-	-	-	-
Kal River Valley Trail - Willard Street Extension	-	-	-	-	-	-	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	400,000	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	400,000	-	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	950,000	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	970,000	-	-	-

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2012	2013	2013	2013	2014	2015	2016	2017	2018	2019
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Other, continued										
Bond Funding:										
Sidewalk Placement	6,331	-	-	-	-	-	-	-	-	-
Spring Valley Park Dam	13,669	-	-	-	-	-	-	-	-	-
Plow Truck	-	-	-	-	140,000	-	-	-	-	-
Kal River Valley Trail - Willard Street Extension	-	-	-	-	-	-	-	-	-	-
Portage Creek Trail, Segment 1	-	-	-	-	-	120,000	-	-	-	-
Portage Creek Trail, Segment 2	-	-	-	-	-	-	150,000	-	-	-
Subtotal Priority Projects: Other	558,447	-	405,623	405,623	300,000	920,000	2,070,000	-	-	-
Subtotal Current Reserve/Cash Funded Projects	408,183	10,000	1,063,514	1,063,514	241,200	-	-	-	-	-
Subtotal Current Internal Funded Projects	-	-	14,000	14,000	-	-	-	-	-	-
Subtotal Current Outside Funded Projects	544,557	7,500	2,050,213	2,050,213	10,000	900,000	1,920,000	1,700,000	1,700,000	-
Subtotal Current Bond Funded Projects	237,665	906,500	906,500	906,500	1,115,000	2,070,000	4,722,000	2,975,000	730,000	1,130,000
Total Priority Projects	1,190,405	924,000	4,034,227	4,034,227	1,366,200	2,970,000	6,642,000	4,675,000	2,430,000	1,130,000
Total Debt Service (Current Payment)	3,059,051	3,054,782	3,149,962	3,132,196	2,862,269	2,595,706	2,869,423	3,123,004	3,284,007	3,354,519
Total Capital Improvement Program Expenses	4,249,456	3,978,782	7,184,189	7,166,423	4,228,469	5,565,706	9,511,423	7,798,004	5,714,007	4,484,519
Transfer of Bond Reserves to Local Streets Fund	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	765,912	(14,782)	(1,159,084)	(989,067)	(223,469)	4,294	30,577	1,996	15,993	45,481
Beginning Fund Balance	579,920	1,345,832	1,345,832	1,345,832	356,765	133,296	137,590	168,167	170,164	186,157
Ending Fund Balance	1,345,832	1,331,050	186,748	356,765	133,296	137,590	168,167	170,164	186,157	231,638

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
MAJOR STREETS BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2015 Estimated	2016 Estimated	2017 Estimated	2018 Estimated	2019 Estimated
Revenue										
Highway Maintenance	115,710	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Gas & Weight Tax	3,982,120	4,107,326	4,107,326	4,107,326	4,046,599	4,127,531	4,210,082	4,294,283	4,380,169	4,467,772
Other State Revenue (Metro Act)	312,935	265,000	265,000	265,000	265,000	265,000	265,000	265,000	265,000	265,000
Interest	7,461	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Bond Discount	-	-	-	-	-	-	-	-	-	-
Other	20,606	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfer from Insurance Fund	23,340	23,343	23,343	23,343	51,314	-	-	-	-	-
Total Revenue	4,462,172	4,655,669	4,655,669	4,655,669	4,622,913	4,652,531	4,735,082	4,819,283	4,905,169	4,992,772
Expenditures										
Debt Service	1,977,225	2,109,374	2,109,374	2,109,374	2,056,105	1,555,078	1,371,737	1,238,470	1,240,729	1,237,330
New Debt Service	-	-	-	-	83,333	250,000	375,417	546,250	696,667	868,167
Operations & Maintenance	2,451,213	2,710,816	2,710,816	2,557,706	2,726,455	2,729,302	2,783,888	2,839,566	2,896,357	2,954,284
Total Debt Service & Operations	4,428,438	4,820,190	4,820,190	4,667,080	4,865,893	4,534,380	4,531,042	4,624,285	4,833,753	5,059,781
Transfers										
Transfer to Local Streets	-	500,000	500,000	500,000	200,000	200,000	200,000	200,000	100,000	-
Transfer to Pension Fund (ERI Payback)	10,721	-	-	10,721	27,971	-	-	-	-	-
Total Expenditure & Transfers	4,439,159	5,320,190	5,320,190	5,177,801	5,093,864	4,734,380	4,731,042	4,824,285	4,933,753	5,059,781
Available for Construction	23,013	(664,521)	(664,521)	(522,132)	(470,951)	(81,849)	4,040	(5,002)	(28,584)	(67,009)
Other Resources for Capital										
Federal Aid	-	1,885,000	1,885,000	1,885,000	1,267,000	1,706,000	1,161,000	1,406,000	1,161,000	1,161,000
Other State Revenue	-	-	-	-	-	-	-	-	-	-
Private Funding	150,000	-	-	-	-	-	-	-	-	-
Bond Reserves	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	2,005,000	2,000,000	2,000,000	2,000,000	2,000,000	1,505,000	2,050,000	1,805,000	2,058,000	2,050,000
Contribution from General Fund	-	-	-	-	-	-	-	-	-	-
Total Capital Resources	2,155,000	3,885,000	3,885,000	3,885,000	3,267,000	3,211,000	3,211,000	3,211,000	3,219,000	3,211,000
Capital Expenditures										
Construction	1,809,085	3,885,000	5,498,528	5,498,528	3,267,000	3,211,000	3,211,000	3,211,000	3,219,000	3,211,000
Surplus / (Deficit)	368,928	(664,521)	(2,278,049)	(2,135,660)	(470,951)	(81,849)	4,040	(5,002)	(28,584)	(67,009)
Transfer from LDFA (Reimbursement to Fund Balance)										
	131,364	187,440	187,440	222,359	328,619	335,912	-	-	-	-
Beginning Fund Balance	1,894,977	2,395,269	2,395,269	2,395,269	481,968	339,636	593,699	597,739	592,737	564,153
Ending Fund Balance	2,395,269	1,918,188	304,660	481,968	339,636	593,699	597,739	592,737	564,153	497,144

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

LOCAL STREETS BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2015 Estimated	2016 Estimated	2017 Estimated	2018 Estimated	2019 Estimated
Revenue & Other Resources										
Operating Revenues										
Gas & Weight Tax	1,122,618	1,111,627	1,111,627	1,111,627	1,140,975	1,140,975	1,163,795	1,187,070	1,210,812	1,235,028
Interest	3,480	2,000	2,000	2,000	2,000	10,000	10,000	10,000	10,000	10,000
Bond Discount	-	-	-	-	-	10,000	10,000	10,000	10,000	10,000
Other	-	3,000	3,000	3,000	3,000	5,000	5,000	5,000	5,000	5,000
Total Operating Revenue	1,126,098	1,116,627	1,116,627	1,116,627	1,145,975	1,165,975	1,188,795	1,212,070	1,235,812	1,260,028
Other Resources										
Transfer From Major Streets	-	500,000	500,000	500,000	200,000	200,000	200,000	200,000	100,000	-
Transfer From General Fund	1,425,000	800,000	800,000	800,000	1,325,000	1,250,000	1,250,000	1,250,000	1,500,000	1,750,000
Transfer From Insurance Fund	20,388	20,390	20,390	20,390	48,361	-	-	-	-	-
Total Other Resources	1,445,388	1,320,390	1,320,390	1,320,390	1,573,361	1,450,000	1,450,000	1,450,000	1,600,000	1,750,000
Total Revenue and Other Sources	2,571,486	2,437,017	2,437,017	2,437,017	2,719,336	2,615,975	2,638,795	2,662,070	2,835,812	3,010,028
Expenditures										
Operations & Maintenance	1,587,963	2,034,505	2,034,505	1,820,976	1,968,844	1,944,522	1,983,412	2,023,080	2,063,542	2,104,813
Existing Debt Service	662,279	754,587	754,587	754,587	827,540	616,193	513,745	438,380	438,368	438,558
Proposed New Debt Service	-	-	-	-	41,667	125,000	208,333	291,667	375,000	458,333
Total Debt Service & Operations	2,250,242	2,789,092	2,789,092	2,575,563	2,838,051	2,685,715	2,705,491	2,753,127	2,876,910	3,001,704
Transfers										
Transfer to Pension Fund (ERI Payback)	10,721	-	-	10,721	27,971	-	-	-	-	-
Total Expenditure & Transfers	2,260,963	2,789,092	2,789,092	2,586,284	2,866,022	2,685,715	2,705,491	2,753,127	2,876,910	3,001,704
Available for Construction	310,523	(352,075)	(352,075)	(149,267)	(146,686)	(69,740)	(66,696)	(91,057)	(41,098)	8,324
Other Resources for Capital										
Local and Other Contributions	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-
Transfer from Major Streets	47,416	-	-	-	-	-	-	-	-	-
Total Capital Resources	1,047,416	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	984,919	1,000,000	1,164,122	1,164,122	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Surplus / (Deficit)	373,020	(352,075)	(516,197)	(313,389)	(146,686)	(69,740)	(66,696)	(91,057)	(41,098)	8,324
Beginning Fund Balance	647,000	1,020,020	1,020,020	1,020,020	706,631	559,945	490,205	423,509	332,452	291,354
Ending Fund Balance	1,020,020	667,945	503,823	706,631	559,945	490,205	423,509	332,452	291,354	299,678

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
GENERAL FUND**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
REVENUES:							
Operating Taxes- Current Year	27,984,422	28,088,708	28,088,708	27,779,003	27,705,228	-1.37%	28,099,862
Other Taxes / PILOT Payment	1,016,494	930,380	930,380	1,283,412	1,264,495	35.91%	1,633,462
Licenses, Permits & Fees	1,641,249	1,867,700	1,867,700	1,922,825	1,974,735	5.73%	2,004,356
Intergovernmental Contributions	8,831,953	8,967,035	8,967,035	9,120,952	9,276,149	3.45%	9,368,910
Charges for Services	3,919,917	4,078,180	4,078,180	3,964,251	4,020,551	-1.41%	4,100,962
Interest	324,536	405,050	405,050	370,011	405,000	-0.01%	409,050
Other Revenue	5,196,455	5,293,279	5,293,279	5,314,786	5,090,043	-3.84%	4,784,640
TOTAL OPERATING REVENUE	48,915,026	49,630,332	49,630,332	49,755,240	49,736,201	0.21%	50,401,242
EXPENDITURES:							
CITY COMMISSION							
Personnel	56,519	56,515	56,515	56,519	56,519	0.01%	56,516
Operating	11,169	19,600	19,600	16,355	18,866	-3.74%	18,866
TOTAL CITY COMMISSION	67,688	76,115	76,115	72,874	75,385	-0.96%	75,382
CITY ADMINISTRATION							
Personnel	554,557	535,614	535,614	503,261	579,036	8.11%	577,058
Operating	88,516	104,158	104,158	79,329	104,267	0.10%	104,267
TOTAL CITY ADMINISTRATION	643,073	639,772	639,772	582,590	683,303	6.80%	681,325
CITY ATTORNEY							
Personnel	667,190	650,254	650,254	631,271	627,033	-3.57%	624,200
Operating	66,936	85,762	85,762	83,251	84,918	-0.98%	84,918
TOTAL CITY ATTORNEY	734,126	736,016	736,016	714,522	711,951	-3.27%	709,118
CITY CLERK:							
ADMINISTRATION							
Personnel	210,176	223,170	223,170	233,550	205,577	-7.88%	198,932
Operating	18,762	43,460	43,460	40,766	40,565	-6.66%	40,565
TOTAL ADMINISTRATION	228,938	266,630	266,630	274,316	246,142	-7.68%	239,497
ELECTIONS							
Personnel	203,471	111,964	111,964	108,186	180,325	61.06%	114,203
Operating	77,741	35,257	35,257	34,783	55,282	56.80%	34,783
TOTAL ELECTIONS	281,212	147,221	147,221	142,969	235,607	60.04%	148,986
RECORDS MANAGEMENT							
Personnel	98,216	99,559	99,559	98,964	71,149	-28.54%	71,707
Operating	77,479	70,087	70,087	69,190	67,395	-3.84%	67,395
Capital	-	-	-	-	-	-	-
TOTAL RECORDS MANAGEMENT	175,695	169,646	169,646	168,154	138,544	-18.33%	139,102
TOTAL CITY CLERK	685,845	583,497	583,497	585,439	620,293	6.31%	527,585
INTERNAL AUDITOR							
Personnel	86,013	90,427	90,427	93,149	92,130	1.88%	91,293
Operating	468	1,617	1,617	1,602	1,451	-10.27%	1,451
TOTAL INTERNAL AUDITOR	86,481	92,044	92,044	94,751	93,581	1.67%	92,744
HUMAN RESOURCES							
Personnel	743,295	659,321	659,321	687,749	679,474	3.06%	675,121
Operating	54,308	50,417	50,417	44,577	43,182	-14.35%	43,182
TOTAL HUMAN RESOURCES	797,603	709,738	709,738	732,326	722,656	1.82%	718,303

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
GENERAL FUND**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
INFORMATION TECHNOLOGY							
Personnel	613,281	620,188	620,188	641,528	637,287	2.76%	634,448
Operating	478,269	516,942	516,942	494,842	461,642	-10.70%	461,642
Capital	210,778	129,000	129,000	131,808	138,000	6.98%	138,000
TOTAL INFORMATION TECHNOLOGY	1,302,328	1,266,130	1,266,130	1,268,178	1,236,929	-2.31%	1,234,090
MANAGEMENT SERVICES							
BUDGET AND ACCOUNTING							
Personnel	926,889	914,110	914,110	897,677	924,728	1.16%	914,296
Operating	42,074	43,623	43,623	38,053	42,197	-3.27%	42,197
TOTAL BUDGET AND ACCOUNTING	968,963	957,733	957,733	935,730	966,925	0.96%	956,493
ASSESSOR							
Personnel	383,429	147,487	147,487	93,062	84,249	-42.88%	85,157
Operating	221,247	352,692	352,692	405,700	416,604	18.12%	416,604
TOTAL ASSESSOR	604,676	500,179	500,179	498,762	500,853	0.13%	501,761
TREASURY							
Personnel	413,908	369,868	369,868	392,774	366,901	-0.80%	363,317
Operating	111,820	118,207	118,207	109,905	118,337	0.11%	118,337
TOTAL TREASURER	525,728	488,075	488,075	502,679	485,238	-0.58%	481,654
PURCHASING							
Personnel	371,559	307,441	307,441	310,103	292,136	-4.98%	291,533
Operating	45,864	19,654	19,654	16,992	18,452	-6.12%	18,452
TOTAL PURCHASING	417,423	327,095	327,095	327,095	310,588	-5.05%	309,985
TOTAL MANAGEMENT SERVICES	2,516,790	2,273,082	2,273,082	2,264,266	2,263,604	-0.42%	2,249,893
PUBLIC SAFETY							
ADMINISTRATION							
Personnel	879,238	989,378	989,378	991,361	931,589	-5.84%	906,423
Operating	138,012	180,449	180,449	175,700	129,763	-28.09%	129,763
TOTAL ADMINISTRATION	1,017,250	1,169,827	1,169,827	1,167,061	1,061,352	-9.27%	1,036,186
COPS - FORMERLY KVET							
Personnel	1,250,554	2,198,906	2,198,906	1,803,407	2,001,544	-8.98%	2,031,123
Operating	-	-	-	-	-	-	-
TOTAL COPS	1,250,554	2,198,906	2,198,906	1,803,407	2,001,544	-8.98%	2,031,123
OPERATIONS DIVISION							
Personnel	18,767,351	17,948,713	17,948,713	18,526,305	17,695,442	-1.41%	17,873,198
Operating	56,482	43,685	43,685	43,685	43,685	0.00%	43,685
TOTAL OPERATIONS	18,823,833	17,992,398	17,992,398	18,569,990	17,739,127	-1.41%	17,916,883
CRIMINAL INVESTIGATIONS							
Personnel	3,543,501	3,405,856	3,405,856	3,399,033	3,522,312	3.42%	3,416,329
Operating	27,473	55,721	55,721	55,721	45,721	-17.95%	45,721
TOTAL CRIMINAL INVESTIGATIONS	3,570,974	3,461,577	3,461,577	3,454,754	3,568,033	3.08%	3,462,050
SERVICE DIVISION							
Personnel	3,918,437	3,819,406	3,819,406	3,916,602	4,126,284	8.03%	4,162,308
Operating	2,141,952	2,609,615	2,646,099	2,479,795	1,893,642	-27.44%	2,429,382
Capital	257,982	308,900	308,900	311,160	126,620	-59.01%	342,620
TOTAL SERVICE	6,318,371	6,737,921	6,774,405	6,707,557	6,146,546	-8.78%	6,934,310
TOTAL PUBLIC SAFETY	30,980,982	31,560,629	31,597,113	31,702,769	30,516,602	-3.31%	31,380,551

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
GENERAL FUND**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
PUBLIC SERVICES							
CITY MAINTENANCE							
Personnel	472,521	415,965	415,965	414,624	425,811	2.37%	426,819
Operating	383,765	393,573	393,573	391,024	345,897	-12.11%	345,897
TOTAL CITY WIDE MAINTENANCE	856,286	809,538	809,538	805,648	771,708	-4.67%	772,716
ENGINEERING							
Personnel	1,025,187	1,046,483	1,046,483	1,021,411	1,077,786	2.99%	1,070,514
Operating	196,937	164,653	164,653	173,681	160,950	-2.25%	160,950
TOTAL ENGINEERING	1,222,124	1,211,136	1,211,136	1,195,092	1,238,736	2.28%	1,231,464
CITY EQUIPMENT							
Personnel	786,707	857,328	857,328	757,375	782,483	-8.73%	779,891
Operating	1,548,932	1,606,613	1,606,613	1,552,876	1,528,915	-4.84%	1,528,915
Capital	7,645	170,000	170,000	170,000	50,000	-70.59%	50,000
TOTAL CITY EQUIPMENT	2,343,284	2,633,941	2,633,941	2,480,251	2,361,398	-10.35%	2,358,806
PUBLIC WORKS							
FORESTRY							
Personnel	198,003	200,860	200,860	220,688	208,237	3.67%	204,911
Operating	40,335	38,510	38,510	38,021	38,894	1.00%	38,894
TOTAL FORESTRY	238,338	239,370	239,370	258,709	247,131	3.24%	243,805
DOWNTOWN MAINTENANCE							
Personnel	82,717	84,131	84,131	88,761	83,371	-0.90%	82,250
Operating	154,620	182,780	182,780	206,124	159,740	-12.61%	159,740
TOTAL DOWNTOWN MAINTENANCE	237,337	266,911	266,911	294,885	243,111	-8.92%	241,990
ENVIRONMENTAL INSPECTIONS							
Personnel	86,819	76,681	76,681	76,682	82,700	7.85%	86,433
Operating	67,236	70,305	70,305	76,563	70,619	0.45%	70,619
TOTAL ENVIRONMENTAL INSPECTIONS	154,055	146,986	146,986	153,245	153,319	4.31%	157,052
SIDEWALKS							
Personnel	108,112	76,549	76,549	84,381	85,632	11.87%	84,555
Operating	29,410	31,590	31,590	27,922	30,556	-3.27%	30,556
TOTAL SIDEWALKS	137,522	108,139	108,139	112,303	116,188	7.44%	115,111
TOTAL PUBLIC WORKS	767,252	761,406	761,406	819,142	759,749	-0.22%	757,957
TOTAL PUBLIC SERVICES	5,188,946	5,416,021	5,416,021	5,300,133	5,131,591	-5.25%	5,120,944
COMMUNITY PLANNING AND DEVELOPMENT							
CODE ADMINISTRATION							
HOUSING							
Personnel	828,840	868,113	868,113	735,459	635,064	-26.85%	632,707
Operating	86,999	80,977	80,977	61,487	76,327	-5.74%	76,327
Capital	772	3,000	3,000	1,000	2,000	-33.33%	2,000
TOTAL HOUSING	916,611	952,090	952,090	797,946	713,391	-25.07%	711,034
TRADES							
Personnel	431,663	341,344	341,344	468,280	569,757	66.92%	562,483
Operating	53,721	67,151	67,151	37,451	66,503	-0.96%	66,503
Capital	5,000	-	-	-	-	-	-
TOTAL TRADES	490,384	408,495	408,495	505,731	636,260	55.76%	628,986
TOTAL CODE ADMINISTRATION	1,406,995	1,360,585	1,360,585	1,303,677	1,349,651	-0.80%	1,340,020
PLANNING							
Personnel	364,479	344,118	344,118	349,469	277,479	-19.37%	273,395
Operating	29,135	39,266	39,266	35,566	35,956	-8.43%	35,956
TOTAL PLANNING	393,614	383,384	383,384	385,035	313,435	-18.25%	309,351
TOTAL COMMUNITY PLANNING AND DEVELOPMENT	1,800,609	1,743,969	1,743,969	1,688,712	1,663,086	-4.64%	1,649,372

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
GENERAL FUND**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
ECONOMIC DEVELOPMENT							
Personnel	235,967	173,940	173,940	172,024	147,661	-15.11%	157,029
Operating	11,423	89,735	89,735	89,735	94,185	4.96%	94,185
TOTAL ECONOMIC DEVELOPMENT	247,390	263,675	263,675	261,759	241,846	-8.28%	251,214
PARKS AND RECREATION							
PARKS							
GENERAL PARKS							
Personnel	703,388	620,392	620,392	511,411	634,325	2.25%	640,049
Operating	237,536	289,941	289,941	291,056	249,302	-14.02%	249,302
Capital	2,799	-	-	-	-		-
TOTAL GENERAL PARKS	943,723	910,333	910,333	802,467	883,627	-2.93%	889,351
BRONSON PARK MAINTENANCE							
Personnel	27,524	22,191	22,191	25,335	35,791	61.29%	35,611
Operating	29,491	32,649	32,649	31,879	34,430	5.45%	34,430
Capital	-	-	-	-	-		-
TOTAL BRONSON PARK	57,015	54,840	54,840	57,214	70,221	28.05%	70,041
TOTAL PARKS	1,000,738	965,173	965,173	859,681	953,848	-1.17%	959,392
RECREATION							
GENERAL RECREATION							
Personnel	571,191	541,147	541,147	510,620	526,430	-2.72%	523,281
Operating	196,140	225,924	225,924	210,607	205,275	-9.14%	205,275
TOTAL GENERAL RECREATION	767,331	767,071	767,071	721,227	731,705	-4.61%	728,556
RECREATION ADULT SPORTS							
Personnel	27,347	26,533	26,533	21,548	29,090	9.64%	28,639
Operating	59,569	57,695	57,695	53,260	65,679	13.84%	65,679
Capital	-	-	-	-	-		-
TOTAL ADULT SPORTS	86,916	84,228	84,228	74,808	94,769	12.51%	94,318
INTERGENERATIONAL AND INCLUSIVE SERVICE							
Personnel	25,097	5,588	5,588	5,989	6,163	10.29%	6,073
Operating	11,912	5,150	5,150	3,229	4,150	-19.42%	4,150
TOTAL INTERGENERATIONAL AND INCLUSIVE SERVICE	37,009	10,738	10,738	9,218	10,313	-3.96%	10,223
RECREATION / SPORTS COMPLEX							
Personnel	94,218	93,853	93,853	94,708	77,556	-17.36%	76,912
Operating	79,995	68,949	68,949	78,137	92,070	33.53%	92,070
Capital	-	-	-	-	-		-
TOTAL SPORTS COMPLEX	174,213	162,802	162,802	172,845	169,626	4.19%	168,982
TOTAL RECREATION	1,065,469	1,024,839	1,024,839	978,098	1,006,413	-1.80%	1,002,078
TOTAL PARKS & RECREATION	2,066,207	1,990,012	1,990,012	1,837,779	1,960,261	-1.50%	1,961,470

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
GENERAL FUND**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
GENERAL :							
NON-DEPARTMENTAL EXPENDITURES							
TOTAL STREET LIGHTING	1,272,460	1,381,469	1,381,469	1,254,527	1,285,890	-6.92%	1,285,890
MEMBERSHIP DUES							
Michigan Municipal League	15,747	15,747	15,747	15,016	15,747	0.00%	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	21,699	21,699	20,968	21,699	0.00%	21,699
CONTRACTUAL							
Cable Franchise Fee - CAC	250,100	260,000	260,000	260,000	260,000	0.00%	260,000
Auto Park - Parking Enforcement	313,151	175,570	175,570	194,226	58,883	-66.46%	-
District Court Subsidy	128,402	138,174	138,174	137,499	138,174	0.00%	138,174
General Insurance	31,440	31,431	31,431	31,431	31,431	0.00%	31,431
TOTAL CONTRACTUAL	723,093	605,175	605,175	623,156	488,488	-19.28%	429,605
OUTSIDE CONTRACTUAL							
External Auditor	44,300	45,000	45,000	45,700	47,000	4.44%	47,000
Financial Advisors	1,800	25,000	25,000	25,000	25,000	0.00%	25,000
Other	78,073	87,000	230,783	193,783	25,000	-71.26%	25,000
TOTAL OUTSIDE CONTRACTUAL	124,173	157,000	300,783	264,483	97,000	-38.22%	97,000
GENERAL SERVICE							
Salary Reserve	-	46,000	46,000	-	207,300	350.65%	201,870
Vacancy Variance	-	(500,000)	(500,000)	-	-	-100.00%	-
TANS Debt Service Fund	56,957	56,771	56,771	58,250	58,250	2.61%	58,250
Stockbridge Rental Fee	117,552	121,081	121,081	121,081	124,713	3.00%	128,454
Other	2,095	2,000	2,000	2,000	2,151	7.55%	-
TOTAL GENERAL SERVICE	176,604	(274,148)	(274,148)	181,331	392,414	-243.14%	388,574
TOTAL NON-DEPARTMENTAL	2,318,029	1,891,195	2,034,978	2,344,465	2,285,491	20.85%	2,222,768
TOTAL OPERATING BUDGET	49,436,097	49,241,895	49,422,162	49,450,563	48,206,579	-2.10%	48,874,761
INITIATIVES							
Summer Youth Employment	90,000	90,000	90,000	90,000	90,000	0.00%	90,000
Neighborhood Association Funding	196,532	211,500	221,500	221,500	211,500	0.00%	211,500
Contribution to Communities in Schools	50,000	50,000	50,000	50,000	25,000	-50.00%	-
TOTAL INITIATIVES	336,532	351,500	361,500	361,500	326,500	-7.11%	301,500
TOTAL OPERATING & INITIATIVES	49,772,629	49,593,395	49,783,662	49,812,063	48,533,079	-2.14%	49,176,261
Expenditure Reductions	-	-	-	-	-		(2,150,000)
TRANSFERS OUT							
Contribution to CIP Fund	2,199,996	2,450,000	2,450,000	2,450,000	2,280,000	-6.94%	2,000,000
Local Streets	1,425,000	800,000	800,000	800,000	1,325,000	65.63%	1,250,000
Demolition Fund	39,996	-	-	-	-	-	-
Water (Allied Disposal Superfund)	-	-	50,000	50,000	-	-	-
Municipal Golf Association	150,000	-	-	-	-	0.00%	-
TOTAL CIP CONTRIBUTION	3,814,992	3,250,000	3,300,000	3,300,000	3,605,000	10.92%	3,250,000

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
GENERAL FUND**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
PENSION AND RETIREE CONTRIBUTIONS							
Contribution to Pension Trust Fund (ERI Payback: 2012 - 17)	504,070	600,000	600,000	504,070	1,318,159	119.69%	-
Contribution to Retiree Health Care Trust Fund	-	-	-	-	900,000		100,000
TOTAL POST RETIREMENT CONTRIBUTION	504,070	600,000	600,000	504,070	2,218,159	269.69%	100,000
TOTAL GENERAL FUND EXPENDITURES							
	54,091,691	53,443,395	53,683,662	53,616,133	54,356,238	1.71%	50,376,261
NET REVENUES - EXPENDITURES	(5,176,665)	(3,813,063)	(4,053,330)	(3,860,893)	(4,620,037)	21%	24,981
Transfer of Insurance Fund Overage	1,890,252	896,682	896,682	896,682	4,442,416	395.43%	-
BEGINNING UNRESERVED FUND BALANCE	11,342,846	8,056,433	8,056,433	8,056,433	6,742,222	-16.31%	6,564,601
Use of (Contribution to) Budget Stabilization	-	1,650,000	1,650,000	1,650,000	-	-100%	-
Use of (Contribution to) Former ISF Reserves	-	-	-	-	-		-
Total Contribution from/(to) Reserves	-	1,650,000	1,650,000	1,650,000	-	-100%	-
(USE OF WORKING CAPITAL) OR TRANSFER TO SURPLUS	(3,286,413)	(1,266,381)	(1,506,648)	(1,314,211)	(177,621)	-85.97%	24,981
ENDING UNRESERVED FUND BALANCE	8,056,433	6,790,052	6,549,785	6,742,222	6,564,601	-3.32%	6,589,582
Target Fund Balance	6,358,953	6,451,943	6,451,943	6,468,181	6,465,706	0.21%	6,552,161
Over / (Under) Target Fund Balance	1,697,480	338,109	97,842	274,041	98,895		37,421
Fund Balance Percentage of Revenue	16.5%	13.7%	13.2%	13.6%	13.2%		13.1%
Ending Budget Stabilization Reserves	1,650,000	-	-	-	-		-
Ending Capital Reserve	350,000	350,000	350,000	350,000	350,000		350,000

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CAPITAL IMPROVEMENT FUND**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
RESOURCES							
Transfer From General Fund	2,199,996	2,450,000	2,450,000	2,450,000	2,280,000	-6.9%	2,000,000
Transfer From Other Funds	-	-	-	-	-		-
Interest	3,931	50,000	50,000	5,000	50,000	0.0%	50,000
Special Assessment	-	-	-	-	-		-
Reimbursements - Various Sources	513,713	550,000	550,000	550,000	550,000	0.0%	550,000
Federal Grants	442,223	-	1,035,015	1,035,014	-		-
State Grants	(55,327)	-	463,200	463,200	-		400,000
Bond Proceeds	1,239,850	906,500	906,500	1,103,752	1,115,000	23.0%	2,070,000
Private / Local Contributions	670,982	7,500	570,390	570,390	10,000	33.3%	500,000
TOTAL RESOURCES	5,015,368	3,964,000	6,025,105	6,177,356	4,005,000	1.0%	5,570,000
EXPENDITURES							
Debt Service	3,059,051	3,054,782	3,149,962	3,132,196	2,862,269	-6.3%	2,595,706
Environmental	4,454	10,000	47,616	47,616	-	-100.0%	-
Park Improvements	325,531	278,000	1,188,936	1,188,936	60,000	-78.4%	1,420,000
Facilities	108,580	191,000	368,368	368,368	1,006,200	426.8%	130,000
Public Safety Equipment	193,393	445,000	2,023,684	2,023,684	-	-100.0%	500,000
Other Projects	558,447	-	405,623	405,623	300,000		920,000
TOTAL CAPITAL IMPROVEMENT	4,249,456	3,978,782	7,184,189	7,166,423	4,228,469	6.3%	5,565,706
Transfer of Bond Reserves to Local Streets Fund	-	-	-	-	-		-
(Use of) Addition to Working Capital	765,912	(14,782)	(1,159,084)	(989,067)	(223,469)	1411.7%	4,294
BEGINNING FUND BALANCE	579,920	1,345,832	1,345,832	1,345,832	356,765	-73.49%	133,296
ENDING FUND BALANCE	1,345,832	1,331,050	186,748	356,765	133,296	-89.99%	137,589

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
MAJOR STREETS							
Operating							
RESOURCES							
Highway Maintenance	115,710	250,000	250,000	250,000	250,000	0.00%	250,000
Gas and Weight Tax	3,982,120	4,107,326	4,107,326	4,107,326	4,046,599	-1.48%	4,127,531
Other State Revenue (Metro Act)	312,935	265,000	265,000	265,000	265,000	0.00%	265,000
Interest	7,461	5,000	5,000	5,000	5,000	0.00%	5,000
Other	20,606	5,000	5,000	5,000	5,000	0.00%	5,000
Transfer from Insurance Fund	23,340	23,343	23,343	23,343	51,314	119.83%	-
Use of (Contribution to) Working Capital	(23,013)	664,521	664,521	522,132	470,951	-29.13%	81,849
TOTAL RESOURCES	4,439,159	5,320,190	5,320,190	5,177,801	5,093,864	-4.25%	4,734,380
EXPENDITURES							
Personnel	703,594	883,539	883,539	824,293	860,755	-2.58%	863,602
Operating	1,747,619	1,827,277	1,827,277	1,733,413	1,865,700	2.10%	1,865,700
Debt Service	1,977,225	2,109,374	2,109,374	2,109,374	2,139,438	1.43%	1,805,078
Transfer to Pension Fund (ERI payback)	10,721	-	-	10,721	27,971	0.00%	-
Transfer to Local Streets	-	500,000	500,000	500,000	200,000	-60.00%	200,000
TOTAL MAJOR STREETS OPERATING	4,439,159	5,320,190	5,320,190	5,177,801	5,093,864	-4.25%	4,734,380
CAPITAL							
RESOURCES							
Federal Aid	-	1,885,000	1,885,000	1,885,000	1,267,000	-32.79%	1,706,000
Local and Other Contributions	150,000	-	-	-	-	-	-
Contribution from Bond Proceeds	2,005,000	2,000,000	2,000,000	2,000,000	2,000,000	0.00%	1,505,000
Use of (Contribution to) Working Capital	(345,915)	-	1,613,528	1,613,528	-	-	-
TOTAL RESOURCES	1,809,085	3,885,000	5,498,528	5,498,528	3,267,000	-15.91%	3,211,000
STREET CONSTRUCTION							
Personnel	12,134	77,729	77,729	77,729	58,700	-24.48%	58,700
Materials and Services	1,796,951	3,801,871	5,355,399	5,355,399	3,208,300	-15.61%	3,152,300
Capital	-	5,400	65,400	65,400	-	-100.00%	-
TOTAL STREET CONSTRUCTION	1,809,085	3,885,000	5,498,528	5,498,528	3,267,000	-15.91%	3,211,000
TOTAL MAJOR STREETS	6,248,244	9,205,190	10,818,718	10,676,329	8,360,864	-9.17%	7,945,380

LOCAL STREETS							
Operating							
RESOURCES							
Gas and Weight Taxes	1,122,618	1,111,627	1,111,627	1,111,627	1,140,975	2.64%	1,140,975
Interest	3,480	2,000	2,000	2,000	2,000	0.00%	10,000
Other	-	3,000	3,000	3,000	3,000	0.00%	5,000
Transfer from Major Streets	-	500,000	500,000	500,000	200,000	-60.00%	200,000
Transfer from General Fund	1,425,000	800,000	800,000	800,000	1,325,000	65.63%	1,250,000
Transfer from Insurance Fund	20,388	20,390	20,390	20,390	48,361	137.18%	-
Use of (Contribution to) Working Capital	(310,523)	352,075	352,075	149,267	146,686	-58.34%	69,740
TOTAL RESOURCES	2,260,963	2,789,092	2,789,092	2,586,284	2,866,022	2.76%	2,685,715
EXPENDITURES							
Personnel	721,073	875,399	875,399	774,122	831,730	-4.99%	807,408
Operating	866,890	1,159,106	1,159,106	1,046,854	1,137,114	-1.90%	1,137,114
Debt Service	662,279	754,587	754,587	754,587	869,207	15.19%	741,193
Transfer to Pension Fund (ERI payback)	10,721	-	-	10,721	27,971	0.00%	-
TOTAL LOCAL STREETS OPERATING	2,260,963	2,789,092	2,789,092	2,586,284	2,866,022	2.76%	2,685,715

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
LOCAL STREETS, continued							
CAPITAL							
RESOURCES							
Bond Proceeds	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0.00%	1,000,000
Transfer from Major Streets	47,416	-	-	-	-	-	-
Use of (Contribution to) Working Capital	(62,497)	-	164,122	164,122	-	-	-
TOTAL RESOURCES	984,919	1,000,000	1,164,122	1,164,122	1,000,000	0.00%	1,000,000
STREET CONSTRUCTION							
Personnel	34,565	39,027	39,027	39,027	39,000	-0.07%	39,000
Supplies and Services	950,354	960,973	1,125,095	1,125,095	961,000	0.00%	961,000
TOTAL STREET CONSTRUCTION	984,919	1,000,000	1,164,122	1,164,122	1,000,000	0.00%	1,000,000
TOTAL LOCAL STREETS	3,245,882	3,789,092	3,953,214	3,750,406	3,866,022	2.03%	3,685,715
CEMETERIES							
RESOURCES							
Lot and Burial Sales	124,584	125,250	125,250	127,715	125,250	0.00%	125,250
Foundations	22,548	17,000	17,000	19,401	17,000	0.00%	17,000
Interest	186	-	-	-	-	0.00%	-
Other	165	-	-	55	-	0.00%	-
Transfer from Insurance Fund	-	-	-	-	2,278	0.00%	-
Transfer from Cemetery Trust / Capital	287,574	360,000	423,241	423,241	423,241	17.57%	377,131
Use of (Contribution to) Working Capital	(34,690)	13,186	13,186	6,960	(44,168)	-434.96%	-
TOTAL RESOURCES	400,367	515,436	578,677	577,372	523,601	1.58%	519,381
EXPENDITURES							
Personnel	34,941	30,889	30,889	30,912	34,527	11.78%	32,585
Operating	247,794	304,547	304,547	302,346	306,796	0.74%	306,796
Capital	116,759	180,000	243,241	243,241	180,000	0.00%	180,000
Transfer to Pension Fund (ERI payback)	873	-	-	873	2,278	0.00%	-
TOTAL CEMETERIES	400,367	515,436	578,677	577,372	523,601	1.58%	519,381
SOLID WASTE							
RESOURCES							
Taxes - Current and Prior Years	2,191,783	2,248,889	2,248,889	2,248,889	2,213,250	-1.58%	2,260,179
Interest	1,409	10,000	10,000	10,000	10,000	0.00%	10,400
Other	-	-	-	-	50,408	0.00%	-
Transfer from Insurance Fund	-	-	-	-	50,408	-	-
Use of (Contribution to) Working Capital	351,122	323,149	323,149	492,691	519,286	60.70%	291,590
TOTAL RESOURCES	2,544,314	2,582,038	2,582,038	2,751,580	2,843,352	10.12%	2,562,169
EXPENDITURES							
Personnel	741,160	749,485	749,485	769,795	857,411	14.40%	831,636
Operating	1,783,833	1,832,553	1,832,553	1,962,464	1,935,533	5.62%	1,730,533
Transfer to Pension Fund (ERI payback)	19,321	-	-	19,321	50,408	0.00%	-
TOTAL SOLID WASTE	2,544,314	2,582,038	2,582,038	2,751,580	2,843,352	10.12%	2,562,169

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
BLIGHT ABATEMENT							
RESOURCES							
Charges for Services	46,700	40,000	40,000	(35,900)	-	-100.00%	10,000
Other	305	-	-	-	-	0.00%	-
Transfer from General Fund	39,996	-	-	-	-	0.00%	20,000
Use of (Contribution to) Working Capital	(76,394)	8,762	8,762	46,200	23,476	167.93%	(6,524)
TOTAL RESOURCES	10,607	48,762	48,762	10,300	23,476	-51.86%	23,476
EXPENDITURES							
Operating	10,607	48,762	48,762	10,300	23,476	-51.86%	23,476
TOTAL BLIGHT ABATEMENT	10,607	48,762	48,762	10,300	23,476	-51.86%	23,476
BROWNFIELD LOCAL SITE REM REVOLVING							
RESOURCES							
Tax Capture	71,264	204,645	204,645	204,645	209,400	2.32%	170,000
Interest on Investments	583	500	500	300	300	-40.00%	10,000
Use of (Contribution to) Working Capital	108,368	320,155	320,155	130,355	75,600	-76.39%	88,000
TOTAL RESOURCES	180,215	525,300	525,300	335,300	285,300	-45.69%	268,000
EXPENDITURES							
Operating	174,827	525,300	525,300	335,300	285,300	-45.69%	266,000
Transfers to Other Funds	5,388	-	-	-	-	-	2,000
TOTAL LOCAL SITE REM REVOLVING	180,215	525,300	525,300	335,300	285,300	-45.69%	268,000
ECONOMIC INITIATIVE							
RESOURCES							
Principal on Loans	575,535	189,473	189,473	189,473	114,212	-39.72%	300,000
Interest on Loans	66,497	58,712	58,712	58,712	44,696	-23.87%	60,000
Interest on Investments	379	200	200	200	400	100.00%	10,000
Use of (Contribution to) Working Capital	(442,411)	(148,385)	(76,009)	(76,009)	(59,308)	-60.03%	(211,000)
TOTAL RESOURCES	200,000	100,000	172,376	172,376	100,000	0.00%	159,000
EXPENDITURES							
Operating	200,000	100,000	100,000	100,000	100,000	0.00%	134,000
Transfers to Other Funds	-	-	72,376	72,376	-	0.00%	25,000
TOTAL ECONOMIC INITIATIVE	200,000	100,000	172,376	172,376	100,000	0.00%	159,000
ECONOMIC OPPORTUNITY							
RESOURCES							
Interest on Investments	220	300	300	300	300	0.00%	300
Use of (Contribution to) Working Capital	(220)	99,700	99,700	(300)	99,700	0.00%	(300)
TOTAL RESOURCES	-	100,000	100,000	-	100,000	0.00%	-
EXPENDITURES							
Operating	-	100,000	100,000	-	100,000	0.00%	-
TOTAL ECONOMIC OPPORTUNITY	-	100,000	100,000	-	100,000	0.00%	-

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
FAÇADE IMPROVEMENT PROGRAM							
RESOURCES							
Transfer from Other Funds	-	-	225,000	225,000	-		-
Use of (Contribution to) Working Capital	-	-	(176,406)	(176,406)	-		-
TOTAL RESOURCES	-	-	48,594	48,594	-		-
EXPENDITURES							
Operating	-	-	48,594	48,594	-		-
TOTAL FAÇADE IMPROVEMENT PROGRAM	-	-	48,594	48,594	-		-
SMALL BUSINESS REVOLVING LOANS							
RESOURCES							
Principal on Loans	8,350	8,983	8,983	7,631	7,631	-15.05%	8,000
Interest from Loans	1,786	1,478	1,478	2,000	1,264	-14.48%	2,000
Use of (Contribution to) Working Capital	(7,600)	69,539	421,437	422,267	71,105	2.25%	44,000
TOTAL RESOURCES	2,536	80,000	431,898	431,898	80,000	0.00%	54,000
EXPENDITURES							
Operating	-	80,000	80,000	80,000	80,000	0.00%	54,000
Transfer to other CDBG programs	2,536	-	351,898	351,898	-		-
TOTAL SMALL BUSINESS REVOLVING LOAN	2,536	80,000	431,898	431,898	80,000	0.00%	54,000
MICROENTERPRISE REVOLVING LOANS							
RESOURCES							
Transfer from Other Funds	-	-	90,000	90,000	-		-
Use of (Contribution to) Working Capital	-	-	(90,000)	(90,000)	-		-
TOTAL RESOURCES	-	-	-	-	-		-
EXPENDITURES							
Operating	-	-	-	-	-		-
TOTAL MICROENTERPRISE LOANS	-	-	-	-	-		-
KVET DRUG ENFORCEMENT FORFEITURE							
RESOURCES							
KVET-Federal Forfeiture Justice Fund	12,684	25,000	25,000	10,000	15,000	-40.00%	15,000
Drug Forfeiture Revenue	253,594	250,000	250,000	210,000	210,000	-16.00%	250,000
Drug Enforcement Task Force	-	-	-	-	49,175	0.00%	49,176
Clandestine Lab Program	22,054	10,000	10,000	10,000	10,000	0.00%	10,000
Interest on Investments	1,281	2,000	2,000	1,281	1,000	-50.00%	1,000
Auction Sale and Sale of Assets	29,105	30,000	30,000	30,000	30,000	0.00%	30,000
Use of (Contribution to) Working Capital	38,103	83,514	83,514	101,763	863,402	933.84%	(2,838)
TOTAL RESOURCES	356,821	400,514	400,514	363,044	1,178,577	194.27%	352,338
EXPENDITURES							
Personnel	8,111	52,169	52,169	8,299	49,175	-5.74%	49,176
Operating	281,096	301,845	301,845	286,555	838,902	177.92%	303,162
Capital	67,614	46,500	46,500	68,190	290,500	524.73%	-
TOTAL KVET DRUG ENFORCEMENT	356,821	400,514	400,514	363,044	1,178,577	194.27%	352,338
PUBLIC SAFETY CONTRACTS							
RESOURCES							
Charges for Services	422,666	316,200	316,200	401,320	403,690	27.67%	402,213
Use of (Contribution to) Working Capital	-	(1,043)	(1,043)	-	-	-100.00%	-
TOTAL RESOURCES	422,666	315,157	315,157	401,320	403,690	28.09%	402,213
EXPENDITURES							
Personnel	422,666	315,157	315,157	401,320	403,690	28.09%	402,213
TOTAL PUBLIC SAFETY CONTRACTS	422,666	315,157	315,157	401,320	403,690	28.09%	402,213

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
COMMUNITY DEVELOPMENT GRANT ADMINISTRATION							
RESOURCES							
Federal Revenues	778,270	846,118	848,738	848,738	880,171	4.02%	838,914
Other	11,776	74,325	52,302	52,302	37,678	-49.31%	40,000
Transfer from Other Funds	2,536	-	36,898	36,898	-	-100.00%	-
TOTAL RESOURCES	792,582	920,443	937,938	937,938	917,849	-0.28%	878,914
EXPENDITURES							
Personnel	717,969	823,333	813,804	834,187	820,580	-0.33%	778,914
Operating	74,478	97,110	124,134	103,751	97,269	0.16%	100,000
Capital	135	-	-	-	-	0.00%	-
TOTAL COMMUNITY DEVELOPMENT GRANT ADMINISTRATION	792,582	920,443	937,938	937,938	917,849	-0.28%	878,914
COMMUNITY DEVELOPMENT ENTITELMENT GRANTS							
RESOURCES							
Federal Revenues	2,226,174	75,862	2,885,748	2,802,011	150,000	97.73%	150,000
Other	(56,248)	75,000	-	-	-	-100.00%	-
Transfer from Other Funds	36,093	-	125,000	125,000	-	-100.00%	-
Working Capital	89,990	-	-	-	-	0.00%	-
TOTAL RESOURCES	2,296,009	150,862	3,010,748	2,927,011	150,000	-0.57%	150,000
EXPENDITURES							
Personnel	145,628	150,862	220,477	150,000	150,000	-0.57%	150,000
Operating	2,114,288	-	2,790,271	2,777,011	-	-100.00%	-
Transfer to Other Funds	36,093	-	-	-	-	0.00%	-
TOTAL COMMUNITY DEVELOPMENT ENTITLEMENT GRANTS	2,296,009	150,862	3,010,748	2,927,011	150,000	-0.57%	150,000
MISCELLANEOUS GRANTS							
RESOURCES							
Federal and State Grants	283,035	-	103,428	103,428	416,000		416,000
Local Contributions	75,677	-	65,154	65,754	-		-
Internal Contributions	127,424	-	8,200	7,600	-		-
TOTAL RESOURCES	486,136	-	176,782	176,782	416,000		416,000
EXPENDITURES							
PUBLIC SAFETY-							
Personnel	71,466	-	-	-	416,000		416,000
Operating	128,975	-	61,103	61,103	-		-
Capital	98,851	-	50,486	50,486	-		-
TOTAL PUBLIC SAFETY	299,292	-	111,589	111,589	416,000		416,000
PARKS AND RECREATION-							
Personnel	12,553	-	13,806	15,539	-		-
Operating	174,291	-	26,387	24,654	-		-
TOTAL PARKS AND RECREATION	186,844	-	40,193	40,193	-		-
COMMUNITY DEVELOPMENT-							
Operating	-	-	25,000	25,000	-		-
TOTAL COMMUNITY DEVELOPMENT	-	-	25,000	25,000	-		-
TOTAL MISC. GRANT PROGRAMS	486,136	-	176,782	176,782	416,000		416,000

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
RECOVERY ACT GRANTS & PROGRAMS							
RESOURCES							
Federal Revenues	3,994,544	-	40,552	40,552	-	-	-
Other	116,942	-	-	-	-	-	-
TOTAL RESOURCES	4,111,486	-	40,552	40,552	-	-	-
EXPENDITURES							
PUBLIC SAFETY-							
Personnel	589,891	-	-	-	-	-	-
Operating	78,903	-	-	-	-	-	-
TOTAL PUBLIC SAFETY	668,794	-	-	-	-	-	-
COMMUNITY DEVELOPMENT-							
Personnel	173,394	-	-	-	-	-	-
Operating	3,211,671	-	40,552	40,552	-	-	-
Capital	-	-	-	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT	3,385,065	-	40,552	40,552	-	-	-
ECONOMIC DEVELOPMENT-							
Operating	55,249	-	-	-	-	-	-
Capital	2,378	-	-	-	-	-	-
TOTAL ECONOMIC DEVELOPMENT	57,627	-	-	-	-	-	-
TOTAL ARRA GRANTS	4,111,486	-	40,552	40,552	-	-	-
TOTAL SPECIAL REVENUES	21,297,865	18,732,794	24,141,268	23,600,802	19,248,731	2.75%	17,416,585

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
ENTERPRISE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
WASTEWATER							
RESOURCES							
Operational	20,440,595	19,578,500	19,578,500	20,893,896	20,828,796	6.39%	20,828,796
Interest	30,564	111,232	111,232	33,232	33,232	-70.12%	33,232
Special Assessments	-	-	-	-	-		-
Federal Subsidy - Interest on BAB	50,044	49,595	49,595	49,595	49,595	0.00%	49,595
Other Income	52,150	26,600	26,600	64,817	26,600	0.00%	26,600
CIA - Capital	93,018	60,200	60,200	61,250	30,000	-50.17%	30,000
Bond Proceeds	-	-	78,500	-	-		-
Transfer from Insurance Fund	-	-	-	-	441,865		441,865
Use of (Contribution to) Working Capital	4,243,106	7,073,161	7,798,443	5,477,475	5,740,649	-18.84%	4,961,644
TOTAL RESOURCES	24,909,477	26,899,288	27,703,070	26,580,265	27,150,737	0.93%	26,371,732
EXPENDITURES							
Personnel	8,045,395	7,290,857	7,290,857	6,208,762	6,461,118	-11.38%	6,566,673
Operating	13,839,807	15,475,167	15,475,167	15,265,999	15,954,745	3.10%	15,954,745
Capital	2,178,697	3,118,900	3,922,682	3,921,782	3,232,800	3.65%	2,821,800
Debt Service	676,220	1,014,364	1,014,364	1,014,364	1,060,209	4.52%	1,028,514
Transfer to Pension Fund (ERI payback)	169,358	-	-	169,358	441,865		-
TOTAL WASTEWATER	24,909,477	26,899,288	27,703,070	26,580,265	27,150,737	0.93%	26,371,732
WATER							
RESOURCES							
Operational	14,566,616	13,474,900	13,474,900	13,050,310	13,748,900	2.03%	13,748,900
Interest	11,179	5,000	5,000	5,000	5,000	0.00%	5,000
State Grants and Other State Revenue	43,213	-	-	-	-		-
Federal Subsidy - Interest on BAB	173,672	173,672	173,672	173,672	173,672	0.00%	173,672
Other	25,789	-	-	2,715	-		-
Capital CIA	1,652,510	440,300	586,449	589,734	191,000	-56.62%	-
Transfer from Insurance Fund	-	-	-	-	319,227		641,646
Transfer from Other Funds	5,388	-	50,000	50,000	50,000		50,000
Use of (Contribution to) Working Capital	1,768,352	5,469,556	5,930,391	4,879,282	4,725,768	-13.60%	5,198,044
TOTAL RESOURCES	18,246,719	19,563,428	20,220,412	18,750,713	19,213,567	-1.79%	19,817,263
EXPENDITURES							
Personnel	5,471,795	6,451,077	6,451,077	4,934,964	5,197,024	-19.44%	5,429,060
Operating	7,749,365	8,003,026	8,203,026	8,249,751	8,924,947	11.52%	8,924,947
Capital	2,204,814	2,502,200	2,959,184	2,836,520	2,144,301	-14.30%	2,873,088
Debt Service	2,698,392	2,607,125	2,607,125	2,607,125	2,628,068	0.80%	2,590,168
Transfer to Pension Fund (ERI payback)	122,353	-	-	122,353	319,227		-
TOTAL WATER	18,246,719	19,563,428	20,220,412	18,750,713	19,213,567	-1.79%	19,817,263

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
ENTERPRISE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
KALAMAZOO FARMERS MARKET							
RESOURCES							
Property Rental	61,341	62,375	62,375	17,000	17,000	-72.75%	17,000
Other	30,340	5,360	5,360	4,668	4,668	-12.91%	4,668
Use of (Contribution to) Working Capital	(23,901)	800	800	1,870	1,610	101.25%	(441)
TOTAL RESOURCES	67,780	68,535	68,535	23,538	23,278	-66.03%	21,227
EXPENDITURES							
Personnel	45,878	51,408	51,408	6,706	5,444	-89.41%	3,393
Operating	21,902	17,127	17,127	16,832	17,834	4.13%	17,834
TOTAL FARMERS MARKET	67,780	68,535	68,535	23,538	23,278	-66.03%	21,227
TRANSPORTATION							
RESOURCES							
Current / Prior Year Taxes	845,928	877,929	877,929	860,118	904,267	3.00%	996,728
Federal Grants	555,965	5,090,982	5,754,982	5,187,193	4,184,600	-17.80%	2,872,312
State Grants	3,812,743	6,149,369	6,315,369	6,163,379	4,748,031	-22.79%	4,419,458
Subsidies	3,588,691	3,671,727	3,671,727	3,661,334	3,792,023	3.28%	3,829,943
Operating	2,598,449	2,473,088	2,473,088	2,618,372	2,701,880	9.25%	2,701,880
Other Revenue	259,028	169,000	169,000	160,508	165,640	-1.99%	-
Capital Contributions	2,059,278	-	-	-	-	0.00%	-
Transfer from Insurance Fund	-	-	-	-	175,266	0.00%	-
Use of (Contribution to) Working Capital	4,437,445	2,388,822	2,388,822	1,690,108	2,427,477	1.62%	4,014,255
TOTAL RESOURCES	18,157,527	20,820,917	21,650,917	20,341,012	19,099,184	-8.27%	18,834,577
EXPENDITURES							
Personnel	7,166,850	8,281,906	8,281,906	7,467,282	7,887,471	-4.76%	7,798,130
Operating	8,781,775	8,742,533	8,742,533	8,940,023	8,910,447	1.92%	8,910,447
Capital	2,141,726	3,796,478	4,626,478	3,866,531	2,126,000	-44.00%	2,126,000
Transfer to Pension Fund (ERI payback)	67,176	-	-	67,176	175,266	0.00%	-
TOTAL METRO TRANSIT	18,157,527	20,820,917	21,650,917	20,341,012	19,099,184	-8.27%	18,834,577
TOTAL ENTERPRISE FUNDS	61,381,503	67,352,168	69,642,934	65,695,528	65,486,766	-2.77%	65,044,798

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
PENSION SYSTEM**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
PENSION SYSTEM							
RESOURCES							
Interest & Dividends	15,911,537	16,021,000	16,021,000	16,021,000	16,683,488	4.14%	16,683,488
Realized Gains/(Losses)	10,496,736	14,600,000	14,600,000	14,600,000	18,640,463	27.67%	18,640,463
Unrealized Gains/(Losses)	47,090,279	49,470,000	49,470,000	49,470,000	8,057,179	-83.71%	8,057,179
Employer & Employee Contributions	1,199,113	1,200,000	1,200,000	2,903,492	3,463,146	188.60%	1,100,000
Investment Income	1,223	500	500	400	500	0.00%	500
Miscellaneous Income	36,844	5,000	5,000	1,000	5,000	0.00%	5,000
Use of (Contribution to) Working Capital	(47,452,689)	(54,451,550)	(54,451,550)	(53,809,528)	(17,028,869)	-68.73%	(14,665,723)
TOTAL RESOURCES	27,283,043	26,844,950	26,844,950	29,186,364	29,820,907	11.09%	29,820,907
OPERATIONS							
Benefit Payments	24,886,037	26,300,000	26,300,000	26,800,000	27,000,000	2.66%	27,000,000
Participant Withdrawals	181,872	-	-	71,000	200,000	0.00%	200,000
Custodial & Actuarial Fees	242,466	329,000	329,000	290,000	261,000	-20.67%	261,000
Pension Management Fees	1,781,381	-	-	1,828,000	2,145,000	0.00%	2,145,000
City Administrative Fees	115,092	118,550	118,550	118,550	122,107	3.00%	122,107
Due Diligence/Conferences	4,987	25,000	25,000	5,500	20,000	-20.00%	20,000
Investment Advisory Fees	67,188	67,500	67,500	65,000	67,500	0.00%	67,500
Audit Fees	3,700	3,600	3,600	3,850	4,000	11.11%	4,000
Other Expenses	320	1,300	1,300	4,464	1,300	0.00%	1,300
TOTAL RETIREMENT OPERATIONS	27,283,043	26,844,950	26,844,950	29,186,364	29,820,907	11.09%	29,820,907

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
INTERNAL SERVICE FUNDS**

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Variance	2015 Projected
INSURANCE							
RESOURCES							
Interest	9,430	10,000	10,000	10,000	10,200	2.00%	-
General Insurance Revenue	1,712,934	1,342,212	1,342,212	1,342,212	1,369,056	2.00%	1,406,841
Workers Comp. Revenue	2,674,259	2,361,656	2,361,656	2,357,349	2,408,889	2.00%	2,481,156
Life/Disability Ins Revenue	624,507	690,353	690,353	615,466	704,160	2.00%	725,285
Health Insurance Revenue	16,017,895	17,109,032	17,109,032	17,031,727	18,477,755	8.00%	17,654,365
Dental Insurance Revenue	575,079	613,666	613,666	586,316	625,939	2.00%	644,717
Fringe Benefit Revenue	517,788	527,747	527,747	475,546	538,302	2.00%	554,451
Transfer from OPEB Trust (for Retiree Benefits)	-	-	-	-	4,000,000		-
Use of (Contribution to) Working Capital	(229,556)	(13,049)	(13,049)	128,841	(743,234)	5595.72%	(813,232)
TOTAL RESOURCES	21,902,336	22,641,617	22,641,617	22,547,457	27,391,067	20.98%	22,653,583
OPERATIONS							
Administration	93,852	93,852	93,852	93,852	99,568	6.09%	101,559
General Insurance	655,462	1,021,602	1,021,602	1,069,867	1,063,466	4.10%	1,084,735
Workers Compensation	1,783,383	2,380,650	2,380,650	2,523,758	2,406,863	1.10%	2,479,069
Life/Disability Ins Revenue	627,404	691,800	691,800	624,663	656,100	-5.16%	675,783
Health Insurance	13,954,294	15,555,000	15,555,000	15,564,415	16,809,400	8.06%	17,481,776
Dental Insurance	535,132	553,471	553,471	502,464	564,540	2.00%	581,476
Fringe Benefit	2,318,829	1,404,827	1,404,827	1,228,023	259,994	-81.49%	249,185
Transfer to Other funds (Rebate of Excess)	1,933,980	940,415	940,415	940,415	1,633,990	73.75%	-
Transfer to Other funds (for ERI Payback)	-	-	-	-	3,897,146		-
TOTAL INSURANCE	21,902,336	22,641,617	22,641,617	22,547,457	27,391,067	20.98%	22,653,583

THE CITY OF



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**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CITY COMMISSION**

CITY COMMISSION

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	56,519	56,515	56,515	56,519	56,519	0.01%	56,516
Operating	11,169	19,600	19,600	16,355	18,866	-3.74%	18,866
TOTAL	67,688	76,115	76,115	72,874	75,385	-0.96%	75,382

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.

2014 BUDGET HIGHLIGHTS

The 2014 City Commission budget represents a "status quo" submittal where projected expenditures closely track the 2013 adopted budget.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CITY ADMINISTRATION**

CITY ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	554,557	535,614	535,614	503,261	579,036	8.11%	577,058
Operating	88,516	104,158	104,158	79,329	104,267	0.10%	104,267
TOTAL	643,073	639,772	639,772	582,590	683,303	6.80%	681,325

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	4.0	4.0	5.0

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.

2014 BUDGET HIGHLIGHTS

The 2014 City Administration budget reflects a status quo budget after realizing savings from eliminated positions early in the ERI implementation.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CITY ATTORNEY**

CITY ATTORNEY

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	667,190	650,254	650,254	631,271	627,033	-3.57%	624,200
Operating	66,936	85,762	85,762	83,251	84,918	-0.98%	84,918
TOTAL	734,126	736,016	736,016	714,522	711,951	-3.27%	709,118

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	7.0	6.0	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 six distinct service areas encompassing the services it provides:

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

2014 BUDGET HIGHLIGHTS

In 2013 the City Attorney's Office was set to take on the Risk Manager as a contracted employee, however the person occupying that position passed away suddenly in late 2012. The Risk Manager work was then shared between the City Attorney and Purchasing Department until the retirement of the then- incumbent Purchasing Director, at which time most of the Risk Manager function was assumed by the City Attorney. A one year agreement was entered with Gallagher & Associates to provide a review of the City's current insurance coverage in 2013. That contract will be reviewed in 2014 for possible extension.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CITY ATTORNEY**

CITY ATTORNEY

General Fund

The FY 2014 Budget reflects the 2012 elimination of the Paralegal position and the 2013 elimination of the Deputy City Attorney position under the Early Retirement Incentive program. In 2013 an additional Assistant City Attorney was hired to fill the gap left by these retirements. Further, the Administrative Legal Secretary position will become vacant in April 2014 due to an anticipated retirement. In 2008, the City Attorney's office was comprised of 5 attorneys, 1 paralegal and 2 legal secretaries. Four persons who occupied those positions have or will have retired April 2014, resulting in a net loss of the 2 positions referenced above.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CITY CLERK**

ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	210,176	223,170	223,170	233,550	205,577	-7.88%	198,932
Operating	18,762	43,460	43,460	40,766	40,565	-6.66%	40,565
TOTAL	228,938	266,630	266,630	274,316	246,142	-7.68%	239,497

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
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.

2014 BUDGET HIGHLIGHTS

The FY2014 budget for the Administrative Division is largely unchanged from 2013.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of City Commission Meetings attended	45	50	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	0	1	0

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CITY CLERK**

ELECTIONS

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	203,471	111,964	111,964	108,186	180,325	61.06%	114,203
Operating	77,741	35,257	35,257	34,783	55,282	56.80%	34,783
TOTAL	281,212	147,221	147,221	142,969	235,607	60.04%	148,986

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
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.

2014 BUDGET HIGHLIGHTS

The FY2014 Election Division budget is significantly more than the FY 2013 budget due to an increase in the number of elections scheduled for 2014, one of which will be a gubernatorial election. The amount budgeted is in line with typical election expenditures for an even-numbered year.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of elections conducted	4	2	3
EFFICIENCY	Cost of Election Division per registered voter, per election	\$1.32	\$1.31	\$1.47
EFFECTIVENESS	Number of election recounts requested	0	0	0

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
CITY CLERK**

**RECORDS
*General Fund***

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	98,216	99,559	99,559	98,964	71,149	-28.54%	71,707
Operating	77,479	70,087	70,087	69,190	67,395	-3.84%	67,395
TOTAL	175,695	169,646	169,646	168,154	138,544	-18.33%	139,102

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	2.0	2.0	1.0

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.

2014 BUDGET HIGHLIGHTS

The FY2014 budget includes the elimination of one position and the outsourcing of inactive records storage and retrieval to a commercial records storage facility.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of requests for information	473	450	220
EFFICIENCY	Average request time (in minutes)	27	24	25
EFFECTIVENESS	Percent of storage capacity used	98	98	n/a

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	86,013	90,427	90,427	93,149	92,130	1.88%	91,293
Operating	468	1,617	1,617	1,602	1,451	-10.27%	1,451
TOTAL	86,481	92,044	92,044	94,751	93,581	1.67%	92,744

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
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.

2014 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. The Internal Auditor will verify that recent system conversions are operating properly and effectively, and that management continues to address identified issues.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
INTERNAL AUDITOR**

INTERNAL AUDITOR

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of classes held.	0	2	4
EFFICIENCY	Number of employees trained.	0	15	40
EFFECTIVENESS	Number of trained employees involved in unethical acts.	0	0	0
OUTPUT	Number of recommendations to management	115	198	130
EFFICIENCY	Number of affirmative responses from management	112	186	130
EFFECTIVENESS	Percent of recommendations accepted by management	97%	94%	100%

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**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Adopted Variance	2015 Projected
Personnel	743,295	659,321	659,321	687,749	679,474	3.06%	675,121
Operating	54,308	50,417	50,417	44,577	43,182	-14.35%	43,182
TOTAL	797,603	709,738	709,738	732,326	722,656	1.82%	718,303

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	7.0	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.

2014 BUDGET HIGHLIGHTS

The Human Resources Department is reduced from 8 FTE positions to 7 in 2013 which will remain steady in 2014. Reductions in the 2014 budget were made in variable items including education and training, office supplies and business travel.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Implement the ERI by retiring out employees who have enrolled in the program	Yes	Yes	NA
EFFICIENCY	Variance from projections (# retired + or -)	-4	0	NA
EFFECTIVENESS	Number of employees retired	187	32	NA
OUTPUT	Implement the ERI by hiring, transferring and promoting staff to fill positions vacated by retiring employees	Yes	Yes	NA

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014	
EFFICIENCY	Variance from projections (# hired + or -)	-5	0	NA	
EFFECTIVENESS	Number of positions filled by hiring, transferring and promoting	110	127	50	
OUTPUT	Complete bargaining with ATU, KMEA, KPSOA and KPSA	ATU	NA	NA	Complete a three year Agreement expiring 2/13/17
		KMEA	NA	Complete a four year Agreement expiring 12/31/17	NA
		KPSOA	NA	Complete a four year Agreement expiring 12/31/17	NA
		KPSA	NA	Complete a four year Agreement expiring 12/31/17	NA
EFFICIENCY	Number of hours spent in bargaining with each unit	ATU	NA	42.5	25
		KMEA	NA	32	NA
		KPSOA	NA	21	NA
		KPSA	NA	32.5	NA
		KMEA	NA	NA	60

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014	
EFFECTIVENESS	Timely implementation of contract (following expiration of the current contract)	ATU	NA	Agreement proofed and signed within 90 days of ratification	NA
		KMEA	NA	Agreement proofed and signed within 90 days of ratification	NA
		KPSOA	NA	Agreement proofed and signed within 90 days of ratification	NA
		KPSA	NA	Agreement proofed and signed within 90 days of ratification	NA
		AFSCME	NA	NA	Agreement proofed and signed within 90 days of ratification
OUTPUT	Maintain an educated and competent workforce	759 Allocated Positions	674 Allocated Positions	663 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	178 hours	174 hours	150 hours	

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**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
INFORMATION TECHNOLOGY**

INFORMATION TECHNOLOGY

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	613,281	620,188	620,188	641,528	637,287	2.76%	634,448
Operating	478,269	516,942	516,942	494,842	461,642	-10.70%	461,642
Capital	210,778	129,000	129,000	131,808	138,000	6.98%	138,000
TOTAL	1,302,328	1,266,130	1,266,130	1,268,178	1,236,929	-2.31%	1,234,090

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	6.0	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.

2014 BUDGET HIGHLIGHTS

The FY 2014 budget reflects a few overall budget changes. The first is a reduction in outside contractual services which is a continuation of a theme that has been present since 2010. Second, the 2014 IT budget reflects a reduction in temporary pay stemming from fewer IT intern hours. Finally, the budget related to IT staff telephone expenses is reduced by over 50% reflecting the final steady-state from the VOIP deployment and other telephone cost-cutting measures.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
INFORMATION TECHNOLOGY**

INFORMATION TECHNOLOGY

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Average number of monthly visits to the city website	86,517	105,000	116,000
OUTPUT	Average number of monthly unique visitors to the website	38,261	42,000	44,000
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
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	926,889	914,110	914,110	897,677	924,728	1.16%	914,296
Operating	42,074	43,623	43,623	38,053	42,197	-3.27%	42,197
TOTAL	968,963	957,733	957,733	935,730	966,925	0.96%	956,493

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	13.0	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 fiscal monitoring. The City is required to undergo an annual audit, and 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).

2014 BUDGET HIGHLIGHTS

The FY 2014 Budget is slightly higher than the FY 2013 Adopted Budget, and 3.3% above the amount projected amount for FY 2013. No organizational or position changes are proposed beyond those implemented over the last several years. The department has been reduced from 16 to 10 FTE's since 2008. These reductions have been facilitated by the streamlining of processes and automation.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

BUDGET AND ACCOUNTING

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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	0	0	0

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

ASSESSORS

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	383,429	147,487	147,487	93,062	84,249	-42.88%	85,157
Operating	221,247	352,692	352,692	405,700	416,604	18.12%	416,604
TOTAL	604,676	500,179	500,179	498,762	500,853	0.13%	501,761

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	2.0	1.0	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).

2014 BUDGET HIGHLIGHTS

The 2014 budget reflects the second 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. The FY 2014 staffing will consist of a Deputy Assessor/Treasurer.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

ASSESSORS

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of Real property parcels	23,380	23,256	23,300
EFFICIENCY	Cost to Assess Real Property – per parcel	\$21.49	\$18.38	\$18.49
EFFECTIVENESS	Cost savings due to office realignment-per parcel	\$0.60	\$3.11	-\$0.11
OUTPUT	Number of Personal Property Accounts	2,935	2,985	2,980
EFFICIENCY	Cost to Assess Personal Property – per parcel	\$42.79	\$23.93	\$23.53
EFFECTIVENESS	Cost savings due to office realignment-per parcel	-\$0.71	\$18.86	\$0.40

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

**TREASURY
General Fund**

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	413,908	369,868	369,868	392,774	366,901	-0.80%	363,317
Operating	111,820	118,207	118,207	109,905	118,337	0.11%	118,337
TOTAL	525,728	488,075	488,075	502,679	485,238	-0.58%	481,654

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	12.0	12.0	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.

2014 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
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

TREASURY
General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of City (summer) Tax Bills/Records Generated	24,790	24,850	24,850
EFFICIENCY	Average Cost to Generate and Issue a Tax Statement	\$0.65	\$0.65	\$0.65
EFFECTIVENESS	Percent of City Operating Tax Collected at Year End (Ultimate goal of 100% collected by the following March 1)*	94%	95%	95%
OUTPUT	Achieve a competitive rate of return on Investments -Average Rate of Return on Investments	28%	32%	32%
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	+20 Basis Points	+20 Basis Points	+15 Basis Points
OUTPUT	Payment Automation - Payments Processed Online and via Bank Lockbox	148,036	154,500	155,000
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	10	10	10

** Installment taxpayers had until December 31, 2012 to pay the 2012 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
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

**PURCHASING
*General Fund***

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	371,559	307,441	307,441	310,103	292,136	-4.98%	291,533
Operating	45,864	19,654	19,654	16,992	18,452	-6.12%	18,452
TOTAL	417,423	327,095	327,095	327,095	310,588	-5.05%	309,985

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	5.0	4.0	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.

2014 BUDGET HIGHLIGHTS

The FY2014 budget request reflects the staffing changes accomplished as part 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 and CFO to coordinate and ensure timely renewals of reinsurance contracts (general liability and property excess coverage, transit vehicle excess coverage, worker's compensation excess coverage, and underground storage tank liability).

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

PURCHASING

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of Bid Projects	70	80	80
EFFICIENCY	Number of calendar days to get the project out for bids. The new goal is 17 days.	16.75	17.5	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	12	18	18
EFFICIENCY	Number of inspections per project. The new goal is 1 inspection.	1.5	1	1
EFFECTIVENESS	Percentage of workers paid prevailing wages	100%	100%	100%
OUTPUT	Number of Purchase Orders	1,600	1,600	1,600
EFFICIENCY	Purchase order turnaround time in work days. The goal is 2 days.	3	2	2
EFFECTIVENESS	Percentage of valid purchase orders.	98%	100%	100%

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
MANAGEMENT SERVICES**

PENSION SYSTEM

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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Operating	27,283,043	26,844,950	26,844,950	29,186,364	29,820,907	11.09%	29,820,907
TOTAL	27,283,043	26,844,950	26,844,950	29,186,364	29,820,907	11.09%	29,820,907

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.

2014 BUDGET HIGHLIGHTS

Previously the retirement administration only included the city administrative fees. The FY 2014 budget includes all anticipated resources from investment interest, dividends, realized and unrealized gains and employer/employee contributions. The operating expenses include all benefit payments, withdrawals and fees associated with administering the retirement system.

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	29,451,215	28,729,585	28,729,585	29,046,327	29,146,036	1.45%	29,256,769
Operating	2,852,893	3,191,315	3,288,902	3,102,559	2,951,713	-7.51%	2,951,713
Capital	424,447	355,400	405,886	429,836	417,120	17.37%	342,620
TOTAL	32,728,555	32,276,300	32,424,373	32,578,722	32,514,869	0.74%	32,551,102

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	286.0	258.0	252.0
Number of Permanent Part Time Positions	4.0	4.0	5.0

DEPARTMENT DESCRIPTION

The mission of Kalamazoo Public Safety Department is to provide public safety services for all citizens and visitors to the City of Kalamazoo and to protect them from the loss of life and property. 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 providing 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.

2014 BUDGET HIGHLIGHTS

The 2014 Budget includes a Chief, Deputy Chief, two Assistant Chiefs, and an Inspector of Professional Standards. They oversee four divisions which include Operations, Criminal Investigations, Service/Training, and COPS/KVET. Together these divisions work to focus on our three primary goals: reducing crime, building trust, and providing the most efficient, effective and professional police, fire and EMS services available.

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	28,359,081	28,362,259	28,362,259	28,636,708	28,277,171	-0.30%	28,389,380
Operating	2,363,919	2,889,470	2,925,954	2,754,901	2,112,811	-26.88%	2,648,551
Capital	257,982	308,900	308,900	311,160	126,620	-59.01%	342,620
TOTAL	30,980,982	31,560,629	31,597,113	31,702,769	30,516,602	-3.31%	31,380,551

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	286.0	258.0	252.0
Number of Permanent Part Time Positions	4.0	4.0	5.0

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.

2014 BUDGET HIGHLIGHTS

The 2014 Budget includes a Chief, Deputy Chief, two Assistant Chiefs, and an Inspector of Professional Standards. They oversee four divisions which include Operations, Criminal Investigations, Service/Training, and COPS/KVET. Together these divisions work to focus on our three primary goals: reducing crime, build trust and provide the most efficient, effective and professional police, fire and EMS services available.

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	879,238	989,378	989,378	991,361	931,589	-5.84%	906,423
Operating	138,012	180,449	180,449	175,700	129,763	-28.09%	129,763
TOTAL	1,017,250	1,169,827	1,169,827	1,167,061	1,061,352	-9.27%	1,036,186

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	6.0	7.0	6.0

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 Fire and Finance, the Assistant Chief of Operations, Criminal Investigations, Community Outreach and Problem Solving, and the Inspector of Professional Standards make up the Chiefs Executive Leadership Team.

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
2014 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

ADMINISTRATION

General Fund

2014 BUDGET HIGHLIGHTS

The Administration Division will allocate its 2014 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.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Citizen Complaints	9	32	25
EFFICIENCY	Hours spent to investigate	800	1400	1,250
EFFECTIVENESS	Percent of appeals upheld by the Citizens Review Board	100%	100%	100%
OUTPUT	Number of Departmental and Divisional Policies	320	322	325
EFFICIENCY	Number of Policies Reviewed	10	14	325
EFFECTIVENESS	Number of Policies Updated/Revised/Rescinded	2	14	325

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

COMMUNITY OUTREACH AND PROBLEM SOLVING

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for Kalamazoo Public Safety Community Outreach and Problem Solving Division is the General Fund.

EXPENDITURES

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Adopted Variance	2015 Projected
Personnel	1,250,554	2,198,906	2,198,906	1,803,407	2,001,544	-8.98%	2,031,123
Operating	-	-	-	-	-		-
TOTAL	1,250,554	2,198,906	2,198,906	1,803,407	2,001,544	-8.98%	2,031,123

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	13.0	20.0	21.0

DEPARTMENT DESCRIPTION

In continuance of our balanced approach to crime reduction, specifically violent crime, the Community Outreach and Problem Solving Division (COPS) combines the most pro-active pieces of the organization into a singular division. The COPS Division is comprised of the following units: community policing, Kalamazoo Valley Enforcement Team, Probation and Parole Agent, Code Enforcement Officer from Community Planning & Development, Kalamazoo City Public Services, Kalamazoo County Community Mental Health and the U.S. Department of Housing and Urban Development. 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.

2014 BUDGET HIGHLIGHTS

In 2014 the COPS Division general fund budget is for personnel cost. The COPS division will continue to develop and maintain an intelligence system to identify the most violent offenders within the city and county. Reduce the Homicide rate and gun violence through aggressive enforcement, prosecution, and alternative strategies. Continue the relationship building, foot patrols, dialogue and problem solving with the community.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	# of tips received by KVET	2,360	1,550	1,630
EFFICIENCY	Average cost per investigation	\$1,328	\$1,400	\$1,400
EFFECTIVENESS	# of cases written on tips received	1390	390	410
OUTPUT	# of investigations	871	640	670
EFFICIENCY	# of investigations done per day at 365 days a year.	2.6	1.7	1.8
EFFECTIVENESS	# of arrests made (includes warrants)	871	660	695

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	18,767,351	17,948,713	17,948,713	18,526,305	17,695,442	-1.41%	17,873,198
Operating	56,482	43,685	43,685	43,685	43,685	0.00%	43,685
TOTAL	18,823,833	17,992,398	17,992,398	18,569,990	17,739,127	-1.41%	17,916,883

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	194.0	158.0	153.0
Number of Permanent Part Time Positions	0.0	0.0	3.0

**Four positions are partially funded through the Transportation Center, Downtown Kalamazoo Inc. , and CDBG Funding.*

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. The Division also includes the Special Weapons and Tactics (SWAT), Bomb Squad, K-9 Team, Explorers, Hazardous Material Technical Rescue, and Honor Guard, which are all specialized units designed to enhance customer service and provide prompt intervention in times of crisis.

2014 BUDGET HIGHLIGHTS

In 2014 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; Community Interaction, Enforcement, and Blight Reduction. 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.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

OPERATIONS

General and Special Revenue Funds

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Calls for service received by Operations	101,000	101,000	102,000
EFFICIENCY	Annual calls per service to staff ratio	595	594	699
EFFECTIVENESS	Number of persons arrested	8,836	8,500	8,500
OUTPUT	Traffic citations issued	17,537	15,000	15,000
EFFICIENCY	Patrol hours dedicated to traffic enforcement	1,500	1,400	1,400
EFFECTIVENESS	Traffic accidents	2,700	3,000	3,000

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	3,543,501	3,405,856	3,405,856	3,399,033	3,522,312	3.42%	3,416,329
Operating	27,473	55,721	55,721	55,721	45,721	-17.95%	45,721
TOTAL	3,570,974	3,461,577	3,461,577	3,454,754	3,568,033	3.08%	3,462,050

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	31.0	29.0	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) 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. There is an overall collaborative effort between the Operations Division, COPS and CID to conduct crime analysis and evaluate trends to investigate, solve and prevent crimes.

2014 BUDGET HIGHLIGHTS

The 2014 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); "Crime Fighter" and weekly Crime Reduction meetings; utilize I/Leads case management system to review case assignments and closures.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

CRIMINAL INVESTIGATIONS

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Total Number of Cases Assigned to CID	7,662	7,070	7,500
EFFICIENCY	Total Number of Cases Assigned to Detective of Investigation	4881	5000	510
EFFECTIVENESS	Total Arrest Warrants from Investigations	2,594	2,600	2,500
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	680
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
2014 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

SERVICE/TRAINING

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	3,918,437	3,819,406	3,819,406	3,916,602	4,126,284	8.03%	4,162,308
Operating	2,141,952	2,609,615	2,646,099	2,479,795	1,893,642	-27.44%	2,429,382
Capital	257,982	308,900	308,900	311,160	126,620	-59.01%	342,620
TOTAL	6,318,371	6,737,921	6,774,405	6,707,557	6,146,546	-8.78%	6,934,310

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	29.0	44.0	43.0
Number of Permanent Part Time Positions	4.0	4.0	2.0

**One Public Safety Officer is partially funded through the Education for Employment Program.*

DEPARTMENT DESCRIPTION

The mission of the Service/Training 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.

2014 BUDGET HIGHLIGHTS

The Service Division will continue the replacement of outdated mobile data terminals, oversee the acquisition and outfitting of new fleet vehicles, Coban digital recording technology will be purchased and installed in fire apparatus. The 2014 budget for Training will provide basic training and 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. In 2014, the Training Division will be conducting Fair and Impartial Policing, Honor Guard, Command Officer Tactical communications and regional SWAT Training. 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. The Service Division will continue to put out weekly crime stats to officers and members of the public.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

SERVICE/TRAINING

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Oversight of Public Safety buildings	10	10	10
EFFICIENCY	Annual cost to maintain buildings	\$783,594	\$821,594	\$821,594
EFFECTIVENESS	Percent of buildings in need of Refurbishment	40%	40%	30%

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	8,111	52,169	52,169	8,299	49,175	-5.74%	49,176
Operating	281,096	301,845	301,845	286,555	838,902	177.92%	303,162
Capital	67,614	46,500	46,500	68,190	290,500	524.73%	-
TOTAL	356,821	400,514	400,514	363,044	1,178,577	194.27%	352,338

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
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.

2014 BUDGET HIGHLIGHTS

In 2013, the COPS division special revenue budget reflects overtime, operating supplies, community outreach programs, investigative operations and infrastructure upgrades. In 2014, additional funds have been budgeted to offset the general fund to support police operations. The COPS division will continue to develop and maintain an intelligences system to identify the most violent offenders within the city and county. Reduce the Homicide rate and gun violence through aggressive enforcement, prosecution and alternative strategies. Continue the relationship building, foot patrols, dialogue and problem solving with the community.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

KVET DRUG ENFORCEMENT FORFEITURE

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2011	Projected 2012	Adopted 2014
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
2014 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

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Adopted Variance	2015 Projected
Personnel	472,521	415,965	415,965	414,624	425,811	2.37%	426,819
Operating	383,765	393,573	393,573	391,024	345,897	-12.11%	345,897
TOTAL	856,286	809,538	809,538	805,648	771,708	-4.67%	772,716

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	10.0	6.0	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.

2014 BUDGET HIGHLIGHTS

Work will continue in 2014 to ensure that adequate custodial and maintenance services are provided to all City facilities and downtown snowmelt system. 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
2014 ADOPTED BUDGET
PUBLIC SERVICES**

CITY-WIDE MAINTENANCE

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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	<6 hours	<4 hours	<4 hours
EFFECTIVENESS	Response time for Non-Priority Equipment Repairs	<20 hours	<16 hours	<16 hours

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	1,025,187	1,046,483	1,046,483	1,021,411	1,077,786	2.99%	1,070,514
Operating	196,937	164,653	164,653	173,681	160,950	-2.25%	160,950
TOTAL	1,222,124	1,211,136	1,211,136	1,195,092	1,238,736	2.28%	1,231,464

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	14.0	14.0	13.0

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.

2014 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 2014 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
2014 ADOPTED BUDGET
PUBLIC SERVICES**

ENGINEERING

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Miles (%) of Major & Local Streets Repaired (128 miles total)	7.38 (2.9%)	7.50 (3.0%)	7.50 (3.0%)
EFFECTIVENESS	Dollars Allocated for Major & Local Streets Repaired	\$0.873M Fed	\$1.885M Fed	\$1.885M Fed
EFFECTIVENESS	Dollars Allocated for Major and Local Streets Repaired	\$.873M Fed	\$1.885M Fed	\$1.885M Fed
		\$3.145M Bond	\$3.00M Fed	\$3.00M Fed
EFFECTIVENESS	Percentage Accuracy of Utility Stakings	99.98%	99.98%	99.98%

* Includes carry forward projects

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2013	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	786,707	857,328	857,328	757,375	782,483	-8.73%	779,891
Operating	1,548,932	1,606,613	1,606,613	1,552,876	1,528,915	-4.84%	1,528,915
Capital	7,645	170,000	170,000	170,000	50,000	-70.59%	50,000
TOTAL	2,343,284	2,633,941	2,633,941	2,480,251	2,361,398	-10.35%	2,358,806

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	12.0	10.0	9.0

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.

2014 BUDGET HIGHLIGHTS

Evaluation of Fleet needs throughout the City will continue in 2014. 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
2014 ADOPTED BUDGET
PUBLIC SERVICES**

FLEET SERVICES

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of Vehicles and Equipment Items Maintained	744	740	740
EFFICIENCY	Pieces of Equipment Maintained per Mechanic	93	93	93
EFFECTIVENESS	Percent of Preventive Work Orders (vs. Corrective Work Orders)	20%	25%	25%
OUTPUT	Number of Work Orders Completed	3,325	3,350	3,350
EFFICIENCY	Number of Work Orders Per Mechanic	425	430	430
EFFECTIVENESS	Percent of Corrective Work Orders (vs. Preventive Maintenance)	80%	75%	75%

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	475,651	438,221	438,221	470,512	459,940	4.96%	458,148
Operating	291,601	323,185	323,185	348,630	299,809	-7.23%	299,809
TOTAL	767,252	761,406	761,406	819,142	759,749	-0.22%	757,957

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	39.0	36.0	32.0

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.

2014 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 2013 and 2014 to deal with hazardous and dead trees will continue. Evaluation of how staff will handle downtown maintenance issues will be done in early 2014 to ensure adequate and appropriate coverage is maintained. The decrease in percentage of trees removed in 2013 is due to additional brush clean-ups from numerous storms in 2013. These additional clean-ups hindered the removal of hazardous and dead trees which is anticipated to increase in 2014.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of Lineal Feet of Sidewalk Replaced	3,571	4,500	4,500
OUTPUT	Percentage of Diseased/Dead Ash Trees Removed	55%	27%	90%

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	703,594	883,539	883,539	824,293	860,755	-2.58%	863,602
Operating	1,747,619	1,827,277	1,827,277	1,733,413	1,865,700	2.10%	1,865,700
Debt Service	1,977,225	2,109,374	2,109,374	2,109,374	2,139,438	1.43%	1,805,078
Transfers	10,721	500,000	500,000	510,721	227,971	-54.41%	200,000
Capital	1,809,085	3,885,000	5,498,528	5,498,528	3,267,000	-15.91%	3,211,000
TOTAL	6,248,244	9,205,190	10,818,718	10,676,329	8,360,864	-9.17%	7,945,380

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	39.0	36.0	32.0

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.

2014 BUDGET HIGHLIGHTS

Programmed activities related to street reconstruction, resurfacing and maintenance will continue in 2014. 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 2014 includes Drake and Stadium Intersection, Drake from West Main to Grand Prairie, Howard from Michigan to Kendall, Rose from Paterson to Ransom, Wallace from Michigan to Main, Factory from Miller to Palmer, and Vine from Clarence to Hatfield. Field services staff will continue to provide snow removal and repair as needed.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	721,073	875,399	875,399	774,122	831,730	-4.99%	807,408
Operating	866,890	1,159,106	1,159,106	1,046,854	1,137,114	-1.90%	1,137,114
Debt Service	662,279	754,587	754,587	754,587	869,207	15.19%	741,193
Transfers	10,721	-	-	10,721	27,971	-	0
Capital	984,919	1,000,000	1,164,122	1,164,122	1,000,000	0.00%	1,000,000
TOTAL	3,245,882	3,789,092	3,953,214	3,750,406	3,866,022	2.03%	3,685,715

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	39.0	36.0	32.0

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.

2014 BUDGET HIGHLIGHTS

Diligent efforts will continue in 2014 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 2012	Projected 2013	Adopted 2014
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
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	34,941	30,889	30,889	30,912	34,527	11.78%	32,585
Operating	247,794	304,547	304,547	302,346	306,796	0.74%	306,796
Capital	116,759	180,000	243,241	243,241	180,000	0.00%	180,000
Transfers	873	-	-	873	2,278	0.00%	-
TOTAL	400,367	515,436	578,677	577,372	523,601	1.58%	519,381

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	39.0	36.0	32.0

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.

2014 BUDGET HIGHLIGHTS

Improvements planned at both Riverside and Mountain Home Cemeteries include continuing the use of ground penetrating radar to locate graves dating back to before 1900. Plans to incorporate a headstone restoration project to improve cemetery appearance is also being considered. Roadway repairs will take place throughout 2014 at both Riverside and Mountain Home. A stone wall at Mountain Home will be restored along with a special project to address tree concerns at both locations. Average cost per burial is based on the average of what is charged per burial, these costs range from \$825 to \$145, depending on if its and FIA, cremains, full, or child burial. The cemetery has seen the number of full burials decrease over the last 10 years due to families choosing alternatives that are less expensive like cremation which does not require internment of ashes.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of Burials Performed Per Year	162	165	165
EFFICIENCY	Cost per Burial Service	\$425	\$425	\$425
EFFECTIVENESS	Number of Complaints Received Regarding Burials	7-15	15-20	10-Aug

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	741,160	749,485	749,485	769,795	857,411	14.40%	831,636
Operating	1,783,833	1,832,553	1,832,553	1,962,464	1,935,533	5.62%	1,730,533
Transfers	19,321	-	-	19,321	50,408	0.00%	-
TOTAL	2,544,314	2,582,038	2,582,038	2,751,580	2,843,352	10.12%	2,562,169

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	39.0	36.0	32.0

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.

2014 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 2014. Education of citizens regarding the popular Solid Waste programs will continue in 2014. 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
2014 ADOPTED BUDGET
PUBLIC SERVICES**

SOLID WASTE

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	8,045,395	7,290,857	7,290,857	6,208,762	6,461,118	-11.38%	6,566,673
Operating	13,839,807	15,475,167	15,475,167	15,265,999	15,954,745	3.10%	15,954,745
Capital	2,178,697	3,118,900	3,922,682	3,921,782	3,232,800	3.65%	2,821,800
Debt Service	676,220	1,014,364	1,014,364	1,014,364	1,060,209	4.52%	1,028,514
Transfers	169,358	-	-	169,358	441,865		-
TOTAL	24,909,477	26,899,288	27,703,070	26,580,265	27,150,737	0.93%	26,371,732

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	83.0	64.0	67.0
Number of Permanent Part Time Positions	1.0	0.0	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.

2014 BUDGET HIGHLIGHTS

Major realignment activities will continue within the Wastewater Division in 2014. 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 2014 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
2014 ADOPTED BUDGET
PUBLIC SERVICES**

WASTEWATER DIVISION

Enterprise Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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)	\$0.62	\$0.61	\$0.63
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
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	5,471,795	6,451,077	6,451,077	4,934,964	5,197,024	-19.44%	5,429,060
Operating	7,749,365	8,003,026	8,203,026	8,249,751	8,924,947	11.52%	8,924,947
Capital	2,204,814	2,502,200	2,959,184	2,836,520	2,144,301	-14.30%	2,873,088
Debt Service	2,698,392	2,607,125	2,607,125	2,607,125	2,628,068	0.80%	2,590,168
Transfers	122,353	-	-	122,353	319,227		-
TOTAL	18,246,719	19,563,428	20,220,412	18,750,713	19,213,567	-1.79%	19,817,263

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	63.0	50.0	51.0

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.

2014 BUDGET HIGHLIGHTS

Major realignment activities will continue in the Water Division in 2014. 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 2014. Compliance with all local, state and federal monitoring requirements will remain a top priority in 2014. 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
2014 ADOPTED BUDGET
PUBLIC SERVICES**

WATER DIVISION

Enterprise Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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).	\$0.52	\$0.51	\$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
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	1,260,503	1,209,457	1,209,457	1,203,739	1,204,821	-0.38%	1,195,190
Operating	140,720	148,128	148,128	98,938	142,830	-3.58%	142,830
Capital	5,772	3,000	3,000	1,000	2,000	-33.33%	2,000
TOTAL	1,406,995	1,360,585	1,360,585	1,303,677	1,349,651	-0.80%	1,340,020

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	20.0	19.0	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.

2014 BUDGET HIGHLIGHTS

The 2014 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. One position has been moved from the Community Development budget to the Code Administration budget to better reflect actual expenses (no new positions); CA also employs one seasonal Weed/Tall Grass inspector during the summer months.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

CODE ADMINISTRATION

General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2013
OUTPUT	No. Of Inspections and Enforcement Actions	7,364	12,000	12,000
EFFICIENCY	Number of Inspectors Dedicated to the Task	5.5	8.5	8.5
EFFECTIVENESS	Number of Inspection Actions per Inspector	1,339	1,400	1,400
OUTPUT	Total Operating and Maintenance Expenditures	\$1,406,995	\$1,303,677	\$1,349,651
EFFICIENCY	Total amount billed for permitting, inspection, registration and enforcement activity	\$1,400,000	\$1,800,000	\$1,600,000
EFFECTIVENESS	Percent of budget recovered through billing for permitting, inspection, registration and enforcement activity	99.5%	138.1%	118.5%
OUTPUT	Number of Abandoned Structures Cases Resolved	30	48	40
EFFICIENCY	Number of Cases Resolved Through Demolition	19	14	17
EFFECTIVENESS	Number of Cases Resolved Through Rehabilitation	11	34	23

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

PLANNING

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	364,479	344,118	344,118	349,469	277,479	-19.37%	273,395
Operating	29,135	39,266	39,266	35,566	35,956	-8.43%	35,956
TOTAL	393,614	383,384	383,384	385,035	313,435	-18.25%	309,351

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	4.0	4.0	2.0

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.

2014 BUDGET HIGHLIGHTS

The 2014 budget represents the loss of one secretarial position. As the Planning Division employees work more intensely in other areas of the department, we are working to proactively streamline processes within the Division and share staffing resources.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

PLANNING
General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Zoning enforcement actions	147	268	281
EFFICIENCY	Average staff cost per zoning violation	\$316	\$173	\$165
EFFECTIVENESS	Actions taken per inspector	147	268	281
OUTPUT	Site plans reviewed	46	44	44
EFFICIENCY	Average staff cost per site plan reviewed	\$240	\$240	\$245
EFFECTIVENESS	Percentage of site plans completed in accordance with approved plans	90%	90%	90%

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Operating	10,607	48,762	48,762	10,300	23,476	-51.86%	23,476
TOTAL	10,607	48,762	48,762	10,300	23,476	-51.86%	23,476

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
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.

2014 BUDGET HIGHLIGHTS

No additional funding is requested for this fund in 2014. 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
2014 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

COMMUNITY DEVELOPMENT GRANT ADMINISTRATION

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

	2012 Actual	2013 Adopted	2013 Amended	2013 Projected	2014 Adopted	2014/2013 Adopted Variance	2015 Projected
Personnel	717,969	823,333	813,804	834,187	820,580	-0.33%	778,914
Operating	74,478	97,110	124,134	103,751	97,269	0.16%	100,000
Capital	135	-	-	-	-	0.00%	-
TOTAL	792,582	920,443	937,938	937,938	917,849	-0.28%	878,914

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	13.0	9.0	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.

2014 BUDGET HIGHLIGHTS

Grants, federal awards, leveraged funds, and household impact numbers will decrease in 2014 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 2013. NSP2 will also conclude in 2013. Eligible administrative and planning funds are used to cover staff time and related expenses associated with HUD-funded activities. The FY 2014 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 in the first quarter of 2014; a 5% reduction from HUD is anticipated.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

COMMUNITY DEVELOPMENT GRANT ADMINISTRATION

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Grants: (CDBG, HOME, ESG, CDBG-R, HPRP, NSP-1, NSP-2)	25	23	12
EFFICIENCY	Total Federal Awards for Housing	\$927,796	\$1,265,451	\$805,000
EFFECTIVENESS	Leveraged funds for Housing	\$3,093,527	\$1,574,469	\$1,300,000
EFFECTIVENESS	Number of households impacted by housing-related grant award activities	510	428	350

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**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
ECONOMIC DEVELOPMENT**

ECONOMIC DEVELOPMENT

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	235,967	173,940	173,940	172,024	147,661	-15.11%	157,029
Operating	11,423	89,735	89,735	89,735	94,185	4.96%	94,185
TOTAL	247,390	263,675	263,675	261,759	241,846	-8.28%	251,214

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	5.0	4.0	4.0

DEPARTMENT DESCRIPTION

The Economic Development Department implements programs and provides services integral to achieving the goals of the community's economic development 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 full implementation of the ERI Strategic Alignment Plan in 2014, 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 the Downtown Development Authority.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of acres redeveloped	0.98	2.62	2.23
EFFICIENCY	Private investment leveraged / jobs created	12.5/28	12.9/47	10.1/128
EFFECTIVENESS	New taxable value added to the city	0.822	0.727	4.40

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**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	730,912	642,583	642,583	536,746	670,116	4.28%	675,660
Operating	267,027	322,590	322,590	322,935	283,732	-12.05%	283,732
Capital	2,799	-	-	-	-		-
TOTAL	1,000,738	965,173	965,173	859,681	953,848	-1.17%	959,392

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	9.0	4.0	4.0
Number of Permanent Part Time Positions	2.0	1.0	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.

2014 BUDGET HIGHLIGHTS

The Parks division has moved from a predominantly labor workforce to be more focused on park maintenance, program support, and facility services. Park maintenance services, such as mowing and trimming, were again subcontracted in 2013, which provided an estimated annual cost savings to the City of over \$167,000. Staff continues to evaluate operations in order to provide the most efficient service possible to residents. Staff schedules have been adjusted to eliminate the need for overtime in some cases and reduce the amount of contractual dollars spent to lock park gates and perform other tasks.

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
PARKS AND RECREATION**

PARKS
General Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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	300	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
2014 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 \$262,500, a contribution of \$30,000 from the Municipal Recreation Endowment Fund, and grant funds from various other sources, such as: Oakwood Neighborhood Association, Sears Memorial Fund, Kalamazoo Community Foundation, and Kalamazoo Public Schools.

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	717,853	667,121	667,121	632,865	639,239	-4.18%	634,904
Operating	347,616	357,718	357,718	345,233	367,174	2.64%	367,174
TOTAL	1,065,469	1,024,839	1,024,839	978,098	1,006,413	-1.80%	1,002,078

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	8.0	6.0	6.0
Number of Permanent Part Time Positions	2.0	2.0	3.0

DEPARTMENT DESCRIPTION

Mission Statement: the Department of Parks and Recreation serves as a vital and integral part of the Kalamazoo Community. The mission of the Parks and Recreation Department is to create a community of neighborhoods where people live, work, and play. The department accomplishes this by being good stewards of the environment, providing dynamic parks, trails and recreation programs for all citizens and by promoting youth development initiatives in support of healthy families.

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):

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET
PARKS AND RECREATION**

RECREATION

General Fund

2014 BUDGET HIGHLIGHTS

The department will continue to seek outside funding for a year round swim program and for general recreation programs. Strategic partnerships will continue to be critical to the department, with examples like the Sayonara Summer 5k and Movies in the Park at South Westnedge Park being examples of successful partnerships. Staff will develop unique programs at the Youth Development center that focus on education, skill/employment development and arts/cultural programs. Special events such as Lunchtime Live and Movies in the Park will be offered again in 2014 after a groundswell of support from the community in 2013. Revenue generated from registration fees and charges will be increased through the establishment of grant fund for scholarships.

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Special Events (# programs)	7	12	15
EFFICIENCY	Special Events (cost per person)	.50 - \$60	.50 - \$60	.50 - \$60
EFFECTIVENESS	Special Events (# of people served; outdoor events are weather dependent)	5,585	9,727	11,000
OUTPUT	Youth Development (# programs)	48	50	55
EFFICIENCY	Youth Development (# collaborations)	35	41	45
EFFECTIVENESS	Youth Development (number of registered participants)	6,245	4,883	5,000

**CITY OF KALAMAZOO
2014 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

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	45,878	51,408	51,408	6,706	5,444	-89.41%	3,393
Operating	21,902	17,127	17,127	16,832	17,834	4.13%	17,834
TOTAL	67,780	68,535	68,535	23,538	23,278	-66.03%	21,227

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Part Time Positions	1.0	1.0	0.0

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.

2014 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. A contract with the People's Food Co-op was signed in the spring of 2013 to operate the market. The partnership with the Food Co-op has been very successful this season. They have added WiFi, hosted over 150 businesses, have served well over 150,000 people this season, and they have rebranded the Market with new banners and signage. With help from LISC, the People's Co-op was able to distribute approximately \$2,000 in Market Bucks to the Swim for Success program parents, targeting low income families and of that amount \$1,818 of the coupons have been redeemed. Additionally, \$7,500 each in WIC coupons and Senior market Fresh coupons have been redeemed, as well as the distribution of approximately \$80,000 in combined SNAP and Double Up Food Bucks (DUFEB) this season. In 2014, the Market will again be

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
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	2	2

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**CITY OF KALAMAZOO
2014 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 2015 and will need to be renewed to ensure adequate funding for the System. An urban area Act 196 Authority is proposed to replace the City's authority in 2014. If established, that authority would most likely propose an urban area milage for line-haul service in the spring of 2015. Capital funding for vehicle replacement, new equipment, and improvements to public transit facilities continues to be provided 80% by FTA and 20% from MDOT.

EXPENDITURES

	2012	2013	2013	2013	2014	2014/2013	2015
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Proposed
Personnel	7,166,850	8,281,906	8,281,906	7,467,282	7,887,471	-4.76%	7,798,130
Operating	8,781,775	8,742,533	8,742,533	8,940,023	8,910,447	1.92%	8,910,447
Capital*	2,141,726	3,796,478	4,626,478	3,866,531	2,126,000	-44.00%	2,126,000
Transfers	67,176	-	-	67,176	175,266	0.00%	-
TOTAL	18,157,527	20,820,917	21,650,917	20,341,012	19,099,184	-8.27%	18,834,577

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

POSITIONS

POSITION ALLOCATIONS	Budget 2012	Budget 2013	Adopted 2014
Number of Permanent Full Time Positions	103.0	102.0	102.0
Number of Permanent Part Time Positions	19.0	20.0	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.

2014 BUDGET HIGHLIGHTS

The budget for 2014 will ensure that current service levels continue. No fare increase is being proposed for 2014. The Community Service Van program will continue with out-county vans now being placed in both Vicksburg and Portage. Metro Transit will continue its implementation of an Intelligent Transportation System (ITS) 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 grant funded travel trainer program. Safety and security will be ensured at the Kalamazoo Transportation Center (KTC) 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 early 2014. 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
2014 ADOPTED BUDGET
TRANSPORTATION**

PUBLIC TRANSPORTATION SERVICES

Enterprise Fund

PERFORMANCE MEASURES		Actual 2012	Projected 2013	Adopted 2014
OUTPUT	Number of Schedule Service Hours (including Metro Transit, Metro Van, Care-A-Van and Community Service Vans)	182,594.3	190,826.6	190,826.6
EFFICIENCY	Cost Per Hour	\$88.16	\$86.33	\$88.03
EFFECTIVENESS	Average Passengers Per Hour – All Services	16.63	15.93	16.41
OUTPUT	Number of Service Miles (including Metro Transit, Metro Van, Care-A-Van and Community Service Vans)	2,623,987.0	2,641,095.7	2,642,095.7
EFFICIENCY	Cost Per Mile	\$6.14	\$6.24	\$6.36
EFFECTIVENESS	Miles Per Hour	14.37	13.84	13.84
OUTPUT	Number of Passengers Trips (all services)	3,036,402	3,040,584	3,131,802
EFFICIENCY	Cost Per Passenger	\$5.30	\$5.42	\$5.36
EFFECTIVENESS	Passengers Boarded Per Service Mile	1.19	1.15	1.19

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

CITY OF KALAMAZOO CAPITAL IMPROVEMENTS PROGRAM SUMMARY BUDGET YEAR - 2014	DEPARTMENT: VARIOUS DIVISION: VARIOUS FUND NAME/NUMBER: GENERAL FUND CAPITAL
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DOLLARS IN THOUSANDS (\$000)

DEPARTMENT	PRIORITY NO.	PROJECT TITLE							FUNDING SOURCE
			2014	2015	2016	2017	2018	2019	
PUBLIC SERVICES	1	City Hall Improvements	400.0						BOND
PUBLIC SERVICES/FLEET	2	Street Sweeper	160.0						RESERVE
PUBLIC SERVICES/FLEET	3	Plow Truck	140.0						BOND
PUBLIC SERVICES	4	Equipment and Facility Major Repairs	30.0	30.0	30.0	30.0	30.0	30.0	BOND
PUBLIC SAFETY	5	Boiler and Chiller Replacement	420.0						BOND
PUBLIC SAFETY	6	Facility Improvements	75.0						BOND
PARKS & RECREATION	7	Henderson Tot Lot Improvements	50.0						BOND
			10.0						PRIVATE
PUBLIC SERVICES	8	City Hall HVAC Improvements	81.2						RESERVE
2014 CIP Subtotal			\$1,356.2						
2014 Total Project Cost			\$1,366.2						

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

CITY OF KALAMAZOO CAPITAL IMPROVEMENTS PROGRAM SUMMARY BUDGET YEAR - 2014	DEPARTMENT: VARIOUS DIVISION: VARIOUS FUND NAME/NUMBER: GENERAL FUND CAPITAL
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DOLLARS IN THOUSANDS (\$000)

DEPARTMENT	PRIORITY NO.	PROJECT TITLE						FUNDING SOURCE	
			2014	2015	2016	2017	2018		2019
PUBLIC SAFETY	1	Replace Engine 7		500.0					BOND
PARKS & RECREATION	2	MLK Park Improvements		100.0					BOND PRIVATE
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		120.0 400.0 400.0					BOND STATE PRIVATE
2015 CIP Subtotal				\$2,070.0					
2015 Total Project Cost				\$2,970.0					

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

CITY OF KALAMAZOO CAPITAL IMPROVEMENTS PROGRAM SUMMARY BUDGET YEAR - 2014	DEPARTMENT: VARIOUS DIVISION: VARIOUS FUND NAME/NUMBER: GENERAL FUND CAPITAL
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DOLLARS IN THOUSANDS (\$000)

DEPARTMENT	PRIORITY NO.	PROJECT TITLE						FUNDING SOURCE	
			2014	2015	2016	2017	2018		2019
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				PRIVATE
PUBLIC SAFETY	5	Public Safety Station #2 Replacement			2,570.0				BOND
PARKS & RECREATION	6	Phase I Redevelopment of Kalamazoo Farmers Market			1,600.0				BOND
2016 CIP Subtotal					\$4,722.0				
2016 Total Project Cost					\$6,642.0				

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

CITY OF KALAMAZOO			DEPARTMENT: VARIOUS						
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: VARIOUS						
BUDGET YEAR - 2014			FUND NAME/NUMBER: GENERAL FUND CAPITAL						
DOLLARS IN THOUSANDS (\$000)									
DEPARTMENT	PRIORITY NO.	PROJECT TITLE							FUNDING SOURCE
			2014	2015	2016	2017	2018	2019	
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 general 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
						1,400.0			PRIVATE
						300.0			STATE
PUBLIC SERVICES	6	City Hall- miscellaneous office improvements				80.0			BOND
2017 CIP Subtotal						\$2,975.0			
2017 Total Project Cost						\$4,675.0			
PARKS & RECREATION	1	Milham Park Improvements					300.0		BOND
							1,400.0		PRIVATE
							300.0		STATE
PARKS & RECREATION	2	Knollwood Park Improvements					150.0		BOND
PUBLIC SAFETY	3	Public Safety Facility Upgrades					250.0		BOND
2018 CIP Subtotal						\$730.0			
2018 Total Project Cost						\$2,430.0			

CITY OF KALAMAZOO 2014 ADOPTED BUDGET

CITY OF KALAMAZOO			DEPARTMENT: VARIOUS						
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: VARIOUS						
BUDGET YEAR - 2014			FUND NAME/NUMBER: GENERAL FUND CAPITAL						
DOLLARS IN THOUSANDS (\$000)									
DEPARTMENT	PRIORITY NO.	PROJECT TITLE							FUNDING SOURCE
			2014	2015	2016	2017	2018	2019	
PARKS & RECREATION	1	Improvements						500.0	BOND
PUBLIC SERVICES	2	City Hall - Maintenance						200.0	BOND
PUBLIC SAFETY	13	Facility Upgrades						400.0	BOND
2019 CIP Subtotal								1,130.0	
2019 Total Project Cost								1,130.0	
GRAND TOTAL			1,366.2	\$2,970.0	\$6,642.0	\$4,675.0	\$2,430.0	\$1,130.0	

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO	DEPARTMENT:	PUBLIC SERVICES
CAPITAL IMPROVEMENTS PROGRAM SUMMARY	DIVISION:	GENERAL FUND
BUDGET YEAR - 2014	FUND NAME/NUMBER:	GENERAL FUND CAPITAL - Major & Local Streets

KEY: L = Local Streets
M = Major Streets

DOLLARS IN THOUSANDS (\$000)

PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	FUNDING SOURCE
1-1	L	Local Street Program (Tier #1) Various	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	Bond
1-2	M	Biennial Bridge Inspection	10.0						Bond
1-3	M	Stadium/Drake Intersection Local Share	310.0						Bond
1-4	M	Drake (W Main to Grand Prairie)	303.0 754.0						Bond Federal
1-5	M	Howard (Michigan to Kendall)	114.0 513.0						Bond Federal
1-6	M	Rose (Ransom to Paterson)	372.0						Bond Federal
1-7	M	Traffic Signal Upgrade	150.0	150.0	150.0	150.0	150.0	150.0	Bond
1-8	M	Wallace (Michigan to Main)	314.0						Bond Federal
1-9	M	Factory (Miller to Palmer)	106.0						Bond Federal
1-10	M	Vine (Clarence to Hatfield)	111.0						Bond
1-11	M	Design for Upcoming Years Major	50.0	50.0	50.0	50.0	50.0	50.0	Bond
1-12	M	Pavement Management Update	10.0						Bond
1-13	M	Scattered Sites	150.0	150.0	150.0	150.0	150.0	150.0	Bond

2014 Total = 4,267.0

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO	DEPARTMENT:	PUBLIC SERVICES
CAPITAL IMPROVEMENTS PROGRAM SUMMARY	DIVISION:	GENERAL FUND
BUDGET YEAR - 2014	FUND NAME/NUMBER:	GENERAL FUND CAPITAL - Major & Local Streets

KEY: L = Local Streets
M = Major Streets

DOLLARS IN THOUSANDS (\$000)

PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	FUNDING SOURCE
2015	M	Alamo (Douglas to City Limits)		215.0					Federal
2015	M	Edwards (Kalamazoo to North)		140.0					Bond Federal
2015	M	Manchester (Kilgore to N. End)		190.0					Bond Federal
2015	M	Mills (Stockbridge to King Hwy)		445.0 661.0					Bond Federal
2015	M	Pitcher (Water to North)		200.0					Bond Federal
2015	M	Riverview (Gull to Nt. Olivet)		300.0 500.0					Bond Federal
2015	M	Sprinkle/I-94 Interchange Participation		210.0					Bond
2015 Total =				4,211.0					

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT:		PUBLIC SERVICES				
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION:		GENERAL FUND				
BUDGET YEAR - 2014			FUND NAME/NUMBER:		GENERAL FUND CAPITAL - Major & Local Streets				
KEY: L = Local Streets M = Major Streets									
DOLLARS IN THOUSANDS (\$000)									
PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	FUNDING SOURCE
2016	M	E. Michigan (Riverview to Wallance)			275.0 600.0				Bond Federal
2016	M	Kilgore (Service Drive to Sprinkle)			350.0 561.0				Bond Federal
2016	M	Parchmont (Mt. Olivet to Mead)			145.0				Bond Federal
2016	M	Pitcher (Walnut to Portage/Pitcher Connector)			120.0				Bond Federal
2016	M	Porter (Frank to Paterson)			195.0				Bond Federal
2016	M	Sheldon (Vine to Crosstown)			151.0				Bond Federal
2016	M	Stockbridge (Railroad to Portage)			300.0				Bond Federal
2016	M	Water (Westnedge to Rose)			164.0				Bond Federal
2016 Total =					4,211.0				

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO	DEPARTMENT:	PUBLIC SERVICES
CAPITAL IMPROVEMENTS PROGRAM SUMMARY	DIVISION:	GENERAL FUND
BUDGET YEAR - 2014	FUND NAME/NUMBER:	GENERAL FUND CAPITAL - Major & Local Streets

KEY: L = Local Streets
M = Major Streets

DOLLARS IN THOUSANDS (\$000)

PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	FUNDING SOURCE
2017	M	Emerald (Cork to Miller)				385.0			Bond Federal
2017	M	Hatfield (Schuster to King)				180.0			Bond Federal
2017	M	Portage (Sheridan to Stockbridge)				380.0 651.0			Bond Federal
2017	M	Vine (Westnedge to Crosstown)				510.0 435.0			Bond Federal
2017	M	Walbridge (Michigan to Paterson)				320.0			Bond Federal
2017 Total =						4,211.0			
2018	M	Cork (Portage to Sprinkle)					510.0 1,161.0		Bond Federal
2018	M	Covington (Manchester to Sprinkle)					446.0		Bond Federal
2018	M	Edwards (Frank to Paterson)					176.0		Bond Federal
2018	M	Lovell (Sprague to Oakland)					308.0		Bond Federal
2018	M	VanRick (Covington to Sprinkle)					268.0		Bond Federal
2018 Total =						4,219.0			

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO	DEPARTMENT:	PUBLIC SERVICES
CAPITAL IMPROVEMENTS PROGRAM SUMMARY	DIVISION:	GENERAL FUND
BUDGET YEAR - 2014	FUND NAME/NUMBER:	GENERAL FUND CAPITAL - Major & Local Streets

KEY: L = Local Streets
M = Major Streets

DOLLARS IN THOUSANDS (\$000)

PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	FUNDING SOURCE
2019	M	Bank (Stockbridge to Lake)						150.0	Bond Federal
2019	M	Burr Oak (Park to Burdick)						155.0	Bond Federal
2019	M	March (Stockbridge to Lake)						150.0	Bond Federal
2019	M	Parchmont (Clarnin to Mt. Olivet)						154.0	Bond Federal
2019	M	Portage (Stockbridge to Walnut)						650.0 1,161.0	Bond Federal
2019	M	Portage/Pitcer Connector (Walnut to Lovell)						206.0	Bond Federal
2019	M	Vine (Davis to Westnedge)						235.0	Bond Federal
2019 Total =								4,211.0	
GRAND TOTAL			\$4,267.0	\$4,211.0	\$4,211.0	\$4,211.0	\$4,219.0	\$4,211.0	\$25,330.0

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES											
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: Wastewater											
BUDGET YEAR - 2014			FUND NAME/NUMBER: GENERAL FUND CAPITAL - Wastewater											
DOLLARS IN THOUSANDS (\$000)			KEY		SC - Sewer Collection	SE - Safty Equipment	ES - Environmetal Stewardship	GP - General Plant	IE - Instrumentaion & Electrical equipment	PL - Plant Process & Equipment				FUNDING SOURCE
PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
1-1	GP	Capital Management	270.0	270.0	270.0	270.0	270.0						Reserves	
1-2	GP	Equipment Replacement & Improvements	150.0	250.0	150.0	200.0	200.0	250.0	250.0	250.0	300.0	300.0	Reserves	
1-3	IE	Electrical, Instrumentation & Controls: Replace and Upgrade	117.5	230.0	200.0	200.0	200.0	250.0	250.0	250.0	300.0	300.0	Reserves	
1-4	PL	Tertiary Bldg #19 Screw Pump	748.0										Reserves	
1-5	SC	New and Replacement Sewer Construction	200.0	600.0	500.0	550.0	600.0	610.0	612.0	650.0	623.0	612.0	Reserves	
1-6	SC	Lift Station Improvements	155.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	Reserves	
1-7	SC	Bldg 16 Plant Water Valve	43.7										Reserves	
1-8	PL	RAS pump bldg 12	270.0										Reserves	
2-9	SC	New Sewer Lead Connection	30.0	30.3	30.6	30.9	31.2	31.5	31.8	32.2	32.5	32.8	Contrib in Aid	
2-10	PL	Deep Point West Hatch Replacement	25.0										Reserves	
2-11	GP	Facilities Improvements	100.0	100.0	101.0	102.0	103.0	104.1	105.1	106.2	107.2	108.3	Reserves	
2-12	PL	Replace Pumps at Harrison	75.0	225.8	250.0	325.0	175.0	150.0	150.0	300.0	250.0	300.0	Reserves	
2-13	PL	Replace Valves at Harrison	50.0	300.0	200.0	225.0	225.0	225.0	200.0	200.0	200.0	200.0	Reserves	
2-14	ES	Schippers Crossing Interim Remedial Action	40.0	40.4	40.8	41.2	41.6	42.0	42.5	42.9	43.3	43.7	Reserves	
2-15	SC	Texel Lift Station Pump Replacement	21.1										Reserves	
3-16	GP	Building 1A (WAR) Demo	250.0										Reserves	
3-17	GP	Hach Wims	20.0										Reserves	
3-18	GP	Records Mgmt. - GBA Software Lucity Work Order Solutions	20.0	15.0									Reserves	
3-19	SC	New Sewer Vactor	400.0										Reserves	

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO				DEPARTMENT: PUBLIC SERVICES									
CAPITAL IMPROVEMENTS PROGRAM SUMMARY				DIVISION: Wastewater									
BUDGET YEAR - 2014				FUND NAME/NUMBER: GENERAL FUND CAPITAL - Wastewater									
DOLLARS IN THOUSANDS (\$000)				KEY		SC - Sewer Collection		ES - Environmental Stewardship		IE - Instrumentation & Electrical equipment			
						SE - Safety Equipment		GP - General Plant		PL - Plant Process & Equipment			
PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	FUNDING SOURCE
3-20	GP	Plant Road Replacement	75.0										Reserves
3-21	GP	New Computer Replacement	25.0	25.3	25.5	25.8	26.0	26.3	26.5	26.8	27.1	27.3	Reserves
3-22	GP	WRP Heat Improvement	65.0	65.0									Reserves
3-23	ES	Phosphorous Analyzer	51.0										Reserves
Future	SC	Load Center 5		120.0									Reserves
Future	SC	New Sewer TV Truck		350.0									Reserves
Future	PL	Screw Pump #2		50.0	350.0								Reserves
Future	SC	Rose Street Sanitary Sewer			50.0	350.0							Reserves
Future	GP	Alternate Force Main				150.0	750.0						Reserves
Grand Total =			3,201.3	2,821.8	2,317.9	2,619.9	2,771.8	1,838.9	1,817.9	2,008.1	2,033.1	2,074.1	

**CITY OF KALAMAZOO
2014 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										FUNDING SOURCE
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: Water										FUNDING SOURCE
BUDGET YEAR - 2014			FUND NAME/NUMBER: GENERAL FUND CAPITAL - Water										FUNDING SOURCE
WATER CAPITAL IMPROVEMENT PROGRAM SUMMARY			KEY: DI - Distribution System GP - General Plant IE - Instrumentation, Electric and Controls										FUNDING SOURCE
DOLLARS IN THOUSANDS (\$000)			SS - Storage and Supply MD - Meter Development										FUNDING SOURCE
PRIORITY NO.	FUND KEY	PROJECT TITLE	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	FUNDING SOURCE
1-1	GP	Capital Management	200.0	200.0	200.0	200.0	200.0						Reserves
1-2	DI	New and Replacement Water Mains	35.0 238.1	35.4 284.3	35.7 260.4	36.1 260.5	36.4 260.6	36.8 260.7	37.2 260.8	37.5 261.0	37.9 261.1	38.3 261.2	Contrib. Aid Reserves
1-3	DI	Texas Township Booster Station	325.0										Reserves
1-4	SS	Water Pumpin Station Improvements	150.0	151.5	151.0	151.3	152.8	154.3	155.9	157.4	159.0	160.6	Reserves
1-5	SS	Station 18 Iron Removal Building	0.0	1,050.0									Reserves
1-6	DI	Lead Service Replacement	147.9	149.4	150.9	152.4	153.9	155.4	157.0	158.6	160.2	161.8	Reserves
2-7	DI	Gate Valve Replacement Program	100.4	101.4	102.4	103.4	104.5	105.5	106.6	107.6	108.7	109.8	Reserves
2-8	DI	New and Replacement Hydrants	22.0 71.1	22.2 71.8	22.4 72.5	22.7 73.3	22.9 74.0	23.1 74.7	23.4 75.5	23.6 76.2	23.8 77.0	24.1 77.8	Contrib. Aid Reserves
2-9	MD	Meter Improvement Program	171.8	173.5	175.3	177.0	178.8	180.6	182.4	184.2	186.0	187.9	Reserves
2-10	GP	New Computer Replacement	25.0										Reserves
2-11	DI	New Service Connections	57.0	57.6	58.1	58.7	59.3	59.9	60.5	61.1	61.7	62.3	Contrib. Aid
2-12	IE	Water system SCADA Replacement	350.0	150.0	150.0	200.0	250.0						Reserves
3-13	GP	Mobile Work Order Solution	30.0										Reserves
3-14	GP	Stockbridge Security Improvements	15.0										Reserves
3-15	MD	Automatic Meter Reading	25.0	25.0									Reserves
3-16	GP	Stockbridge Facility Improvements	100.0	101.0	102.0	103.0	104.1	105.1	106.2	107.2	108.3	109.4	Reserves
Future	SS	Mt. Olivet Tank Replacement		300.0	2,000.0								Reserves
Future	DI	Rose Street Water Main Replacement			50.0	500.0							Reserves
Future	SS	New Water Pumping Station and Well Field						300.0	1,200.0	1,200.0			Reserves
Future	SS	New Pumping Station and Will Field								300.0	1,500.0	1,500.0	Reserves
Grand Total =			2,063.3	2,873.1	3,590.7	2,038.4	1,597.3	1,456.1	2,385.5	2,674.4	2,683.8	2,693.2	

THE CITY OF



Kalamazoo

BROWNFIELD REDEVELOPMENT AUTHORITY (BRA) 2014 ADOPTED BUDGET

	2012 Actual	2013 Adopted Budget	2013 Projected Year End	2014 Adopted Budget
Revenues				
TIF Capture - Developer	546,525	314,000	314,000	325,000
TIF Capture - Building Authority (Ramp)	145,974	150,000	145,974	152,000
TIF Capture - BRA	68,205	108,000	72,000	70,000
Land Sales Proceeds	0	10,000	13,000	10,000
Interest on Investments	1,521	4,000	1,400	1,400
Loan Interest	1,100	1,200	1,094	1,000
Miscellaneous (Rent/Reimbursements)	202,074	17,300	23,712	23,000
Total Resources	965,399	604,500	571,180	582,400
Expenditures				
Personnel	183,646	191,863	197,266	205,477
Riverfront Redevelopment	60,781	30,000	500	30,000
Davis Creek Business Park	3,772	50,000	0	30,000
Former Public Safety Buildings	6,788	25,000	7,500	20,000
Tax Reverted Property Acquisitions/Land Bank	8,712	10,000	10,000	10,000
TIF Reimbursements to Developers	546,525	314,000	314,000	325,000
TIF Transfer to Building Authority/Mall Parking Structure	145,974	150,000	145,974	152,000
Site/Building Maintenance	5,772	18,000	7,000	15,000
Special Projects Environmental	213,459	30,000	44,834	30,000
East Bank Site	50,521	5,000	0	2,500
Performance Paper	1,643	20,000	20,000	20,000
Site Preparation/Infrastructure	797	125,000	0	100,000
Targeted Acquisitions	0	25,000	5,800	25,000
Marketing	0	20,000	2,500	10,000
Administrative/IT Fees	45,888	47,266	47,266	48,684
BRA Operating Expenses	626	3,000	3,000	3,000
Bank Fees	0	300	300	300
Total Expenditures	1,274,904	1,064,429	805,940	1,026,961
Revenue over (under) expenditures	-309,505	-459,929	-234,760	-444,561
Beginning Fund Balance	1,313,438	1,003,933	1,003,933	769,173
Ending Fund Balance	1,003,933	544,004	769,173	324,612

DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

2014 ADOPTED BUDGET

OPERATING BUDGET

	2013 Approved	2013 Projected	2014 Adopted
REVENUE			
Taxes			
Operating - Current Year (DDA Levy 1.9638 Mills)	291,927	291,927	278,274
Operating - Current Year (TIF)	1,636,759	1,491,468	1,519,193
Advance 2015 Disbursement	-	-	150,000
Total Taxes	1,928,686	1,783,395	1,947,467
Fees & Charges for Services			
Festival Place Maintenance Fees	19,000	19,000	21,000
City of Kalamazoo Mall Maintenance	14,210	14,210	53,288
Total Fees & Charges for Services	33,210	33,210	74,288
Other			
Interest Income	2,100	2,100	2,100
PILOTS/Miscellaneous	1,500	1,500	1,500
North Mall Artwork	-	11,655	-
Parking Refund to TIF	-	100,000	-
DKI Fund Balance	442,069	362,499	50,000
Total Other Revenue	445,669	477,754	53,600
TOTAL REVENUE	2,407,565	2,294,359	2,075,355
EXPENSES			
Operating Expenses			
DKI Service Agreement	286,888	286,888	221,000
Administration	-	-	-
Insurance/Legal/Audit Services	25,625	25,625	27,300
Mall Assessment	10,000	-	-
Miscellaneous	257	257	500
Total Operating Expenses	322,770	312,770	248,800
Initiatives/Programs			
Marketing - Communication & Events	131,000	81,000	40,000
Business Recruitment and Retention	40,000	10,430	10,000
North Mall Artwork	-	11,655	-
CIP:		-	
Special Projects	-	-	-
Maintenance	125,500	125,500	100,000
TIF Capture-Miller Canfield	57,782	57,782	48,538
Program Allocation	-	-	-
Total Initiatives/Programs	354,282	286,367	198,538

**DOWNTOWN DEVELOPMENT AUTHORITY (DDA)
2014 ADOPTED BUDGET
OPERATING BUDGET**

	2013 Approved	2013 Projected	2014 Adopted
DEBT SERVICE/OTHER OBLIGATIONS			
Arcadia Creek Bonds	633,800	633,800	452,813
Building Authority Bonds	654,235	654,235	638,038
DDA Bond	87,265	87,265	83,745
TIF Capture Ramp3	53,978	53,978	43,383
Kalamazoo Community Foundation	75,000	-	-
Metropolitan Center	48,900	48,900	48,900
Rebated Taxes	45,000	222,886	194,955
Kalamazoo County Loan	198,000	100,000	100,000
Total Debt Service/Other Obligations	1,796,178	1,801,064	1,561,834
Transfers			
Transfer to Parking System	-	-	-
Total Transfers	-	-	-
12% Reserve	17,724	16,524	13,464
TOTAL EXPENSES	2,490,954	2,416,725	2,022,636
Revenue Over (Under) Expenses	(83,389)	(122,366)	52,719

ECONOMIC DEVELOPMENT AUTHORITY (EDC)

2014 ADOPTED BUDGET

	2012 Actual	2013 Adopted Budget	2013 Projected Budget	2014 Adopted Budget
RESOURCES				
Loan Interest	0	0	0	0
Interest on Investments	432	0	216	400
Miscellaneous	0	0	0	0
Transfers				
General Fund	0	0	0	0
LDFA / TIF	81,025	81,025	81,025	81,025
Insurance Fund	0	0	0	0
Total Resources	81,457	81,025	81,241	81,425
Expenditures				
Contracting for Services 1)	123,584	122,540	132,151	117,081
Economic Development Strategy	0	0	0	0
Administrative Fee	2,688	2,767	2,767	2,850
Other Costs 2)	2,702	11,750	11,568	9,750
Utilities (Electricity & Natural Gas)	1,078	0	0	0
Bad Debt Expense	72,376	0	0	0
Audit Fees	1,600	4,320	4,320	4,400
Total Expenditures	204,028	141,377	150,806	134,081
Revenue over (under) expenditures	(122,571)	(60,352)	(69,565)	(52,656)
Beginning Fund Balance	598,322	475,751	475,751	495,659
Transfer to EOF	0	0	0	0
Transfer to EDC	0	0	0	0
Loan Principal	0	189,473	189,473	114,212
Anticipated Loan Projects	0	100,000	100,000	200,000
Ending Fund Balance	475,751	504,872	495,659	357,215

1) The proposed 2014 budget reflects the cost of services provided to the EDC by .97 FTE

80% Executive Director

17% Administrative Secretary

2) Cost of supplies, services and legal fees

KALAMAZOO MUNICIPAL GOLF ASSOCIATION (KMGA)

2014 ADOPTED BUDGET

	2012 Actual	2013 Budget	2013 Projected	2014 Adopted
REVENUE				
Cart Rentals	281,906	311,983	286,968	320,000
Cell Tower Land Lease (and Other in 11 - 12)	-	30,540	59,745	-
Food & Alcohol Sales	123,773	194,981	205,786	230,000
Driving Range	51,632	66,116	47,253	50,000
Greens Fees	558,836	647,727	540,529	620,000
Memberships	220,923	224,174	231,824	250,000
Pro-Shop Rental	22,858	-	-	-
Merchandise	295,756	325,000	315,505	330,000
TOTAL REVENUE	1,555,684	1,800,521	1,687,610	1,800,000
OPERATING EXPENSES				
Professional Contract (DM Golf)	1,295,047	1,331,975	1,327,784	1,465,995
Lease Expense (Carts)	67,083	81,000	80,005	80,005
SUBTOTAL OPERATING EXPENSES	1,362,130	1,412,975	1,407,789	1,546,000
DEBT SERVICE INTEREST				
Equipment Lease-to-own	-	6,912	6,912	5,452
Debt Service Interest (Current)	44,671	35,666	31,744	29,475
	44,671	42,578	38,656	34,926
OTHER SOURCES/USES				
Capital Improvements (Cash)	-	-	-	-
Equipment Lease-to-own	-	29,903	29,903	31,363
Debt Service Principal (Current)	139,867	130,420	100,731	129,182
Debt Service Principal (Prior Year)	-	59,608	59,608	-
SUBTOTAL OTHER SOURCES/USES	139,867	219,931	190,242	160,544
TOTAL EXPENSES	1,546,668	1,675,484	1,636,687	1,741,470

**LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)
2014 ADOPTED BUDGET**

	2012 Actual	2013 Amended Budget	2013 Projected	2014 Adopted	2015 Projected
Revenue					
Projected TIF Revenue	487,229	487,229	474,200	544,975	553,150
Miscellaneous Revenue	0	0	0	0	0
Total Resources Available	487,229	487,229	474,200	544,975	553,150
Expenditures					
Reimbursement (non-Balance Sheet) for WMU BTR Park Infrastructure	35,000	0	0	19,852	0
Reimbursement (non-Balance Sheet) for 2011 Campus Drive to Major Sts	150,000	0	0	0	0
BTR Park Marketing	3,201	3,200	3,200	4,300	0
Operating Expenses: Southwest Michigan Innovation Center					
Marketing	5,464	5,464	5,464	5,464	5,464
Legal and Accounting	10,927	10,927	10,927	10,927	10,927
Business Support	91,980	91,980	91,980	91,980	91,980
Administrative Fees	2,724	2,808	2,808	2,808	2,808
City Administrative Support (via EDC Fund)	81,024	77,824	77,824	81,025	81,025
Total Projected Expenses	380,320	192,203	192,203	216,356	192,204
LDFA Overall Fund Balance					
Beginning Fund Balance	(788,525)	(681,616)	(681,616)	(399,619)	(71,000)
Surplus(Deficit)	106,909	295,026	281,997	328,619	360,946
Ending Fund Balance	(681,616)	(386,590)	(399,619)	(71,000)	289,946
LDFA Infrastructure Maintenance Sinking Fund (a segment of Overall Fund Balance)					
Beginning Balance	202,127	52,127	52,127	52,127	52,127
Contributions to (from)	(150,000)	0	0	0	0
Ending Balance	52,127	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 Costs	1/1/2011 Balance	2011 Repayments	12/31/2011 Balance
Drake Road Improvements	413,265	40,025	40,025	-
Parkview Avenue Improvements	1,367,103	1,025,229	91,339	933,890
Sanitary Sewer Reimbursement	116,716	69,287	30,000	39,287
Water and Sewer Connections	154,226	99,638	20,000	79,638
Ending Balance	2,085,880	1,234,179	181,364	1,052,815
Budgetary Surplus Available for Liability Payment:			197,934	
	1/1/2012 Balance	2012 Repayments	12/31/2012 Balance	
Parkview Avenue Improvements	933,890	47,000	886,890	
Sanitary Sewer Reimbursement	39,287	39,287	-	
Water and Sewer Connections	79,638	20,000	59,638	
Ending Balance	1,052,815	106,287	946,528	
Budgetary Surplus Available for Liability Payment:			106,909	
	1/1/2013 Balance	2013 Repayments	12/31/2013 Balance	
Parkview Avenue Improvements	886,890	222,359	664,531	
Water and Sewer Connections	59,638	59,638	0	
Ending Balance	946,528	281,997	664,531	
Budgetary Surplus Available for Liability Payment:			281,997	
	1/1/2014 Balance	2014 Repayments	12/31/2014 Balance	
Parkview Avenue Improvements	664,531	328,619	335,912	
Ending Balance	664,531	328,619	335,912	
Budgetary Surplus Available for Liability Payment:			328,619	
	1/1/2015 Balance	2015 Repayments	12/31/2015 Balance	
Parkview Avenue Improvements	335,912	335,912	-	
Ending Balance	335,912	335,912	-	
Budgetary Surplus Available for Liability Payment:			360,946	

KALAMAZOO HISTORIC PRESERVATION COMMISSION

2014 ADOPTED BUDGET

	2012 Actual	2013 Adopted Budget	2013 Projected	2014 Adopted Budget
RESOURCES				
Lost & Found Book Sales	5,032	6,400	1,050	0
Historic Preservation Sales	1,226	0	15,950	9,850
Private Donations & Contributions	1,356	0	16,112	0
Interest	18	0	20	0
Unrealized Gain/Loss on Investment	2,606	0	2,700	0
Other	0	0	0	0
TOTAL RESOURCES	10,238	6,400	35,832	9,850
EXPENDITURES				
O'Connor Fund	0	600	0	1,000
Commissioner Education	0	0	0	1,000
Memberships	160	500	380	500
Public Education	415	3,100	0	3,500
Promotion/Publications	0	200	0	250
Outside Contractual	3,102	0	13,789	3,500
Misc	0	100	0	100
TOTAL EXPENDITURES	3,677	4,500	14,169	9,850
Revenue Over Expenditures	6,561	1,900	21,663	0

THE CITY OF



Kalamazoo



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

5-Year Fiscal Plan
2014 - 2019

Revised December 2013

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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, \$2.7 million in FY 2012, and another \$4.5 million through the Strategic Alignment Plan, with reductions to be fully realized in FY 2014. 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 of \$4.5 million to the General Fund are net of paybacks to the Pension Fund that will hold it harmless financially. Revenue for FY 2009, 2010, 2011 and 2012 was 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 2015 – 2019 based on a review of recent actual performance, the budgeting process, and industry standard analytical approaches.

Revenue	Projected Annual Assumptions for Previous Fiscal Plan (2014 – 2018)	Projected Annual Assumptions for Current Fiscal Plan (2015 – 2019)
Property taxes (based on assessor's estimate)	0% for 2014, +1.5% for 2015 - 2018	0% for 2014, +1.5% for 2015 - 2019
Licenses, permits & fees	+1.5% for 2015 - 2018	+1.5% for 2015 - 2019
Other intergovernmental revenue	0%	<u>Revised</u> : +1%
Charges for services	2%	2%
Interest and rentals	1%	1%
Other revenue	3% (-6% in 2015)	3% (-6% in 2015)
Expenditures		
Salaries	+1.5% for 2015 - 2018	<u>Revised</u> : 0% for 2015 -2016, %1 for 2017, 1.5% for 2018 - 2019
Health Insurance	8.0%	<u>Revised</u> : 6.7%
FICA, Medicare, Deferred comp.	+1.5% for 2015 - 2018	+1.5% for 2015 - 2019
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 has been updated to reflect several recently awarded contracts for Public Safety units (KPSA and KPSOA), which reflect roughly ½ of the General Fund employee base. These units accepted lump-sum amounts which are not part of general salary increases for 2015 – 2016, and a 1% increase in 2017. Salaries are then assumed to have the same growth as Property Taxes in 2018 and 2019 (1.5%).

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 grow slowly again at 1% 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 (8 percent). Since 2005, the City has collaborated with our collective bargaining entities so that employees will eventually share 20% of health care costs. The centerpiece has involved “plan design” changes promoting the use of health consumer consciousness. The effect has been to limit increases in health care costs from 2005 – 2014 (budgeted) to roughly 4%, based on the growth of “health care head count” net of a declining number of active employees and a growing number of retirees with health care benefits (including all of the 215 ERI participants).

The “blended” 6.7% assumed growth factor for health care costs resulting from the above analysis is based on a blended rate of 4% growth in the per-unit cost of health care, and a nominal growth in overall health care “headcount” based on a return to normal retirement patterns in 2016. Also, this is based on a 5-year Fiscal Plan model for the Insurance Fund, wherein anticipated per unit health care inflation and headcount growth is covered, and a modest reserve of 13% in the Insurance Fund is re-established to handle the normal swing in claims (based on a 10-year lookback study of claims oscillation).

Assumption #2: 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 #3: 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 #4: 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 #5: Stabilization of State Shared Revenue (modified)

Rationale: Intergovernmental revenue, which is largely based on State Revenue Sharing, is assumed to grow modestly at 1%, after 4% growth in receipts and Constitutional Shared Revenue from 2012 – 2014.

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	2013 Accomplishment	2014 Proposed
Fund Balance	Range of 13-15% of budgeted operating revenues	13.0%	13.0%
Budget Stabilization Reserve	Range of 1-2% of budgeted operating revenue Target = \$500K-\$1M	\$1.65M (to be reduced to zero)	\$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)	\$10.6M	\$4.3M
Debt Financing for Capital Improvements	Optimized	Debt Service \$6.0M	Debt Service \$5.9M
Bond Ratings	Maintained or Improved	Maintained	Maintained
Retiree Health Care Fund	Established	Deferred	\$900k

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. In accordance with the Adopted FY 2013 Budget, this amount is being drawn down in 2013 to keep the City's undesignated General Fund balance between 13 – 15%, in order

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 will 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 its future retirees. **The plan for a cell tower lease buyout program in FY 2014 would provide the \$900k of OPEB pre-funding that was budgeted but not funded in FY 2010, 2011 and 2012.**

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.

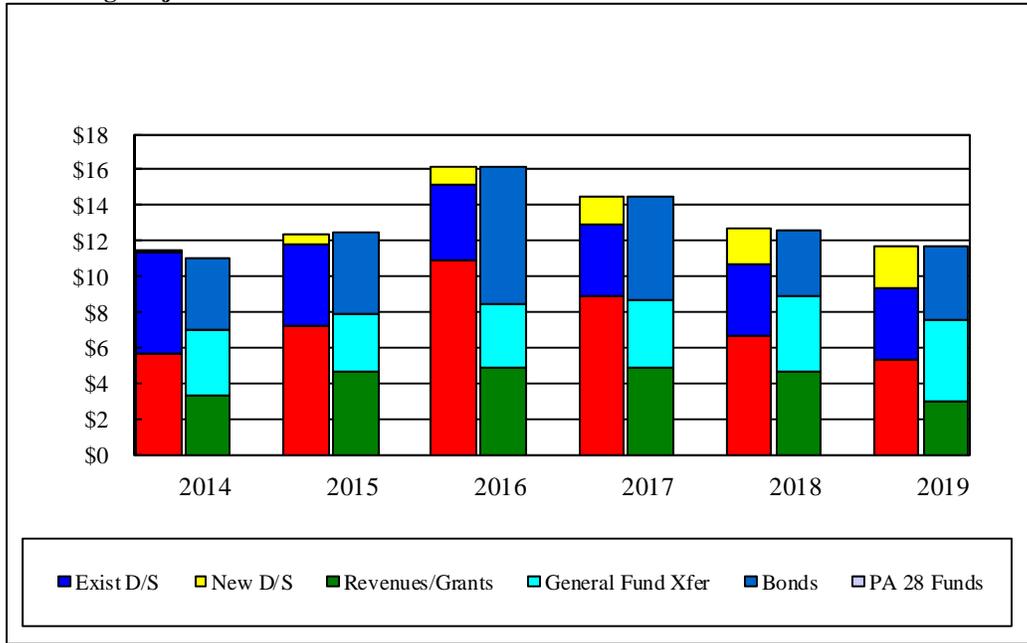
Many scenarios were evaluated before arriving at the combination of management decisions that are represented by the projections presented herein. An initial attempt to achieve all of the fiscal targets, without utilizing debt or other resources to finance projected capital improvements proved insufficient. 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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
FINANCING REQUIREMENTS						
Major CIP	5.63	7.18	10.85	8.89	6.65	5.34
Existing Debt Service	5.72	4.63	4.33	4.04	4.04	4.03
Projected New Debt Service	0.15	0.51	1.01	1.60	1.99	2.33
TOTAL	11.50	12.32	16.19	14.52	12.68	11.70
FINANCING SOURCES						
Revenues/Grants	3.33	4.69	4.84	4.87	4.64	2.95
General Fund Transfers	3.61	3.25	3.55	3.78	4.20	4.55
Bonds	4.12	4.58	7.77	5.78	3.79	4.18
TOTAL	12.59	13.54	17.38	15.62	13.73	12.73
<i>Surplus/(Deficit)</i>	1.09	1.22	1.19	1.10	1.04	1.03

* 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.

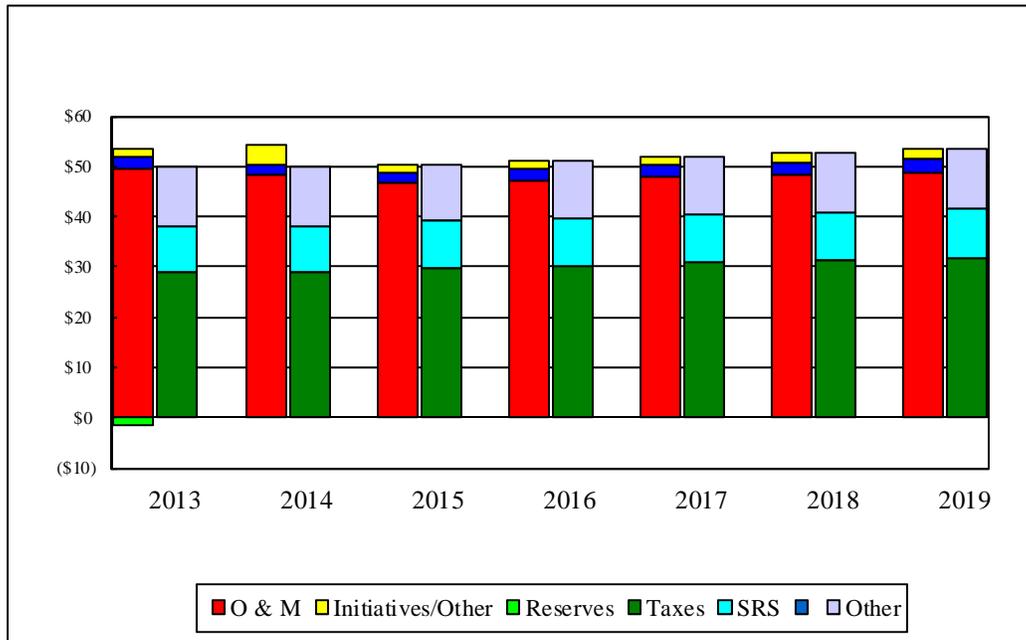
General Fund revenues and other financing sources are represented by the second bar for each year. For purposes of this illustration, financing sources are separated into the following categories:

- *Taxes & Equivalent*s 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

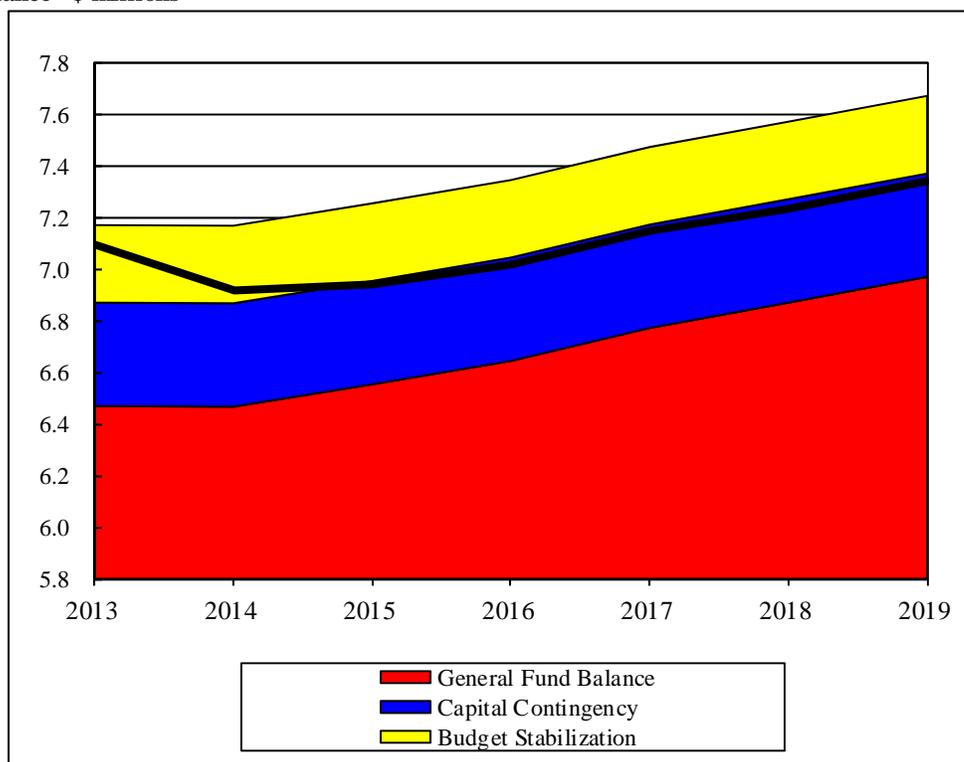


	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
EXPENSES							
Operation & Maintenance	49.45	48.21	46.72	47.07	47.77	48.14	48.54
Capital Improvements	2.45	2.28	2.00	2.30	2.53	2.70	2.80
Initiatives & Other	1.72	3.87	1.65	1.65	1.65	1.90	2.15
Reserves	(1.65)	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	51.97	54.36	50.38	51.02	51.95	52.75	53.49
REVENUE							
Taxes & Equivalents	29.06	28.97	29.73	30.12	30.79	31.23	31.68
State Revenue Sharing	9.12	9.28	9.37	9.46	9.56	9.65	9.75
Other	11.57	11.49	11.30	11.51	11.73	11.95	12.17
TOTAL	49.76	49.74	50.40	51.10	52.08	52.83	53.60
<i>Surplus/(Deficit)</i>	<i>(2.21)</i>	<i>(4.62)</i>	<i>0.02</i>	<i>0.07</i>	<i>0.13</i>	<i>0.09</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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Recommended Levels</u>							
General Fund Balance	6.47	6.47	6.55	6.64	6.77	6.87	6.97
Capital Contingency	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Budget Stabilization	<u>0.30</u>						
Total Recommended	7.17	7.17	7.25	7.34	7.47	7.57	7.67
<u>Projected Levels</u>							
General Fund Balance	6.74	6.56	6.59	6.66	6.80	6.88	6.99
Capital Contingency	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Budget Stabilization	<u>0.00</u>						
Total Projected	7.09	6.91	6.94	7.01	7.15	7.23	7.34

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:

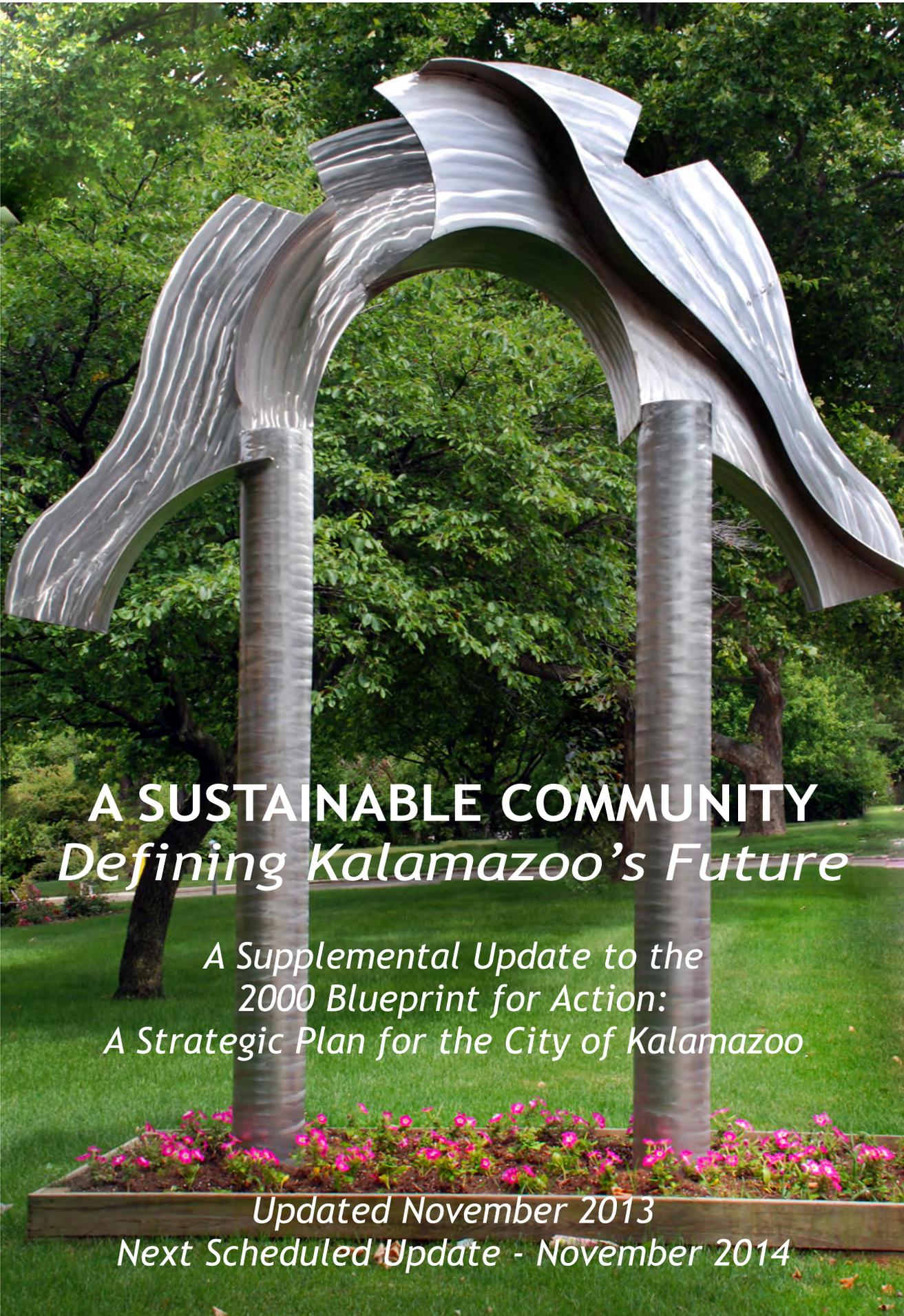
1. Reduce contribution to/balance in *Budget Stabilization Reserve*
2. Identify and implement savings in current operating expense budget
3. Reduce contribution to/balance in *Capital Contingency Reserve*
4. Reduce optimization of capital financing plan, by:
 - a. Reducing annual CIP; or
 - b. Issuing 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.

THE CITY OF



Kalamazoo



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 November 2013
Next Scheduled Update - November 2014*

A SUSTAINABLE COMMUNITY

Defining Kalamazoo's Future

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

City Commission

- Mayor Bobby J. Hopewell
- Vice Mayor David Anderson
- Commissioner Don Cooney
- Commissioner Barbara Hamilton Miller
- Commissioner Bob Cinabro
- Commissioner Stephanie Moore
- Commissioner Jack Urban

City Manager

James K. Ritsema



November 2013

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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 PCB removal as well as creek bank restoration between Dutton Street and Michigan Avenue. This project began in 2012.
- Met with USEPA, DEQ and local organizations on several occasions in 2013 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	2,937	\$50,955,109	\$473,159
2013 (11/1/2013)	2,570	\$40,690,797	\$484,429

- Implemented CDBG Façade Improvement Program Pilot and improvements to the Small Business / Microenterprise Revolving Loan Funds, resulting in four façade grants and additional Kalamazoo Business Assistance Program (KBAP) applications pending.
- Completed an environmental assessment of a city-owned property in the Northside Neighborhood to explore the potential for a new commercial venture.

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 in the downtown area throughout 2013. 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.

2014 FUTURE PROSPECTUS

- Continue coordination of infrastructure improvements to assist in marketing various brownfield redevelopment areas within the City.
- 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.
- Provide support for various construction projects 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. Increase economic opportunities through collaborations.

STRATEGIC OBJECTIVE 1: Develop and implement the City's economic development strategy in collaboration with county and regional strategies based upon the City's capacity.

STRATEGIC OBJECTIVE 2: Support existing businesses, regional economic partners and other economic stimulators to develop economic opportunities within the City.

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.

Continue to host athletic events at City sports venues to increase revenue and tourism dollars



- Hosted Portage Aquatic Club Swim Meet which drew over 500 swimmers from several mid-west states and Canada at Kik Pool.
- Park facilities provided a space for over 170 public and private events and over 160 sporting events in 2013.

- Soisson-Rapacz-Clason (SRC) Field was utilized for four Kalamazoo Christian and four Kalamazoo Hackett home varsity football games and twenty Kalamazoo Hackett varsity and junior varsity soccer games. In addition, the Iris Rocket Football program utilized the field for their program.
- The West Michigan Mayhem women's football team utilized SRC for four home football games.
- VerSluis/Dickinson Softball Complex fields were rented to operate a fall softball league that was coordinated by Kalamazoo Amateur Athletic Foundation.

Bring organized baseball to Homer Stryker Field

- Homer Stryker field was utilized for various baseball events during the year, including the WMU Club Baseball team, Kalamazoo College, the United States Specialty Sports Association, and the Michigan Baseball Players Association.
- Homer Stryker Field was utilized to host the first annual Sayonara Summer 5k in September. The family-themed event began and ended on the baseball field and hosted over 150 runners.
- A contract with the People's Food Co-op was signed in the spring of 2013 to operate the Farmer's Market. They added WiFi service, hosted over 150 businesses, and served well over 150,000 people this season.



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 Mich-

igan 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.



2014 FUTURE PROSPECTUS

- 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 host athletic events at City sports venues to increase revenue and tourism dollars.

- Work closely with the new baseball team at Homer Stryker Field to encourage support from the community and partner with the team to offer community-themed special events.
- Partner with five outside organization to provide one day events utilizing City parks and facilities as the venue.
- Work closely with the People's Food Co-op to offer three one day workshops at the Farmer's Market.
- Develop and implement five new internal programs or special events that include partnering agencies.

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 provided training for employees in New Hire Orientation, EEO/AA, Hiring and Recruitment, Harassment and Discrimination, Supervisory Skills, Customer Service, Coaching and Counseling, Union Contract Administration and Conducting Investigations.

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

2014 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 includes up-scale 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 WMU Sponsored Click Downtown

- Collaboration between DKI, WMU and Metro Transit to acclimate new students to the area through the use of Metro Transit.



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.



2014 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. Twenty-nine neighborhoods make up a very unique place 75,000 people call home; each filled with 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

- Worked in partnership with CDAAC to develop PY2013 Community Development Block Grant (CDBG) and HOME funding recommendations for City Commission consideration.
- Partnered with the Kalamazoo County Continuum of Care to develop a joint, streamlined process for allocating Emergency Solutions Grants to local agencies.



- Drafted and submitted the 2013 Annual Action Plan and the 2012 Consolidated Annual Performance and Evaluation Report to HUD.
- Developed and executed 2013 funding agreements for CDBG and HOME sub-recipients and monitored expenditures and progress towards grant outcomes.
- Updated internal administrative policies based on technical assistance and monitoring by HUD.
- Closed out the CDBG-Recovery and Homeless Prevention Rapid Re-Housing HPRP stimulus programs.
- Substantially completed and closed-out the Neighborhood Stabilization Program 1, including completing the sales of all seven rehabilitated homes.
- Substantially completed and closed-out the Neighborhood Stabilization Program 2, including completing the sales of all 23 Marketplace homes and 10 rehabilitated homes. The final NSP2 rehabilitation project has a pending offer, and a sale is expected before the end of 2013.
- Amended the Zoning Ordinance to create regulations related to digital billboards and swapping of existing nonconforming billboards.
- Working closely with the Iannelli Fountain subcommittee, to submit a draft and final proposal to the Jeffris Family Foundation for a restoration grant. The Iannelli Fountain Project was awarded a \$83,000 Challenge grant for repair of the sculptural elements of the fountain.
- Made substantial progress in resolving two outstanding historic district violations in the brick wall at 530 West South and the two properties at 527 and 531 Eleanor owned by the Roman Catholic Church.
- Completed the revisions to a new Programmatic Agreement with the State Historic Preservation Office.



- Organized and operated a fundraising historic tour of downtown Kalamazoo called "Hidden Kalamazoo" Using over 60 volunteers. Over 1200 tourists viewed six different sites and raised over \$17,000 for the Historic Preservation Commission.
- Drafted ordinance language for distance separation requirements between convenience stores and gas stations that sell alcohol.
- Completed review and comparison of the Housing Code (Chapter 17) and the International Property Maintenance Code (IPMC) for an upcoming revision to the Housing Code to simplify the Code and make it consistent with national standards.
- Coordinated the placement of dumpsters in the Vine and Knollwood Neighborhoods during the student move out period at the end of July to assist in keeping the neighborhoods clean.



2014 FUTURE PROSPECTUS

- Work with residents and community partners in the Douglas/Fairmont neighborhood to strengthen neighborhood leadership.
- Work in partnership with CDAAC to develop PY2014 Community Development Block Grant (CDBG) and HOME funding recommendations for City Commission consideration.
- Work in partnership with the Kalamazoo County Continuum of Care to develop PY2014 Emergency Shelter Grant (ESG) funding allocations and execute sub recipient agreements.
- Draft and submit the 2014 Annual Action Plan and HUD Consolidated Plan 2014 – 2019 to HUD.
- Draft and submit the 2013 Consolidated Annual Performance and Evaluation Report to HUD.
- Develop and executed 2014 funding agreements for CDBG and HOME sub recipients and monitor expenditures and progress towards grant outcomes.
- Finalize close-out of Neighborhood Stabilization Program 1 and 2.

- Completion of the Kalamazoo Area Pedestrian and Gateway Improvements for Business Loop 94.
- Adopt Zoning Ordinance text amendment for convenience store separation distances.
- 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

- Launched an extensive outreach campaign to develop the HUD Consolidated Plan 2014-2019, including more than 400 surveys and numerous meetings with community stakeholders.
- Finalized draft goals and priorities for the HUD Consolidated Plan 2014-2019 to guide the Program Year 2014 application process.

2014 FUTURE PROSPECTUS

- Complete the Assessment to Fair Housing Plan and submit to HUD.
- Update HOME policies and procedures to incorporate new HUD rules and regulations.
- Explore changes to the Payment In Lieu of Taxes program and develop recommendations for improvements.

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.
- KDPS hosted various programs such as the Citizen Academy used to reinforce cooperation between residents and public safety.
- Continued the development of the COPS (Community Outreach and Problem Solving) 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 two summer Youth Leadership Academies, one for males and one for females, in an effort to bridge the gap between law enforcement and youth in this area. This provided a unique interactive experience which encompassed leadership skills, self-awareness and stressed responsibility for one's self, others, and the community. The youth academies were a collaborative effort between KDPS, Kalamazoo Township Police, Kalamazoo County Reserve Unit, LIFE EMS and the Michigan National Guard.

- In an effort to curb violent crime, KDPS conducted numerous directed patrols each weekend in the core neighborhoods.



- Partnered with a local church and neighborhood association to host a block party in the Edison neighborhood to help build relationships in a non-traditional manner.
- Continued weekly crime reduction meetings focusing on data analysis, resource allocation and problem solving.
- Conducted 'Summer Initiatives' in core neighborhoods which addressed community crime issues while informing citizens door-to-door of the proactive activities being conducted to curb violence and address quality of life issues.
- Prepared KDPS Explorer Post #265 to compete against 35 other Explorer post teams from throughout the United States. Post #265 won the Wings over Governor Cup earning them a number one ranking in the state in an unprecedented "3-peat" performance.
- Conducted command development training for existing supervisors, and those promoted after the implementation of the ERI.
- 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 to prevent burglaries.

Worked with Community Leaders to Promote Community Policing Programs

- In partnership with Prevention Works and Kalamazoo County Environmental Health, KDPS continued to sponsor an unwanted prescription medication collection program which collected an average of 25 pounds of prescription medication per week, and added the ability to collect needles and syringes.
- Hosted the *5th Annual Citizens Leadership Academy* where over 20 community leaders from various organizations participated in a highly interactive experience with Public Safety.



- Conducted the Annual National Night Out Event where residents were able to interact with all of the specialty units within Public Safety, as well as Public Safety Officers.
- Conducted proactive patrols with the utilization of the Kalamazoo County Mounted division in the Edison Neighborhood to address quality of life issues.

2014 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.
- Provide “Fair & Impartial Policing” training to all employees.
- 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.



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: Identify and further develop linkages between Parks and Recreation Department operations and the core 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

re-



placements.

- 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.
- Ensured that Community Planning and Development, Public Services and Public Safety respond to neighborhood issues, including property maintenance, housing code violations, public nuisances and quality of life issues including noise violations (loud stereos, parties, etc. . . .) speeding violations, unsightly junk autos, blighted housing, tall grass and weeds.
- 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 available to all citizens in Kalamazoo throughout the year.

- Provided 50 different programs/activities throughout Kalamazoo with 12 special events that focused on families.
- The first Movies in the Park event was held at South Westnedge Park in August and was well received by neighbors and local businesses with over \$750 in sponsor donations.
- Worked cooperatively with several partners to assist with the LaCrone Park grand re-opening that was well-received by neighbors.



Develop new partnerships and explore new partnerships with area non-profits and other organizations.

- Developed seven new partnerships with Peace House, Open Roads, Kalamazoo Valley Museum, the Event Company, COPS the (Community Outreach Problem Solving Division of KDPS), Vanguard Ministries and Gazelle Sports.

Develop new partnerships and programs held at the Youth Development Center.

- Seven new youth development programs were offered at the Youth Development Center.
- Continued partnership with Oakwood Neighborhood in providing an after school, Homework Help program during throughout the 2013 school year.
- The City provided funds and grant funds from the Kalamazoo Community Foundation were received for the 2013 Summer Youth Employment Program,



which hired approximately 100 youth ages 14—17. This program is a partnership with KRESA/YOU.

- Partnered with the Sunshine Rotary to make lighting and landscape improvements to Rose Veterans Memorial Park.
 - Partnered with four elementary schools during the year, Milwood and Woods Lake in the winter/spring and Spring Valley and MLK Westwood in the fall, to provide a Lunch-n-Learn Program. This program was funded by the elementary schools and provided structured programs during the lunch hour by City staff.
 - Provided a wide variety of Special Events in four parks, Bronson, South Westnedge Park, Upjohn Park and Mayor's Riverfront Park.
- 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 and various necessary repairs.

- Completed the LaCrone Park Improvement project which provided a completely updated facility including a new restroom/shelter building, barrier-free parking, walkways, basketball & tennis courts, and landscaping.
- The Axtell Creek Improvement project was completed, which included the construction of a new barrier-free playground.

Provide park master planning to guide future improvements.

- The Woods lake Improvement project was not constructed in 2013 due to concerns by the Michigan DNR and DWQ, but the designs were completed and ready for construction in 2014.
- The Hays Park master plan was completed and will be used for park improvements in 2014.

2014 FUTURE PROSPECTUS

- 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 will continue to provide assistance to Public Safety and Community Planning & Development for the COPS program. Maintain strong team relationships with both departments.
- Plan and implement programs/special events with a focus on the core neighborhoods; programs such as Movies in the Park, summer camps and a Family Campout and Movie Night. Targeted parks for Movies in the Park are Versluis/Dickinson, Spring Valley, South Westnedge Park, Milham, Bronson and Mayor's Riverfront Park (Family Campout and Movie Night).
- Continue the Lunchtime Live series in Bronson park mid-July through mid-September.
- Public Services staff continues to work 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.
- Partner with KDPS to offer Block parties in core neighborhoods.
- Provide opportunities for Neighborhood Associations to borrow games and sports equipment from the Recreation Storage Building.
- Continue oversight of nuisance violation mowing and trash pick up contracts as well as general oversight of contracts related to mowing, and bulk trash pick-up.

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

- 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 and planned 2013—2014 EPA required dredging efforts in Morrow Pond.
- Published Annual Consumers Confidence Report (CCR) for the City of Kalamazoo's drinking water system by July 1, 2013.





- City officials continue to work with USEPA and community advocates regarding total cleanup for the Allied Disposal site.
- 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.

- Provided consistent, high-quality effluent compliance at the Water Reclamation Plant that meets or exceeds all local, state and federal discharge requirements. Continue to enhance reductions in electricity and chemical usage based on process changes.
- Provided improved resident satisfaction with potable water via website publication of the annual consumer confidence report and improved tracking of water quality concerns and complaints.
- Instituted semi-annual distribution system flushing to improve water quality with regards to iron removal in the system.
- Continually monitored and adjusted policies and operational procedures to meet or exceed local, state and federal discharge requirements.

2014 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.
- Protect and preserve our water quality and quantity.
- Continue to work with USEPA, MDEQ, and City consultants to help address ongoing issues at the Allied Disposal Site. A draft feasibility study originally scheduled to be published in October 2012 by USEPA staff has not been published as of November 2013.

- Evaluate energy improvements and continue to apply energy-saving criteria to additional City buildings in 2014.
- 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 semi annual distribution system flushing to improve water quality with regards to iron removal in the system.
- 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 bio-lids generated at the Water Reclamation Plant continued in 2012. A pilot project was conducted showing that Water Reclamation Plant bio-solids easily achieved the highest standard possible for land application materials.



2014 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 trail system. This included a new section trail east of Mayor's Riverfront Park connecting to Comstock as well as discussions with Texas Township regarding trails around and in the City's Al Sabo Preserve.

2014 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.

- The LaCrone Park Phase 2 project incorporated many sustainable design components in to the new restroom/shelter building.

Increase the use of native plantings and wildflower areas to reduce the amount of maintained lawn area and improve water quality



- Over 100 native plants/shrubs were planted along the Portage Creek for stream bank stabilization.
- Planted 50 native trees in city parks.

Incorporate sustainable design into park improvement projects

- The Woods Lake Park Improvement project incorporated sustainable design components and strategies into the proposed improvements along with an extensive native landscaping plan.
- Worked with Environmental Protection Agency on the landscape restoration at Rose Park Veterans Memorial Park utilizing native species for stream bank restoration.
- Park staff participated in the Great Lakes Climate Change Adaptation seminar held at the Kalamazoo Nature Center and began discussions about developing sustainable greenways within the city.

Hybrid Electric Buses

- The Transportation System has five (5) 35' Hybrid Electric Buses in operation.

2014 FUTURE PROSPECTUS

- 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*. Speakers this year were a local duo named Kinetic Effect. Known nationally for their performance art that communicates a message of respect and dignity for all individuals, this duo gave a performance that helped educate the audience to look at others with better understanding and empathy. The two day event held on March 19th and 20th, was a huge success with 903 people attending the two sessions.
- The Human Resources/Labor Relations Director continued to work with the YWCA Summit on Racism Employment Initiative in 2013. Although funding for the program was lost, the partners looked for alternate means of working with local employers in an effort to address racism in the workplace. A significantly downsized summit meeting was held on November 15th.
- HR staff participated in two job fairs in 2013 designed to recruit diverse pools of candidates for positions vacating through the ERI and beyond.
 - ⇒ April 13th at Mt. Zion Baptist Church
 - ⇒ November 7th at Western Michigan University

2014 FUTURE PROSPECTUS

- The City will continue to co-sponsor the annual diversity event *Respecting Differences* in 2014.
- 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 2014.
- Although there will be fewer positions to fill in 2014, the staff of the HR Dept. will participate in job fairs again during the year 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.

2014 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’s 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 improvements to customer service in Field Services Division of Public Services which began in 2012 will continue through 2014.
- 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.
- Hosted open houses for the Parks 5-year Strategic Master Plan and Hays Park Master Plan.
- Installed three barrier-free picnic tables at Kik Pool.
- Installed a new barrier-free playground at Axtell Creek Park.
- Partnered with Gazelle Sports, The Event Company and Kalamazoo Valley Museum to have program and special event information posted on their Facebook pages.

Continue to evaluate the programs offered and respond to changing use patterns and desires

- A comprehensive community needs assessment was conducted by the ETC Institute with 507 responses from City residents. The needs assessment was statistically valid with a margin of error of plus or minus 4%. Data from the assessment will be used to drive program and facility improvements.
- As a result of information obtained from program evaluations, staff made changes to the summer camp program by offering late pick up for parents who work until 5pm.
- Director attended Kalamazoo Valley River Trail (KRVT) Board meetings to coordinate City resources necessary for KRVT trail development. As a result, the MichiKal Connector will begin construction in 2014 barring any unforeseen delays.



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.
- Utilized Facebook to communicate Parks and Recreation programs, and special event cancellations.
- City website used to upload information regarding Parks and Recreation programs and adult sports information.
- 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.

2014 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: Provide dynamic parks and recreation programs for all residents, as well as promote youth development initiatives in support of healthy families.

STRATEGIC OBJECTIVE 3: Establish and maintain a strong network of public infrastructure (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 2013. After reducing staff time committed to the recruitment process by 50% in 2012, in 2013 the HR staff began using the referral list to process paperwork in the final stage of the recruitment. This Reduced paperwork and time necessary to complete the approval of the candidates and the final selection.

NEOGOV™

- Human Resources implemented the Early Retirement Incentive by retiring the last 32 employees of the 219 who enrolled in the program. HR also replaced the remaining 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.

- Support of 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.

Continue to provide a variety of quality programs for families, youth and adults that build healthy bodies, relationships, and enhance life skills



- Participated in the MI Big Green Gym Challenge sponsored by the Michigan Recreation and Park Association (MRPA), Michigan Department of Natural Resources (DNR, and Blue Cross Blue Shield of Michigan (BCBSM). Kalamazoo finished third and received \$6,000 to use towards programs addressing health, wellness and nutrition.

Explore the possibility of grants for programs that address obesity, health and nutrition

- Partnered with Farmers market to assist with distribution of \$2,500 in Market Bucks to low income families.
- Worked with Michigan State University Extension Program to promote good nutrition to all the youth that participated in summer mini camps.

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, (KCMCA), 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.

2014 FUTURE PROSPECTUS

- 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
- 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

2014 FUTURE PROSPECTUS

Continue work to diversify workforce

- The HR staff will continue to participate in local job fairs designed to recruit a diverse workforce as positions turn over, even though the ERI will no longer be a source of vacancies in the City in 2014.

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. Seven sessions were held on this topic, for all employees throughout the organization.

- HR staff continued to work with leadership in the Department of Public Safety to review written test practices, which resulted in greater diversity in the recruitment pools for civilian positions as well as sworn officers.

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 support, 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.

2014 FUTURE PROSPECTUS

- There will be more resources devoted to training in 2014, particularly in the supervisory skills and employee development. Additional training will also be conducted for all new hires entering into city employment, particularly in the areas of 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 professionalism, 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-

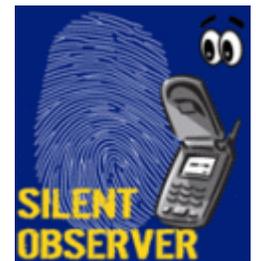
user/consumers.

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.

Examined Crime Trends

- Continued examination of crime trends 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.

2014 FUTURE PROSPECTUS

- Encourage continued diversity and sensitivity training for officers to inspire the highest level of integrity and ethics throughout the department. Expand collabora-



tion 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.

2014 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 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.
- Friends of Recreation are rapidly moving toward becoming a 501(c)(3), which would help them obtain more and hopefully larger donations. An increase in donations will result in more programs being funded.

Evaluate the program fee structure and increase fees where appropriate

- Summer camp fees that were increased for 2013 resulted in additional revenue of over \$19,000 compared to camp fees collected in 2012. All camps but one was at maximum capacity.

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.
- Parks and Recreation staff monitored expenses and revenue monthly which has resulted in cost containment and revenue enhancement strategies to address potential revenue shortfalls. As of September 2013, the department has realized a savings of over \$220 thousand compared to 1012.



- The Human Resources Department negotiated collective bargaining agreements with two unions, and is expected to have a third completed by the end of 2013 in which growth of compensation was kept flat or reduced. The HR staff has negotiated these contracts with minimal use of retained labor counsel, resulting in further savings to the City.

Received Award for Achievement in Procurement

- The Purchasing Division earned the *Achievement of Excellence in Procurement* for the sixth 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 2013 Budget Document and the Award for Excellence in Financial Reporting for the 2011 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.
- The citywide finance function has been restructured to provide greater coordination and oversight between the major departments and Management Services.
- Reporting tasks have been enhanced to better respond for requests for information such as tax projections or budget projections.
- From January 2012 to November 2013, pension benefits for 210 ERI participants were calculated (out of 218 participants).

Collected taxes

- Approximately 95% of bills issued received a payment (whether in full or a partial/installment payment).
- Following approval by the City Commission in June of 2013, and beginning with the 2013 Summer Property Tax bills, a 1% administration fee was applied to all City millage (Operating, Solid Waste, Metro Transit, DDA). Non-City millage's were already assessed this fee.

Purchased Services and Supplies

- In collaboration with City Departments, 43 projects were prepared, placed and awarded through competitive bidding; prevailing wages were administered on all outstanding projects, ensuring compliance with federal and state regulations.
- The Purchasing Division participated with the Michigan Public Procurement Officers Association's (MPPOA) Annual reverse Trade show and MPPOA annual conference, via vendor outreach programs which also enhanced the City's visibility and connectivity with minority and woman-owned vendor enterprises.



Received Funds from Auction of Surplus Items

- The sale of surplus and unclaimed property at the Fall 2013 Intergovernmental Auction netted the City of \$25 thousand in revenue. The City sold surplus city property totaling \$38 thousand on PublicSurplus.com administered by the Purchasing Division.

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's online bill payment system, implemented in August of 2011, continues to gain popularity with customers. During the period of November 2012 to October 2013, online payment activity increased 31% to over 32 thousand payment transaction transactions compared to 25 thousand payments from the corresponding period one year earlier. The online bill payment system allows customers to make payments on current tax bills, water/sewer bills and miscellaneous invoices.
- In August of 2013, the City Treasurer's Office began assisting the Department of Public Safety in collecting parking tickets issued outside the central business district. Software from Complus Data Innovations (CDI) was implemented to aid City staff in the issuance, collection and tracking of these parking tickets. This software also provides an online payment option for paying the parking tickets.

2014 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
- 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
- Human Resources will complete negotiations with two more unions that will result in collective bargaining agreements that meet the City's financial goals relative to compensation, particularly with health care benefits. The HR staff will continue to work with union leadership to negotiate these agreements with minimal use of labor counsel.
- Implement an updated cost recovery fee schedule for permits and inspections.



Kalamazoo Living

A Thumbnail Sketch of Life in
Kalamazoo



November 2012

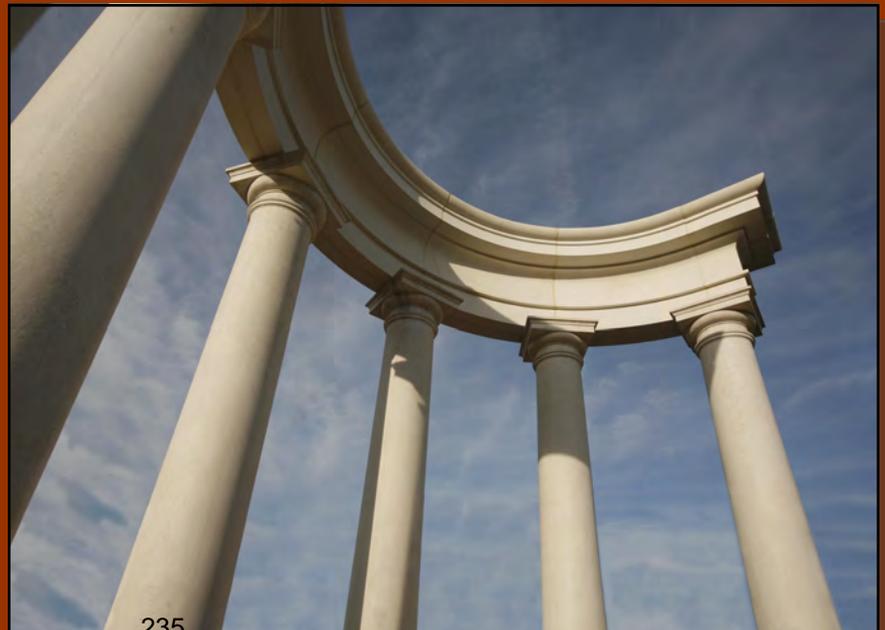
CITY THUMBNAIL SKETCH

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.





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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/STSelect?_lang=en&_ss=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/Co-Business/Economic-Indicators/Vacancy/Employment-and-Traffic.aspx>)

- 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.kalamazoocty.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

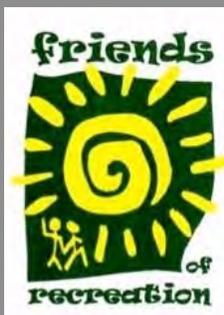
Economic Development Corporation (EDC) - Governing board of a special purpose corporation established under state enabling legislation to set up project areas and to provide financing and other assistance for commercial and industrial development projects. Members of EDC are also members of the Brownfield 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, Millham 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

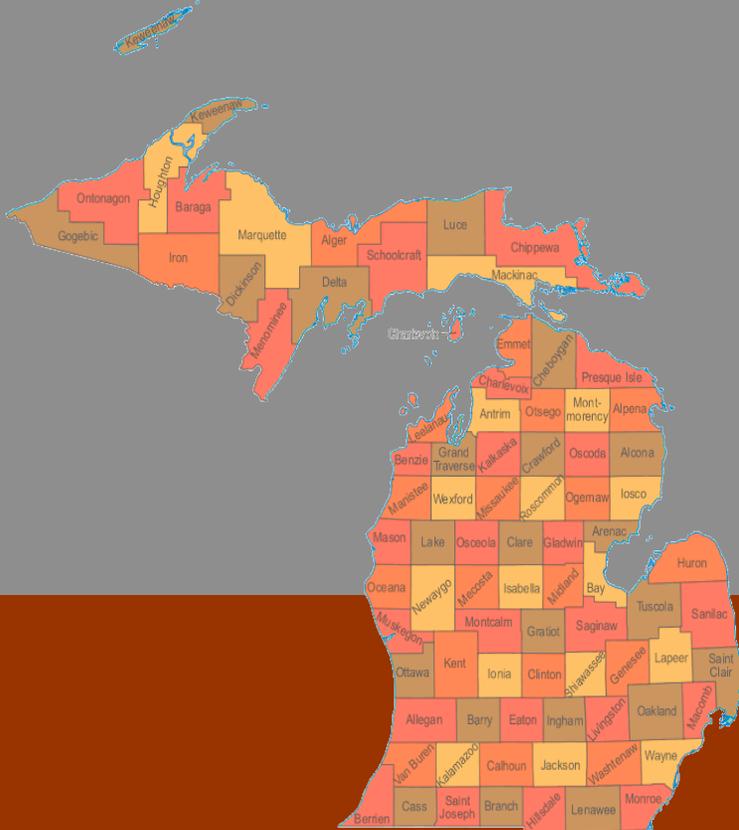
Tree Committee - The purpose of the Tree Committee is to develop guidelines, subject to City Commission approval, related to the implementation and enforcement of the tree ordinance (Chapter 42 of the Code of Ordinances) and to recommend modifications or changes to the guidelines as necessary

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

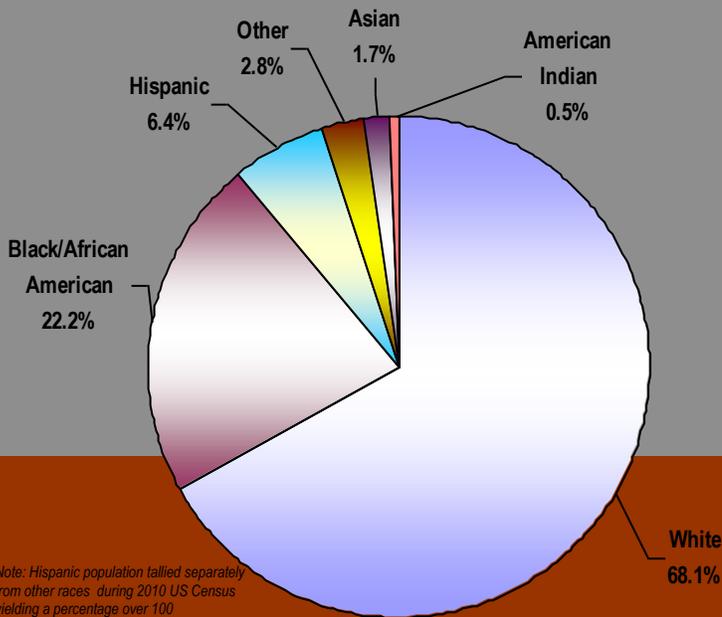
	2010 Population	2008 Population
Detroit	713,777	912,062
Grand Rapids	188,040	193,396
Warren	134,056	133,939
Lansing	114,297	113,968
Ann Arbor	113,934	114,386
Flint	102,434	112,900
Dearborn	98,153	86,477
Livonia	96,942	91,220
Westland	84,094	78,961
Troy	80,980	80,264
Farmington Hills	79,740	78,522
Kalamazoo	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**)

- 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

- 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

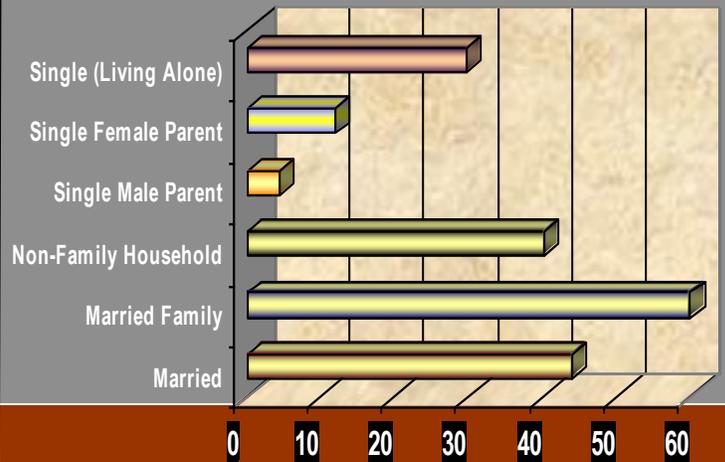
**Percentage of Population Below Poverty Level by Age Range
Kalamazoo County, City of Kalamazoo, State of Michigan
2009 and 2010 Comparison**

	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

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%



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
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 Sates	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/InDxMain/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

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

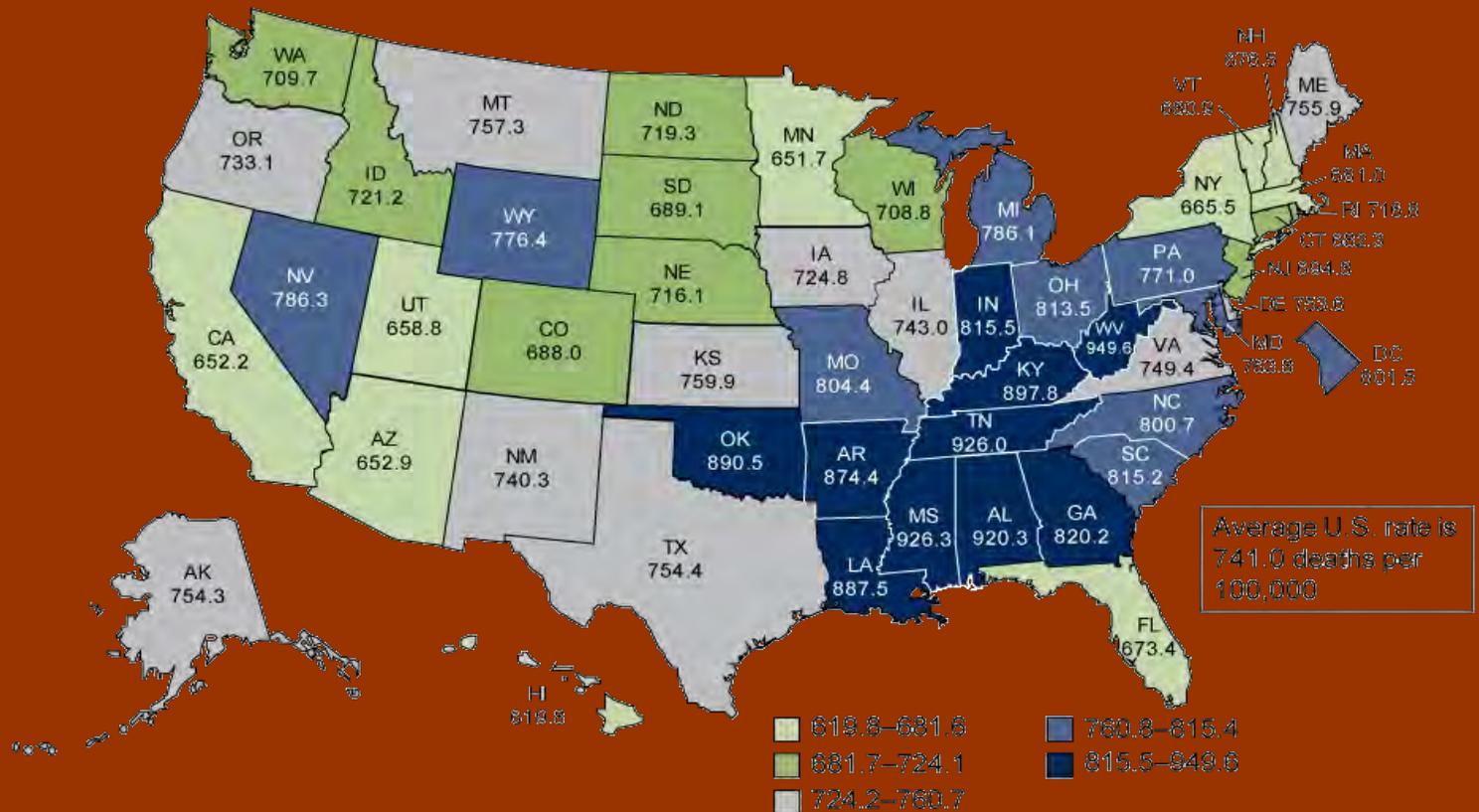
NOTE: Infant deaths by race of infant; live births used in calculating infant death rates are by race of mother. Rates are per 1,000 live births. Adding and subtracting the number shown after the ± symbol from the rate creates a confidence interval indicating that the true rate lies between the lower 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	4,065	4,084
Ingham	1,922	1,895	1,926	1,925	1,975
Kalamazoo	1,902	1,845	1,908	1,974	1,985
Kent	4,242	4,021	4,030	4,238	4,121
Macomb	7,423	7,358	7,488	7,642	7,572
Muskegon	1,586	1,643	1,581	1,539	1,634
Ottawa	1,493	1,548	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/chilcrl/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
Wyoming	453	107	101	33	20	27
Muskegon	495	97	118	26	38	18
Ann Arbor	512	127	120	17	23	23
Battle Creek	552	135	120	24	26	27
Kalamazoo	597	109	140	42	25	23
Saginaw	618	146	136	33	32	21
Lansing	945	232	212	61	43	39
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/chl/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



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)

JOB & ECONOMICS

- 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://mlimi.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

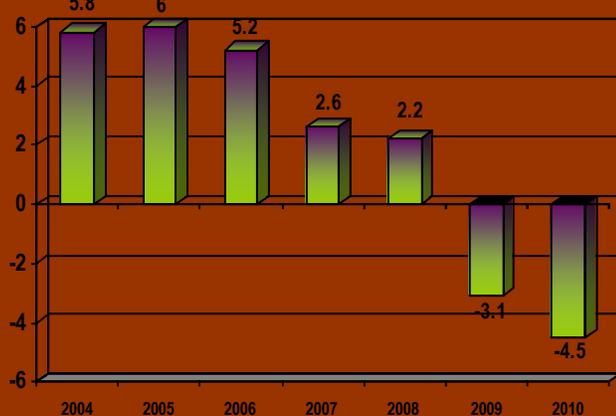
SOURCE: 2010 Comprehensive Annual Financial Report, City of Kalamazoo, Management Services Department, Assessor Division

- 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 1/2 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 1/2 of non-farm private gross domestic product (GDP)
 - * hire 43% of high tech workers, scientists, engineers, computer programmers, etc.
 - * 52% home-based/2% franchise

- **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*



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

- **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)

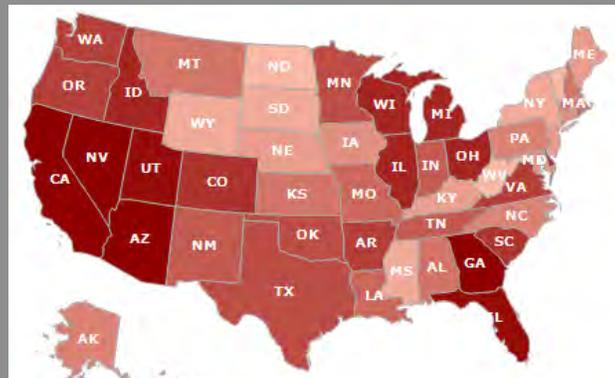
Foreclosure Statistics United States, Michigan, Kalamazoo County, Select Cities July 2011				
	Statistics as of July 2011	Number of Homes (1 in every XX home)	Total Number of Homes to Date	Average Cost of Homes
United States	n/a	611	1,629,468	\$173,450
Michigan	10,894	417	84,542	\$69,220
Kalamazoo (county)	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



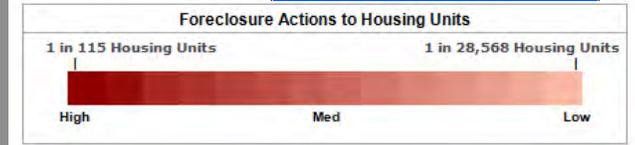
National Real Estate Trends

- 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)



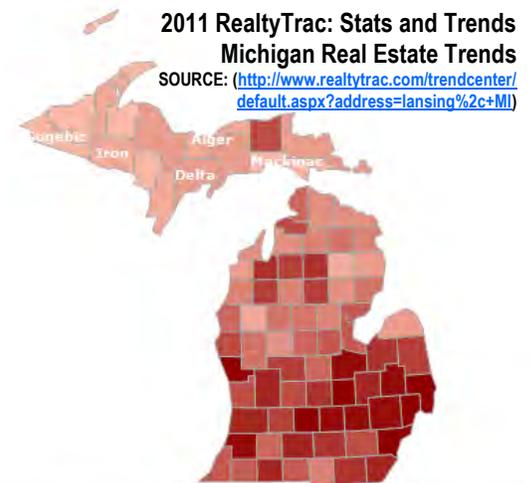
2011 RealtyTrac: Stats and Trends
United States Real Estate Trends

SOURCE: (<http://www.realtytrac.com/trendcenter/trend.html>)



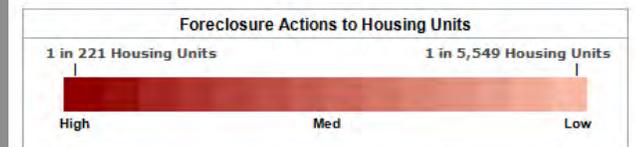
Michigan Real Estate Trends

- 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)



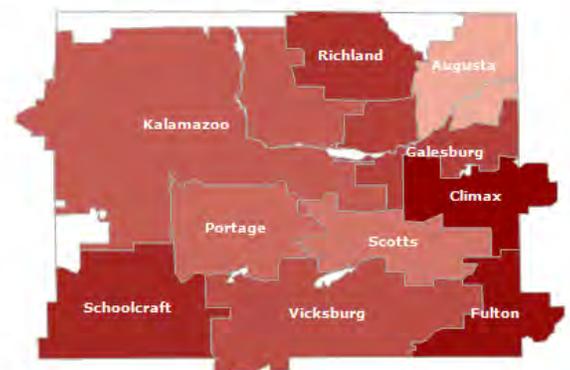
2011 RealtyTrac: Stats and Trends
Michigan Real Estate Trends

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

Michigan High School Dropout Rate Selected Races, Years, 2006-2009						
	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

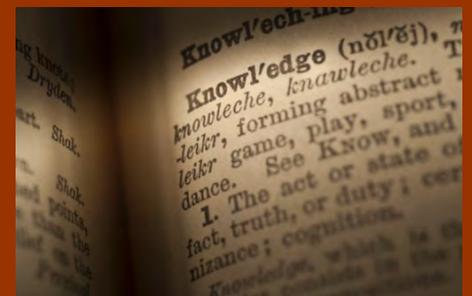
SOURCE: U.S. Department of Education, National Center for Education Statistics. (2011). *The Condition of Education 2011* (NCES 2011-033). http://nces.ed.gov/ipeds/data/ipedsdatatools/2011/ipeds_data_tool.asp?id=16

- 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/mde/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/Sever 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/msp/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://www.michigan.gov/documents/msp/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

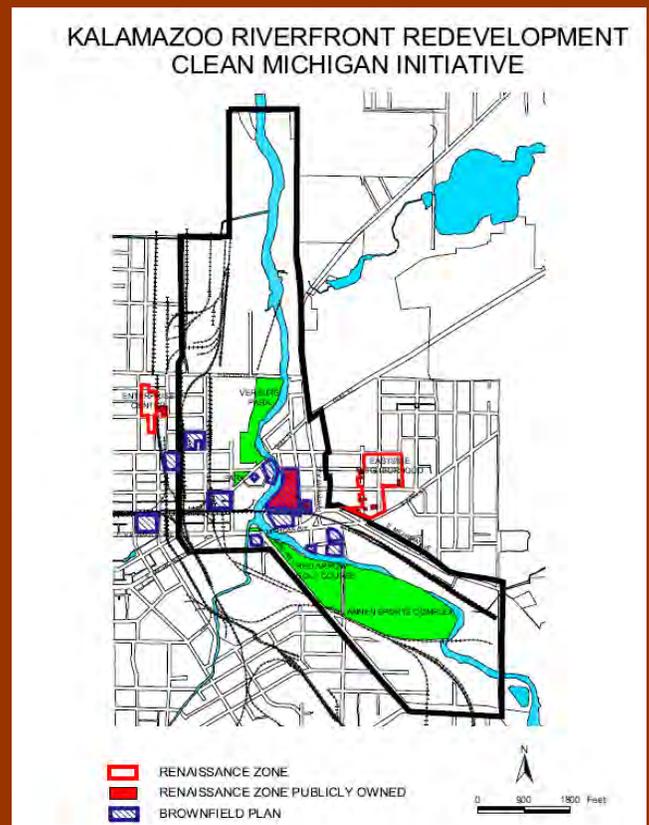


- * LADD Real Estate – \$1.25 million, 14 jobs, 6 residential units
- * Peregrine Plaza - \$2.4 million, 34 jobs, 14 residential units



- * 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

- 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)

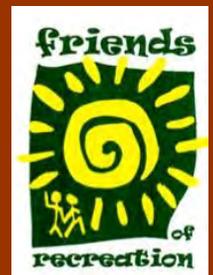


- Fairmount Dog Park** is the first dog park in the region and features landscaping, dog waste stations, people/pet drinking fountains, a small dog area, benches and fire hydrants



- 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



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

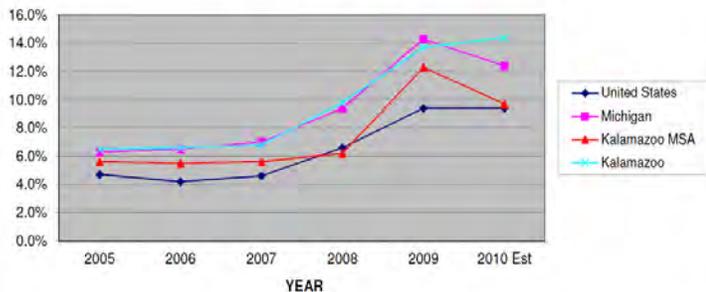


- In 2009, Parks and Recreation developed the Master Park Plan to address current recreation issues and identify future needs of the community and the means for meeting those needs over a five-year period

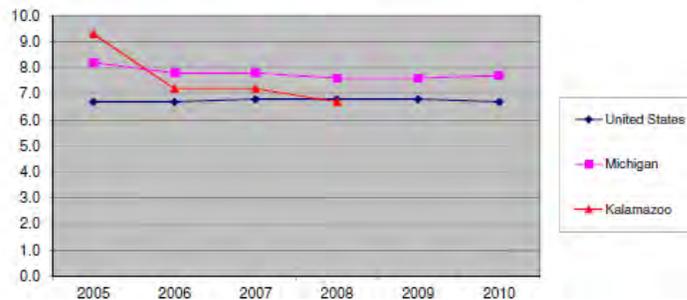
KALAMAZOO DASHBOARD

- The *Kalamazoo Dashboard* represents the City's evaluation tool based on State of Michigan requirements, which recaps the 2011 Thumbnail

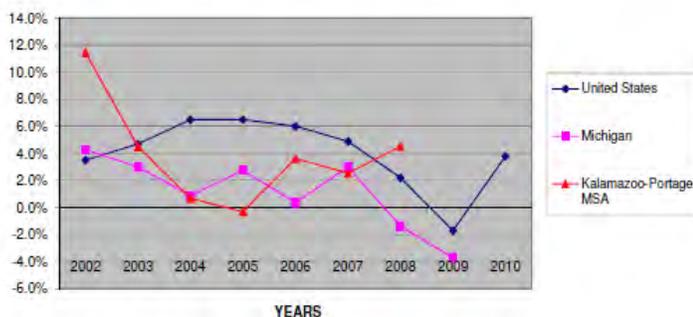
PERCENTAGE UNEMPLOYED
SEASONALLY ADJUSTED



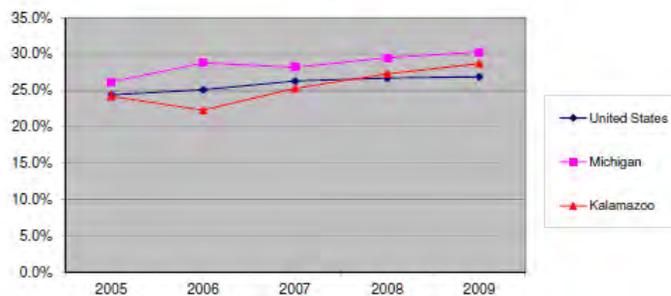
Infant Mortality
Per 1,000 Live Births



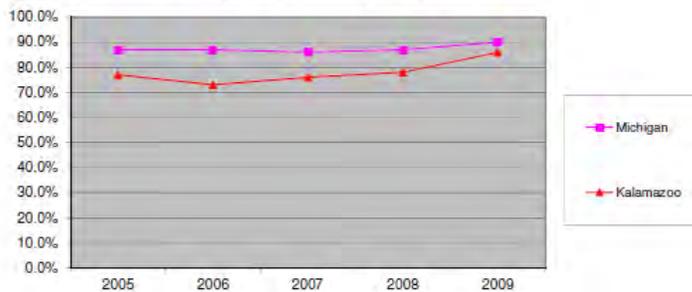
GROWTH IN GDP



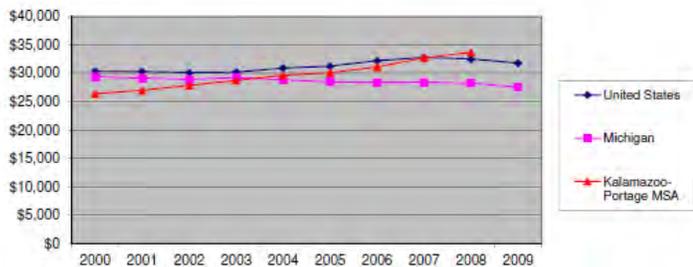
Obesity in the Population



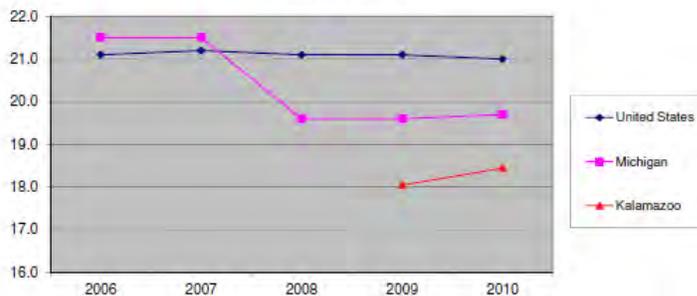
Reading Capability of Third Graders
Percentage of 3rd graders meeting reading expectations



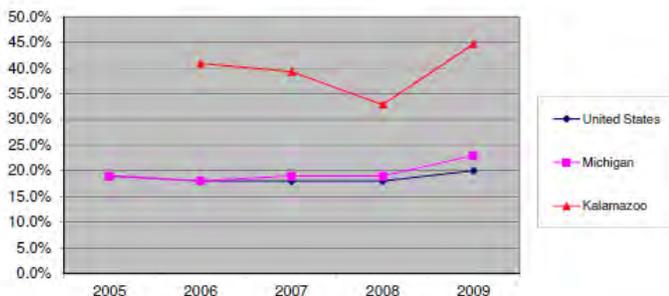
Real Personal Income Per Capita



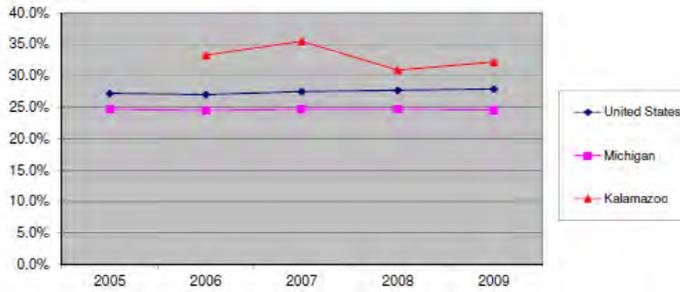
College Readiness
Average ACT Scores



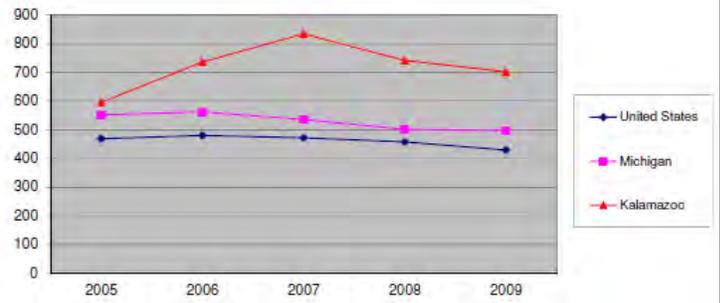
Percent of Children Living in Poverty



Population with Bachelor's Degree or Higher



Violent Crime Rates

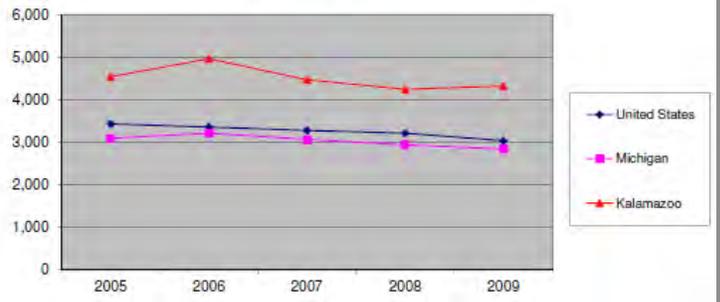


City of Kalamazoo Bond Ratings

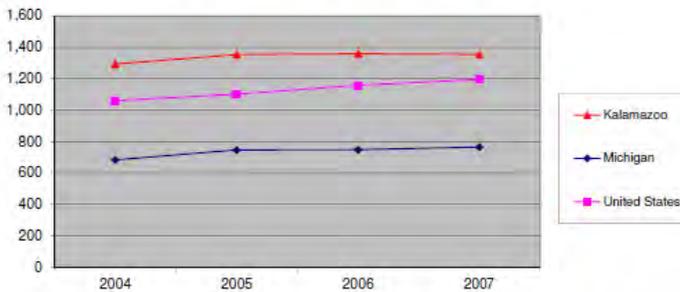
	2005	2006	2007	2008	2009	2010	2011
S & P	AA						
FITCH	A+	A+	A+	A+	A+	AA+	AA+

Kalamazoo Department of Management Services

Property Crime Rates



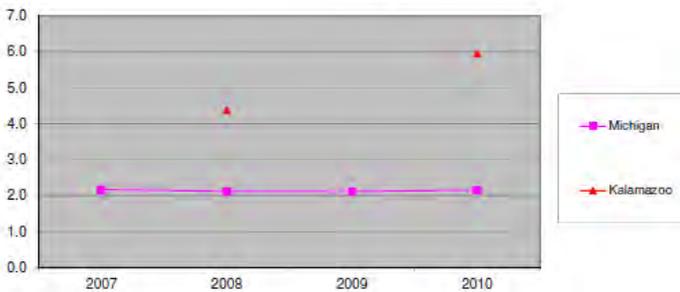
Government Debt Burden Per Capita



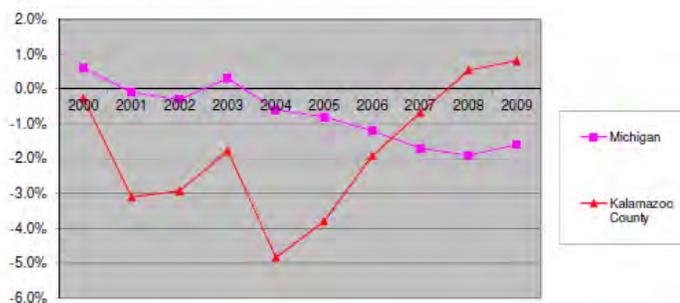
Traffic Incidents Injuries



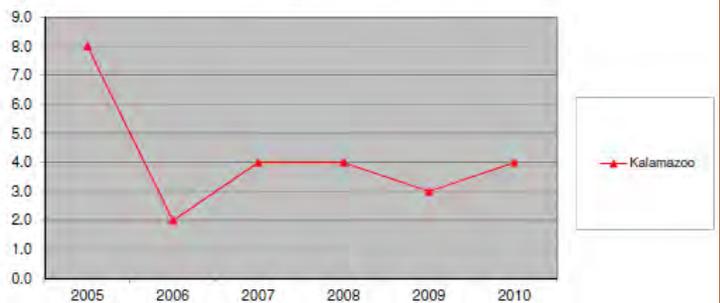
Park Popularity



Percentage Change in Population Ages 25-34



Traffic Incidents Fatalities



THE CITY OF



Kalamazoo

CITY OF KALAMAZOO
2014 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	
B21	Executive Assistant	1	
A11	Clerk/Typist	1	
		<hr/>	5
CITY ATTORNEY			
E83	City Attorney	1	
D72	Assistant Attorney III	3	
B21	Administrative Legal Secretary	1	
B21	Legal Secretary	1	
		<hr/>	6
CITY CLERK			
Administration			
D61	City Clerk	1	
C41	Deputy City Clerk/Office Manager	1	
		<hr/>	2
Elections			
S30	Elections Specialist	1	
		<hr/>	1
Records Management, Research and Archives			
S34	Archives Specialist	1	
		<hr/>	1
		<hr/>	4
INTERNAL AUDITOR			
C41	Internal Auditor	1	
		<hr/>	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	
		<hr/>	7
INFORMATION TECHNOLOGY			
E83	IT Director	1	
C43	Senior Systems Analysts Level II	2	
C42	Senior Technical Analyst	2	
C42	Senior Technical Analyst	1	
S28	Accounts Coordinator/Secretary-Part Time	1	
		<hr/>	7

CITY OF KALAMAZOO
2014 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	
D71	Budget & Accounting Manager	1	
D71	Financial Services Manager	1	
C41	Budget & Accounting Specialist	1	
B21	Payroll Control Clerk	1	
S40	Senior Accountant	3	
S28	Accounts Coordinator	4	
	Subtotal:	13	
Assessor			
S26	Assesing 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	2	
S20	Clerk Cashier II	4	
	Subtotal:	12	
Purchasing			
D72	Purchasing Manager	1	
B21	Administrative Support Coordinator	1	
S36	Buyer	1	
S18	Purchasing/Mail Records Clerk	1	
	Subtotal:	4	30
PUBLIC SAFETY			
Administration			
E91	Public Safety Chief	1	
E81	Deputy Public Safety Chief	1	
D72	Assistant Chief / Fire/Admin/Finance	1	
D72	Assistant Chief / Professional Standards	1	
B21	Administrative Support Coordinator	1	
S139	Public Safety Lieutenant	1	
	Subtotal:	6	

CITY OF KALAMAZOO
2014 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	3	
P117 & P217	Public Safety Officer	16	
		Subtotal:	21
Operations			
S28	Accounts Coordinator/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	26	
P117 & P217	Public Safety Officer	114	
P50	Fire Marshal	1	
Temp	Parking Enforcement Attendants	3	
		Subtotal:	156
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	
P33	Crime Lab Specialist II	1	
P30	Lab Technician I	3	
P26	Detective	17	
P71	CSO Investigative Aide	1	
		Subtotal:	29
Support Services			
D63	Public Safety Technical Manager	1	
C42	Senior Systems Analyst	2	
S28	Accounts Coordinator	1	
S28	Training Division Accounts Coordinator/Secretary	1	
S18	Computer Processing 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	2	
P117 & P217	Public Safety Officer	4	
P79	CSO Service	1	
P78	CSO Evidence Quartermaster	3	
P73	CSO Computer Analyst	1	

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

		Allocation	Department Total
PUBLIC SAFETY, Support Services continued			
P73	CSO Dispatch Group Leader	4	
P72	CSO Dispatcher	15	
P70	CSO Dispatcher - Part Time	2	
Subtotal:		45	257
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	3	
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	
S18	Engineering & Public Services Secretary	1	
Subtotal:		13	
Fleet Services			
D61	City Fleet Director	1	
C41	Vehicle Operations Supervisor	1	
H40	Lead Master Mechanic	1	
H38	Master Mechanic	3	
H34	Vehicle Mechanic III	2	
H26	Vehicle Mechanic I	1	
Subtotal:		9	
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	1	
H32	Tree Trimmer	4	
H30	Equipment Operator II	6	
H26	Equipment Operator I	1	
H28	Mason	4	
H26	Labor Foreperson I	2	

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

		Allocation	Department Total
PUBLIC SERVICE, continued			
H24	Municipal Worker Apprentice	3	
H24	Laborer II	4	
	Subtotal:	32	
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	Public Services Supervisor	1	
S46	Master Utility Electrician	1	
S44	Instrument Technician	4	
S44	Utility Electrician	1	
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	2	
H38	WW O/M III - Maint	1	
H38	WW O/M II - Maint	2	
H38	WW O/M I - Maint	1	
H24	WW O/M Appr - Maint	3	
varies	WW O/M I - Ops	4	
H24	WW O/M Appr - Ops	9	
H28	Mason	2	
H38	Municipal Worker I Apprentice	3	
H24	Laborer II	3	
	Subtotal:	67	

CITY OF KALAMAZOO
2014 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	Public Services Supervisor	1	
C41	Financial Analyst	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	
varies	Water Operator/Maintainer	8	
varies	Water Operator/Maintainer Apprentice	1	
H38	Lead Equipment Operator III	1	
H32	Lead Distribution Servicer	1	
H30	Water O/M - Well Driller	1	
H30	Distribution Servicer II	1	
H30	Equipment Operator II	3	
H24	Municipal Worker Apprentice	19	
	Subtotal:	51	178
COMMUNITY PLANNING AND DEVELOPMENT			
Code Administration			
D62	Building Official	1	
C42	Housing Inspections Supervisor	1	
S38	Electrical Inspector/Plan Review	1	
S38	Building Inspector/Plan Review Technician	2	
S38	Mechanical/Plumbing Inspector	1	
S36	Housing Inspector	4	
S36	Zoning Inspector	1	
S36	Code Compliance Inspector II	2	
S32	Code Compliance Inspector I	2	
S30	Code Permit Technician	1	
S26	Rental Registration/Certification Coordinator	1	
S20	Code Administration Clerk/Cashier	2	
	Subtotal:	19	

CITY OF KALAMAZOO
2014 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	
	Subtotal:	2	
Community Development (HUD)			
E83	Community Planning & Development Director	1	
E81	Deputy Community Planning & Development Director	1	
C42	Historic Preservation Coordinator	1	
C42	CD Compliance Specialist II	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	30
ECONOMIC DEVELOPMENT			
E83	ACM/Economic Development Director	1	
D61	Development Manager	1	
C42	Redevelopment Project Manager	1	
B22	Executive Assistant	1	
	Subtotal:	4	4
PARKS AND RECREATION			
Parks			
D61	Parks Manager	1	
H38	Parks and Recreation Buildings & Grounds Technician	1	
H30	Landscape Coordinator - 8 Month	1	
H30	Parks Coordinator	1	
	Subtotal:	5	
Recreation			
E83	Parks & Recreation Managing Director	1	
D61	Recreation Division Manager	1	
C43	Financial Services Supervisor	1	
S32	Parks & Recreation Program Coordinator	1	
S28	Accounts Coordinator	1	
S18	Clerk Cashier - PT	1	
S26	Parks & Recreation Program Assistant - Part Time	2	
H30	Lead Field & Parks Maintenance Operator	1	
	Subtotal:	9	14

CITY OF KALAMAZOO
2014 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

		Allocation	Department Total
TRANSPORTATION			
E83	Transportation Director	1	
D61	Operations Manager	1	
D61	Program & Financial Services Manager	1	
C42	IT Technical Analyst	1	
C41	Senior Maintenance Manager	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 Coordinator	1	
B31	Inventory Maintenance Foreperson	1	
A13	Administrative Support Specialist	1	
A13	Operations Service Specialist	1	
A13	Paratransit Specialist	1	
S28	Accounts Coordinator - Part Time	1	
S18	Payroll/Accts Payable Clerk	1	
S18	Clerk Cashier I	3	
S14	Clerk Typist	1	
H38	Lead Maintenance Mechanic	1	
T8	Master Mechanic	2	
T7	Inventory Control Clerk	1	
T6	Class C Mechanic	1	
T5	Class A Mechanic	6	
T4	Class B Mechanic	3	
T4	Body Repair Person	1	
T3	Bus Driver	55	
T3	Bus Driver -Part Time	19	
T2	Utility Worker	3	
T1	Service Lane Attendant	3	
TOTAL ALLOCATED POSITIONS			122
			665

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.