

**CITY OF KALAMAZOO
MICHIGAN**



**Adopted Budget
FY 2012**

CITY OF KALAMAZOO MICHIGAN

**Fiscal Year 2012
Adopted Budget**

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CITY OF KALAMAZOO

49TH CITY COMMISSION



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

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

Appointees

CITY MANAGER
Kenneth P. Collard

CITY ATTORNEY
Clyde Robinson

CITY CLERK
Scott Borling

CITY ASSESSOR
Constance Darling

INTERNAL AUDITOR
Ann Videtich

Administration

**DEPUTY CITY
MANAGER**
Jerri Barnett-Moore

**COMMUNITY PLANNING & DEVELOPMENT
DIRECTOR**
Jeff Chamberlain

**INFORMATION TECHNOLOGY
DIRECTOR**
Ed Freed

**PUBLIC SAFETY
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Jeff Hadley

**PARKS & RECREATION
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DIRECTOR**
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**HUMAN RESOURCES/LABOR
RELATIONS DIRECTOR**
Jerome Post

**TRANSPORTATION
DIRECTOR**
William Schomisch

**MANAGEMENT SERVICES
DIRECTOR**
Thomas C. Skrobola

CITY OF KALAMAZOO

2012 Organizational Chart

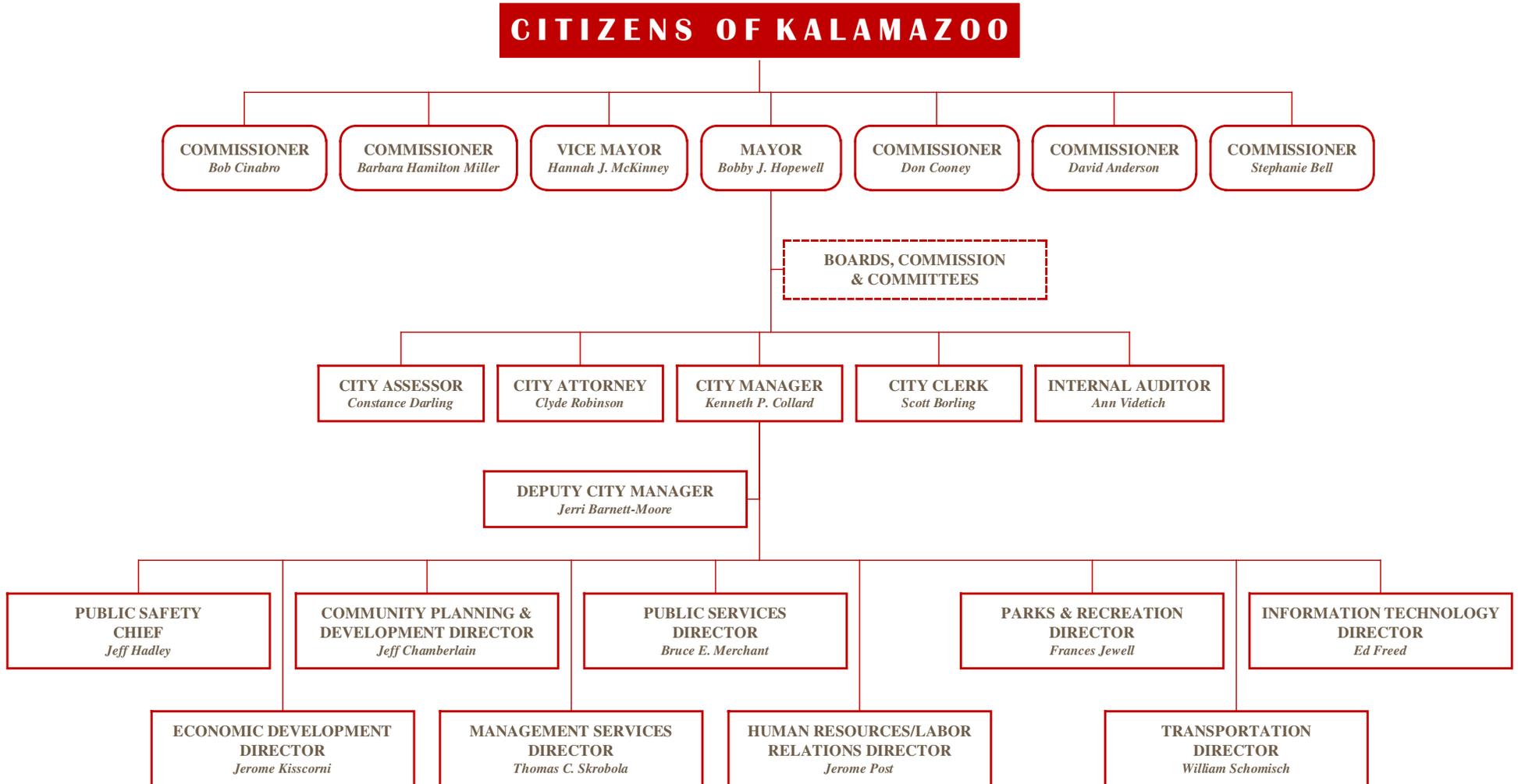


TABLE OF CONTENTS

2012 ADOPTED BUDGET

City Elected Officials & Administration	
City Organizational Chart	
City Manager’s Transmittal	1
Budget Policies	
Budget Policies	9
Budget Calendar	23
Budget Summary	
Summary of Expenditures – All Funds	25
Summary of Revenues and Expenditures by Category – All Funds	26
Projected Fund Balance	27
Position Comparison – Summary	29
Budget Overview	31
Taxable Values and Levy Projections	38
Debt Statements	39
General Fund Five Year Budget Projections	40
Capital Improvement Fund Five Year Budget Projections	41
Major Streets Fund Five Year Budget Projections	49
Local Streets Fund Five Year Budget Projections	50
Budget By Fund	
General Fund	51
Capital Improvement Program Fund	57
Special Revenue Funds	58
Enterprise Funds	63
Retirement Administration	65
Internal Service Funds	66
Former Internal Service Funds	67
Commission Appointees	
City Commission	71
City Administration	72
City Attorney	73
City Clerk	75
Internal Auditor	78
Human Resources	81
Information Technology	85
Management Services Department	
Budget & Accounting	87
Assessor’s Division	88
Treasury Division	89
Purchasing/Risk Management	91
Retirement Administration	93
Public Safety Department	
Public Safety Summary	95
Public Safety Summary – General Fund	96
Administration	97
Financial Services	99
Training	100
KVET General Fund	101
Operations	102
Criminal Investigation	104
Service	106
KVET Special Revenue	107

TABLE OF CONTENTS

2012 ADOPTED BUDGET

Public Services Department	
City Wide Maintenance	109
Engineering	111
Fleet Services	113
Public Works	114
Major Streets	115
Local Streets	116
Cemeteries	117
Solid Waste	118
Wastewater Division	120
Water Division	122
Community Planning and Development	
Code Administration	125
Planning	127
Community Development (HUD)	128
Blight	129
Economic Development	131
Parks and Recreation Department	
Parks Division	133
Recreation Division	135
Kalamazoo Farmer's Market	137
Transportation Department	139
Five Year Summaries	
CIP Budget Summary	141
Street Capital Budget Summary	143
Wastewater Capital Budget Summary	148
Water Capital Budget Summary	149
Component Budgets	
Brownfield Redevelopment Authority	151
Downtown Development Authority	152
Economic Development Corporation	154
Kalamazoo Municipal Golf Association	155
Local Development Finance Authority	156
Five-Year Fiscal Plan	A - 1
Blueprint For Action – A Sustainable Community	A - 17
City Profile and Demographics	A - 69
Appendix	
Position Listing (Full Time)	A - 111
Glossary	A - 121

THE CITY OF



Kalamazoo



OFFICE OF THE CITY MANAGER

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FISCAL YEAR 2012-13 PROPOSED BUDGET TRANSMITTAL LETTER

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

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

Subject: Proposed Fiscal Year (FY) 2012-13 Budget

Date: December 1, 2011

“Continuity of purpose is one of the most essential ingredients of happiness.”

Bertrand Russell

I am pleased to present the Proposed FY 2012-13 Budget for your consideration. This budget represents the continuing strategy of maintaining vital city services, while planning to achieve structural balance between necessary services and sustainable resources within the Five-Year Fiscal Plan.

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

The City’s strategic focus areas are:

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

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

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

An examination of the Five-Year Fiscal Plan contained in the Proposed FY 2012-13 Budget demonstrates a projected structural gap in the General Fund of \$6 million by FY 2013. This represents the deterioration of General Fund resources as compared to the last iteration of the Five-Year Fiscal Plan in the Adopted FY 2011-12 Budget, which projected General Fund permanent recurring reductions of \$4 million being necessary by FY 2013.

Structural Rebalancing, Generational Shift and Continuity of Services: In the Transmittal Letter for the Adopted FY 2011-12 Budget, it was advised that the City "Prepare for the Best". In the context of major structural budget reductions that were anticipated at that time, preparing for the best meant being able to sustain "clean and safe neighborhoods, economic growth, sound infrastructure and utilities, and a sense of community through recreational and cultural enrichment opportunities", even though fewer resources and a smaller organization would be available to sustain these outcomes.

"To emerge from the current recession prepared to meet future demands of our community will take more than producing balanced budgets through reductions in staff and/or programs. It goes without saying that an organization cannot reduce its way to success. To meet the challenge we must plan and implement our fiscal rebalancing in a way that is strategically aligned with a vision for how the City will deliver high-quality services in the context of the next economic and fiscal expansion."

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

The adoption and implementation of an Early Retirement Initiative (ERI), which is detailed later in this Transmittal Letter, will radically accelerate retirements and force a dramatic but planned generational shift in the City organization throughout the FY 2012-13 period. Paradoxically, this reckoning represents a once-in-a-generation opportunity to reshape the organization with a level of deliberation and coordination simply unavailable by way of managing incremental turnover.

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

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

The Proposed FY 2012-13 Budget represents the fourth two-year rolling budget that the City has prepared. Although the City Commission continues to approve a one-year budget consistent with State law, the framework of a two-year budget presentation allows for a somewhat longer

budgeting perspective and a shorter and thus more immediately relevant fiscal perspective, as both objectives align well with a careful and well-informed response to fiscal uncertainty. We have been able to effectively manage each fiscal period (in the case of the Proposed FY 2012-13 Budget, FY 2012), render the second fiscal period manageable (in this case, FY 2013), and to develop the parameters for effective decision-making for the third fiscal period (in this case, FY 2014).

- We have and will continue to seek ways to contain costs through the means that are available at an executive level;
- We have closely monitored developments in Lansing as well as in Washington.
- We will continue to monitor trends in the costs of energy and health care.

Maximizing Use of Available Assets: This is also the fourth year that we have explicitly pledged to “hold nothing back” from our citizens. Since the latter part of FY 2008 and inclusive of the current FY 2012-13 Budget process, the administration has been able to identify over \$10 million of reserve funds available for deficit reduction, including almost \$2 million of Budget Stabilization and Capital Contingency dollars that were intentionally reserved in previous budgets and nearly \$2 million of capital reserves that have been used to finance capital project needs, relieving the need to completely fund capital improvements in FY 2011 by issuing debt.

The majority of the aforementioned projected reserves have been realized from significant progress in cost-containment achieved since 2005 in health care and workers compensation benefits, derived from collective bargaining efforts with our employee unions. Savings of \$4.0 million realized in FY 2009, 2010 and 2011 has been rebated to the General Fund in FY 2011, and an ongoing structural savings in health care of \$1.2 million for the General Fund has been inputted into the Five-Year Fiscal Plan. This amounts to a savings of 1/3rd of a projected 7 – 9% annual growth in the cost of health care services.

An additional rebate of \$1.2 million has been programmed from residual retiree health care reserves in the former Internal Service Funds (e.g., Information Technology, Public Works Fleet, Engineering and Citywide Maintenance) to the General Fund. These transfers will flow through the Insurance Fund and be recognized in the General Fund as revenue from FY 2012 through FY 2014. The former Internal Service Funds were folded into the General Fund in the Adopted FY 2011-12 Budget. These reserves will offset the General Fund's planned contributions to the new Other Post Employment Benefit (OPEB) investment fund from FY 2010 - 2014.

Structural Gap Analysis

Adopted FY 2011-12 Budget: this document projected a structural gap in the General Fund of \$4 million, primarily due to a drop in projected Property Tax revenues and State Shared Revenue.

Property Taxes: the City has experienced a decline in Property Tax revenue of nearly \$5 million between 2009 and 2012, primarily due to a nearly 20% decline in commercial and residential property values. This includes a \$1.88 million recurring additional drop beginning in

FY 2012 as compared to the Adopted FY 2011-12 Budget, based on a 5% broad decline in both Commercial and Residential values.

Statutory Revenue Sharing and EVIP: The City has also experienced a cumulative loss of \$3.7 million in what until recently was referred to as Statutory State Revenue Sharing from 2009 to 2011, and which now is referred to as the Economic Incentive Vitality Program (EVIP). The State's Adopted FY 2011 - 12 Budget, otherwise known as Public Act 63 of 2011, replaced Statutory Revenue Sharing for cities, villages and townships with the EVIP program. This change included annual reductions of \$1.2 million for the City of Kalamazoo. Constitutional Revenue Sharing, which is a separate revenue, is projected to increase by \$350 thousand. The State's Adopted FY 2011 – 12 Budget reduced ready-to-serve Fire Reimbursement funds by \$150 thousand in FY 2012. The Adopted FY 2011-12 Budget included a \$700 thousand projected drop in overall State revenue. When the above variances from the Adopted FY 2011-12 Budget are added together and compared to the budgeted amount, a net drop of \$300 thousand versus the Adopted FY 2011-12 Budget is now projected for FY 2012.

The EVIP program includes three major groups of criteria that local governments must meet in order to receive the remaining available funding:

1. a Citizen's Guide and Dashboard, which has been accomplished;
2. a report of cooperation and consolidation efforts and opportunities, which has also been accomplished;
3. a compensation reform plan, which is due to the State by May 1, 2012. This will include some elements that have already been adopted by the City (such as the elimination of defined benefit retiree health care for new hires). However, some elements require careful consideration and strategic alignment prior to inclusion in the document (i.e., a 20% cost-sharing by employees for health care, and limitations on employee pension multipliers for future service).

Pension Funding: The City's Employee Pension Trust Fund experienced a nearly 50 percent drop in its asset valuation from approximately \$550 million in October of 2007 to approximately \$275 million in March of 2009, and the nearly 75 percent rebound to \$465 million as of September 30th, 2011. The Third Quarter Report for 2011 included a projection that required City contributions no earlier than 2018. Because projected contributions are beyond the current 5-Year Fiscal Plan horizon, the Proposed FY 2012-13 Budget does not contain any City contribution to the Pension Trust Fund.

Current Structural Gap: When the above changes in Property Taxes (drop of \$1.88 million per year) and State Shared Revenue (drop of \$300 thousand per year) is added to the original \$4 million structural gap, a gap of roughly \$6.2 million validates the \$6 million structural problem already identified.

Structural Gap Resolution

Phase I: Permanent Reductions: when the Great Recession imposed its first direct impact on the City's finances in FY 2009, the City Commission enacted permanent reductions in the form of two mid-year amendments to the FY 2009 Budget, totaling \$2.7 million.

The first of several planned phases in addressing the \$6 million structural gap in the General Fund is represented by \$2.4 million in permanent structural expenditure reductions, which were partially enacted through mid-year FY 2011 Budget amendments, with the balance represented in the Proposed FY 2012 Budget. These reductions represent a portion of 10% contingency plans initially drafted in the Summer of 2010 to address what was anticipated at that time to be a \$4 million structural deficit in FY 2013.

Phase II: Early Retirement Initiative: the second major rebalancing effort will be enabled through the City's Early Retirement Initiative (ERI), which was approved by the City Commission by way of an amendment to the City's Pension Ordinance on October 31, 2011.

The adopted ERI involves a 3-year acceleration of retirement qualifications, as well as a one-time lump-sum incentive payment equal to 1% of final average compensation multiplied by credited years of service. The City anticipates participation of roughly 55% of the 265 eligible employees (equal to 145 participants).

The capstone of the program is the pledge on the part of the City to hold the Pension Fund harmless financially for the impact of this program. The above estimated participation rate would require annual payments of roughly \$1 million from City operational funds for 5 years, of which the General Fund would provide roughly \$600 thousand a year. This would cover a \$4.4 million net present value cost (as well as \$600 thousand of interest for a five-year payback schedule) to the Pension System, net of \$12.7 million of estimated costs and \$8.3 million of estimated savings to Normal Cost growth.

The immediate fiscal outcome of the ERI program is the projected elimination of vacated positions, which would produce roughly \$5 million of structural reductions across the City, of which \$3.4 million would accrue to the General Fund and General Fund subsidized activities. The net savings of these reductions, minus the "hold harmless" payback to the Pension Fund, is projected to equal \$4 million for City operational funds, of which \$2.8 million of structural expenditure reductions are projected to fully accrue to the General Fund annually beginning in FY 2013. The partial net reductions estimated in FY 2012 are estimated to be offset by a roughly equal amount of one-time payments required to satisfy employee leave balance obligations.

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

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

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

Preliminary discussions have been initiated to determine the extent to which new resources may be raised as a part of achieving fiscal rebalancing. These are estimated at this time to total \$1.5 million of potential revenue enhancements as of FY 2013, and include a range of options available under State law and the City Charter. While some revenue enhancements may be obtained by City Commission action, most of the potential resources could only be accessed by a vote of the people, and thus requires careful discussion and strategic analysis prior to any public engagement.

In the Adopted FY 2009-10 Budget Transmittal Letter, we noted that a “360 degree perspective requires a complete and concurrent understanding of problems and the ability to identify the appropriate response.” This perspective led to timely Budget reductions in FY 2009 and the FY 2011 “Status Quo” budget, and also led the City to timely enact mid-year FY 2011 permanent reductions of existing vacant positions, as a leading-edge commitment to overall resolution of the current structural deficit. The same perspective has led City Administration to propose a more comprehensive combination of retirement incentives, new vacant position eliminations, and revenue enhancements as part of a balanced package of solutions.

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

Strategic Planning: We will continue to manage all public resources wisely and work collaboratively with the Commission to provide vital services and maintain a positive work environment for City employees. This commitment has been and will be enhanced by the processes we utilize to monitor and adapt to the reality of changing market conditions.

“Blueprint for Action: A Sustainable Community (A Supplemental Update to the 2000 Blueprint for Action: A Strategic Plan for the City of Kalamazoo)”: this is the Strategic Plan approved by the City Commission, and created through the collaboration of staff and citizen advisory groups, as well as citizens and other stakeholders. The Proposed FY 2012-13 Budget represents our continuing effort to integrate the strategic vision of the *Blueprint for Action* with a reporting format that clearly links the output of the organization with the ultimate purposes for its existence.

Infrastructure Investment: In 2012 the City will continue to invest in the physical resource that make high-quality service delivery possible, including roads, water delivery and wastewater treatment systems, and other physical assets. Below is a summary of the capital improvements proposed in the budget presented:

- Parks and Recreation: Improvements will be made to Mayor's Riverfront Electrical, Axtell Creek as well ADA upgrades to Kik Pool.
- General Facilities: City Hall improvements will focus on new energy-efficient HVAC, and facility capital maintenance will preserve existing assets.
- Public Safety Equipment: Computer-Aided Dispatch (CAD) upgrades will be made and Self Contained Breathing Apparatus (SCBA) equipment will be replaced. The City has applied for a grant that will provide eighty percent of the \$800 thousand investment.
- Roads: The total infrastructure investment in roads will total \$3.8 Million. Local street improvements of \$1 million will be financed by Capital Improvement Bonds. Major Street will see improvements of \$2.8 million, of which \$2 million will be bond financed while the remaining \$800 thousand will be financed with federal funds. The following Major Streets will be improved.
 - "Scattered Site Mill and Resurface - Various Major Streets"
 - Burdick (Kilgore to Cork)
 - Milcork (Cork to Miller)
 - "Traffic Signal Upgrade - Various"
 - Drake Road (concrete work)
 - March (Fulton to Reek)
 - Stockbridge (Portage to Fulford)
 - Water (Rose to Edwards)
 - Oakland/Parkview Intersection Improvements
- Wastewater Facilities and Equipment: Improvements to lift stations, Secondary Process improvement completion, new and replacement sewer construction, alternate force main, facility improvements and continued hardware and software replacements and upgrades throughout the system.
- Water Facilities and Equipment: Water Mains, Service Connections, tank storage painting and other annual capital improvements and repairs.

Community Investment: in 2012 the City will also continue historic collaboration with federal, state and county government partners to bring timely relief to those segments of our community that are most vulnerable to the impacts of the recession:

- Neighborhood Stabilization Program: Implementation of Kalamazoo's \$1.7 million Neighborhood Stabilization Program Phase I included the rehabilitation of seven homes that were made available to eligible homebuyers. Phase II of the grant in the amount of \$15 million realized the construction of 14 new homes and rehabilitation of five homes in Marketplace. More than 91 contractors and 140 employees have worked on Marketplace since its inception. The City was also able to respond to a top priority of the Fairmount Neighborhood by demolishing the former Blakeslee Hospital.

FY 2012-13 PROPOSED BUDGET TRANSMITTAL LETTER, cont.

- **Brownfield Redevelopment Authority (BRA) Projects:** The BRA used funding to support the People's Food Co-Op completion of \$1.1 million expansion of the store in the River's Edge area.
- **Park Improvements:** The City received more than \$1 million in grants for park improvements including \$420,000 for Lacrone Park, \$363,300 for Woods Lake Park, \$167,200 for Farrell Park and \$100,000 for Land and Water Conservation.
- **Construction Valuation:** The City issued 1600 permits representing year-to-date construction valuation of \$32,208,330 as of August 2011.
- **Green Initiatives:** The Transportation Department received five hybrid/electric buses. Significant modifications were made to City Hall, including the addition of a "green" roof and new storm windows that will not only enhance energy efficiency but will maintain historical significance of the building.

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

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

Pursuant to Section 43(f) of the City of Kalamazoo Charter, the following summary and proposed Fiscal Year 2012-13 Budget is presented for your consideration.



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

CITY OF KALAMAZOO
2012 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
2012 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
2012 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
2012 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
2012 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 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

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
BUDGET POLICIES**

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.

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

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
BUDGET POLICIES**

- 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
2012 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
2012 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 described as follows:

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
BUDGET POLICIES

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. Internal service funds include the Public Works Administration/Billable Fund, Public Works Equipment Fund, Public Utilities Equipment Fund, Insurance Fund, Citywide Maintenance Fund, Engineering Fund & the Information Technology Fund.

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
2012 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
2012 ADOPTED BUDGET
BUDGET POLICIES**

ORGANIZATIONAL STRUCTURE

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

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

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

Personnel

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

Operating

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

Capital Outlay

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

Debt Service

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

Transfers

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

RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGET

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

CITY OF KALAMAZOO
2012 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
2012 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, 2012.

2010 State Equalized Valuation		1,771,565,609
Debt Limit - 10 % of State Equalized Valuations		177,156,561
Debt Outstanding	87,850,000	
Less: Exempt Debt	35,200,000	52,650,000
		52,650,000
Legal Debt Margin		124,506,560

SHORT-TERM BORROWING

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

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

Calendar

July 7	NBU Advisory Meeting
July 13	All NBU Meeting
August 5	Second Quarter Budget Report Budget Directives, Budget Manual and Personnel Budget Projections Distributed
August 9	Quarterly Labor Meeting with Ruddell
August 8-19	City Commssion Small Group Meetings
August 18-19	Budget Prep Training
August 21	City Commission Viewpoint Article
August 26	FY 2011 Budget Projections Due (Expenditure and Revenue)
August 26	Media Release
August 29	FY 2011 Mid Year Budget Adjustments
September 12	Capital Improvements Program (CIP) Draft to CMO
September 23	FY 2012 Budget Proposals Due FY 2011 Accomplishments and FY 2012 Plann Accomplishments
September 23 - 30	City manager Final Review with Department Directors
September 26- October 12	Technical Review
October 12	Department Directors Issue Initial Layoff Notifications
October 17	Third Quarter Budget Review Presentation / Fiscal Plan Update
November 4	FY 2012 Proposed Budget Finalized
November 14-18	Small Group Meetings
December 1	City Manager Transmits Electronic Budget to City Commission Budget Document goes to Printer CIP Presented to Planning Commission Editorial Board Meeting
December 1 - 18	City Manager Community Budget Briefings and City Commission Public Work Sessions
December 5	Adopt Resolution for Public Hearing
December 19	Budget Public Hearing
January 3	Budget Adoption

THE CITY OF



Kalamazoo

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

SUMMARY OF EXPENDITURES - ALL FUNDS

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Variance	2013 Projected
GOVERNMENTAL							
GENERAL	52,090,483	59,003,659	57,586,333	58,077,764	56,147,455	-4.84%	55,364,939
CAPITAL IMPROVEMENT	5,358,823	5,287,041	8,307,932	7,685,456	4,867,616	-7.93%	4,437,746
SPECIAL REVENUE							
Major Streets	7,421,988	7,976,125	9,518,973	9,425,940	7,238,456	-9.25%	8,775,884
Local Streets	3,488,150	3,597,548	3,873,692	3,869,649	3,631,809	0.95%	3,688,361
Cemeteries	424,714	523,979	523,979	475,814	515,865	-1.55%	516,322
Solid Waste	2,538,359	2,494,236	2,652,991	2,614,648	2,503,960	0.39%	2,514,612
Blight Abatement	58,400	15,000	30,636	23,892	40,000	166.67%	40,000
Brownfield LSRR	331	605,000	605,000	530,000	575,000	-4.96%	370,000
Economic Initiative	-	-	-	-	-	0.00%	-
Small Business Loans	-	120,000	120,000	40,000	80,000	-33.33%	40,000
Economic Opportunity	113,908	-	-	-	27,426	0.00%	48,000
Housing Revolving Loans	32,485	-	-	392,769	-	0.00%	142,000
K-VET Drug Enforcement	316,484	408,854	408,854	381,790	428,363	4.77%	429,127
Public Safety Contracts	314,613	333,729	333,729	334,356	461,342	38.24%	-
Community Development	3,071,386	3,527,607	6,410,558	6,410,558	1,075,031	-69.53%	3,750,000
Miscellaneous Grants	759,603	78,117	775,175	753,175	69,084	-11.56%	310,000
Recovery Act Grants/Programs	2,424,647	10,021,799	11,730,995	11,730,995	856,879	-91.45%	-
TOTAL SPECIAL REVENUE	20,965,068	29,701,994	36,984,582	36,983,586	17,503,215	-41.07%	20,624,306
TOTAL GOVERNMENTAL	78,414,374	93,992,694	102,878,847	102,746,806	78,518,286	-16.46%	80,426,991
ENTERPRISE							
Kalamazoo Farmers Market	45,292	61,961	176,961	177,637	62,629	1.08%	63,311
Wastewater Division	26,220,961	26,707,431	33,864,626	33,249,672	30,213,599	13.13%	29,968,438
Water Division	19,002,837	19,990,326	22,003,601	19,571,035	20,092,160	0.51%	20,842,101
Transportation	16,831,255	30,605,737	30,671,102	20,605,183	29,475,653	-3.69%	15,719,962
TOTAL ENTERPRISE	62,100,345	77,365,455	86,716,290	73,603,527	79,844,041	3.20%	66,593,812
RETIREMENT ADMIN	453,273	514,697	514,697	514,697	541,497	5.21%	546,912
GRAND TOTAL ALL FUNDS	140,967,992	171,872,846	190,109,834	176,865,030	158,903,824	-7.55%	147,567,714
INTERNAL SERVICE FUNDS (ISF)							
Information Technology *	2,378,802	-	-	1,679,227			
City Wide Maintenance *	1,549,850	-	-	63,249			
Engineering *	1,697,903	-	-	78,145			
Fleet Services *	3,341,566	-	-	4,235,649			
Public Works Billable *	372,690	-	-	-			
Insurance	22,076,847	25,387,893	25,388,718	24,161,735	24,378,415	-3.98%	24,724,278
TOTAL INTERNAL SERVICE	31,417,658	25,387,893	25,388,718	30,218,005	24,378,415	-3.98%	24,724,278

* - Former Internal Service Funds were eliminated effective January 1, 2011. Expenditures represent allocation of remaining net assets to other City funds.

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
REVENUES AND EXPENDITURES BY CATEGORY
BY ALL FUND CATEGORIES

ADOPTED 2012

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	RETIREMENT FUND	TOTAL ALL FUNDS
REVENUES						
Operating Taxes- Current Year	28,201,204	-	2,779,514	996,728	-	31,977,446
Other Taxes / PILOT Payment	1,569,621	-	-	-	-	1,569,621
Licenses, Permits & Fees	1,792,900	-	-	-	-	1,792,900
Intergovernmental Contributions	9,045,882	647,116	8,311,161	23,929,585	-	41,933,744
Charges for Services	5,345,397	-	627,342	35,342,431	-	41,315,170
Other Revenue	5,783,509	600,000	383,702	2,747,257	541,497	10,055,965
Local Contributions	-	170,000	-	260,200	-	430,200
Bond Proceeds	-	1,081,000	3,040,000	-	-	4,121,000
Transfers In	1,890,257	2,200,000	1,867,886	-	-	5,958,143
Working Capital	2,518,685	169,500	493,610	16,567,840	-	19,749,636
TOTAL REVENUES	56,147,455	4,867,616	17,503,215	79,844,041	541,497	158,903,824
EXPENDITURES						
Personnel	40,816,143	-	5,090,943	20,216,496	-	66,123,582
Operating	8,660,573	-	5,976,262	36,991,532	-	51,628,367
Capital	557,771	1,908,116	224,500	19,262,073	-	21,952,460
Services	2,447,968	-	3,756,162	-	541,497	6,745,627
Debt Service	-	2,959,500	2,455,348	3,373,940	-	8,788,788
Transfers Out	3,665,000	-	-	-	-	3,665,000
TOTAL EXPENDITURES	56,147,455	4,867,616	17,503,215	79,844,041	541,497	158,903,824

PROJECTED 2013

	GENERAL FUND	CIP FUND	SPECIAL REVENUE FUND	ENTERPRISE FUND	RETIREMENT FUND	TOTAL ALL FUNDS
REVENUES						
Operating Taxes- Current Year	27,442,175	-	2,573,373	996,728	-	31,012,276
Other Taxes / PILOT Payment	1,530,380	-	-	-	-	1,530,380
Licenses, Permits & Fees	1,792,900	-	-	-	-	1,792,900
Intergovernmental Contributions	9,045,882	-	11,163,895	10,759,283	-	30,969,060
Charges for Services	5,452,305	-	637,342	37,842,849	-	43,932,496
Other Revenue	7,439,812	600,000	457,650	1,076,060	546,912	10,120,434
Local Contributions	-	7,500	-	268,000	-	275,500
Bond Proceeds	-	1,352,500	3,330,000	-	-	4,682,500
Transfers In	1,590,257	2,500,000	2,073,805	-	-	6,164,062
Working Capital	1,071,228	(22,254)	849,583	15,650,892	-	17,549,448
TOTAL REVENUES	55,364,939	4,437,746	21,085,648	66,593,812	546,912	148,029,056
EXPENDITURES						
Personnel	39,457,658	-	4,389,122	21,800,403	-	65,647,184
Operating	8,697,030	-	8,496,929	33,912,766	-	51,106,725
Capital	572,771	1,370,000	334,500	7,670,340	-	9,947,611
Services	2,487,480	-	5,072,507	-	546,912	8,106,899
Debt Service	-	3,067,746	2,638,590	3,210,303	-	8,916,638
Transfers Out	4,150,000	-	154,000	-	-	4,304,000
TOTAL EXPENDITURES	55,364,939	4,437,746	21,085,648	66,593,812	546,912	148,029,056

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

2011 PROJECTED FUND BALANCE - ALL FUNDS

	January 1 Balance	Estimated Resources	Projected Expenditures & Transfers	Over/ (Under) Expenses & Transfers	Change in Fund Balance Designations	December 31 2011 Balance
GOVERNMENTAL						
GENERAL	7,287,475	59,523,630	58,077,764	1,445,866	2,465,047	11,198,388
CAPITAL IMPROVEMENT	1,577,082	6,307,787	7,685,456	(1,377,669)	-	199,413
SPECIAL REVENUE						
Major Streets	2,141,323	7,804,115	9,425,940	(1,621,825)	131,364	650,862
Local Streets	678,961	3,315,477	3,869,649	(554,172)	-	124,789
Cemeteries	123,538	509,885	475,814	34,071	-	157,609
Solid Waste	1,770,202	2,500,583	2,614,648	(114,065)	-	1,656,137
Blight Abatement	11,302	20,490	23,892	(3,402)	-	7,900
Brownfield LSRR	606,874	280,000	530,000	(250,000)	-	356,874
Economic Initiative	25,923	61,900	-	61,900	146,797	234,620
Small Business Loans	498,618	45,742	40,000	5,742	-	504,360
Economic Opportunity	100,136	-	-	-	-	100,136
Housing Revolving Loans	468,518	-	392,769	(392,769)	-	75,749
K-VET Drug Enforcement	558,644	602,371	381,790	220,581	-	779,225
Public Safety Contracts	-	334,356	334,356	-	-	-
Community Development	191,152	6,410,558	6,410,558	-	-	191,152
Miscellaneous Grants	74	753,175	753,175	-	-	74
Recovery Act Grants/Programs	-	11,730,995	11,730,995	-	-	-
TOTAL SPECIAL REVENUE	7,175,265	34,369,647	36,983,586	(2,613,939)	278,161	4,839,487
TOTAL GOVERNMENTAL	16,039,822	100,201,064	102,746,806	(2,545,742)	2,743,208	16,237,288
ENTERPRISE						
Kalamazoo Farmers Market	157,569	59,135	177,637	(118,502)	-	39,067
Wastewater Division	90,956,693	23,715,445	33,249,672	(9,534,227)	-	81,422,466
Water Division	71,832,658	17,951,553	19,571,035	(1,619,482)	-	70,213,176
Transportation	25,780,166	19,385,036	20,605,183	(1,220,147)	-	24,560,019
TOTAL ENTERPRISE	188,727,086	61,111,169	73,603,527	(12,492,358)	-	176,234,728
RETIREMENT ADMIN		514,697	514,697	-	-	-
TOTAL ALL FUNDS	204,766,908	161,826,930	176,865,030	(15,038,100)	2,743,208	192,472,016
INTERNAL SERVICE						
Information Technology	1,679,227	-	1,679,227	(1,679,227)	-	-
City Wide Maintenance	63,249	-	63,249	(63,249)	-	-
Engineering	78,145	-	78,145	(78,145)	-	-
Public Works Billable	(413,516)	413,516	-	413,516	-	-
Fleet Services	4,235,649	-	4,235,649	(4,235,649)	-	-
Insurance	3,364,735	24,371,404	24,161,735	209,669	-	3,574,404
TOTAL INTERNAL SERVICE	9,007,489	24,784,920	30,218,005	(5,433,085)	-	3,574,404

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

2012 PROJECTED FUND BALANCE - ALL FUNDS

	January 1 Balance	Estimated Resources	Adopted Expenditures & Transfers	Over/ (Under) Expenses & Transfers	Change in Fund Balance Designations	December 31 2012 Balance
GOVERNMENTAL FUNDS						
GENERAL	11,198,388	53,628,770	56,147,455	(2,518,685)	-	8,679,703
CAPITAL IMPROVEMENT	199,413	4,698,116	4,867,616	(169,500)	-	29,913
SPECIAL REVENUE						
Major Streets	650,862	7,275,750	7,238,456	37,294	-	688,156
Local Streets	124,789	3,564,815	3,631,809	(66,994)	-	57,795
Cemeteries	157,609	525,403	515,865	9,538	-	167,147
Solid Waste	1,656,137	2,284,564	2,503,960	(219,396)	-	1,436,741
Blight Abatement	7,900	40,000	40,000	-	-	7,900
Brownfield LSRR	356,874	507,400	575,000	(67,600)	-	289,274
Economic Initiative	234,620	50,121	-	50,121	159,183	443,924
Small Business Loans	504,360	14,216	80,000	(65,784)	-	438,576
Economic Opportunity	100,136	-	27,426	(27,426)	-	72,710
Housing Revolving Loans	75,749	-	-	-	-	75,749
K-VET Drug Enforcement	779,225	285,000	428,363	(143,363)	-	635,862
Public Safety Contracts	-	461,342	461,342	-	-	-
Community Development	191,152	1,075,031	1,075,031	-	-	191,152
Miscellaneous Grants	74	69,084	69,084	-	-	74
Recovery Act Grants/Programs	-	856,879	856,879	-	-	-
TOTAL SPECIAL REVENUE	4,839,487	17,009,605	17,503,215	(493,610)	159,183	4,505,060
TOTAL GOVERNMENTAL	16,237,288	75,336,490	78,518,286	(3,181,796)	159,183	13,214,676
ENTERPRISE						
Kalamazoo Farmers Market	39,067	60,160	62,629	(2,469)	-	36,598
Wastewater Division	81,422,466	21,304,200	30,213,599	(8,909,399)	-	72,513,067
Water Division	70,213,176	14,457,772	20,092,160	(5,634,388)	-	64,578,788
Transportation	24,560,019	27,850,223	29,475,653	(1,625,430)	-	22,934,589
TOTAL ENTERPRISE	176,234,728	63,672,355	79,844,041	(16,171,686)	-	160,063,042
RETIREMENT ADMIN	-	541,497	541,497	-	-	-
TOTAL ALL FUNDS	192,472,016	139,550,342	158,903,824	(19,353,482)	159,183	173,277,718
INTERNAL SERVICE						
Insurance	3,574,404	24,008,406	24,378,415	(370,009)	-	3,204,395
TOTAL INTERNAL SERVICE	3,574,404	24,008,406	24,378,415	(370,009)	-	3,204,395

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
POSITION COMPARISON**

Adopted Budget 2010	Adopted Budget 2011	Mid Year Amdendments Eliminations	Adopted Transfers	Adopted Additions	Adopted Eliminations	Adopted Budget 2012
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PERMANENT FULL TIME AUTHORIZED POSITIONS

CITY ADMINISTRATION	6.0	6.0	-	-	-	(2.0)	4.0
CITY ATTORNEY	8.0	8.0	(1.0)	-	-	-	7.0
CITY CLERK							
Administration	2.0	2.0	-	-	-	-	2.0
Elections	1.0	1.0	-	-	-	-	1.0
Records Management, Research and Archives	2.0	2.0	-	-	-	-	2.0
Total City Clerk	5.0	5.0	-	-	-	-	5.0
INTERNAL AUDITOR	1.0	1.0	-	-	-	-	1.0
HUMAN RESOURCES DEPARTMENT	8.0	8.0	-	-	-	(1.0)	7.0
INFORMATION TECHNOLOGY	7.0	7.0	(1.0)	-	-	-	6.0
MANAGEMENT SERVICES							
Budget and Accounting	12.0	15.0	(1.0)	-	-	(1.0)	13.0
Assessor	6.0	6.0	-	-	-	(4.0)	2.0
Treasury	6.0	13.0	-	1.0	-	-	14.0
Purchasing	6.0	6.0	(1.0)	-	-	-	5.0
Total Management Services	30.0	40.0	(2.0)	1.0	-	(5.0)	34.0
KALAMAZOO PUBLIC SAFETY							
Administration	7.0	7.0	(1.0)	-	-	-	6.0
Financial Services	7.0	7.0	-	-	-	-	7.0
Training	6.0	6.0	-	-	-	-	6.0
Kalamazoo Valley Enforcement Team (KVET)	14.0	14.0	-	(1.0)	-	-	13.0
Operations	189.0	189.0	-	5.0	-	-	194.0
Criminal Investigation	35.0	35.0	-	(4.0)	-	-	31.0
Service	29.0	29.0	-	-	-	-	29.0
Total Public Safety	287.0	287.0	(1.0)	-	-	-	286.0
PUBLIC SERVICES							
City Wide Maintenance	10.0	10.0	-	-	-	-	10.0
Engineering Services	14.0	14.0	-	-	-	-	14.0
Fleet Services	12.0	12.0	-	-	-	-	12.0
Public Works	37.0	41.0	-	-	-	(2.0)	39.0
Wastewater Division	87.0	87.0	-	(3.0)	-	(1.0)	83.0
Water Division	76.0	61.0	-	2.0	-	-	63.0
Total Public Services	236.0	225.0	-	(1.0)	-	(3.0)	221.0
COMMUNITY PLANNING AND DEVELOPMENT							
Code Administration	23.0	21.0	(1.0)	-	-	-	20.0
Planning	5.0	5.0	(1.0)	-	-	-	4.0
Community Development (HUD)	11.0	14.0	-	-	-	(1.0)	13.0
Total Community Planning and Development	39.0	40.0	(2.0)	-	-	(1.0)	37.0
ECONOMIC DEVELOPMENT	6.0	6.0	-	-	-	(1.0)	5.0

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
POSITION COMPARISON**

Adopted Budget 2010	Adopted Budget 2011	Mid Year Amendments Eliminations	Adopted Transfers	Adopted Additions	Adopted Eliminations	Adopted Budget 2012
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PERMANENT FULL TIME AUTHORIZED POSITIONS, continued

PARKS AND RECREATION						
Parks	9.0	9.0	-	-	-	9.0
Recreation	9.0	9.0	-	-	(1.0)	8.0
Total Parks and Recreation	18.0	18.0	-	-	(1.0)	17.0
TRANSPORTATION	102.0	102.0	-	-	1.0	103.0
TOTAL FULL TIME POSITIONS	753.0	753.0	(7.0)	-	1.0	(14.0)

PERMANENT PART TIME AUTHORIZED POSITIONS

INFORMATION TECHNOLOGY	1.0	1.0	-	-	-	1.0
MANAGEMENT SERVICES						
Budget and Accounting	-	-	-	-	-	-
KALAMAZOO PUBLIC SAFETY						
Service	4.0	4.0	-	-	-	4.0
PUBLIC SERVICES						
Wastewater Division	-	-	-	-	1.0	1.0
PARKS AND RECREATION						
Parks	2.0	2.0	-	-	-	2.0
Recreation	2.0	2.0	-	-	-	2.0
Kalamazoo Farmers Market	1.0	1.0	-	-	-	1.0
Total Parks and Recreation	5.0	5.0	-	-	-	5.0
TRANSPORTATION	19.0	19.0	-	-	-	19.0
TOTAL PART TIME POSITIONS	29.0	29.0	-	-	1.0	30.0
TOTAL CITY ALLOCATED POSITIONS	782.0	782.0	(7.0)	-	2.0	(14.0)

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

BUDGET OVERVIEW

The City of Kalamazoo Adopted FY 2012 Budget includes expenditures of \$158,903,824, representing a decrease of 16.41% from the Amended FY 2011 Budget. The citywide budget is made up of various funding groups (see Chart 1). The highlights of this recommended spending plan are discussed below in greater detail. This decrease of more than 16% is largely represented by the planned spend down of Community Development Block Grant Funds-Neighborhood Stabilization Program and American Reinvestment and Recovery Act Funds in FY 2011.

2012 Adopted Budget \$158,903,824

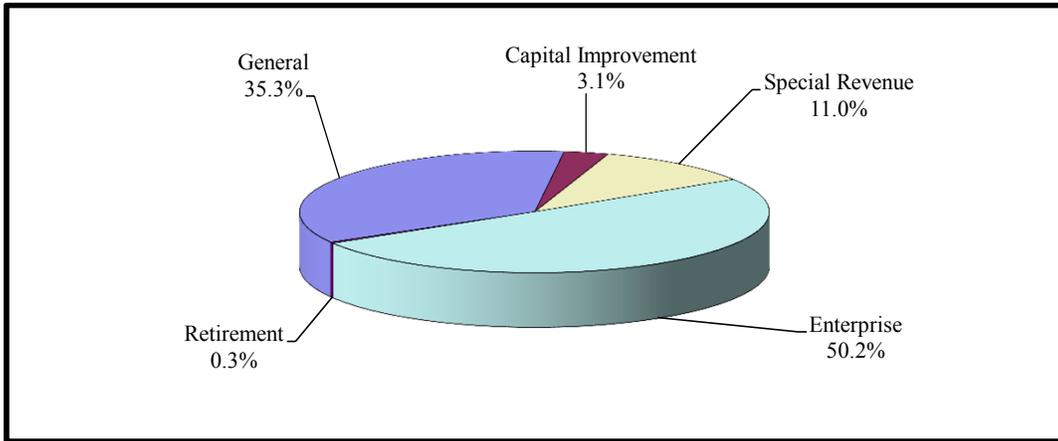


Chart 1

REVENUE

General Fund

General Fund operating revenue is estimated at \$53,628,770 in Adopted FY 2012 Budget, which represents a decrease of 11% than the estimated revenue in the Adopted FY 2011 Budget. The decrease is due primarily to declining Property Tax Revenue, State Shared Revenues and a reduced transfer from the Insurance Fund.

2012 General Fund Revenue \$ 53,628,770

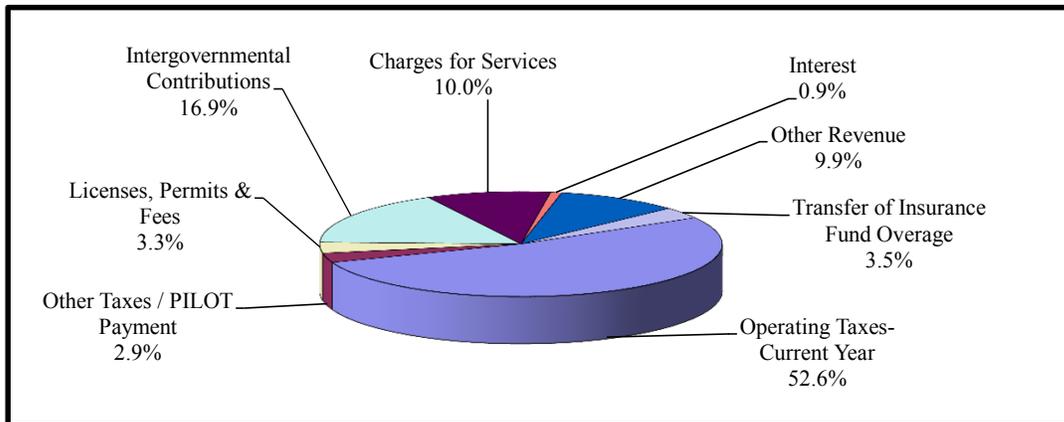


Chart 2

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

The two largest revenue sources, Property Taxes and Intergovernmental Contributions, represent 69.5% of all estimated General Fund resources (see Chart 2). Property Taxes are estimated to decline by 5.9% in FY 2012. The Five-Year Fiscal Plan had estimated no change. This negative experience is attributable to Michigan Tax Tribunal appeals, as well as, negative sales experience in residential and commercial real estate properties (see Chart 3).

Property Tax Revenue

Growth Trend (2002-2012)

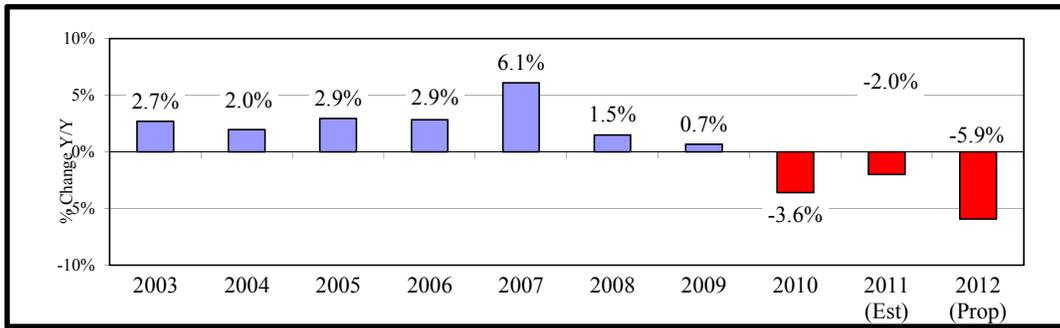


Chart 3

State Revenue Sharing continues to be vulnerable to the State's budget woes. State Shared Revenues have steadily declined over the last 10 years from a high of \$12.5 million in FY 2001 to \$7.8 million estimated for FY 2012, which is equal to a 38% reduction. Statutory Revenue Sharing, which totaled an annual \$3.7 million, has been replaced with the Economic Vitality Incentive Program (EVIP) representing \$1.2 million reduction in revenue from FY 2010 to FY 2012

The estimated Revenue Sharing payments of \$7.8 million in FY 2012 is a decrease of 4.7% compared to FY 2011 projected receipts of \$8.2 million. (see Chart 4).

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

State Revenue Sharing

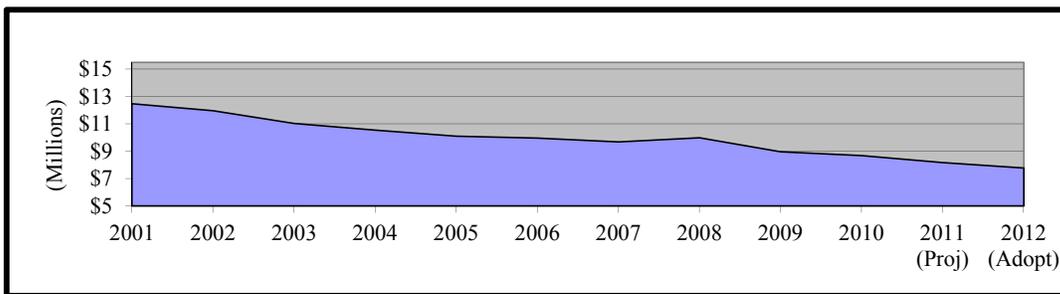


Chart 4

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

The remaining 30.5% of estimated revenues include permits, licenses, fees, and charges for services. These are projected to increase by less than 2% over the five-year fiscal plan period. User fees and charges are analyzed annually to ensure that cost recovery is optimal.

Due to the reallocation of revenue associated with the former Internal Service Funds (which were collapsed into the General Fund in FY 2011), revenue for Charges for Services are estimated to decrease by 25.9% from the Adopted FY 2011 Budget while revenue for License, Permits and Fees are anticipated to decrease by 1.1%.

Anticipated revenues from Other Taxes/Pilot Payments are expected to decrease by 5.8%, which is due to a larger than average amount of tax appeal refunds. The General Fund will receive a \$1.9 million rebate from the Insurance Fund attributable to continued favorable health care experience.

Non-General Fund Revenue

Major & Local Streets

The Major & Local Streets operations are primarily funded by Gas & Weight Taxes, which are expected to see a 1.9% increase. Major Street revenues are sufficient to fund operations. The Local Street Fund's revenues are insufficient to cover operations and debt service, requiring an operating subsidy of \$1.425 million from the General Fund.

Capital projects are funded with CIP Bonds in the amount of \$1.08 million.

Cemetery

Cemetery operational revenue decreased 7.6% in FY 2011. Operational revenue is not sufficient to fund operations and capital improvements, therefore a subsidy of \$359 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 \$2.3 million, representing a decrease of 7.9%. The activity is projected to use \$219 thousand of fund balance.

Water Fund

The Adopted FY 2012 Budget revenues reflect a 5% increase, which will be spread among the various classes of rate payers.

Wastewater Fund

The Adopted FY 2012 Budget revenues reflect a 5% increase, which will be spread among the various classes of rate payers.

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

Expenditures

General Fund

The Adopted FY 2012 Budget for the General Fund is \$56,147,455, representing an overall decrease of 4.8% when compared to the Adopted FY 2011 Budget and a 2.5% decrease compared with Amended FY 2011 Budget.

The General Fund is made up of five major service areas: Public Safety (Police and Fire), Non-Departmental (General Service Expenditures), Administrative Support (City Manager, City Attorney, City Clerk, Internal Auditor, Human Resources, Information Technologies 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)

2012 General Fund Budget Expenditure by Category \$ 56,147,455

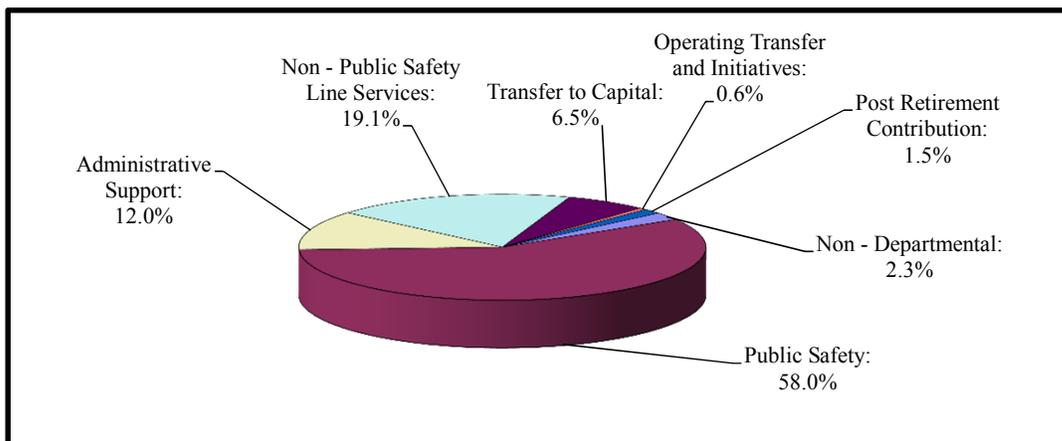


Chart 5

The Adopted FY 2012 General Fund Operating budget represents a decrease of approximately 6.4% from the Adopted FY 2011 Budget. As illustrated in Chart 5, 12.0% 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 58.0% of the General Fund budget (see Chart 5). Personnel costs account for 72.9% of all General Fund expenditures (see Chart 6). Consistent with the Five-Year Fiscal Plan, the Adopted FY 2011 Budget reflects an average annual vacancy rate of 1.9% in Personnel by virtue of an offsetting General Fund Expenditures by \$800 thousand.

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

2012 General Fund Budget by Object

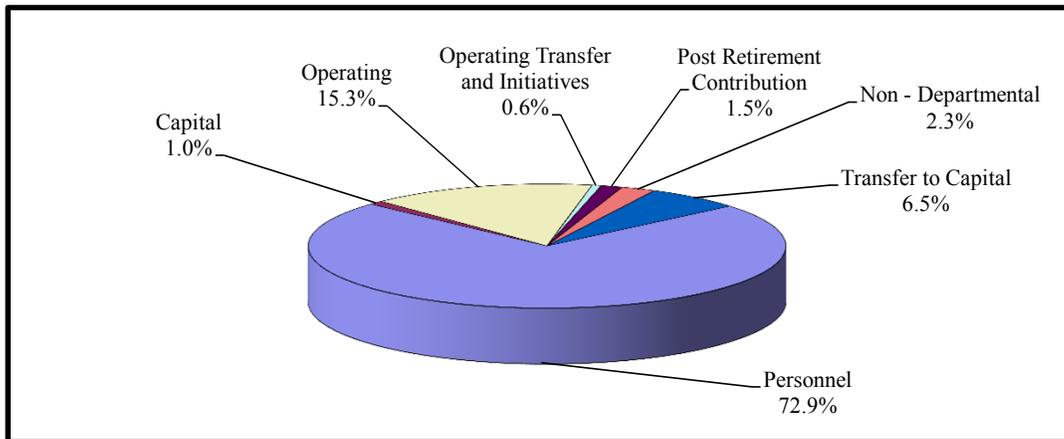


Chart 6

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

Due to the uncertainty of Property Tax and State Shared Revenue, the plan was revised for Adopted FY 2009 Budget, so that the projected General Fund Balance in excess of 13% was to be reserved to the Budget Stabilization Account, causing a FY 2009 ending balance of \$1.65 million. The Adopted FY 2012 Budget calls for no contribution to, or use of, the Budget Stabilization Account. The balance remains to mitigate the impact of revenue losses and some expenditure increases in FY 2013 and FY 2014.

The Capital Contingency Account is designed to be used for emergency capital repairs or acquisitions. There are no contributions or withdrawals proposed in FY 2012.

The Five-Year Fiscal Plan targets a minimum general capital investment of \$5 million annually. The General Fund will transfer \$2.2 million to the Capital Improvement Program in FY 2012. The General Fund capital program for FY 2012, including street funds is \$4.9 million. The significant capital investment is achieved through the strategic use of debt and the leveraging of funds from outside sources.

Fund Balance

General Fund revenues are projected to exceed expenditures by \$2.52 million dollars in FY 2012. The projected fund balance in FY 2012 is \$8,679,703, which is 16.2% of estimated revenues as against a Five-Year Fiscal Plan target range for the General Fund of 13% - 15% of revenues. The projected fund balance does not include the Budget Stabilization or Capital Contingency accounts, which total \$2 million.

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

Position Allocations

The Adopted FY 2012 Budget includes 733 full-time positions, a net change of 21 from Adopted FY 2011 Budget.

The following position changes are in the Adopted FY 2012 Budget:

- City Administration -2 (Clerk Typist and Assistant to the City Manager)
- City Attorney -1 (Assistant Attorney III)
- Human Resources -1 (Human Resources Secretary)
- Information Technology -1 (Help Desk Analyst)
- Management Services -7 (Financial Analyst, Payroll Monitor, Property Appraiser III (3), Personal Property Appraiser II, and Mail Clerk)
- Management Services +1 (Transfer of Secretary Typist from Public Services)
- Public Safety -1 (Administrative Secretary)
- Community Planning & Development -3 (Code Compliance Inspector, Neighborhood Planner, and Blight Abatement Coordinator)
- Economic Development -1 (Special Projects Coordinator)
- Parks & Recreation -1 (Youth Development Liaison)
- Public Services -4 (Customer Service Contract Manager, Right of Way Coordinator, Wastewater Technical Secretary and Secretary Typist)
- Transportation +1 (Travel Trainer Position)

Capital

Capital improvements planned for FY 2012 total \$11,968,600 (see Chart 7).

Expenses

General Fund

General Fund capital projects, which are funded in the Capital Improvements Program (CIP) Fund, total \$1.1 million. Capital projects in the CIP Fund include \$10 thousand in Environmental improvements, \$520 thousand for Public Safety Dispatch Improvements, \$355 thousand in various Public Services and facility improvements, \$186 thousand in park improvements and \$20 thousand in design and engineering for future capital improvements.

Non-General Fund:

Local Streets

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

Major Streets

The Major Street Capital Budget is proposed at \$2.88 million, to be funded with \$873 thousand in federal funds and \$2.01 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 \$4.2 million and \$2.0 million will be made in the Wastewater and Water Funds, respectively. Projects include new & replacement water mains, service connections, hydrants, meters pumping station upgrades, capital maintenance and improvement of existing infrastructure and various other projects including computer, software and security investments and replacements, along with plant controls.

2012 Capital Financing

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

by Source

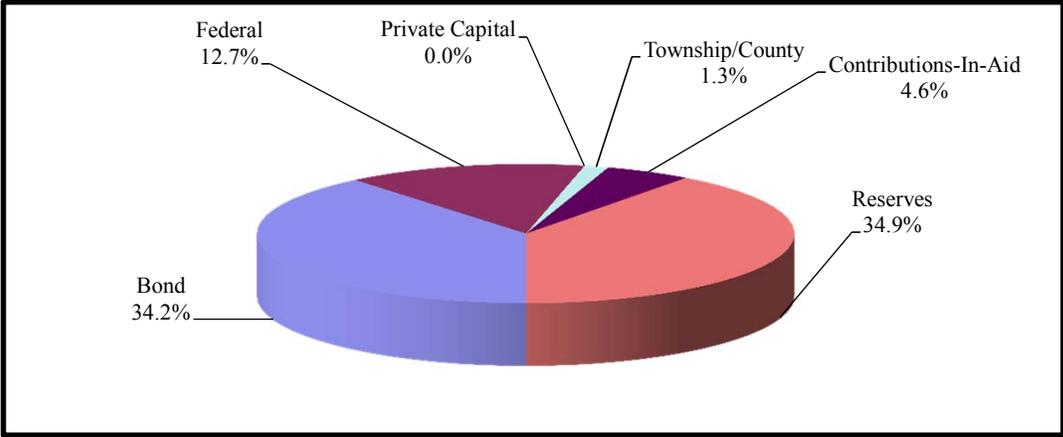


Chart 7

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

TAXABLE VALUE AND TAX LEVY PROJECTIONS

	2011 Adopted Budget	2011 Roll Confirmation	2011 YE Est.	2012 Adopted Budget	2013 Projected Budget	2014 Projected Budget	2015 Projected Budget	2016 Projected Budget	2017 Projected Budget
Effective Taxable Value (a)	1,629,694,347	1,627,370,389	1,622,914,425	1,527,855,329	1,489,658,945	1,489,658,945	1,512,003,830	1,534,683,887	1,557,704,145
MILLAGE RATES:									
Operating Millage	19.2705	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	1.5500
Metro Transit Millage	0.6000	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	21.4205
TAX REVENUES:									
Operating Revenues	31,405,025	31,360,241	31,274,372	29,442,536	28,706,473	28,706,473	29,137,070	29,574,126	30,017,738
Less: Total Captured TIF (b)	-1,433,943	-1,433,943	-1,333,583	-1,241,333	-1,264,297	-1,287,687	-1,311,509	-1,335,772	-1,360,484
Net Operating Revenue	29,971,082	29,926,298	29,940,789	28,201,204	27,442,175	27,418,786	27,825,561	28,238,354	28,657,254
Solid Waste Revenues	2,526,026	2,522,424	2,515,517	2,368,176	2,308,971	2,308,971	2,343,606	2,378,760	2,414,441
Less: Total Captured TIF (b)	-109,449	-109,449	-101,547	-93,862	-95,598	-97,367	-99,168	-101,003	-102,871
Net Operating Revenue	2,416,577	2,412,975	2,413,970	2,274,314	2,213,373	2,211,605	2,244,438	2,277,757	2,311,570
Metro Transit Revenues (c)	977,817	976,422	973,749	916,713	893,795	893,795	907,202	920,810	934,622
Less: Total Captured TIF (b)	-29,749	-29,749	-27,961	-28,042	-28,561	-29,089	-29,627	-30,175	-30,733
Net Operating Revenue	948,068	946,673	945,788	888,671	865,235	864,706	877,575	890,635	903,889
TOTAL	33,335,727	33,285,946	33,300,547	31,364,189	30,520,783	30,495,097	30,947,574	31,406,746	31,872,713

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

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

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

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

DEBT SERVICE SCHEDULE

As of: January 1, 2012

City Debt Issues	Remaining Debt				2012			2013		
	Original Issue Amount	Gross Principal Outstanding	Self-Supporting	Net	Principal	Interest	Total	Original Issue Amount	Original Issue Amount	Total
Building Authority Bonds:										
Dated: 3/1/11 2011 Building Authority Refunding	\$ 4,105,000	\$ 3,860,000	\$ 636,019	\$ 3,223,981	\$ 100,000	\$ 39,080	\$ 139,080	\$ 100,000	\$ 34,480	\$ 134,480
Dated: 10/26/06 2006B Building Authority	\$ 4,270,000	\$ 3,480,000	\$ 3,480,000	\$ -	\$ 175,000	\$ 145,080	\$ 320,080	\$ 180,000	\$ 138,080	\$ 318,080
Dated: 1/23/06 2006A Building Authority	\$ 2,840,000	\$ 2,445,000	\$ 2,445,000	\$ -	\$ 75,000	\$ 131,510	\$ 206,510	\$ 80,000	\$ 127,648	\$ 207,648
Dated: 10/12/05 2005B Parking Ramp	\$ 2,835,000	\$ 2,135,000	\$ 2,135,000	\$ -	\$ 110,000	\$ 108,125	\$ 218,125	\$ 115,000	\$ 102,625	\$ 217,625
Dated: 7/26/05 2005 Refunding	\$ 7,725,000	\$ 6,915,000	\$ 6,915,000	\$ -	\$ 340,000	\$ 303,888	\$ 643,888	\$ 355,000	\$ 290,288	\$ 645,288
Dated: 4/11/05 2005 Parking Ramp	\$ 7,325,000	\$ 5,325,000	\$ 5,325,000	\$ -	\$ 265,000	\$ 271,891	\$ 536,891	\$ 255,000	\$ 258,641	\$ 513,641
Dated: 1/27/03 2003 Building Authority	\$ 1,940,000	\$ 440,000	\$ -	\$ 440,000	\$ 215,000	\$ 12,308	\$ 227,308	\$ 225,000	\$ 4,219	\$ 229,219
Dated: 11/17/98 1998 BA Refunding	\$ 5,770,000	\$ 2,395,000	\$ 2,324,350	\$ 70,650	\$ 600,000	\$ 117,638	\$ 717,638	\$ 600,000	\$ 91,238	\$ 691,238
Subtotal	\$ 36,810,000	\$ 26,995,000	\$ 23,260,369	\$ 3,734,631	\$ 1,880,000	\$ 1,129,519	\$ 3,009,519	\$ 1,910,000	\$ 1,047,218	\$ 2,957,218
Michigan Transportation Fund Bonds:										
Dated: 7/26/11 2011 Michigan Transportation Fund Refunding	\$ 2,005,000	\$ 2,005,000	\$ 2,005,000	\$ -	\$ 425,000	\$ 40,200	\$ 465,200	\$ 435,000	\$ 29,425	\$ 464,425
Dated: 7/12/07 2007 Michigan Transportation Fund	\$ 3,860,000	\$ 3,065,000	\$ 3,065,000	\$ -	\$ 225,000	\$ 124,343	\$ 349,343	\$ 235,000	\$ 115,143	\$ 350,143
Dated: 4/27/04 2004 Michigan Transportation Fund	\$ 4,320,000	\$ 1,415,000	\$ 1,415,000	\$ -	\$ 455,000	\$ 42,899	\$ 497,899	\$ 470,000	\$ 26,590	\$ 496,590
Dated: 4/1/98 1998 Michigan Transportation Fund	\$ 2,265,000	\$ 420,000	\$ 420,000	\$ -	\$ 205,000	\$ 14,979	\$ 219,979	\$ 215,000	\$ 5,106	\$ 220,106
Dated: 3/1/96 1996 Michigan Transportation Fund	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 12,945,000	\$ 4,900,000	\$ 4,900,000	\$ -	\$ 885,000	\$ 182,220	\$ 1,067,220	\$ 920,000	\$ 146,839	\$ 1,066,839
Wastewater Bonds:										
Dated: 7/26/11 2011 Wastewater Supply Systems Refunding	\$ 2,815,000	\$ 2,815,000	\$ 2,815,000	\$ -	\$ 225,000	\$ 68,075	\$ 293,075	\$ 250,000	\$ 63,575	\$ 313,575
Dated: 12/22/09 2009 Wastewater Supply Systems	\$ 2,585,000	\$ 2,415,000	\$ 2,415,000	\$ -	\$ 70,000	\$ 143,624	\$ 213,624	\$ 70,000	\$ 141,699	\$ 211,699
Subtotal	\$ 5,400,000	\$ 2,415,000	\$ 2,415,000	\$ -	\$ 70,000	\$ 143,624	\$ 213,624	\$ 70,000	\$ 141,699	\$ 211,699
Water Bonds:										
Dated: 12/22/09 2009 Water Supply Systems	\$ 7,685,000	\$ 7,685,000	\$ 7,685,000	\$ -	\$ -	\$ 496,206	\$ 496,206	\$ -	\$ 496,206	\$ 496,206
Dated: 7/12/07 2007 Water Supply Systems	\$ 1,900,000	\$ 1,715,000	\$ 1,715,000	\$ -	\$ 55,000	\$ 77,913	\$ 132,913	\$ 55,000	\$ 75,575	\$ 130,575
Dated: 11/29/06 2006 Water Supply System and Refunding	\$ 4,690,000	\$ 3,255,000	\$ 3,255,000	\$ -	\$ 360,000	\$ 142,241	\$ 502,241	\$ 400,000	\$ 127,841	\$ 527,841
Dated: 4/27/04 2004 Water System Refunding	\$ 5,010,000	\$ 4,010,000	\$ 4,010,000	\$ -	\$ 155,000	\$ 173,938	\$ 328,938	\$ 160,000	\$ 168,590	\$ 328,590
Dated: 10/23/02 2002B Water System Refunding	\$ 3,145,000	\$ 1,245,000	\$ 1,245,000	\$ -	\$ 320,000	\$ 45,475	\$ 365,475	\$ 315,000	\$ 34,435	\$ 349,435
Dated: 6/6/02 2002 Water System Refunding	\$ 9,145,000	\$ 5,015,000	\$ 5,015,000	\$ -	\$ 590,000	\$ 252,363	\$ 842,363	\$ 610,000	\$ 222,863	\$ 832,863
Subtotal	\$ 31,575,000	\$ 22,925,000	\$ 22,925,000	\$ -	\$ 1,480,000	\$ 1,188,135	\$ 2,668,135	\$ 1,540,000	\$ 1,125,510	\$ 2,665,510
Downtown Development Bonds:										
Dated: 3/1/11 2010 Downtown Development Refunding	\$ 2,130,000	\$ 2,115,000	\$ 2,115,000	\$ -	\$ 5,000	\$ 72,475	\$ 77,475	\$ 5,000	\$ 72,375	\$ 77,375
Dated: 6/15/93 1993 Downtown Development Refunding	\$ 3,680,000	\$ 615,000	\$ 615,000	\$ -	\$ 300,000	\$ 25,575	\$ 325,575	\$ 315,000	\$ 8,663	\$ 323,663
Dated: 3/2/92 1992 Downtown Development	\$ 2,945,000	\$ 450,000	\$ 450,000	\$ -	\$ 225,000	\$ 20,250	\$ 245,250	\$ 225,000	\$ 6,750	\$ 231,750
Subtotal	\$ 8,755,000	\$ 3,180,000	\$ 3,180,000	\$ -	\$ 530,000	\$ 118,300	\$ 648,300	\$ 545,000	\$ 87,788	\$ 632,788
Special Assessment Bonds:										
Dated: 9/1/99 1999 Special Assessment - Burdick Street	\$ 680,000	\$ 95,000	\$ 95,000	\$ -	\$ 50,000	\$ 4,985	\$ 54,985	\$ 45,000	\$ 2,385	\$ 47,385
Subtotal	\$ 680,000	\$ 95,000	\$ 95,000	\$ -	\$ 50,000	\$ 4,985	\$ 54,985	\$ 45,000	\$ 2,385	\$ 47,385
Capital Improvement Bonds:										
Dated: 7/14/11 2011 Capital Improvement	\$ 4,685,000	\$ 4,685,000	\$ -	\$ 4,685,000	\$ 225,000	\$ 186,757	\$ 411,757	\$ 260,000	\$ 149,350	\$ 409,350
Dated: 7/8/10 2010 Capital Improvement	\$ 2,855,000	\$ 2,715,000	\$ -	\$ 2,715,000	\$ 160,000	\$ 94,913	\$ 254,913	\$ 165,000	\$ 91,713	\$ 256,713
Dated: 6/24/09 2009 Capital Improvement	\$ 4,585,000	\$ 4,150,000	\$ -	\$ 4,150,000	\$ 250,000	\$ 157,785	\$ 407,785	\$ 255,000	\$ 151,535	\$ 406,535
Dated: 7/1/08 2008 Capital Improvement	\$ 4,165,000	\$ 3,530,000	\$ -	\$ 3,530,000	\$ 240,000	\$ 140,306	\$ 380,306	\$ 245,000	\$ 131,906	\$ 376,906
Dated: 7/12/07 2007 Capital Improvement	\$ 855,000	\$ 740,000	\$ -	\$ 740,000	\$ 35,000	\$ 33,320	\$ 68,320	\$ 35,000	\$ 31,885	\$ 66,885
Dated: 4/27/04 2004 Capital Improvement	\$ 8,415,000	\$ 3,645,000	\$ -	\$ 3,645,000	\$ 755,000	\$ 125,779	\$ 880,779	\$ 775,000	\$ 98,805	\$ 873,805
Subtotal	\$ 25,560,000	\$ 19,465,000	\$ -	\$ 19,465,000	\$ 1,665,000	\$ 738,859	\$ 2,403,859	\$ 1,735,000	\$ 655,194	\$ 2,390,194
Grand Total:	\$ 121,725,000	\$ 79,975,000	\$ 56,775,369	\$ 23,199,631	\$ 6,560,000	\$ 3,505,642	\$ 10,065,642	\$ 6,765,000	\$ 3,206,631	\$ 9,971,631

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
GENERAL FUND OPERATING BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2013 Fiscal Plan	2014 Fiscal Plan	2015 Fiscal Plan	2016 Fiscal Plan	2017 Fiscal Plan
REVENUE										
Tax Levy Revenue	30,545,756	29,971,082	29,971,082	29,940,789	28,201,204	27,442,175	27,418,786	27,825,561	28,238,354	28,657,254
Other Tax or PILOT Payments	2,291,920	1,665,883	2,038,999	2,093,001	1,569,621	1,530,380	1,730,380	1,756,336	1,782,681	1,809,421
Licenses, Permits & Fees	1,867,124	1,813,175	1,813,175	1,862,267	1,792,900	1,792,900	1,792,900	1,819,794	1,847,090	1,874,797
Intergovernmental Revenue	9,889,672	9,814,674	9,814,674	9,481,624	9,045,882	9,045,882	9,045,882	9,045,882	9,045,882	9,045,882
Charges for Services	512,628	7,213,659	5,503,643	5,583,663	5,345,397	5,452,305	5,561,351	5,672,578	5,786,030	5,901,750
Interest & Rentals	323,650	551,100	551,100	505,100	485,100	489,951	494,851	499,799	504,797	509,845
Other Revenue	5,676,224	5,229,113	5,601,013	5,370,455	5,048,409	5,199,861	5,355,857	5,034,506	5,185,541	5,341,107
Bronson 2011 Issue HFA Fees	0	0	0	0	0	0	0	25,832	25,078	24,345
Potential Revenue	0	0	0	0	0	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Assumed -Time use revenue Claimback Fees, (rebates, etc)	0	0	0	0	250,000	250,000	250,000	250,000	250,000	250,000
Transfer of Insurance Fund Coverage	500,004	4,000,000	4,000,000	4,686,731	1,890,257	1,590,257	1,590,257	1,200,000	1,200,000	1,200,000
Total Revenue	51,606,978	60,258,686	59,293,686	59,523,630	53,628,770	54,293,713	54,740,264	54,630,288	55,365,453	56,114,402
EXPENDITURES										
City Commission	84,362	85,934	87,434	74,731	76,987	77,886	78,843	80,554	82,341	84,209
City Administration	728,127	755,437	751,207	725,883	654,552	626,230	633,544	646,963	660,966	675,589
City Attorney	865,871	881,902	871,866	854,963	790,124	799,353	809,172	826,734	845,075	864,243
City Clerk	613,547	665,991	663,962	662,884	686,277	586,502	702,822	600,283	734,006	614,387
Internal Auditor	88,947	95,286	94,920	89,762	85,929	86,933	88,001	89,910	91,905	93,990
Human Resources	765,230	792,138	779,123	782,352	723,923	719,961	728,370	743,797	759,897	776,708
Information Technology		1,777,753	1,868,788	1,698,937	1,246,131	1,275,686	1,276,173	1,303,870	1,332,796	1,363,027
Management Services	2,978,484	3,106,200	2,735,337	2,628,771	2,564,070	2,483,142	2,512,145	2,565,354	2,620,880	2,678,863
Public Safety	33,014,538	33,820,090	33,546,907	33,142,925	32,921,854	33,953,856	35,010,963	35,756,918	36,535,999	37,350,200
Public Services	1,728,274	6,723,702	5,979,223	6,346,571	6,192,565	6,264,894	6,341,855	6,479,493	6,623,243	6,773,473
Community Planning & Development	2,226,253	2,251,488	2,198,640	2,057,624	1,993,719	2,017,006	2,041,784	2,086,097	2,132,377	2,180,744
Economic Development	476,330	434,036	416,709	466,823	280,913	260,959	264,007	269,599	275,434	281,528
Parks & Recreation	2,465,692	2,575,761	2,550,176	2,457,561	2,371,843	2,379,451	2,407,243	2,458,230	2,511,437	2,566,998
Non-Departmental Expenditures	2,391,986	1,502,941	1,506,541	2,386,677	1,317,068	1,656,580	1,706,277	1,757,466	1,810,190	1,864,495
Initiatives	447,050	385,000	385,500	385,500	351,500	351,500	351,500	351,500	351,500	351,500
Expenditure Reductions: ERI					-600,000	-3,100,000	-3,400,000	-3,400,000	-3,400,000	-3,400,000
Expenditure Reductions: 2014							0	0	0	0
Expenditure Reductions: 2015								-1,775,000	-1,775,000	-1,775,000
Expenditure Reductions: 2016									-1,450,000	-1,450,000
Expenditure Reductions: 2017										-625,000
Total Operating Expenditure	48,874,691	55,853,659	54,436,333	54,761,964	51,657,455	50,439,939	51,552,700	50,841,768	50,743,047	51,269,954
Transfer to Local Street Fund	1,299,996	1,000,000	1,000,000	1,000,000	1,425,000	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000
Transfer to CIP Fund	1,649,996	1,900,000	1,900,000	1,900,000	2,200,000	2,500,000	2,400,000	2,000,000	2,275,000	2,500,000
Transfer to Demolition Fund	0	0	0	0	40,000	0	0	0	0	0
Transfer to DDA	265,800	0	0	165,800	0	0	0	0	0	0
Total Transfer for Capital Improvement	3,215,792	2,900,000	2,900,000	3,065,800	3,665,000	4,150,000	4,050,000	3,650,000	3,925,000	4,150,000
Transfer to Pension Fund (ERI Payback: 2012 - 17)	0	0	0	0	600,000	600,000	600,000	600,000	600,000	600,000
Transfer to OPEB Fund	0	250,000	250,000	250,000	225,000	175,000	100,000	125,000	0	0
Total Transfer to Benefit Trust Fund	0	250,000	250,000	250,000	825,000	775,000	700,000	725,000	600,000	600,000
TOTAL EXPENDITURES	52,090,483	59,003,659	57,586,333	58,077,764	56,147,455	55,364,939	56,302,700	55,216,768	55,268,047	56,019,954
Beginning Fund Balance	7,770,980	7,287,475	7,287,475	7,287,475	11,198,388	8,679,703	7,608,477	7,116,041	7,109,561	7,206,967
Surplus / (Deficit)	(483,505)	1,255,027	1,707,353	1,445,866	(2,518,685)	(1,071,227)	(1,562,435)	(586,480)	97,406	94,448
Contribution from/(to) Budget Stabilization	0	0	0	0	0	0	1,070,000	580,000	0	0
Contribution from/(to) Former ISF Reserves	0	0	0	2,465,047	0	0	0	0	0	0
Ending Fund Balance	7,287,475	8,542,502	8,994,828	11,198,388	8,679,703	7,608,477	7,116,041	7,109,561	7,206,967	7,301,415
Target Fund Balance	6,708,907	7,833,629	7,708,179	7,738,072	6,971,740	7,058,183	7,116,234	7,101,937	7,197,509	7,294,872
Amount Over (Under) Target	578,568	708,873	1,286,649	3,460,316	1,707,963	550,294	-193	7,624	9,458	6,543
Cumulative Amount Over (Under) Target										
Actual Percentage of Revenues	14.1%	14.2%	15.2%	18.8%	16.2%	14.0%	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
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Revenue										
Transfer from General Fund	1,649,996	1,900,000	1,900,000	1,900,000	2,200,000	2,500,000	2,400,000	2,000,000	2,275,000	2,500,000
Transfers from Other Funds	-	-	-	-	-	-	-	-	-	-
Interest	10,614	200,000	200,000	10,000	50,000	50,000	50,000	50,000	50,000	50,000
Subtotal Transfers, Sales and Interest	1,660,610	2,100,000	2,100,000	1,910,000	2,250,000	2,550,000	2,450,000	2,050,000	2,325,000	2,550,000
Special Assessment	-	-	-	-	-	-	-	-	-	-
Reimbursements/Court Consolidation	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Reimb. from County / Crosstown	91,483	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
User Fees - Public Safety Dispatch	252,249	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Subtotal Assessments and Reimbursements	543,732	550,000								
Federal Grants										
City Hall Capital Improvements (ARRA)	-	-	-	-	-	-	-	-	-	-
Lacrone Park	-	-	420,000	420,000	-	-	-	-	-	-
I-94 Business Loop Gateway	-	-	169,000	169,000	-	-	-	-	-	-
SCBA Replacement	-	-	-	-	647,116	-	-	-	-	-
Ianelli Fountain / Pool Repair	-	-	-	-	-	-	100,000	-	-	-
Subtotal Federal Grants	-	-	589,000	589,000	647,116	-	100,000	-	-	-
State Grants										
Woods Lake Park Redevelopment	-	-	363,200	363,200	-	-	-	-	-	-
Lacrone Park	-	-	100,000	100,000	-	-	-	-	-	-
Trailways	-	-	31,134	31,134	-	-	-	-	-	-
Non-Motorized - Kal River Valley Trail	-	-	-	-	-	-	-	-	-	-
N Park & Westnedge - MDOT	-	-	362,000	362,000	-	-	-	-	-	-
I-94 Business Loop Gateway	-	169,000	-	-	-	-	-	-	-	-
Ianelli Fountain / Pool Repair	-	-	-	-	-	-	100,000	-	-	-
Crane Park Redevelopment	-	-	-	-	-	-	-	50,000	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	-	300,000	-
Milham Park Improvements	-	-	-	-	-	-	-	-	-	300,000
Subtotal State Grants	-	169,000	856,334	856,334	-	-	100,000	50,000	300,000	300,000

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Private / Grant / Other										
Park St Public Safety Station	6,790	-	-	-	-	-	-	-	-	-
Public Safety Training Complex	119,100	-	35,856	35,856	-	-	-	-	-	-
Dispatch Equipment Replacement	-	631,000	631,000	631,000	-	-	-	-	-	-
Boundless Playground	-	-	-	-	-	-	-	-	-	-
Blanche Hull	-	-	-	-	-	-	-	-	-	-
Woods Lake Improvements	-	-	-	-	-	-	-	-	-	-
Fairmount Park Dog Park	(1,050)	-	-	-	-	-	-	-	-	-
Lacrone Park	-	-	1,000	1,000	-	-	-	-	-	-
Mayor's Riverfront Park	8,033	-	-	-	-	-	-	-	-	-
Hays park Improvements	7,500	-	-	-	-	-	-	-	-	-
Rose Park Lighting	20,000	-	12,000	12,000	-	-	-	-	-	-
Sidewalk Placement	-	-	25,000	25,000	-	-	-	-	-	-
N. Westnedge/Park Project	50,000	-	25,000	25,000	-	-	-	-	-	-
I-94 Business Loop Gateway Improvements	-	103,000	103,000	103,000	-	-	-	-	-	-
CAD/RMS/ Mobile Data Upgrades	-	-	-	-	150,000	-	-	-	-	-
Mayors' Riverfront Electrical Improvements	-	-	-	-	20,000	-	-	-	-	-
Hays Park Improvement Project	-	-	-	-	-	7,500	-	-	-	-
River's Edge Corridor Improvements	-	-	-	-	-	-	1,152,800	-	-	-
Henderson Tot Lot	-	-	-	-	-	-	10,000	-	-	-
Ianelli Fountain / Pool Repair	-	-	-	-	-	-	50,000	-	-	-
MLK Park Improvements	-	-	-	-	-	-	-	100,000	-	-
Crane Park Redevelopment	-	-	-	-	-	-	-	150,000	-	-
Blanche Hull Park Improvements	-	-	-	-	-	-	-	-	1,400,000	-
Milham Park Improvements	-	-	-	-	-	-	-	-	-	1,400,000
Subtotal Private Grants and Other	210,373	734,000	832,856	832,856	170,000	7,500	1,212,800	250,000	1,400,000	1,400,000
Subtotal Grants and Fundraising	210,373	903,000	2,278,190	2,278,190	817,116	7,500	1,412,800	300,000	1,700,000	1,700,000
Bond Proceeds	684,920	1,520,000	1,520,000	1,576,100	1,081,000	1,352,500	1,246,500	1,325,000	3,412,000	2,960,000
Bond Premiums (Discounts)	10,645			(6,503)						
Total Resources	3,110,280	5,073,000	6,448,190	6,307,787	4,698,116	4,460,000	5,659,300	4,225,000	7,987,000	7,760,000

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Expenditures										
Debt Service										
EXISTING										
General Capital Projects										
General Capital Projects - 2004 GO	561,537	563,184	563,184	563,184	560,142	555,708	556,188	174,910	175,490	172,553
General Capital Projects - 2007 GO	66,438	69,738	70,238	70,238	68,820	67,385	65,933	69,463	67,763	66,043
General Capital Projects - 2008 GO	179,560	178,469	178,469	178,469	179,661	178,055	178,728	179,236	179,265	178,793
General Capital Projects - 2009 GO	208,971	211,455	211,455	211,455	210,874	210,227	211,772	212,832	213,381	215,611
General Capital Projects - 2010 GO	76	198,163	197,859	197,859	193,810	195,178	192,670	193,648	194,218	194,028
General Capital Projects - 2011 GO	-	-	-	-	140,031	139,213	139,145	139,043	138,678	139,740
Bond Issuance Expenses	13,301	-	-	-	-	-	-	-	-	-
Subtotal General Capital Projects	1,029,883	1,221,008	1,221,204	1,221,204	1,353,337	1,345,767	1,344,435	969,131	968,795	966,767
Parks										
KMGA and Trailways - 1998 BA	4,373	4,416	585	585	-	-	-	-	-	-
Subtotal Park Debt Service	4,373	4,416	585	585	-	-	-	-	-	-
Facilities										
City Hall & Stockbridge Renovation - 1998 Ref	37,190	38,329	38,029	38,029	38,557	37,003	-	-	-	-
Justice Facility (Crosstown) - 1999/05B BA Ref	650,628	647,328	647,328	647,328	644,128	645,528	648,991	641,503	646,503	646,753
Justice Facility (Crosstown) - 2001 BA	246,434	246,704	55,022	55,022	-	-	-	-	-	-
Park Street Public Safety Station - 2006B BA	318,601	322,201	322,201	322,201	320,401	318,401	321,201	318,601	315,801	317,801
Public Safety Station Improvements - 2002 GO	102,268	99,005	87,095	87,095	-	-	-	-	-	-
Building Authority 2011 Refunding	-	-	212,435	212,435	328,590	339,005	334,922	343,385	326,070	247,963
Subtotal Facilities Debt Service	1,355,121	1,353,567	1,362,110	1,362,110	1,331,676	1,339,937	1,305,113	1,303,489	1,288,375	1,212,517
Public Safety Equipment										
Public Safety Dispatch - 2003 GO	226,923	230,050	230,050	230,050	227,558	229,469	-	-	-	-
Subtotal Public Safety Equipment Debt Svc	226,923	230,050	230,050	230,050	227,558	229,469	-	-	-	-
Subtotal Existing Debt Service	2,616,299	2,809,041	2,813,949	2,813,949	2,912,571	2,915,172	2,649,549	2,272,621	2,257,169	2,179,284
PROPOSED NEW DEBT SERVICE										
General Capital Projects - 2012 GO (Prop)	-	-	-	-	46,929	93,858	93,858	93,858	93,858	93,858
General Capital Projects - 2013 GO (Prop)	-	-	-	-	-	58,715	117,431	117,431	117,431	117,431
General Capital Projects - 2014 GO (Prop)	-	-	-	-	-	-	54,114	108,227	108,227	108,227
General Capital Projects - 2015 GO (Prop)	-	-	-	-	-	-	-	57,522	115,043	115,043
General Capital Projects - 2016 GO (Prop)	-	-	-	-	-	-	-	-	148,124	296,247
General Capital Projects - 2017 GO (Prop)	-	-	-	-	-	-	-	-	-	128,501
Subtotal Proposed New Debt Service	-	-	-	-	46,929	152,573	265,403	377,038	582,683	859,308
Total Debt Service	2,616,299	2,809,041	2,813,949	2,813,949	2,959,500	3,067,746	2,914,951	2,649,658	2,839,852	3,038,592

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Environmental										
Carryforwards (Reserve Funding):										
Arcadia Creek - Env Costs	317	-	20,000	1,000						
Cash/Reserve Funding:										
Auto Ion Env.	-	10,000	41,711	9,000	10,000	10,000	40,000	10,000	10,000	10,000
Bond Funding:										
Subtotal Environmental Projects	317	10,000	61,711	10,000	10,000	10,000	40,000	10,000	10,000	10,000
Priority Projects										
Priority Projects: Parks										
Carryforwards (Reserve Funding):										
Boundless Playground	90	-	-	-						
Blanche Hull / Milham Park Master Plan	12,559	-	-	-						
Woods Lake Park Redevelopment	-	-	222,821	222,821						
Fairmount Park Redevelopment & Dog Park	229,493	-	7,020	7,020						
Lacrone Park	19,210	-	108,611	108,611						
Milham Park Maintenance Building	317	-	-	-						
Sherwood Park - Playground Resurfacing	55,427	-	2,980	2,980						
Mayor's Riverfront Park Field Improvements	15,789	-	16,373	16,373						
Bronson Park Electrical Upgrade	2,600	-	35,714	35,714						
Hays Park Improvements	-	-	7,500	7,500						
Rose Park Lighting	-	-	31,768	31,768						
Milham Park Restroom Improvements	11,603	-	3,131	3,131						
Mayor's Riverfront Asphalt	44,865	-	-	-						
Carryforwards (Outside Funding)										
Woods Lake Park Redevelopment	-	-	363,200	363,200						
Lacrone Park	-	-	521,000	521,000						
Rose Park Lighting	11,150		12,000	12,000						

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Parks , continued										
Bond Funding:										
Spring Valley Stormwater	-	45,000	45,000	45,000						
Mayor's Riverfront Park Field Improvements	-	-	875	875						
Milham Park Restroom Improvements	-	-	201	201						
ADA Upgrades for KIK Pool	-	-	-	-	46,000					
Mayors' Riverfront Electrical Improvements	-	-	-	-	20,000					
Axtell Creek Park Improvements	-	-	-	-	55,000					
Kensington Stormwater Treatment System Evaluation	-	-	-	-	40,000					
Parks Facilities Equipment and Repairs	-	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000
Parks and Recreation Five Year Plan	-	-	-	-		40,000				
Kensington Park Stormwater Treatment Center Repair	-	-	-	-		220,000				
Hays Park Improvement Project	-	-	-	-		162,500				
Henderson Tot Lot Improvements	-	-	-	-			50,000			
Ianelli Fountain / Pool Repair	-	-	-	-			290,000			
YDC Facility Improvements	-	-	-	-			126,500			
Milham Park Portage Creek Dredging	-	-	-	-			200,000			
MLK Park Improvements	-	-	-	-				100,000		
Crane Park Redevelopment	-	-	-	-				420,000		
Knollwood Park Improvements	-	-	-	-					150,000	
Spring Valley Park Tennis Court Repairs	-	-	-	-					180,000	
Blanche Hull Park Improvements	-	-	-	-					300,000	
Davis Street Park Improvements	-	-	-	-						80,000
Davis Street Park Improvements	-	-	-	-						75,000
Milham Park Improvements	-	-	-	-						300,000
Mayor's Riverfront Synthetic Turf	-	-	-	-						
Outside Funding:										
Mayors' Riverfront Electrical Improvements	-	-	-	-	20,000					
Hays Park Improvement Project	-	-	-	-		7,500				
Henderson Tot Lot	-	-	-	-			10,000			
Ianelli Fountain / Pool Repair	-	-	-	-			250,000			
MLK Park Improvements	-	-	-	-				100,000		
Crane Park Redevelopment	-	-	-	-				200,000		
Blanche Hull Park Improvements	-	-	-	-					1,700,000	
Milham Park Improvements	-	-	-	-						1,700,000
Subtotal Priority Projects: Parks	403,103	45,000	1,378,196	1,378,196	206,000	455,000	951,500	845,000	2,355,000	2,180,000

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Facilities										
Carryforwards (Reserve Funding):										
Public Safety Station- Replace Chillers @ HQ	3,940	-	-	-						
City Hall Improvements	-	-	190,406	-						
Carryforwards (Outside Funding)										
Public Safety Training Complex	79,332	-	35,856	35,856						
Cash / Reserve Funding:										
Park Facility Repairs	-	15,000	15,000	15,000						
General Fund Equipment & Major Repairs	14,080	30,000	38,086	30,000						
Bond Funding:										
General Fund Equipment & Major Repairs	-	-	-	-						
City Hall Improvements	185,319	275,000	275,000	65,406						
KIK Pool Locker Room Improvements	-	45,000	43,924	43,924						
Park Facility Repairs	-	10,000	10,000	10,000						
Firearms Range Improvements	-	12,000	12,000	12,000						
Public Safety Station Improvements	-	60,000	60,000	-						
General Fund Equipment and Facilities Major Repairs	-	-	-	-	30,000	30,000	30,000	30,000	30,000	30,000
City Hall Improvements	-	-	-	-	325,000	275,000	100,000	150,000	75,000	100,000
Outside Funding:										
River's Edge Corridor Improvements	-	-	-	-			1,152,800			
City Hall Improvements	-	-	-	-						
Subtotal Priority Projects: Facilities	282,670	447,000	680,272	212,186	355,000	305,000	1,282,800	180,000	105,000	130,000
Priority Projects: Public Safety Equipment										
Carryforwards (Reserve Funding):										
Public Safety Dispatch Upgrade	-	-	-	-						
Public Safety Computer Upgrade	-	-	-	-						
CAD/RMS/Mobile Data Upgrades	-	-	12,446	12,446						
Engines #3, #5/Truck #4 Replacement	1,656,203	-	-	-						
Bond Funding:										
Repair/Refurbish Fire Apparatus	-	150,000	150,000	150,000						
CAD/RMS Upgrade	-	-	-	-	350,000					550,000
SCBA Replacement	-	-	-	-	170,000					
Repair/Refurbishment/Update Fire Apparatus	-	-	-	-		300,000				
Video Security System Upgrade	-	-	-	-		110,000				
Database Upgrade	-	-	-	-		90,000				
Public Safety Facility Upgrades	-	-	-	-		100,000				
Repair/Refurbishment/Update Fire Apparatus	-	-	-	-			75,000			
Replace Engine 7	-	-	-	-				600,000		
In-Car Camera Supporting Infrastructure Upgrade	-	-	-	-					82,000	
Facility Replacement	-	-	-	-					2,570,000	
Dispatch Equipment Replacement	-	-	-	-						1,800,000
Dispatch Equipment Replacement	-	788,000	788,000	788,000						
Outside Funding:										
CAD/RMS Upgrade	-	-	-	-	150,000					
SCBA Replacement	-	-	-	-	647,116					
Dispatch Equipment Replacement	-	631,000	631,000	631,000						
Subtotal Priority Projects: Public Safety Equip	1,656,203	1,569,000	1,581,446	1,581,446	1,317,116	600,000	75,000	600,000	2,652,000	2,350,000

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Priority Projects: Other										
Carryforwards (Reserve Funding):										
Project Downtown	6,835	-	-	-						
Arcadia Public Art	-	-	12,880	12,880						
Ianelli Fountain	-	-	40,566	40,566						
2004 GO Improvement Bond Excess Comprehensive Plan	54,892	-	-	-						
2008 GO Improvement Bond Excess Trailway Development	67,422	-	61,444	61,444						
Sidewalk Placement	-	-	473,029	473,029						
Non-Motorized Comp Plan- Kal River Valley Trail	34,882	-	-	-						
Portage Creek Trailway	158,439	-	182,680	80,000						
North Park & Westnedge Corridor	33,906	-	81,094	81,094						
Edison & Vine Court Improvements	-	-	-	-						
Spring Valley Park Dam	-	-	90,532	90,532						
Carryforwards (Outside Funding):										
Trailway Development	-	-	31,134	31,134						
Sidewalk Placement	-	-	25,000	25,000						
North Park & Westnedge Corridor	-	-	387,000	387,000						
Cash / Reserve Funding:										
Master Plan Update	-	-	-	-						
Bond Funding:										
Sidewalk Placement	28,395	-	-	-						
Spring Valley Park Dam	15,461	85,000	85,000	85,000						
I-94 Business Loop Gateway Improvements	-	50,000	50,000	50,000						
Non-Motorized Pathway Extension	-	-	-	-	20,000		350,000			
Outside Funding:										
I-94 Business Loop Gateway Improvements	-	272,000	272,000	272,000						
Portage Streetscape	-	-	-	-						
Subtotal Priority Projects: Other	400,231	407,000	1,792,358	1,689,679	20,000	-	350,000	-	-	-

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT PROGRAM AND FIVE YEAR PLAN

	2010	2011	2011	2011	2012	2013	2014	2015	2016	2017
	Actual	Adopted	Amended	Projected	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
Subtotal Carryforward Cash/Reserve Funded Projects	2,408,471	-	1,580,996	1,287,910	-	-	-	-	-	-
Subtotal Carryforward Outside Funded Projects	90,482	-	1,375,190	1,375,190	-	-	-	-	-	-
Subtotal Current Reserve/Cash Funded Projects	14,397	55,000	114,796	55,000	10,000	10,000	40,000	10,000	10,000	10,000
Subtotal Current Bond Funded Projects	229,174	1,520,000	1,520,000	1,250,406	1,081,000	1,352,500	1,246,500	1,325,000	3,412,000	2,960,000
Subtotal Current Outside Funded Projects	-	903,000	903,000	903,000	817,116	7,500	1,412,800	300,000	1,700,000	1,700,000
Total Priority Projects	2,742,524	2,478,000	5,493,982	4,871,506	1,908,116	1,370,000	2,699,300	1,635,000	5,122,000	4,670,000
Total Debt Service (Current Payment)	2,616,299	2,809,041	2,813,949	2,813,949	2,959,500	3,067,746	2,914,951	2,649,658	2,839,852	3,038,592
Total Capital Improvement Program Expenses	5,358,823	5,287,041	8,307,932	7,685,456	4,867,616	4,437,746	5,614,251	4,284,658	7,961,852	7,708,592
Transfer of Bond Reserves to Local Streets Fund	1,200,000	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(3,448,543)	(214,041)	(1,859,741)	(1,377,668)	(169,500)	22,254	45,049	(59,658)	25,148	51,408
Beginning Fund Balance	5,025,625	1,577,082	1,577,082	1,577,082	199,414	29,913	52,168	97,216	37,558	62,706
Ending Fund Balance	1,577,082	1,363,041	(282,659)	199,414	29,913	52,168	97,216	37,558	62,706	114,114

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
MAJOR STREETS BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2013 Estimated	2014 Estimated	2015 Estimated	2016 Estimated	2017 Estimated
Revenue										
Highway Maintenance	178,857	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Gas & Weight Tax	3,803,492	3,753,353	3,753,353	3,842,243	3,824,407	3,900,895	4,037,426	4,178,736	4,324,992	4,476,367
Other State Revenue (Metro Act)	248,985	265,000	265,000	229,874	265,000	265,000	265,000	265,000	265,000	265,000
Interest	4,562	15,000	15,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Bond Discount	96,788	25,000	25,000	64,184	25,000	25,000	25,000	25,000	25,000	25,000
Other	4,109	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfer from Insurance Fund	62,244	59,914	59,914	59,914	23,343	23,343	23,343	23,343	23,343	23,343
Total Revenue	4,399,037	4,373,267	4,373,267	4,456,215	4,397,750	4,474,238	4,610,770	4,752,079	4,898,335	5,049,710
Expenditures										
Debt Service	1,837,479	1,908,197	1,908,197	1,908,197	1,793,602	1,759,193	1,760,612	1,543,146	1,047,079	867,879
New Debt Service	0	0	0	0	0	200,500	430,000	652,500	852,500	1,052,500
Operations & Maintenance	2,554,996	2,674,928	2,773,460	2,980,427	2,566,854	2,618,191	2,670,555	2,723,966	2,778,445	2,834,014
Total Debt Service & Operations	4,392,475	4,583,125	4,681,657	4,888,624	4,360,456	4,577,884	4,861,166	4,919,612	4,678,024	4,754,393
Transfers										
Transfer to Local Streets	200,004	300,000	300,000	0	0	0	0	0	0	0
Total Expenditure & Transfers	4,592,479	4,883,125	4,981,657	4,888,624	4,360,456	4,577,884	4,861,166	4,919,612	4,678,024	4,754,393
Available for Construction	(193,442)	(509,858)	(608,390)	(432,409)	37,294	(103,645)	(250,397)	(167,533)	220,311	295,317
Other Resources for Capital										
Federal Aid	-	1,093,000	1,093,000	1,093,000	873,000	1,903,000	1,117,000	1,161,000	1,161,000	1,151,000
Other State Revenue	106,488	0	33,599	33,599	0	0	0	0	0	0
Private Funding	590,955	0	322,937	172,937	0	0	0	0	0	0
Bond Reserves	0	0	0	0	0	0	0	0	0	0
Bond Proceeds	2,107,000	2,000,000	2,000,000	2,000,000	2,005,000	2,295,000	2,225,000	2,000,000	2,000,000	2,000,000
Contribution from General Fund	12,908	0	48,364	48,364	0	0	0	0	0	0
Total	2,817,351	3,093,000	3,497,900	3,347,900	2,878,000	4,198,000	3,342,000	3,161,000	3,161,000	3,151,000
Capital Expenditures										
Construction	2,829,509	3,093,000	4,537,316	4,537,316	2,878,000	4,198,000	3,342,000	3,161,000	3,161,000	3,151,000
Surplus / (Deficit)	(205,600)	(509,858)	(1,647,806)	(1,621,825)	37,294	(103,645)	(250,397)	(167,533)	220,311	295,317
Transfer from LDFA (Reimbursement to Fund Balance)	0	187,440	187,440	187,440	187,440	187,440	0	0	0	0
Beginning Fund Balance	1,678,999	1,473,399	1,473,399	1,473,399	39,014	263,747	347,541	97,145	(70,388)	149,923
Ending Fund Balance	1,473,399	1,150,981	13,033	39,014	263,747	347,541	97,145	(70,388)	149,923	445,240
Target Fund Balance	527,884	524,792	524,792	534,746	527,730	536,909	553,292	570,250	587,800	605,965

CITY OF KALAMAZOO 2012 ADOPTED BUDGET

LOCAL STREETS BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2013 Estimated	2014 Estimated	2015 Estimated	2016 Estimated	2017 Estimated
Revenue & Other Resources										
Operating Revenues										
Gas & Weight Tax	1,076,655	1,052,245	1,052,245	1,099,875	1,072,760	1,100,000	1,138,500	1,178,348	1,219,590	1,262,275
Interest	2,421	2,000	2,000	2,000	2,000	10,000	10,000	10,000	10,000	10,000
Bond Discount	0	10,000	10,000	5,792	10,000	10,000	10,000	10,000	10,000	10,000
Other	8,374	3,000	3,000	10,097	34,665	5,000	5,000	5,000	5,000	5,000
Total Operating Revenue	1,087,450	1,067,245	1,067,245	1,117,764	1,119,425	1,125,000	1,163,500	1,203,348	1,244,590	1,287,275
Other Resources										
Transfer From Major Streets	200,004	300,000	300,000	0	0	0	0	0	0	0
Transfer From General Fund	1,299,996	1,000,000	1,000,000	1,000,000	1,425,000	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000
Transfer From Insurance Fund	54,372	52,333	52,333	52,333	20,390	20,390	20,390	20,390	20,390	20,390
Total Other Resources	1,554,372	1,352,333	1,352,333	1,052,333	1,445,390	1,670,390	1,670,390	1,670,390	1,670,390	1,670,390
Total Revenue and Other Sources	2,641,822	2,419,578	2,419,578	2,170,097	2,564,815	2,795,390	2,833,890	2,873,737	2,914,979	2,957,665
Expenditures										
Operations & Maintenance	1,705,861	1,912,433	1,926,944	1,922,707	1,970,063	2,009,464	2,049,653	2,090,646	2,132,459	2,175,108
Existing Debt Service	681,020	685,115	685,115	685,309	661,746	578,897	578,066	578,593	361,591	259,767
Proposed New Debt Service	-	-	-	-	-	100,000	200,000	300,000	400,000	500,000
Total Debt Service & Operations	2,386,881	2,597,548	2,612,059	2,608,016	2,631,809	2,688,361	2,827,719	2,969,240	2,894,050	2,934,876
Available for Construction	254,941	(177,970)	(192,481)	(437,919)	(66,994)	107,029	6,170	(95,503)	20,929	22,789
Other Resources for Capital										
Local and Other Contributions	0	0	0	0	0	0	0	0	0	0
Bond Proceeds	0	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	0	0	0	0	0	0	0	0	0	0
Transfer from General Fund	1,200,000	0	145,381	145,380	0	0	0	0	0	0
Transfer from Major Streets	0	0	0	0	0	0	0	0	0	0
Total	1,200,000	1,000,000	1,145,381	1,145,380	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Expenditures										
Construction	1,101,269	1,000,000	1,261,633	1,261,633	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Surplus / (Deficit)	353,672	(177,970)	(308,733)	(554,172)	(66,994)	107,029	6,170	(95,503)	20,929	22,789
Beginning Fund Balance	272,625	626,297	626,297	626,297	72,125	5,131	112,159	118,330	22,827	43,756
Ending Fund Balance	626,297	448,327	317,564	72,125	5,131	112,159	118,330	22,827	43,756	66,545
Target Fund Balance	130,494	128,069	128,069	134,132	134,331	135,000	139,620	144,402	149,351	154,473

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
GENERAL FUND**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
REVENUES:							
Operating Taxes- Current Year	30,545,756	29,971,082	29,971,082	29,940,789	28,201,204	-5.91%	27,442,175
Other Taxes / PILOT Payment	2,291,920	1,665,883	2,038,999	2,093,001	1,569,621	-5.78%	1,530,380
Licenses, Permits & Fees	1,867,124	1,813,175	1,813,175	1,862,267	1,792,900	-1.12%	1,792,900
Intergovernmental Contributions	9,889,672	9,814,674	9,814,674	9,481,624	9,045,882	-7.83%	9,045,882
Charges for Services	512,628	7,213,659	5,503,643	5,583,663	5,345,397	-25.90%	5,452,305
Interest	323,650	551,100	551,100	505,100	485,100	-11.98%	489,951
Other Revenue	5,676,224	5,229,113	5,601,013	5,370,455	5,298,409	1.33%	6,949,861
Transfer of Insurance Fund Overage	500,004	4,000,000	4,000,000	4,686,731	1,890,257	-52.74%	1,590,257
TOTAL OPERATING REVENUE	51,606,978	60,258,686	59,293,686	59,523,630	53,628,770	-11.00%	54,293,711
EXPENDITURES:							
CITY COMMISSION							
Personnel	56,519	56,515	56,515	56,516	56,515	0.00%	57,340
Operating	27,843	29,419	30,919	18,215	20,472	-30.41%	20,546
TOTAL CITY COMMISSION	84,362	85,934	87,434	74,731	76,987	-10.41%	77,886
CITY ADMINISTRATION							
Personnel	612,811	614,573	614,573	619,231	541,091	-11.96%	512,769
Operating	115,316	140,864	136,634	106,652	113,461	-19.45%	113,461
TOTAL CITY ADMINISTRATION	728,127	755,437	751,207	725,883	654,552	-13.35%	626,230
CITY ATTORNEY							
Personnel	772,498	779,841	779,841	759,929	703,149	-9.83%	713,415
Operating	93,373	102,061	92,025	95,034	86,975	-14.78%	85,938
TOTAL CITY ATTORNEY	865,871	881,902	871,866	854,963	790,124	-10.41%	799,353
CITY CLERK:							
ADMINISTRATION							
Personnel	214,208	219,400	219,400	220,171	221,074	0.76%	224,302
Operating	23,824	30,905	26,783	24,914	25,355	-17.96%	25,005
Capital	12,100	-	-	-	-	-	-
TOTAL ADMINISTRATION	250,132	250,305	246,183	245,085	246,429	-1.55%	249,307
ELECTIONS							
Personnel	160,970	107,505	107,505	109,032	202,170	88.06%	110,624
Operating	53,165	55,362	54,275	54,147	69,461	25.47%	56,389
TOTAL ELECTIONS	214,135	162,867	161,780	163,179	271,631	66.78%	167,013
RECORDS MANAGEMENT							
Personnel	93,089	105,396	105,396	98,609	98,044	-6.98%	99,475
Operating	56,191	133,423	136,603	153,011	70,173	-47.41%	70,707
Capital	-	14,000	14,000	3,000	-	-100.00%	-
TOTAL RECORDS MANAGEMENT	149,280	252,819	255,999	254,620	168,217	-33.46%	170,182
TOTAL CITY CLERK	613,547	665,991	663,962	662,884	686,277	3.05%	586,502
INTERNAL AUDITOR							
Personnel	87,074	87,456	87,456	87,907	83,942	-4.02%	85,168
Operating	1,873	7,830	7,464	1,855	1,987	-74.62%	1,765
TOTAL INTERNAL AUDITOR	88,947	95,286	94,920	89,762	85,929	-9.82%	86,933
HUMAN RESOURCES							
Personnel	692,218	692,664	692,664	696,027	674,309	-2.65%	670,347
Operating	73,012	99,474	86,459	86,325	49,614	-50.12%	49,614
TOTAL HUMAN RESOURCES	765,230	792,138	779,123	782,352	723,923	-8.61%	719,961

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
GENERAL FUND**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
INFORMATION TECHNOLOGY							
Personnel	FORMER ISF	698,072	698,072	682,322	621,807	-10.93%	630,885
Operating	FORMER ISF	930,681	668,444	588,344	495,324	-46.78%	500,800
Capital	FORMER ISF	149,000	502,272	428,271	129,000	-13.42%	144,000
TOTAL INFORMATION TECHNOLOGY	FORMER ISF	1,777,753	1,868,788	1,698,937	1,246,131	-29.90%	1,275,686
MANAGEMENT SERVICES							
BUDGET AND ACCOUNTING							
Personnel		1,002,561	1,007,181	996,272	922,864	-8.37%	936,338
Operating		133,008	137,108	49,579	42,130	-69.27%	42,130
Capital		-	-	460	-		-
TOTAL BUDGET AND ACCOUNTING		1,135,569	1,144,289	1,046,311	964,994	-15.67%	978,468
ASSESSOR							
Personnel		538,852	556,020	523,342	380,380	-31.59%	274,465
Operating		54,208	95,445	86,693	247,582	159.40%	247,582
TOTAL ASSESSOR		593,060	651,465	609,993	627,962	-3.61%	522,047
TREASURY							
Personnel		425,673	417,705	417,705	397,952	-4.73%	403,762
Operating		368,598	405,416	144,300	125,004	-69.17%	125,004
Capital		-	-	460	-		-
TOTAL TREASURER		794,271	823,121	562,005	522,956	-36.47%	528,766
PURCHASING							
Personnel		384,045	415,846	415,846	390,676	-6.05%	396,380
Operating		71,539	71,479	58,013	57,482	-19.58%	57,482
TOTAL PURCHASING		455,584	487,325	473,859	448,158	-8.04%	453,862
TOTAL MANAGEMENT SERVICES		2,978,484	3,106,200	2,735,337	2,564,070	-17.45%	2,483,142
PUBLIC SAFETY							
ADMINISTRATION							
Personnel		931,762	930,601	930,601	874,344	-6.05%	887,109
Operating		155,585	153,418	153,418	133,418	-13.04%	132,423
TOTAL ADMINISTRATION		1,087,347	1,084,019	1,084,019	1,007,762	-7.03%	1,019,533
FINANCIAL SERVICES							
Personnel		384,240	363,830	363,830	370,846	1.93%	376,260
Operating		920	2,200	3,159	2,200	0.00%	1,143
TOTAL FINANCIAL SERVICES		385,160	366,030	366,989	373,046	1.92%	377,403
TRAINING							
Personnel		681,434	682,414	682,414	675,997	-0.94%	685,867
Operating		105,647	182,015	182,015	184,923	1.60%	185,109
TOTAL TRAINING		787,081	864,429	864,429	860,920	-0.41%	870,976
KVET							
Personnel		1,325,080	1,352,272	1,352,272	1,469,097	8.64%	1,490,546
Operating		-	-	-	23,567		19,552
TOTAL KVET		1,325,080	1,352,272	1,352,272	1,492,664	10.38%	1,510,098
OPERATIONS DIVISION							
Personnel		19,365,374	19,635,129	19,635,129	19,535,016	-1.52%	20,204,982
Operating		37,786	50,418	52,415	60,784	362.71%	233,287
TOTAL OPERATIONS		19,403,160	19,685,547	19,687,544	19,595,800	-0.59%	20,438,269
CRIMINAL INVESTIGATIONS							
Personnel		3,715,918	3,819,493	3,819,493	3,484,231	-8.78%	3,535,101
Operating		22,352	24,080	24,080	49,080	103.82%	39,479
TOTAL CRIMINAL INVESTIGATIONS		3,738,270	3,843,573	3,843,573	3,533,311	-8.07%	3,574,580
SERVICE DIVISION							
Personnel		2,818,500	2,931,927	2,931,927	2,950,158	0.62%	2,993,230
Operating		2,991,174	3,166,875	2,846,636	2,908,527	-8.16%	2,943,996
Capital		478,766	525,418	569,518	225,771	-57.03%	225,771
TOTAL SERVICE		6,288,440	6,624,220	6,348,081	6,084,456	-8.15%	6,162,997
TOTAL PUBLIC SAFETY		33,014,538	33,820,090	33,546,907	32,921,854	-2.66%	33,953,856

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
GENERAL FUND**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
PUBLIC SERVICES							
PUBLIC WORKS							
FORESTRY							
Personnel	457,418	450,138	450,138	391,406	310,222	-31.08%	314,751
Operating	201,138	168,561	159,657	157,904	37,863	-77.54%	37,400
TOTAL FORESTRY	658,556	618,699	609,795	549,310	348,085	-43.74%	352,151
DOWNTOWN MAINTENANCE							
Personnel	75,381	81,343	81,343	62,537	71,271	-12.38%	72,312
Operating	255,461	322,220	300,356	291,015	251,379	-21.99%	254,107
TOTAL DOWNTOWN MAINTENANCE	330,842	403,563	381,699	353,552	322,650	-20.05%	326,419
ENVIRONMENTAL INSPECTIONS							
Personnel	56,519	55,787	55,787	57,505	114,443	105.14%	116,114
Operating	41,611	51,124	50,139	45,939	237,124	363.82%	239,559
TOTAL ENVIRONMENTAL INSPECTIONS	98,130	106,911	105,926	103,444	351,567	228.84%	355,673
SIDEWALKS							
Personnel	117,753	103,823	103,823	99,901	90,842	-12.50%	92,168
Operating	45,334	92,525	80,020	78,020	28,171	-69.55%	28,235
TOTAL SIDEWALKS	163,087	196,348	183,843	177,921	119,013	-39.39%	120,403
CREEKS							
Personnel	563	-	-	-	-		-
Operating	80	828	828	828	750	-9.42%	759
TOTAL CREEKS	643	828	828	828	750	-9.42%	759
TOTAL PUBLIC WORKS	1,251,258	1,326,349	1,282,091	1,185,055	1,142,065	-13.89%	1,155,404
CITY MAINTENANCE							
Personnel	-	482,546	482,546	504,601	501,468	3.92%	508,789
Operating	477,016	763,935	345,081	366,483	498,943	-34.69%	503,307
TOTAL CITY WIDE MAINTENANCE	477,016	1,246,481	827,627	871,084	1,000,411	-19.74%	1,012,096
ENGINEERING							
Personnel	FORMER ISF	1,163,525	1,163,525	1,214,997	1,131,127	-2.78%	1,147,641
Operating	FORMER ISF	406,907	275,662	321,178	201,077	-50.58%	200,123
Capital	FORMER ISF	-	-	-	-		-
TOTAL ENGINEERING	FORMER ISF	1,570,432	1,439,187	1,536,175	1,332,204	-15.17%	1,347,764
CITY EQUIPMENT							
Personnel	FORMER ISF	952,634	952,634	889,034	981,819	3.06%	996,154
Operating	FORMER ISF	1,427,806	1,258,811	1,650,462	1,536,066	7.58%	1,553,476
Capital	FORMER ISF	200,000	218,873	214,761	200,000	0.00%	200,000
TOTAL CITY EQUIPMENT	FORMER ISF	2,580,440	2,430,318	2,754,257	2,717,885	5.33%	2,749,630
TOTAL PUBLIC SERVICES	1,728,274	6,723,702	5,979,223	6,346,571	6,192,565	-7.90%	6,264,894

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
GENERAL FUND**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
COMMUNITY PLANNING AND DEVELOPMENT							
CODE ADMINISTRATION							
HOUSING							
Personnel	1,060,481	1,032,651	1,032,651	957,615	898,541	-12.99%	911,660
Operating	129,442	151,996	123,842	110,828	110,146	-27.53%	108,844
Capital	-	3,000	3,000	2,000	3,000	0.00%	3,000
TOTAL HOUSING	1,189,923	1,187,647	1,159,493	1,070,443	1,011,687	-14.82%	1,023,504
TRADES							
Personnel	532,348	516,718	516,718	496,047	502,260	-2.80%	509,593
Operating	65,167	65,792	54,080	60,689	74,969	13.95%	74,378
TOTAL TRADES	597,515	582,510	570,798	570,200	577,229	-0.91%	583,971
TOTAL CODE ADMINISTRATION	1,787,438	1,770,157	1,730,291	1,640,643	1,588,916	-10.24%	1,607,475
PLANNING							
Personnel	395,509	425,345	425,345	381,401	366,510	-13.83%	371,861
Operating	43,306	55,986	43,004	35,580	38,293	-31.60%	37,670
Capital	-	-	-	-	-	-	-
TOTAL PLANNING	438,815	481,331	468,349	416,981	404,803	-15.90%	409,531
TOTAL COMMUNITY PLANNING AND DEVELOPMENT	2,226,253	2,251,488	2,198,640	2,057,624	1,993,719	-11.45%	2,017,006
ECONOMIC DEVELOPMENT							
Personnel	431,175	379,395	379,395	433,188	258,223	-31.94%	238,269
Operating	45,155	54,641	37,314	33,635	22,690	-58.47%	22,690
TOTAL ECONOMIC DEVELOPMENT	476,330	434,036	416,709	466,823	280,913	-35.28%	260,959
PARKS AND RECREATION							
PARKS							
GENERAL PARKS							
Personnel	841,788	870,774	870,774	845,588	837,513	-3.82%	849,741
Operating	250,387	262,472	263,935	258,822	262,657	0.07%	263,279
Capital	-	-	-	26,850	-	-	-
TOTAL GENERAL PARKS	1,092,175	1,133,246	1,134,709	1,131,260	1,100,170	-2.92%	1,113,020
BRONSON PARK MAINTENANCE							
Personnel	52,107	51,608	51,608	53,808	53,076	2.84%	53,851
Operating	27,062	34,584	34,315	31,980	35,816	3.56%	36,079
TOTAL BRONSON PARK	79,169	86,192	85,923	85,788	88,892	3.13%	89,930
TOTAL PARKS	1,171,344	1,219,438	1,220,632	1,217,048	1,189,062	-2.49%	1,202,950
RECREATION							
GENERAL RECREATION							
Personnel	663,550	654,869	662,969	667,685	613,001	-6.39%	602,914
Operating	239,882	288,927	262,942	244,078	243,854	-15.60%	243,854
TOTAL GENERAL RECREATION	903,432	943,796	925,911	911,763	856,855	-9.21%	846,768
RECREATION ADULT SPORTS							
Personnel	29,152	38,967	38,967	31,362	39,474	1.30%	40,050
Operating	63,876	56,512	56,267	60,279	55,748	-1.35%	56,284
TOTAL ADULT SPORTS	93,028	95,479	95,234	91,641	95,222	-0.27%	96,334
INTERGENERATIONAL AND INCLUSIVE SERVICE							
Personnel	49,154	62,450	62,450	53,920	45,484	-27.17%	46,148
Operating	14,113	15,528	15,528	15,376	13,046	-15.98%	13,066
TOTAL INTERGENERATIONAL AND INCLUSIVE SERVICE	63,267	77,978	77,978	69,296	58,530	-24.94%	59,214
RECREATION / SPORTS COMPLEX							
Personnel	119,059	128,384	128,384	101,039	100,215	-21.94%	101,678
Operating	115,562	110,686	102,037	66,774	71,959	-34.99%	72,507
TOTAL SPORTS COMPLEX	234,621	239,070	230,421	167,813	172,174	-27.98%	174,185
TOTAL RECREATION	1,294,348	1,356,323	1,329,544	1,240,513	1,182,781	-12.80%	1,176,501
TOTAL PARKS & RECREATION	2,465,692	2,575,761	2,550,176	2,457,561	2,371,843	-7.92%	2,379,451

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
GENERAL FUND**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
GENERAL :							
NON-DEPARTMENTAL EXPENDITURES							
TOTAL STREET LIGHTING	1,313,497	1,229,069	1,229,069	1,357,800	1,359,848	10.64%	1,395,819
MEMBERSHIP DUES							
County Chamber of Commerce	-	-	-	-	-		-
Michigan Municipal League	17,342	16,216	16,216	17,342	17,342	6.94%	17,342
National League of Cities	5,952	5,952	5,952	5,952	5,952	0.00%	5,952
TOTAL MEMBERSHIP DUES	23,294	22,168	22,168	23,294	23,294	5.08%	23,294
CONTRACTUAL							
Cable Franchise Fee - CAC	319,122	260,000	260,000	260,000	260,000	0.00%	260,000
Auto Park - Parking Enforcement	313,975	314,172	314,172	316,680	-	-100.00%	-
District Court Subsidy	127,619	148,174	148,174	131,708	148,174	0.00%	148,174
General Insurance	30,960	30,954	30,954	30,954	30,954	0.00%	30,954
TOTAL CONTRACTUAL	791,676	753,300	753,300	739,342	439,128	-41.71%	439,128
OUTSIDE CONTRACTUAL							
External Auditor	58,298	55,000	55,000	43,200	45,000	-18.18%	45,000
Financial Advisors	18,800	25,000	28,600	22,085	25,000	0.00%	25,000
Home Ownership Program	(498)	-	-	-	-		-
Other	(6,714)	25,000	25,000	25,000	25,000	0.00%	25,000
TOTAL OUTSIDE CONTRACTUAL	69,886	105,000	108,600	90,285	95,000	-9.52%	95,000
GENERAL SERVICE							
Salary Reserve	-	-	-	-	20,600		20,600
Vacancy Variance	-	(800,000)	(800,000)	-	(800,000)	0.00%	(500,000)
TANS Debt Service Fund	71,198	75,000	75,000	59,089	61,167	-18.44%	61,167
Stockbridge Rental Fee	121,676	116,867	116,867	116,867	118,031	1.00%	121,572
Other	749	1,537	1,537	-	-	-100.00%	-
TOTAL GENERAL SERVICE	193,633	(606,596)	(606,596)	175,956	(600,202)	-1.05%	(296,661)
TOTAL NON-DEPARTMENTAL	2,391,986	1,502,941	1,506,541	2,386,677	1,317,068	-12.37%	1,656,580
TOTAL OPERATING BUDGET	48,427,641	55,468,659	54,050,833	54,376,464	51,905,955	-6.42%	53,188,439

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
GENERAL FUND**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
INITIATIVES							
Summer Youth Employment	150,000	100,000	100,000	100,000	90,000	-10.00%	90,000
Neighborhood Association Funding	247,050	235,000	235,500	235,500	211,500	-10.00%	211,500
Economic Initiatives	-	-	-	-	-		-
Brownfield Initiative	-	-	-	-	-		-
Contribution to Communities in Schools	50,000	50,000	50,000	50,000	50,000	0.00%	50,000
TOTAL INITIATIVES	447,050	385,000	385,500	385,500	351,500	-8.70%	351,500
TOTAL GENERAL FUND OPERATING & INITIATIVE:	48,874,691	55,853,659	54,436,333	54,761,964	52,257,455	-6.44%	53,539,939
Expenditure Reductions: ERI					(600,000)		(3,100,000)
TRANSFERS OUT							
Contribution to CIP Fund	1,649,996	1,900,000	1,900,000	1,900,000	2,200,000	15.79%	2,500,000
Local Streets	1,299,996	1,000,000	1,000,000	1,000,000	1,425,000	42.50%	1,650,000
Demolition Fund	-	-	-	-	40,000		-
Contribution to DDA	265,800	-	-	165,800	-		-
TOTAL CIP CONTRIBUTION	3,215,792	2,900,000	2,900,000	3,065,800	3,665,000	26.38%	4,150,000
PENSION AND RETIREE CONTRIBUTIONS							
Contribution to Pension Trust Fund (ERI Payback: 2012 - 17)	-	-	-	-	600,000		600,000
Contribution to Retiree Health Care Trust Fund	-	250,000	250,000	250,000	225,000	-10.00%	175,000
TOTAL POST RETIREMENT CONTRIBUTION	-	250,000	250,000	250,000	825,000	230.00%	775,000
TOTAL GENERAL FUND EXPENDITURES	52,090,483	59,003,659	57,586,333	58,077,764	56,147,455	-4.84%	55,364,939
NET REVENUES - EXPENDITURES	(483,505)	1,255,027	1,707,353	1,445,866	(2,518,685)	-301%	(1,071,228)
BEGINNING UNRESERVED FUND BALANCE	7,770,980	7,287,475	7,287,475	7,287,475	11,198,388	53.67%	8,679,703
Use of (Contribution to) Budget Stabilization	-	-	-	-	-		-
Use of (Contribution to) Former ISF Reserves	-	-	-	2,465,047	-		-
Total Contribution from/(to) Reserves	-	-	-	2,465,047	-		-
(USE OF WORKING CAPITAL) OR TRANSFER TO SURPLUS	(483,505)	1,255,027	1,707,353	3,910,913	(2,518,685)	-300.69%	(1,071,228)
ENDING UNRESERVED FUND BALANCE	7,287,475	8,542,502	8,994,828	11,198,388	8,679,703	1.61%	7,608,475
Target Fund Balance	6,708,907	7,833,629	7,708,179	7,738,072	6,971,740	-11.00%	7,058,182
Over / (Under) Target Fund Balance	578,568	708,873	1,286,649	3,460,316	1,707,963		550,293
Fund Balance Percentage of Revenue	14.1%	14.2%	15.2%	18.8%	16.2%		14.0%
Ending Budget Stabilization Reserves	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000		1,650,000
Ending Capital Reserve	350,000	350,000	350,000	350,000	350,000		350,000

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CAPITAL IMPROVEMENT FUND**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
RESOURCES							
Transfer From General Fund	1,649,996	1,900,000	1,900,000	1,900,000	2,200,000	15.8%	2,500,000
Transfer From Other Funds	-	-	-	-	-		-
Interest	10,614	200,000	200,000	10,000	50,000	-75.0%	50,000
Special Assessment	-	-	-	-	-		-
Reimbursements - Various Sources	543,732	550,000	550,000	550,000	550,000	0.0%	550,000
Federal Grants	-	-	589,000	589,000	647,116		-
State Grants	-	169,000	856,334	856,334	-	-100.0%	-
Bond Proceeds	695,565	1,520,000	1,520,000	1,569,597	1,081,000	-28.9%	1,352,500
Private / Local Contributions	210,373	734,000	832,856	832,856	170,000	-76.8%	7,500
TOTAL RESOURCES	3,110,280	5,073,000	6,448,190	6,307,787	4,698,116	-7.4%	4,460,000
EXPENDITURES							
Debt Service	2,616,299	2,809,041	2,813,949	2,813,949	2,959,500	5.4%	3,067,746
Environmental	317	10,000	61,711	10,000	10,000	0.0%	10,000
Park Improvements	403,103	45,000	1,378,196	1,378,196	206,000	357.8%	455,000
Facilities	282,670	447,000	680,272	212,186	355,000	-20.6%	305,000
Public Safety Equipment	1,656,203	1,569,000	1,581,446	1,581,446	1,317,116	-16.1%	600,000
Other Projects	400,231	407,000	1,792,358	1,689,679	20,000	-95.1%	-
TOTAL CAPITAL IMPROVEMENT	5,358,823	5,287,041	8,307,932	7,685,456	4,867,616	-7.9%	4,437,746
Transfer of Bond Reserves to Local Streets Fund	1,200,000	-	-	-	-		-
(Use of) Addition to Working Capital	(3,448,543)	(214,041)	(1,859,742)	(1,377,669)	(169,500)	-20.8%	22,254
BEGINNING FUND BALANCE	5,025,625	1,577,082	1,577,082	1,577,082	199,413	-87.36%	29,913
ENDING FUND BALANCE	1,577,082	1,363,041	(282,660)	199,413	29,913	-97.81%	52,168

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
MAJOR STREETS							
Operating							
RESOURCES							
Highway Maintenance	178,857	250,000	250,000	250,000	250,000	0.00%	250,000
Gas and Weight Tax	3,803,492	3,753,353	3,753,353	3,842,243	3,824,407	1.89%	3,900,895
Other State Revenue (Metro Act)	248,985	265,000	265,000	229,874	265,000	0.00%	265,000
Interest	4,562	15,000	15,000	5,000	5,000	-66.67%	5,000
Bond Financing	96,788	25,000	25,000	64,184	25,000	0.00%	25,000
Other	4,109	5,000	5,000	5,000	5,000	0.00%	5,000
Transfer from Insurance Fund	62,244	59,914	59,914	59,914	23,343	-61.04%	23,343
Use of (Contribution to) Working Capital	193,442	509,858	608,390	432,409	(37,294)	-107.31%	103,646
TOTAL RESOURCES	4,592,479	4,883,125	4,981,657	4,888,624	4,360,456	-10.70%	4,577,884
EXPENDITURES							
Personnel	859,380	861,545	861,545	936,261	933,335	8.33%	961,335
Operating	1,695,616	1,813,383	1,911,915	2,044,166	1,633,519	-9.92%	1,656,856
Debt Service	1,837,479	1,908,197	1,908,197	1,908,197	1,793,602	-6.01%	1,959,693
Transfer to Local Streets	200,004	300,000	300,000	-	-	-100.00%	-
TOTAL MAJOR STREETS OPERATING	4,592,479	4,883,125	4,981,657	4,888,624	4,360,456	-10.70%	4,577,884
CAPITAL							
RESOURCES							
State Grants and Other State Revenue	106,488	-	33,599	33,599	-	-	-
Local and Other Contributions	590,955	-	322,937	172,937	-	-	-
Federal Aid	-	1,093,000	1,093,000	1,093,000	873,000	-20.13%	1,903,000
Contribution from Bond Proceeds	2,107,000	2,000,000	2,000,000	2,000,000	2,005,000	0.25%	2,295,000
Transfer from Other Funds	12,908	-	48,364	48,364	-	-	-
Use of (Contribution to) Working Capital	12,158	-	1,039,416	1,189,416	-	-	-
TOTAL RESOURCES	2,829,509	3,093,000	4,537,316	4,537,316	2,878,000	-6.95%	4,198,000
STREET CONSTRUCTION							
Personnel	28,580	77,381	77,381	77,381	81,574	5.42%	84,021
Supplies and Services	2,800,929	3,015,619	4,399,935	4,399,935	2,796,426	-7.27%	4,113,979
Capital	-	-	60,000	60,000	-	-	-
TOTAL STREET CONSTRUCTION	2,829,509	3,093,000	4,537,316	4,537,316	2,878,000	-6.95%	4,198,000
TOTAL MAJOR STREETS	7,421,988	7,976,125	9,518,973	9,425,940	7,238,456	-9.25%	8,775,884
LOCAL STREETS							
Operating							
RESOURCES							
Gas and Weight Taxes	1,076,655	1,052,245	1,052,245	1,099,875	1,072,760	1.95%	1,100,000
Interest	2,421	2,000	2,000	2,000	2,000	0.00%	10,000
Bond Financing	-	10,000	10,000	5,792	10,000	0.00%	10,000
Other	8,374	3,000	3,000	10,097	34,665	1055.50%	5,000
Transfer from Major Streets	200,004	300,000	300,000	-	-	-100.00%	-
Transfer from General Fund	1,299,996	1,000,000	1,000,000	1,000,000	1,425,000	42.50%	1,650,000
Transfer from Insurance Fund	54,372	52,333	52,333	52,333	20,390	-61.04%	20,390
Use of (Contribution to) Working Capital	(254,941)	177,970	192,481	437,919	66,994	-62.36%	(107,029)
TOTAL RESOURCES	2,386,881	2,597,548	2,612,059	2,608,016	2,631,809	1.32%	2,688,361
EXPENDITURES							
Personnel	725,981	801,185	801,185	708,829	850,317	6.13%	875,827
Operating	979,880	1,111,248	1,125,759	1,213,878	1,119,746	0.76%	1,133,637
Debt Service	681,020	685,115	685,115	685,309	661,746	-3.41%	678,897
TOTAL LOCAL STREETS Operating	2,386,881	2,597,548	2,612,059	2,608,016	2,631,809	1.32%	2,688,361
CAPITAL							
RESOURCES							
Bond Proceeds	-	1,000,000	1,000,000	1,000,000	1,000,000	0.00%	1,000,000
Transfer from Other Funds	1,200,000	-	145,381	145,380	-	-	-
Use of (Contribution to) Working Capital	(98,731)	-	116,252	116,253	-	-	-
TOTAL RESOURCES	1,101,269	1,000,000	1,261,633	1,261,633	1,000,000	0.00%	1,000,000

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
LOCAL STREETS, continued							
STREET CONSTRUCTION							
Personnel	35,306	39,239	39,239	39,239	40,264	2.61%	41,472
Supplies and Services	1,065,963	960,761	1,222,394	1,222,394	959,736	-0.11%	958,528
TOTAL STREET CONSTRUCTION	1,101,269	1,000,000	1,261,633	1,261,633	1,000,000	0.00%	1,000,000
TOTAL LOCAL STREETS	3,488,150	3,597,548	3,873,692	3,869,649	3,631,809	0.95%	3,688,361
CEMETERIES							
RESOURCES							
Lot and Burial Sales	147,890	157,075	157,075	136,072	148,000	-5.78%	148,000
Foundations	20,404	22,615	22,615	16,913	18,000	-20.41%	18,000
Interest	326	-	-	-	-	-	-
Other	3,135	1,000	1,000	250	250	-75.00%	250
Transfer from Cemetery Trust / Capital	319,062	359,153	359,153	356,650	359,153	0.00%	350,072
Transfer from Insurance Fund	2,340	-	-	-	-	-	-
Use of (Contribution to) Working Capital	(68,443)	(15,864)	(15,864)	(34,071)	(9,538)	-39.88%	-
TOTAL RESOURCES	424,714	523,979	523,979	475,814	515,865	-1.55%	516,322
Operating							
Personnel	34,749	35,929	35,929	35,829	31,316	-12.84%	31,773
Operating	251,010	308,050	308,050	263,335	304,549	-1.14%	304,549
Capital	138,955	180,000	180,000	176,650	180,000	0.00%	180,000
TOTAL CEMETERIES	424,714	523,979	523,979	475,814	515,865	-1.55%	516,322
SOLID WASTE							
RESOURCES							
Taxes - Current and Prior Years	2,471,489	2,469,199	2,499,312	2,490,583	2,274,314	-7.89%	2,213,373
Interest	10,473	10,000	10,000	10,000	10,000	0.00%	10,400
Other	288	-	-	-	250	-	-
Transfer from Insurance Fund	36,984	-	-	-	-	-	-
Use of (Contribution to) Working Capital	19,125	15,037	143,679	114,065	219,396	1359.04%	290,839
TOTAL RESOURCES	2,538,359	2,494,236	2,652,991	2,614,648	2,503,960	0.39%	2,514,612
Operating							
Personnel	632,112	728,736	728,736	766,799	729,578	0.12%	740,230
Operating	1,736,002	1,765,500	1,924,255	1,847,849	1,774,382	0.50%	1,774,382
Capital	170,245	-	-	-	-	-	-
TOTAL SOLID WASTE	2,538,359	2,494,236	2,652,991	2,614,648	2,503,960	0.39%	2,514,612
BLIGHT ABATEMENT							
RESOURCES							
Charges for Services	-	15,000	15,000	20,490	-	-100.00%	10,000
Other	457	-	-	-	-	-	-
Transfer from General Fund	-	-	-	-	40,000	-	20,000
Use of (Contribution to) Working Capital	57,943	-	15,636	3,402	-	-	10,000
TOTAL RESOURCES	58,400	15,000	30,636	23,892	40,000	166.67%	40,000
EXPENDITURES:							
Operating	58,400	15,000	30,636	23,892	40,000	166.67%	40,000
Capital	-	-	-	-	-	-	-
TOTAL BLIGHT ABATEMENT	58,400	15,000	30,636	23,892	40,000	166.67%	40,000
BROWNFIELD LOCAL SITE REM REVOLVING							
RESOURCES							
Tax Capture	278,051	280,000	280,000	280,000	505,200	80.43%	360,000
Interest on Investments	2,774	-	-	-	2,200	-	10,000
Use of (Contribution to) Working Capital	(280,494)	325,000	325,000	250,000	67,600	-79.20%	-
TOTAL RESOURCES	331	605,000	605,000	530,000	575,000	-4.96%	370,000
EXPENDITURES:							
Operating	331	605,000	217,118	85,428	575,000	-4.96%	221,000
Transfers to Other Funds	-	-	387,882	444,572	-	-	149,000
TOTAL LOCAL SITE REM REVOLVING	331	605,000	605,000	530,000	575,000	-4.96%	370,000

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
ECONOMIC INITIATIVE							
RESOURCES							
Interest on Loans	63,002	60,000	60,000	60,000	48,121	-19.80%	60,000
Interest on Investments	3,022	4,900	4,900	1,900	2,000	-59.18%	10,000
Use of (Contribution to) Working Capital	(66,024)	(64,900)	(64,900)	(61,900)	(50,121)	-22.77%	(70,000)
TOTAL RESOURCES	-	-	-	-	-		-
EXPENDITURES:							
TOTAL ECONOMIC INITIATIVE	-	-	-	-	-		-
SMALL BUSINESS REVOLVING LOANS							
RESOURCES							
Principal on Loans	101,550	16,887	16,887	42,000	9,558	-43.40%	40,000
Interest from Loans	3,791	3,342	3,342	3,342	3,858	15.44%	10,000
Other	40,400	1,200	1,200	400	800	-33.33%	20,000
Use of (Contribution to) Working Capital	(145,741)	98,571	98,571	(5,742)	65,784	-33.26%	(30,000)
TOTAL RESOURCES	-	120,000	120,000	40,000	80,000	-33.33%	40,000
EXPENDITURES:							
Operating	-	120,000	120,000	40,000	80,000	-33.33%	40,000
TOTAL SMALL BUSINESS REVOLVING LOANS	-	120,000	120,000	40,000	80,000	-33.33%	40,000
ECONOMIC OPPORTUNITY							
RESOURCES							
Interest on Investments	619	-	-	-	-		-
Use of (Contribution to) Working Capital	100,381	-	-	-	27,426		48,000
TOTAL RESOURCES	101,000	-	-	-	27,426		48,000
EXPENDITURES:							
Operating	101,000	-	-	-	27,426		43,000
Transfers to Other Funds	12,908	-	-	-	-		5,000
TOTAL ECONOMIC OPPORTUNITY	113,908	-	-	-	27,426		48,000
HOUSING REVOLVING LOANS							
RESOURCES							
Principal on Loans	-	-	-	-	-		(8,000)
Use of (Contribution to) Working Capital	32,485	-	-	392,769	-		150,000
TOTAL RESOURCES	32,485	-	-	392,769	-		142,000
EXPENDITURES:							
Operating	32,485	-	-	392,769	-		142,000
TOTAL HOUSING REVOLVING LOANS	32,485	-	-	392,769	-		142,000
KVET DRUG ENFORCEMENT FORFEITURE							
RESOURCES							
KVET-Federal Forfeiture Justice Fund	48,990	25,000	25,000	132,837	25,000	0.00%	25,000
Drug Forfeiture Revenue	254,286	225,000	225,000	431,579	225,000	0.00%	225,000
Interest on Investments	3,939	7,955	7,955	7,955	5,000	-37.15%	5,000
Auction Sale and Sale of Assets	48,087	30,000	30,000	30,000	30,000	0.00%	30,000
Use of (Contribution to) Working Capital	(38,818)	120,899	120,899	(220,581)	143,363	18.58%	144,127
TOTAL RESOURCES	316,484	408,854	408,854	381,790	428,363	4.77%	429,127
Operating							
Personnel	41,633	51,785	51,785	41,337	52,358	1.11%	53,122
Operating	273,913	318,569	318,569	301,953	331,505	4.06%	331,505
Capital	938	38,500	38,500	38,500	44,500	15.58%	44,500
TOTAL KVET DRUG ENFORCEMENT	316,484	408,854	408,854	381,790	428,363	4.77%	429,127

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
PUBLIC SAFETY CONTRACTS							
RESOURCES							
Charges for Services	314,613	333,729	333,729	334,356	461,342	38.24%	461,342
Use of (Contribution to) Working Capital	-	-	-	-	-		-
TOTAL RESOURCES	314,613	333,729	333,729	334,356	461,342	38.24%	461,342
Operating							
Personnel	314,613	333,729	333,729	334,356	461,342	38.24%	461,342
TOTAL PUBLIC SAFETY CONTRACTS	314,613	333,729	333,729	334,356	461,342	38.24%	461,342
COMMUNITY DEVELOPMENT ENTITLEMENT GRANTS							
RESOURCES							
Federal Revenues	3,078,061	3,527,607	6,410,287	6,410,558	1,075,031	-69.53%	3,720,000
Other	57,826	-	-	-	-		20,000
Transfer from Insurance Fund	27,876	-	-	-	-		10,000
Working Capital	(92,377)	-	271	-	-		-
TOTAL RESOURCES	3,071,386	3,527,607	6,410,558	6,410,558	1,075,031	-69.53%	3,750,000
PROGRAMS							
Personnel	896,798	999,253	1,124,248	1,124,248	984,896	-1.44%	1,060,000
Operating	2,174,588	2,528,354	5,286,310	5,286,310	90,135	-96.44%	2,690,000
Capital	-	-	-	-	-		-
TOTAL COMMUNITY DEVELOPMENT ENTITLEMENT GRANTS	3,071,386	3,527,607	6,410,558	6,410,558	1,075,031	-69.53%	3,750,000
MISCELLANEOUS GRANTS							
RESOURCES							
Federal and State Grants	429,688	78,117	436,603	414,603	69,084	-11.56%	-
Local Contributions	147,580	-	201,572	201,572	-		-
Internal Contributions	169,706	-	137,000	137,000	-		-
Working Capital	12,629	-	-	-	-		310,000
TOTAL RESOURCES	759,603	78,117	775,175	753,175	69,084		310,000
EXPENDITURES							
PUBLIC SAFETY-							
Personnel	82,256	78,117	78,117	78,117	69,084	-11.56%	80,000
Operating	229,307	-	119,645	119,645	-		120,000
Capital	86,962	-	216,841	216,841	-		110,000
TOTAL PUBLIC SAFETY	398,525	78,117	414,603	414,603	69,084		310,000
PARKS AND RECREATION-							
Personnel	64,060	-	65,245	65,245	-		-
Operating	207,454	-	262,400	262,400	-		-
TOTAL PARKS AND RECREATION	271,514	-	327,645	327,645	-		-
COMMUNITY DEVELOPMENT-							
Operating	89,564	-	10,927	10,927	-		-
Capital	-	-	22,000	-	-		-
	89,564	-	32,927	10,927	-		-
GENERAL GOVERNMENT-							
TOTAL GENERAL GOVERNMENT	-	-	-	-	-		-
TOTAL MISC. GRANT PROGRAMS	759,603	78,117	775,175	753,175	69,084	-11.56%	310,000

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
SPECIAL REVENUE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
RECOVERY ACT GRANTS & PROGRAMS							
RESOURCES							
Federal Revenues	2,424,647	10,021,799	11,730,995	11,730,995	856,879	-91.45%	-
TOTAL RESOURCES	2,424,647	10,021,799	11,730,995	11,730,995	856,879	-91.45%	-
EXPENDITURES							
PUBLIC SAFETY-							
Personnel	624,400	660,470	660,470	660,470	663,620	0.48%	-
Operating	18,485	-	79,544	79,544	-	-	-
Capital	77,735	-	257,103	257,103	-	-	-
TOTAL PUBLIC SAFETY	720,620	660,470	997,117	997,117	663,620	0.48%	-
COMMUNITY DEVELOPMENT-							
Personnel	191,249	199,806	199,806	199,806	193,259	-3.28%	-
Operating	1,021,117	9,161,523	9,968,533	9,968,533	-	-100.00%	-
Capital	295,000	-	-	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT	1,507,366	9,361,329	10,168,339	10,168,339	193,259	-97.94%	-
ECONOMIC DEVELOPMENT-							
Operating	-	-	40,000	40,000	-	-	-
Capital	196,662	-	525,539	525,539	-	-	-
TOTAL ECONOMIC DEVELOPMENT	196,662	-	565,539	565,539	-	-	-
TOTAL ARRA GRANTS	2,424,648	10,021,799	11,730,995	11,730,995	856,879	-91.45%	-
TOTAL SPECIAL REVENUES	20,932,584	29,701,994	36,984,582	36,590,817	17,503,215	-41.07%	20,943,648

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ENTERPRISE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
KALAMAZOO FARMERS MARKET							
RESOURCES							
Property Rental	54,136	63,935	63,935	58,935	60,000	-6.15%	60,000
Other	1,534	200	200	200	160	-20.00%	160
Use of (Contribution to) Working Capital	(10,378)	(2,174)	112,826	118,502	2,469	-213.57%	3,151
TOTAL RESOURCES	45,292	61,961	176,961	177,637	62,629	1.08%	63,311
Operating							
Personnel	28,743	45,778	45,778	45,645	46,729	2.08%	47,411
Operating	16,549	16,183	131,183	131,992	15,900	-1.75%	15,900
TOTAL FARMERS MARKET	45,292	61,961	176,961	177,637	62,629	1.08%	63,311
WASTEWATER							
RESOURCES							
Operational	19,043,515	19,586,100	19,586,100	19,586,100	19,493,500	-0.47%	20,673,900
Interest	(4,041)	109,364	109,364	109,364	161,500	47.67%	157,100
Special Assessments	-	-	-	-	-	-	-
Federal Subsidy - Interest on BAB	51,232	50,807	50,807	50,807	-	-100.00%	-
Other Income	76,153	35,636	35,636	35,636	111,600	213.17%	126,600
CIA - Capital	1,500,510	1,456,000	2,912,800	3,398,200	1,537,600	5.60%	84,000
Bond Proceeds	-	-	-	-	-	-	-
Transfer from Insurance Fund	461,616	-	-	-	-	-	-
Transfer from Economic Opportunities	-	-	-	-	-	-	-
Transfer from Former Internal Service	-	-	-	535,338	-	-	-
Contribution from Asset Replacement	-	-	2,529,481	-	-	-	-
Use of (Contribution to) Working Capital	5,091,976	5,469,524	8,640,438	9,534,227	8,909,399	62.89%	8,926,838
TOTAL RESOURCES	26,220,961	26,707,431	33,864,626	33,249,672	30,213,599	13.13%	29,968,438
EXPENDITURES							
Personnel	7,341,549	7,255,876	7,255,876	7,170,249	7,332,386	1.05%	7,439,439
Operating	15,624,974	16,552,652	16,624,219	16,195,420	17,479,125	5.60%	17,479,125
Capital	2,626,991	2,300,000	9,385,628	9,285,100	4,805,165	108.92%	4,524,000
Debt Service	627,447	598,903	598,903	598,903	596,923	-0.33%	525,874
Transfers	-	-	-	-	-	-	-
TOTAL WASTEWATER	26,220,961	26,707,431	33,864,626	33,249,672	30,213,599	13.13%	29,968,438
WATER							
RESOURCES							
Operational	12,745,353	13,099,300	13,099,300	13,099,300	13,373,200	2.09%	13,773,900
Interest	28,312	5,453	5,453	5,453	106,700	1856.72%	96,700
Special Assessments	-	-	-	-	-	-	-
Local Contributions	-	-	240,000	240,000	260,200	-	268,000
State Grants and Other State Revenue	66,305	-	-	-	-	-	-
Federal Subsidy - Interest on BAB	173,608	173,672	173,672	173,672	173,672	0.00%	173,672
Other	28,902	18,748	1,611,665	1,611,665	-	-100.00%	-
Capital CIA	2,333,998	1,394,000	1,394,000	1,394,000	544,000	-60.98%	551,500
Bond Proceeds	-	-	-	-	-	-	-
Transfer from Insurance Fund	27,372	-	-	-	-	-	-
Transfer from Former Internal Service	(3,598,987)	-	-	1,427,463	-	-	-
Transfer from Economic Opportunities	-	-	-	-	-	-	-
Use of (Contribution to) Working Capital	7,197,974	5,299,153	5,479,511	1,619,482	5,634,388	6.33%	5,978,329
TOTAL RESOURCES	19,002,837	19,990,326	22,003,601	19,571,035	20,092,160	0.51%	20,842,101

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ENTERPRISE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
WATER, continued							
EXPENDITURES							
Personnel	4,759,227	5,047,083	5,047,083	4,693,506	5,604,820	11.05%	5,686,650
Operating	9,149,516	9,454,959	9,519,173	9,369,625	9,515,682	0.64%	9,515,682
Capital	2,351,469	2,740,300	4,689,361	2,759,920	2,194,641	-19.91%	2,955,340
Debt Service	2,742,625	2,747,984	2,747,984	2,747,984	2,777,017	1.06%	2,684,429
Transfers	-	-	-	-	-		-
TOTAL WATER	19,002,837	19,990,326	22,003,601	19,571,035	20,092,160	0.51%	20,842,101
TRANSPORTATION							
RESOURCES							
Current / Prior Year Taxes	961,094	996,728	1,008,345	996,728	996,728	0.00%	996,728
Federal Grants	2,522,593	14,531,263	14,531,263	6,199,705	12,774,551	-12.09%	2,545,725
State Grants	3,968,102	7,048,097	7,048,097	6,102,016	7,582,219	7.58%	5,194,709
Subsidies	3,547,529	3,399,143	3,399,143	3,399,143	3,399,143	0.00%	2,845,177
Operating	2,451,765	2,611,387	2,611,387	2,444,271	2,475,731	-5.19%	3,395,049
Other Revenue	239,537	279,695	279,695	243,173	225,697	-19.31%	-
Capital Contributions	1,704,544	-	-	-	-		-
Use of (Contribution to) Working Capital	1,436,091	1,739,424	1,793,172	1,220,147	2,021,584	16.22%	742,574
TOTAL RESOURCES	16,831,255	30,605,737	30,671,102	20,605,183	29,475,653	-3.69%	15,719,962
EXPENDITURES							
Personnel	6,257,999	7,210,437	7,210,437	6,566,021	7,232,561	0.31%	8,626,903
Operating	8,689,037	9,057,854	9,057,854	9,227,734	9,980,825	10.19%	6,902,059
Capital	1,884,219	14,337,446	14,402,811	4,811,428	12,262,267	-14.47%	191,000
TOTAL METRO TRANSIT	16,831,255	30,605,737	30,671,102	20,605,183	29,475,653	-3.69%	15,719,962
TOTAL ENTERPRISE FUNDS	62,100,345	77,365,455	86,716,290	73,603,527	79,844,041	3.20%	66,593,812

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
RETIREMENT SYSTEM ADMINISTRATION**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
RETIREMENT SYSTEM							
ADMINISTRATION							
Operations	453,273	514,697	514,697	514,697	541,497	5.21%	546,912
TOTAL RETIREMENT SYSTEM - ADMINISTRATION	453,273	514,697	514,697	514,697	541,497	5.21%	546,912

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
INTERNAL SERVICE FUNDS**

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2012/2011 Variance	2013 Projected
INSURANCE							
RESOURCES							
Interest	67,486	75,000	75,000	75,000	75,000	0.00%	75,000
General Insurance Revenue	1,139,772	1,232,212	1,232,212	1,232,212	1,222,212	-0.81%	1,227,164
Workers Comp. Revenue	2,768,129	2,825,263	2,825,263	2,825,263	2,906,748	2.88%	2,491,860
Life/Disability Ins Revenue	741,865	730,000	730,000	730,000	781,687	7.08%	769,373
Health Insurance Revenue	15,379,441	16,310,143	16,310,143	16,619,396	17,844,853	9.41%	17,966,784
Dental Insurance Revenue	556,768	646,146	646,146	567,000	665,530	3.00%	678,841
Fringe Benefit Revenue	437,859	500,000	500,000	500,000	512,376	2.48%	-
Transfer from Former Internal Service	-	-	-	1,822,533	-		-
Use of (Contribution to) Working Capital	985,527	3,069,129	3,069,954	(209,669)	370,009	-87.94%	1,515,257
TOTAL RESOURCES	22,076,847	25,387,893	25,388,718	24,161,735	24,378,415	-3.98%	24,724,278
OPERATIONS							
Administration	92,928	92,923	92,923	92,923	93,852	1.00%	-
General Insurance	941,265	1,211,010	1,211,010	984,270	1,203,102	-0.65%	1,227,164
Workers Compensation	2,009,877	2,443,000	2,443,000	2,398,507	2,443,000	0.00%	2,491,860
Life/Disability Ins Revenue	756,396	730,000	730,000	701,274	754,287	3.33%	769,373
Health Insurance	14,665,762	15,652,567	15,652,567	14,835,251	16,791,387	7.28%	17,966,784
Dental Insurance	535,091	646,146	646,146	523,661	665,530	3.00%	678,841
Misc. Benefits	434,222	500,000	500,825	513,602	537,000	7.40%	-
Transfer to Other funds (Rebate of Excess)	2,641,306	4,112,247	4,112,247	4,112,247	1,890,257	-54.03%	1,590,257
Fringe Benefit	-	-	-	-	-		-
TOTAL INSURANCE	22,076,847	25,387,893	25,388,718	24,161,735	24,378,415	-3.98%	24,724,278

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
INTERNAL SERVICE FUNDS**

ELIMINATED JANUARY 1, 2011

**2010
Actual**

INFORMATION TECHNOLOGY

RESOURCES

Charges for Services	1,509,908
Interest on Investments	10,384
Other	11,098
Transfer from Insurance Fund	175,410
Use of (Contribution to) Working Capital	672,002
TOTAL RESOURCES	<u>2,378,802</u>

OPERATIONS

Personnel	676,221
Operating	1,470,810
Capital	231,771
TOTAL INFORMATION TECHNOLOGY	<u>2,378,802</u>

*Former Information Technology Activity is now in the General Fund.
Computer Service fees charged to other funds are included in Charges for
Services in the General Fund.*

CITY OF KALAMAZOO 2012 ADOPTED BUDGET INTERNAL SERVICE FUNDS

ELIMINATED JANUARY 1, 2011

**2010
Actual**

CITY WIDE MAINTENANCE

RESOURCES

Charges for Service	1,328,972
Transfer from Insurance Fund	277,518
Use of (Contribution to) Working Capital	(56,640)
TOTAL RESOURCES	<u>1,549,850</u>

OPERATIONS

Personnel	821,682
Operating	728,168
TOTAL CITY WIDE MAINTENANCE	<u>1,549,850</u>

Former City Wide Maintenance Activity is reallocated to the General Fund, Water Fund, and Wastewater Fund. As activity is reallocated, there is no longer service fees associated with this Division.

ENGINEERING

RESOURCES

Charges for Services	1,486,378
Transfer from Insurance Fund	276,464
Use of (Contribution to) Working Capital	(64,939)
TOTAL RESOURCES	<u>1,697,903</u>

OPERATIONS

Personnel	1,084,845
Operating	613,058
TOTAL ENGINEERING	<u>1,697,903</u>

Former Engineering activity is reallocated to the General Fund. Engineering Service fees charged to other funds and external users are included in Charges for Services in the General Fund.

CITY OF KALAMAZOO 2012 ADOPTED BUDGET INTERNAL SERVICE FUNDS

ELIMINATED JANUARY 1, 2011

**2010
Actual**

CITY EQUIPMENT

RESOURCES

Charges for Services	3,387,031
Interest	3,722
Auction Sales	11,703
Transfer from Insurance Fund	310,165
Use of (Contribution to) Working Capital	(371,055)
TOTAL RESOURCES	3,341,566

OPERATIONS

Personnel	912,362
Operating	2,251,292
Capital	177,912
TOTAL CITY EQUIPMENT	3,341,566

Former City Equipment activity is reallocated to the General Fund. Rental fees charged for the use of City Equipment is included in Charges for Services in the General Fund. Maintenance fees for equipment not included in the City Equipment pool is also included in Charges for Services in the General Fund.

CITY OF KALAMAZOO 2012 ADOPTED BUDGET INTERNAL SERVICE FUNDS

ELIMINATED JANUARY 1, 2011

**2010
Actual**

PUBLIC WORKS BILLABLE

RESOURCES

Charges for Services	276,552
Transfer from Insurance Fund	15,289
Use of (Contribution to) Working Capital	80,849
TOTAL RESOURCES	372,690

OPERATIONS

Personnel	171,206
Operating	201,484
TOTAL PUBLIC WORKS BILLABLE	372,690

Former Public Works Billable is reallocated to the General, Streets, Water and Wastewater funds. As activity is reallocated, there is no longer service fees associated with this Division. Certain services provided to external users are included in Charges for Services in the General Fund and Streets.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CITY COMMISSION**

CITY COMMISSION

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	56,519	56,515	56,515	56,516	56,515	0.00%	57,340
Operating	27,843	29,419	30,919	18,215	20,472	-30.41%	20,546
TOTAL	84,362	85,934	87,434	74,731	76,987	-10.41%	77,886

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.

2012 BUDGET HIGHLIGHTS

The 2012 City Commission budget represents a reduction in operating expenditures for education, training, contractual services, and replacement laptop computers.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CITY ADMINISTRATION**

CITY ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	612,811	614,573	614,573	619,231	541,091	-11.96%	512,769
Operating	115,316	140,864	136,634	106,652	113,461	-19.45%	113,461
TOTAL	728,127	755,437	751,207	725,883	654,552	-13.35%	626,230

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	6.0	6.0	4.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

The 2012 budget is reflective of the organizational benefits of the 2011 relocation of Economic Development to City Hall. The FY2012 budget includes the reduction of two staff members: 1 clerk typist and 1 Assistant to City Manager. The operational efficiencies gained through this co-location with Economic Development will allow remaining staff to absorb the additional workload while minimizing any reduction in service delivery.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CITY ATTORNEY**

CITY ATTORNEY

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	772,498	779,841	779,841	759,929	703,149	-9.83%	713,415
Operating	93,373	102,061	92,025	95,034	86,975	-14.78%	85,938
TOTAL	865,871	881,902	871,866	854,963	790,124	-10.41%	799,353

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	8.0	8.0	7.0

DEPARTMENT DESCRIPTION

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

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

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

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

2012 BUDGET HIGHLIGHTS

The 2012 budget reflects the loss of a full-time assistant city attorney position due to the retirement of an employee. Due to budget constraints, the position is being eliminated.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CITY ATTORNEY**

CITY ATTORNEY

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Warrant Requests Received/Reviewed	1,008	1,056	1,032
EFFECTIVENESS	Freedom of Information Act Requests Processed	2,051	1,856	1,900
EFFECTIVENESS	Civil lawsuits filed against City/dismissed	14 & 2	8 & 2	
EFFICIENCY	Average Hourly Rate for Legal Services*	79	76	77

** This includes only attorney & paralegal time. The actual hourly figure is lower.*

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CITY CLERK**

ADMINISTRATION

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	214,208	219,400	219,400	220,171	221,074	0.76%	224,302
Operating	23,824	30,905	26,783	24,914	25,355	-17.96%	25,005
Capital	12,100	-	-	-	-		-
TOTAL	250,132	250,305	246,183	245,085	246,429	-1.55%	249,307

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
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.

2012 BUDGET HIGHLIGHTS

The FY2012 budget for the Administration Division is a status-quo budget with relatively minor reductions in the supply and service line items, most of which are related to the reduction and/or elimination of internal service fund fees. Also, a temporary position that was included in the FY2011 budget has been eliminated in the FY2012 budget.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of City Commission Meetings attended	47	45	44
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
2012 ADOPTED BUDGET
CITY CLERK**

ELECTIONS

General Fund

BUDGET OVERVIEW

REVENUE

The primary revenue source for the Elections Division is the General Fund. It is anticipated the City will be reimbursed approximately \$56,000 for the administration of the Presidential Primary and May 8th election.

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	160,970	107,505	107,505	109,032	202,170	88.06%	110,624
Operating	53,165	55,362	54,275	54,147	69,461	25.47%	56,389
TOTAL	214,135	162,867	161,780	163,179	271,631	66.78%	167,013

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
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.

2012 BUDGET HIGHLIGHTS

The FY2012 Election Division budget is significantly more than the FY2011 budget due to an increase in the number of elections scheduled in 2012, one of which will be a presidential election. The amount budgeted is in line with typical election expenditures for an even-numbered year.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of voter registration applications received	11,969	10,000	25,000
OUTPUT	Number of petitions received for candidates and ballot proposals	1	21	5
OUTPUT	Number of government and school elections scheduled	3	2	4
OUTPUT	Number of registered voters	55,461	51,500	56,000
EFFICIENCY	Cost of Election Division per registered voter, per election	\$1.29	\$1.58	\$1.21
EFFECTIVENESS	Number of election recounts requested	0	0	n/a

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
CITY CLERK**

**RECORDS
*General Fund***

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	93,089	105,396	105,396	98,609	98,044	-6.98%	99,475
Operating	56,191	133,423	136,603	153,011	70,173	-47.41%	70,707
Capital	-	14,000	14,000	3,000	-	-100.00%	-
TOTAL	149,280	252,819	255,999	254,620	168,217	-33.46%	170,182

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	2.0	2.0	2.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

The FY2012 budget for the Division of Records Management, Research, and Archives (DRMRA) includes a significant decrease in the Temporary Pay and Outside Contractual line items. In FY2011 these line items supported one-time microfilming and scanning projects to address large volumes of unprocessed property and building records. Moving forward, the DRMRA is in a position to maintain these records within the constraints of annual appropriations reflected in the FY2012 budget.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of requests for information	855	550	550
EFFICIENCY	Average request time (in minutes)	23	25.5	25
EFFECTIVENESS	Percent of storage capacity used	97	90	90

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	87,074	87,456	87,456	87,907	83,942	-4.02%	85,168
Operating	1,873	7,830	7,464	1,855	1,987	-74.62%	1,765
TOTAL	88,947	95,286	94,920	89,762	85,929	-9.82%	86,933

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
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.

2012 BUDGET HIGHLIGHTS

The FY 2012 Internal Audit Budget achieved the General Fund target balance.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
INTERNAL AUDITOR**

INTERNAL AUDITOR

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of reports issued	4	3	4
EFFICIENCY	One-time savings identified	\$9,500	\$2,500	\$5,000
EFFECTIVENESS	Annual savings identified	\$62,000	\$80,200	\$75,000
OUTPUT	Number of recommendations to management	59	62	60
EFFICIENCY	Number of affirmative responses from management	52	60	60
EFFECTIVENESS	Percent of recommendations accepted by management	88%	97%	100%

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	692,218	692,664	692,664	696,027	674,309	-2.65%	670,347
Operating	73,012	99,474	86,459	86,325	49,614	-50.12%	49,614
TOTAL	765,230	792,138	779,123	782,352	723,923	-8.61%	719,961

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	8.0	8.0	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 comprising both employee and labor relations include policy development, hiring and recruiting, workers' compensation administration, labor contract administration, training and career development, and compensation and benefits administration. We are dedicated to continually developing and retaining the City's diverse work force.

2012 BUDGET HIGHLIGHTS

The Human Resources Department remains committed to providing quality training to City employees through internal and external facilitators. HR remains committed to providing the best possible services to city employees through our benefit plans and employee services.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

PERFORMANCE MEASURES			Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Complete bargaining with KPSOA, KPSA and ATU	ATU	Completed a 1 year agreement expiring 2/14/2011	Completed a 3 year agreement expiring 2/13/2014	Contract Administration and Maintenance
		KPSOA	NA	Completed a 3 year agreement expiring 12/31/2013	Contract Administration and Maintenance
		KPSA	NA	Completed a 3 year agreement expiring 12/31/2013	Contract Administration and Maintenance
	Complete bargaining with AFSCME and KMEA regarding Wage Reopeners for 2010 and full bargaining for 2011	AFSCME	Completed a 1 year wage re-opener	Completed a 3 year agreement expiring 10/2/2014	Contract Administration and Maintenance
		KMEA	Completed a 1 year wage re-opener	Completed a 2 year agreement expiring 12/31/2013	Contract Administration and Maintenance
	EFFICIENCY	Number of hours spent in bargaining with each unit	ATU	6	40
KPSOA			25	80	NA
KPSA			20	80	NA
AFSCME			5	8	NA
KMEA			5	8	NA
EFFECTIVENESS	Timely implementation of contract (after signing)	ATU	NA	5 days	Meeting deadlines of changes bargained through the 1st Quarter of 2012
		KPSOA	NA	5 days	" "
		KPSA	NA	5 days	" "
		AFSCME	NA	5 days	" "
		KMEA	NA	5 days	" "

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
HUMAN RESOURCES**

HUMAN RESOURCES

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Proposed 2012
OUTPUT	Maintain an educated and competent workforce	NA	NA	Providing ongoing training opportunities.
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 core subjects will be held at least once each
EFFECTIVENESS	Number of staff hours spent in training by HR staff	216.5	171.5	200

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
INFORMATION TECHNOLOGY**

INFORMATION TECHNOLOGY

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
<small>FORMER ISF</small>							
Personnel	676,221	698,072	698,072	682,322	621,807	-10.93%	630,885
Operating	1,470,810	930,681	668,444	588,344	495,324	-46.78%	500,800
Capital	231,771	149,000	502,272	428,271	129,000	-13.42%	144,000
TOTAL	2,378,802	1,777,753	1,868,788	1,698,937	1,246,131	-29.90%	1,275,686

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	7.0	7.0	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.

2012 BUDGET HIGHLIGHTS

The FY 2012 budget reflects three main reductions. The first is a continuation of a reduction in outside contractual services including reducing website services such as the events calendar. The second is a reduction in telephony expenses related to the implementation of VOIP. Finally, overall IT staffing is being reduced to reflect the City's current budgetary realities.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
INFORMATION TECHNOLOGY**

INFORMATION TECHNOLOGY

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Average number of monthly visits to the city website	65,815	68,710	70,000
OUTPUT	Average number of monthly unique visitors to the website	26,200	28,968	30,000
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
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	1,002,561	1,007,181	1,007,181	996,272	922,864	-8.37%	936,338
Operating	133,008	137,108	49,579	45,145	42,130	-69.27%	42,130
Capital	-	-	-	460	-		-
TOTAL	1,135,569	1,144,289	1,056,760	1,041,877	964,994	-15.67%	978,468

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	12.0	15.0	13.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

The Budget and Accounting Division's staffing has been reduced by one Financial Analyst position and one Payroll Monitor. Duties will be absorbed by remaining staff.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Bank Accounts Reconciled On Monthly Basis	31	31	31
EFFICIENCY	Average Number of Days to Reconciliation	31	30	30
EFFECTIVENESS	Average number of unreconciled accounts per month	0	0	0
OUTPUT	Production of annual financial statements receiving unqualified audit opinions	CAFR, Single Audit	CAFR, Single Audit	CAFR, Single Audit
EFFICIENCY	Timeframe to complete year-end close/audit preparation	3.5 months	3.5 months	3 months
EFFECTIVENESS	Number of auditor findings	3	0	0

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
MANAGEMENT SERVICES**

**ASSESSORS
General Fund**

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	538,852	556,020	556,020	523,342	380,380	-31.59%	274,465
Operating	54,208	95,445	86,693	77,469	247,582	159.40%	247,582
TOTAL	593,060	651,465	642,713	600,811	627,962	-3.61%	522,047

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	6.0	6.0	2.0

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).

2012 BUDGET HIGHLIGHTS

This 2012 budget reflects the reduction of 3 field appraisers and the personal property appraiser/office clerk. The appraisal functions and personal property canvas and auditing functions will be contracted to a private firm. The name and address maintenance along with office/phone coverage will be completed with remaining staff and sharing of a person equally between Assessing and Treasury. When this plan is fully implemented, it is thought to save the general fund approximately \$100,000 per year.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Real property parcels	23,987	23,838	23,846
EFFICIENCY	Cost to Assess Real Property – per parcel	\$18.29	\$18.46	\$12.65
EFFECTIVENESS	Revenue gained per parcel for new development	-\$85.14	-\$70.71	-\$69.94
OUTPUT	Number of Personal Property Accounts	3,322	3,089	3,089
EFFICIENCY	Cost to Assess Personal Property – per parcel	\$43.71	\$49.15	\$34.91
EFFECTIVENESS	New Personal Property Accounts	184	100	100

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
MANAGEMENT SERVICES**

**TREASURY
General Fund**

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	425,673	417,705	417,705	417,612	397,952	-4.73%	403,762
Operating	368,598	405,416	144,300	125,706	125,004	-69.17%	125,004
Capital	-	-	-	460	-		-
TOTAL	794,271	823,121	562,005	543,778	522,956	-36.47%	528,766

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	6.0	13.0	14.0

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.

2012 BUDGET HIGHLIGHTS

Following the merger of the Treasury Division and the Commercial Office from the Public Services Department, the 2012 fiscal year will focus on the continued training of staff in all areas of the office. Our goal is that all customer service questions, requests and payments can be managed by each member of the combined staff. We will continue to improve processes associated with the online payment solution implemented in 2011 and increase efficiencies within the office.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
MANAGEMENT SERVICES**

**TREASURY
*General Fund***

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of City (summer) Tax Bills/Records Generated	25,249	25,036	25,100
EFFICIENCY	Average Cost to Generate and Issue a Tax Statement	\$0.69	\$0.70	\$0.70
EFFECTIVENESS	Percent of City Operating Tax Collected at Year End (Ultimate goal of 100% collected by the following March 1)*	92.90%	93%	95%
OUTPUT	Achieve a competitive rate of return on Investments -Average Rate of Return on Investments	0.77%	0.30%	0.45%
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	63 basis points	+24 basis points	+15 basis points
OUTPUT	Payment Automation - Payments Processed Electronically and via Bank Lockbox (tax & utility)	31,690	65,890	85,000
EFFICIENCY	Average Cost to Process a Tax or Utility Payment	\$2.41	\$2.05	\$1.74
EFFECTIVENESS	Additional Staff Time/Temporary Assistance Required during busy periods (Tax Collection Season & Student Rush)	9	0	0

** Installment taxpayers had until December 31, 2010 to pay the 2010 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
2012 ADOPTED BUDGET
MANAGEMENT SERVICES**

PURCHASING / RISK MANAGEMENT

General Fund

BUDGET OVERVIEW

REVENUE

The revenue source for the Purchasing/Risk Management Division is the General Fund.

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	384,045	415,846	415,846	384,680	390,676	-6.05%	396,380
Operating	71,539	71,479	58,013	57,625	57,482	-19.58%	57,482
TOTAL	455,584	487,325	473,859	442,305	448,158	-8.04%	453,862

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	6.0	6.0	5.0

DEPARTMENT DESCRIPTION

The mission of the Purchasing/Risk Management 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, and manages the City's risk so as to protect against financial loss and the social consequences of accidental loss. The Division also administers contractor compliance with the City's prevailing wage policy and operates the City's inter-office mail delivery system.

2012 BUDGET HIGHLIGHTS

The FY 2012 budget request reflects the elimination of the mail/records clerk position as approved in the FY 2011 mid-year budget adjustment.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
MANAGEMENT SERVICES**

PURCHASING / RISK MANAGEMENT

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Bid Projects	76	85	80
EFFICIENCY	Number of calendar days to get the project out for bids. The goal is 14 days.	14	15	14
EFFECTIVENESS	Percentage of bid projects which City Commission/Manager approved contracting with the recommended vendor	100%	100%	100%
OUTPUT	Number of Prevailing Wage Projects	22	23	18
EFFICIENCY	Number of inspections per project. The goal is 2 inspections.	2	2	2
EFFECTIVENESS	Percentage of workers paid prevailing wages	100%	100%	100%
OUTPUT	Number of Purchase Orders	1337	1,400	1,400
EFFICIENCY	Purchase order turnaround time in work days. The goal is 2 days.	2	2	2
EFFECTIVENESS	Percentage of valid purchase orders.	98%	98%	100%

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
MANAGEMENT SERVICES**

RETIREMENT ADMINISTRATION

Fiduciary Trust Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Operating	453,273	514,697	514,697	514,697	541,497	5.21%	546,912
TOTAL	453,273	514,697	514,697	514,697	541,497	5.21%	546,912

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.

2012 BUDGET HIGHLIGHTS

The Retirement System administration expenses reflect a status quo budget.

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2012 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

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	29,263,941	30,101,180	30,101,180	29,434,950	29,674,781	-1.42%	30,694,295
Operating	3,587,377	3,897,575	3,580,292	3,811,829	3,866,507	-0.80%	3,886,495
Capital	479,704	563,918	608,018	612,292	270,271	-52.07%	270,271
TOTAL	33,331,022	34,562,673	34,289,490	33,859,071	33,811,559	-2.17%	34,851,061

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	287.0	287.0	286.0
Number of Permanent Part Time Positions	4.0	4.0	4.0

DEPARTMENT DESCRIPTION

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

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

2012 BUDGET HIGHLIGHTS

The 2012 Budget includes a Chief, Deputy Chief, two Assistant Chiefs and an Inspector of Professional Standards. They oversee six divisions which include Operations, Training, KVET, Service, CID and Financial Services. Together these divisions work to focus on our three primary goals: Reduce Crime, Build Trust and provide the most efficient, effective and professional police, fire and EMS services available.

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	29,222,308	29,715,666	29,715,666	29,059,257	29,161,081	-1.87%	30,173,095
Operating	3,313,464	3,579,006	3,261,723	3,509,876	3,535,002	-1.23%	3,554,990
Capital	478,766	525,418	569,518	573,792	225,771	-57.03%	225,771
TOTAL	33,014,538	33,820,090	33,546,907	33,142,925	32,921,854	-2.66%	33,953,856

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	287.0	287.0	286.0
Number of Permanent Part Time Positions	4.0	4.0	4.0

DEPARTMENT DESCRIPTION

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**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	931,762	930,601	930,601	880,602	874,344	-6.05%	887,109
Operating	155,585	153,418	153,418	178,484	133,418	-13.04%	132,423
TOTAL	1,087,347	1,084,019	1,084,019	1,059,086	1,007,762	-7.03%	1,019,533

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	7.0	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 Professional Standards and the Inspector of Professional Standards make up the Chief's Executive Staff.

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

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

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

2012 BUDGET HIGHLIGHTS

The Administration Division will allocate its 2012 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. With the recent CBA ratifications, a reduction in legal fees is anticipated, therefore allowing the Administrative Division the ability to continue funding a Citizens Leadership Academy.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

ADMINISTRATION

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Citizen Complaints	13	18	25
EFFICIENCY	Hours spent to investigate	825	975	1,250
EFFECTIVENESS	Percent of appeals upheld by the Citizens Review Board	100%	100%	100%
OUTPUT	Number of Departmental and Divisional Policies	320	320	320
EFFICIENCY	Number of Policies Reviewed	18	10	10
EFFECTIVENESS	Number of Policies Updated/Revised/Rescinded	2	2	2

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

FINANCIAL SERVICES

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	384,240	363,830	363,830	359,036	370,846	1.93%	376,260
Operating	920	2,200	3,159	3,159	2,200	0.00%	1,143
TOTAL	385,160	366,030	366,989	362,195	373,046	1.92%	377,403

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	7.0	7.0	7.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

The Financial Services Division will allocate its 2012 funds toward overseeing all aspects of Public Safety financial services and records management. Staff will cooperate and collaborate with both internal and external customers on procurement matters, FOIA inquiries, Records Management and quality customer service.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Response to FOIA requests	2,050	1900	2,000
EFFICIENCY	Average length of time (days) for FOIA request response	5	5	5
EFFECTIVENESS	Percentage of FOIA that meet mandated response time	100%	100%	100%
OUTPUT	Reports transcribed	11,649	10,500	11,000
EFFICIENCY	Annual transcribed reports to staff ratio (# of reports: staff)	1,942	1,750	1,833
EFFECTIVENESS	Transcription ratio in hours (2-30 minute tapes: hour)	2: 1	2: 1	2: 1

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

**TRAINING
General Fund**

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	681,434	682,414	682,414	596,130	675,997	-0.94%	685,867
Operating	105,647	182,015	182,015	177,015	184,923	1.60%	185,109
TOTAL	787,081	864,429	864,429	773,145	860,920	-0.41%	870,975

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	6.0	6.0	6.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

The 2012 budget for the Training Division will provide basic training to all new recruits (as many as 24) and mandatory in-service training for all certified public safety officers. The Training Division will be conducting advance fire and police training for our personnel, coordinating advance fire training for other agencies in the county and will be hosting multiple training schools and activities at the Regional Training Tower facility, including the new Sim City building at the Nazareth site.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Public Safety sponsored School Fire Safety programs	125	125	125
EFFICIENCY	Cost per program	\$40 \$40		\$42
EFFECTIVENESS	Number of residential fires/Fatal residential fires (National average is 3 fatal fires, per year, per 100,000 people)	140/0	140/0	130/0
OUTPUT	Number of Fire Inspections completed	2,700	2,700	2,700
EFFICIENCY	Average cost per fire inspection	\$18	\$23 \$25	
EFFECTIVENESS	Violations noted/violations corrected	160/160	180/180	200/200

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

KALAMAZOO VALLEY ENFORCEMENT TEAM

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	1,325,080	1,352,272	1,352,272	1,259,546	1,469,097	8.64%	1,490,546
Operating	-	-	-	-	23,567		19,552
TOTAL	1,325,080	1,352,272	1,352,272	1,259,546	1,492,664	10.38%	1,510,098

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	14.0	14.0	13.0

DEPARTMENT DESCRIPTION

The Kalamazoo Valley Enforcement Team (KVET) is 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.

2012 BUDGET HIGHLIGHTS

The 2012 KVET budget reflects personnel costs only as the operating supplies furthering its investigative operations are funded by the KVET special revenue fund. KVET continues its focus upon the reduction of violence throughout Kalamazoo through proactive contacts with suspected street-level narcotics traffickers; to include the use of informants to purchase narcotics and/or illegal weaponry. Through its partnership with the Bureau of Alcohol, Tobacco and Firearms (ATF) and the Drug Enforcement Administration (DEA), KVET investigators progressively seek out and arrest street-to-mid-level narcotics traffickers and their suppliers then refer criminals meeting specific criteria to the United States Attorney Office for federal prosecution.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	# of tips received by KVET	2,243	2,360	2,430
EFFICIENCY	Average cost per investigation	\$1,594	\$1,328	\$1,361
EFFECTIVENESS	# of cases written on tips received	785	825	866
OUTPUT	# of investigations	909	975	1005
EFFICIENCY	# of investigations done per day at 365 days a year.	2.49	2.67	2.75
EFFECTIVENESS	# of arrests made (includes warrants)	729	790	815

**CITY OF KALAMAZOO
2012 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

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	19,679,987	19,968,858	19,968,858	19,869,372	19,797,750	-1.52%	20,666,324
Operating	37,786	50,418	52,415	60,784	233,287	362.71%	233,287
TOTAL	19,717,773	20,019,276	20,021,273	19,930,156	20,031,037	0.06%	20,899,611

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	189.0	189.0	194.0

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

DEPARTMENT DESCRIPTION

The Operations Division is responsible for the initial response to all police, fire and emergency medical incidents. Through the intervention and mitigation of these incidents, the Operation Division fulfills its mission to protect citizens from the loss of life and property from the ravages of fire or crime. Responsible for liaison between neighborhoods and Public Safety, the Division's Community Public Safety Unit's (CPSU) primary focus is on crime reduction. The Division also includes the Special Weapons and Tactics (SWAT), Bomb Squad, K-9 Team, and Honor Guard, which are all specialized units designed to enhance customer service and provide prompt intervention in times of crisis. The law enforcement, fire suppression and EMS activities are directed through the Communications Center, which receives and dispatches nearly 92,000 calls for service annually.

2012 BUDGET HIGHLIGHTS

In 2012 the Operations Division will continue to focus on reducing crime and providing the most effective, efficient and professional police, fire and EMS services available through focusing on the following four service objectives; Enforcement, Blight Reduction, Community Interaction, and Training. Assisting in these four objectives will be enhanced crime trend analysis which, when analyzed and evaluated weekly, will allow us to rapidly assess crime trends and allocated resources to address identified trends. Operations will continue initiatives such as participation in youth academies, maintaining a strong youth explorer program and continue to maintain positive interactions through daily foot patrols, targeted at reducing youth violence in our neighborhoods. The Operations Division will continue to utilize the Power Shift Officers to enhance patrols during peak times of service demand and will continue directed and saturation patrols, as necessary.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

OPERATIONS

General and Special Revenue Funds

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Calls for service received by Operations	94,100	78000	78,000
EFFICIENCY	Annual calls per service to staff ratio	507	507	520
EFFECTIVENESS	Number of persons arrested	8,900	7,800	7,800
OUTPUT	Traffic citations issued	25,000	15,000	15,000
EFFICIENCY	Patrol hours dedicated to traffic enforcement	2,000	1,500	2,000
EFFECTIVENESS	Traffic accidents/OUIL Arrests	3,069 / 400	3069 / 400	3,069 / 400

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	3,715,918	3,819,493	3,819,493	3,611,362	3,484,231	-8.78%	3,535,101
Operating	22,352	24,080	24,080	23,935	49,080	103.82%	39,479
TOTAL	3,738,270	3,843,573	3,843,573	3,635,297	3,533,311	-8.07%	3,574,580

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	35.0	35.0	31.0

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. The Burglary Team was re-established in response to the continuing issue of break-in's within the city. This allows all of the burglary reports to be funneled thru to this team establishing greater efficiency.

2012 BUDGET HIGHLIGHTS

The 2012 Criminal Investigations Division budget will work to: secure convictions in all homicide and major assault investigations; continue investigations to all five major case teams (Major Crimes, Burglary, Sex Assault, Fraud and Auto Theft); continue bi-weekly Crime Fighter and weekly Crime Reduction meetings, utilize I/Leads case management system to review case assignments and closures. In order to surmount the loss of staff, the CID will be reviewing the types of cases assigned to CID to implement new thresholds for the cases that will be investigated. The loss of staff certainly will impact our capacity to continue to investigate cases in the manner in which we are currently.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

CRIMINAL INVESTIGATIONS

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Liquor License Investigations	135	140	145
EFFICIENCY	Average Cost Per Investigation Resolved	\$241 \$249		\$253
EFFECTIVENESS	Number of Liquor License Violations	26	20	25
OUTPUT	Polygraph Exams Requested	169	150	155
EFFICIENCY	Total Number of Cases Cleared by Polygraph Examination	71	70	75
EFFECTIVENESS	Total Number of Confessions from Polygraph Examinations	36%	35%	35%

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

SERVICE
General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	2,818,500	2,931,927	2,931,927	2,817,565	2,950,158	0.62%	2,993,230
Operating	2,991,174	3,166,875	2,846,636	3,066,499	2,908,527	-8.16%	2,943,996
Capital	478,766	525,418	569,518	573,792	225,771	-57.03%	225,771
TOTAL	6,288,440	6,624,220	6,348,081	6,457,856	6,084,456	-8.15%	6,162,998

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	29.0	29.0	29.0
Number of Permanent Part Time Positions	4.0	4.0	4.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

The Service Division will oversee the acquisition of a training database, test and upgrade the Computer Aided Dispatch map using the Intergraph Mapping Software which will further interoperability with the Kalamazoo Township and Kalamazoo County Sheriff's Department. The Service Division will continue the replacement of outdated mobile data terminals and enhance the Geoffrey and Iris scanner security systems. Coban digital recording technology will be implemented in all of the department's front line vehicles, booking room and Criminal Investigations Division.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Oversight of Public Safety buildings	9	9	12
EFFICIENCY	Annual cost to maintain buildings	\$748,985	\$783,594	\$821,594
EFFECTIVENESS	Percent of buildings in need of Refurbishment	40%	40%	40%

**CITY OF KALAMAZOO
2012 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

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	41,633	51,785	51,785	41,337	52,358	1.11%	53,122
Operating	273,913	318,569	318,569	301,953	331,505	4.06%	331,505
Capital	938	38,500	38,500	38,500	44,500	15.58%	44,500
TOTAL	316,484	408,854	408,854	381,790	428,363	4.77%	429,127

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
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.

2012 BUDGET HIGHLIGHTS

The 2012 KVET Special Revenue Budget derives the monies that fund KVET's investigative operations from Federal and State property forfeitures. KVET continues its focus upon the reduction of violence throughout Kalamazoo through proactive contacts with suspected street-level narcotics traffickers including the use of informants to purchase narcotics and/or illegal weaponry. Through its partnership with the Bureau of Alcohol, Tobacco and Firearms (ATF) and the Drug Enforcement Administration (DEA), KVET investigators progressively seek out and arrest street-to-mid-level narcotics traffickers and their suppliers then refer criminals meeting specific criteria to the United States Attorney for federal prosecution.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
KALAMAZOO PUBLIC SAFETY**

KVET DRUG ENFORCEMENT FORFEITURE

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	# of tips received by KVET	2,243	2,360	2,430
EFFICIENCY	Average cost per investigation	\$1,594	\$1,328	\$1,361
EFFECTIVENESS	# of cases written on tips received	785	825	866
OUTPUT	# of investigations	909	975	1005
EFFICIENCY	# of investigations done per day at 365 days a year.	2.49	2.67	2.75
EFFECTIVENESS	# of arrests made (includes warrants)	729	790	815

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
	<small>FORMER ISF</small>						
Personnel	821,682	482,546	482,546	504,601	501,468	3.92%	508,789
Operating	728,168	763,935	345,081	366,483	498,943	-34.69%	503,307
TOTAL	1,549,850	1,246,481	827,627	871,084	1,000,411	-19.74%	1,012,096

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	10.0	10.0	10.0

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.

2012 BUDGET HIGHLIGHTS

Budget reflects a slight increase in the operating budget that reflects continued cost increases in supplies and materials. Labor expenses will remain about the same, or will decrease slightly, with less overtime and standby expenses in 2012. The 2012 budgets reflect changes due to the elimination of the various Internal Service Funds (ISF) and the incorporation of personnel in these areas under the General Fund.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
PUBLIC SERVICES**

CITY-WIDE MAINTENANCE

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Facilities Maintained	19	19	19
OUTPUT	Square Footage Maintained (not inc'l contracted)	425,823	425,823	425,823
OUTPUT	Square Footage Maintained (inc'l contracted)	485,058	485,058	485,058
EFFECTIVENESS	Percent of Preventive Maintenance Work Orders Completed	99%	90%	95%
EFFECTIVENESS	Number of Complaints (cleaning)	8	22	12
EFFECTIVENESS	Number of Complaints (mechanical)	7	15	8

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
	FORMER ISF						
Personnel	1,084,845	1,163,525	1,163,525	1,214,997	1,131,127	-2.78%	1,147,641
Operating	613,058	406,907	275,662	321,178	201,077	-50.58%	200,123
TOTAL	1,697,903	1,570,432	1,439,187	1,536,175	1,332,204	-15.17%	1,347,764

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	14.0	14.0	14.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

The 2012 budget reflects the design and construction of Major and Local Streets CIP projects and engineering services for specific Water, Wastewater and General Fund CIP projects. Engineering will finalize the acquisition of right-of-way for the planned improvements to the Oakland/Parkview intersection and will continue to make improvements to the City's traffic signal system to continue the trend towards less congestion and lower energy costs. All the City's bridges will be inspected and rated for condition in accordance with State mandated biennial program. The 2012 budgets reflect changes due to the elimination of the various Internal Service Funds (ISF) and the incorporation of personnel in these areas under the General Fund.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
PUBLIC SERVICES**

ENGINEERING

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012	
OUTPUT	Value of new Engineering managed CIP – Major and Local Streets, Water, Wastewater, and General Fund.	\$8.9m	\$8.6m	\$8.1m	
EFFICIENCY	Timely Design - Design Time Required for CIP Projects	Mains	3 weeks	4 weeks	3 weeks
		Services	3 days	4 days	3 days
		Streets	May	May	March
EFFECTIVENESS	Change Orders as a Percent of Original Contracts	3.80%	4.80%	4.00%	
OUTPUT	Value of Engineering Managed CIP Completed – Major Local Streets, Water, Wastewater, and General Fund.	\$8.8m*	\$8.5m	\$8.0m*	
EFFICIENCY	Percentage Completion of CIP Projects (\$ CIP complete/ \$ new CIP Budget)	98.90%	98.80%	98.80%	
OUTPUT	City Right-of-Way Management - Number of Infrastructure Stakings	8,901	8,900	9,000	
EFFICIENCY	Cost per Staking	\$22.53	\$18.51	\$16.67	
EFFECTIVENESS	Percentage Accuracy of Stakings	99.97%	99.98%	99.98%	

* Includes carry forward projects

**CITY OF KALAMAZOO
2012 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

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
	<small>FORMER ISF</small>						
Personnel	912,362	952,634	952,634	889,034	981,819	3.06%	996,154
Operating	2,251,292	1,427,806	1,258,811	1,650,462	1,536,066	7.58%	1,553,476
Capital	177,912	200,000	218,873	214,761	200,000	0.00%	200,000
TOTAL	3,341,566	2,580,440	2,430,318	2,754,257	2,717,885	5.33%	2,749,630

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	12.0	12.0	12.0

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.

2012 BUDGET HIGHLIGHTS

In 2012, Fleet staff will continue to look for opportunities to reduce the amount of equipment in the fleet. The 2012 budgets reflect changes due to the elimination of the various Internal Service Funds (ISF) and the incorporation of personnel in these areas under the General Fund. Staff has been actively reducing the amount of equipment within the overall Fleet. In addition, work will begin in 2012 to create a sinking fund to assist with future equipment replacement.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Vehicles and Equipment Items Maintained	735	732	730
EFFICIENCY	Pieces of Equipment Maintained per Mechanic	82	82	82
EFFECTIVENESS	Percent of Preventive Work Orders (vs. Corrective Work Orders)	23%	25%	25%
OUTPUT	Number of Work Orders Completed	2,937	3,170	3,350
EFFICIENCY	Number of Work Orders Per Mechanic	326	352	372
EFFECTIVENESS	Percent of Corrective Work Orders (vs. Preventive Maintenance)	77%	75%	75%

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	707,634	691,091	691,091	611,349	586,778	-15.09%	595,345
Operating	543,624	635,258	591,000	573,706	555,287	-12.59%	560,060
TOTAL	1,251,258	1,326,349	1,282,091	1,185,055	1,142,065	-13.89%	1,155,405

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	37.0	41.0	39.0

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.

2012 BUDGET HIGHLIGHTS

The 2012 Public Services portion of the General Fund realized a significant reduction as the cost for removal of hazardous trees has been transferred to the Solid Waste Budget.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Trees Trimmed/Removed	6,500	2,440	2,500
EFFICIENCY	Value of Trimming/Removal per Staff Hour	\$15 \$40		\$39
EFFECTIVENESS	% of Total Trees Maintained Each Year	28%	10%	11%
OUTPUT	Number of Sidewalk Repairs	92	110	100
EFFICIENCY	Average cost per sidewalk repair	\$17 \$16		\$17
EFFECTIVENESS	Number of Complaints Received	57	65	65

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	859,380	861,545	861,545	936,261	933,335	8.33%	961,335
Operating	1,695,616	1,813,383	1,911,915	2,044,166	1,633,519	-9.92%	1,656,856
Debt Service	1,837,479	1,908,197	1,908,197	1,908,197	1,793,602	-6.01%	1,959,693
Transfer to Local Streets	200,004	300,000	300,000	-	-	-100.00%	-
Capital	2,829,509	3,093,000	4,537,316	4,537,316	2,878,000	-6.95%	4,198,000
TOTAL	7,421,988	7,976,125	9,518,973	9,425,940	7,238,456	-9.25%	8,775,884

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	37.0	41.0	39.0

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.

2012 BUDGET HIGHLIGHTS

The 2012 Major Street budget has increased because three Parks employees will be transferred for a period of four months to assist with snow and ice control efforts. Also, pavement repairs are now included in both the Major and Local Street Budget, however, this item also includes a corresponding revenue source. There is a reduction in costs in 2012 due to a shifting of costs from "Major Streets" Operating Budget for traffic signal installations to the General Fund Improvement Project (CIP) fund.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of snow events responded to on Major Streets	23	28	28
EFFICIENCY	% of Streets Cleared within 24 hours	100%	100%	100%
EFFECTIVENESS	Inches of Precipitation Controlled	70	80	80
OUTPUT	Number of Repairs on Major Streets	180	175	175
EFFICIENCY	Value of Repairs per Staff Hour	\$315	\$330	\$345
EFFECTIVENESS	% of Repairs Completed	100%	100%	100%

**CITY OF KALAMAZOO
2012 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

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	725,981	801,185	801,185	708,829	850,317	6.13%	875,827
Operating	979,880	1,111,248	1,125,759	1,213,878	1,119,746	0.76%	1,133,637
Debt Service	681,020	685,115	685,115	685,309	661,746	-3.41%	678,897
Capital	1,101,269	1,000,000	1,261,633	1,261,633	1,000,000	0.00%	1,000,000
TOTAL	3,488,150	3,597,548	3,873,692	3,869,649	3,631,809	0.95%	3,688,361

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	37.0	41.0	39.0

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.

2012 BUDGET HIGHLIGHTS

The 2012 Local Street budget has increased as three Parks employees will be transferred for a period of four months to assist with snow and ice control efforts. Also, pavement repairs are now included in both the Major and Local Street budgets, however, this item also includes a corresponding revenue source.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of snow events responded to on 170 Miles of Local Streets	23	28	28
EFFICIENCY	Staff Person Hours per Snow Event	<56	<56	<56
EFFECTIVENESS	Inches of Precipitation Controlled	70	80	80
OUTPUT	Number of Repairs on Local Streets	450	475	475
EFFICIENCY	Value of Repairs per Staff Hour	\$265	\$275	\$285
EFFECTIVENESS	% of Repairs Completed	92%	95%	95%

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	34,749	35,929	35,929	35,829	31,316	-12.84%	31,773
Operating	251,010	308,050	308,050	263,335	304,549	-1.14%	304,549
Capital	138,955	180,000	180,000	176,650	180,000	0.00%	180,000
TOTAL	424,714	523,979	523,979	475,814	515,865	-1.55%	516,322

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	37.0	41.0	39.0

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.

2012 BUDGET HIGHLIGHTS

The 2012 Cemetery budget includes the final phase of capital work to repair the existing stone walls.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Acres Mowed	100	100	100
EFFICIENCY	Acres mowed Annually by contractor	100	100	100
EFFECTIVENESS	Number of Complaints Received Regarding Mowing	15	18	15
OUTPUT	Number of Burials Performed Per Year	192	195	190
EFFICIENCY	Cost per Burial Service	\$446.76	\$400.00	\$345.00
EFFECTIVENESS	Number of Complaints Received Regarding Burials	15	7	1

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	632,112	728,736	728,736	766,799	729,578	0.12%	740,230
Operating	1,736,002	1,765,500	1,924,255	1,847,849	1,774,382	0.50%	1,774,382
Capital	170,245	-	-	-	-		-
TOTAL	2,538,359	2,494,236	2,652,991	2,614,648	2,503,960	0.39%	2,514,612

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	37.0	41.0	39.0

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.

2012 BUDGET HIGHLIGHTS

The 2012 Solid Waste Budget now includes the removal of hazardous trees which is within the scope of the Solid Waste Fund constraints. The 2012 Proposed Budget reflects a reduction of two positions within the 2011 Solid Waste Budget and the addition of seven positions from Forestry in 2012. Most Forestry costs were shifted to Solid Waste based on the increased removal of dead and/or diseased trees within the City.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
PUBLIC SERVICES**

SOLID WASTE

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Volume of Leaves Collected (cubic yards)	90,000	90,000	90,000
EFFICIENCY	Leaf Collection Cost	\$473,817	\$460,128	\$494,284
EFFECTIVENESS	Cost per Yard of Leaves Collected	\$5.27	\$5.11	\$5.50
OUTPUT	Volume (in tons) of Material Recycled	2,400	2,400	2,400
EFFICIENCY	Cost per Ton of Recycled Materials	\$195.00	\$198.00	\$200.00
EFFECTIVENESS	No. of Housing Units Participating in Recycling Activities	21,500	21,575	22,000
OUTPUT	Volume of Solid Waste Collected	9,958	10,000	10,000
EFFICIENCY	Cost of Solid Waste Collection per Cubic Yard	\$33.00	\$34.00	\$35.00
EFFECTIVENESS	No. of Housing Units Participating in Solid Waste Collection	50,000	50,000	50,000

**CITY OF KALAMAZOO
2012 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

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	7,341,549	7,255,876	7,255,876	7,170,249	7,332,386	1.05%	7,439,439
Operating	15,624,974	16,552,652	16,624,219	16,195,420	17,479,125	5.60%	17,479,125
Capital	2,626,991	2,300,000	9,385,628	9,285,100	4,805,165	108.92%	4,524,000
Debt Service	627,447	598,903	598,903	598,903	596,923	-0.33%	525,874
TOTAL	26,220,961	26,707,431	33,864,626	33,249,672	30,213,599	13.13%	29,968,438

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	87.0	87.0	83.0
Number of Permanent Part Time Positions	0.0	0.0	1.0

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.

2012 BUDGET HIGHLIGHTS

The 2012 Treatment budget represents a 13.13% increase over the 2011 budget. Overtime was reduced 23.8% for AFSCME, and 36.0% for NBU personnel for an overall overtime reduction of 30.15%. Supplies was reduced by 19.75%, electricity was reduced 11.17%, however Outside Contractual rose 36.63% due to increased landfill costs. Landfill rates have increased by 69.9% since 2009. An overall 5% revenue increase for the system is being recommended in 2012 to cover expenses and ensure adequate bond coverage.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
PUBLIC SERVICES**

WASTEWATER DIVISION

Enterprise Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Cubic Meters of Wastewater Treated (Millions)	34.915	34.688	35.000
EFFICIENCY	Average Operating Cost to Treat one Cubic Meter of Wastewater (excludes depreciation)	\$0.55	\$0.57	\$0.61
EFFECTIVENESS	Number of NPDES Discharge Violations	0	2	0
OUTPUT	Miles of Sanitary Sewers	293	293	293
EFFICIENCY	Miles of Sanitary Sewers Cleaned	45	44.75	48
EFFECTIVENESS	Number of Sanitary Main Line Stoppages	28	27	25
OUTPUT	Number of Lift Stations Maintained	58	59	60
OUTPUT	Total Number of Maintenance Work Orders Completed	2,158	1,900	1,900
EFFICIENCY	Number of Preventive Maintenance Work Orders Completed	8,778	8,596	9,000
EFFECTIVENESS	Percent of Corrective Work Orders to Total	20%	18%	17%

**CITY OF KALAMAZOO
2012 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

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	4,759,227	5,047,083	5,047,083	4,693,506	5,604,820	11.05%	5,686,650
Operating	9,149,516	9,454,959	9,519,173	9,369,625	9,515,682	0.64%	9,515,682
Capital	2,351,469	2,740,300	4,689,361	2,759,920	2,194,641	-19.91%	2,955,340
Debt Service	2,742,625	2,747,984	2,747,984	2,747,984	2,777,017	1.06%	2,684,429
TOTAL	19,002,837	19,990,326	22,003,601	19,571,035	20,092,160	0.51%	20,842,101

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	76.0	61.0	63.0

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.

2012 BUDGET HIGHLIGHTS

The 2012 budget reflects a budget increase of approximately .51% under the 2011 Adopted Budget. The increases in the 2012 budget are due to decreases in electricity, supplies and outside contractual services. Costs for labor and healthcare for City staff increased by 15% to 17% for 2012. An overall 5% revenue increase for the system is being recommended for 2012 to cover expenses and build the mandated water reserve fund.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
PUBLIC SERVICES**

WATER DIVISION

Enterprise Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012	
OUTPUT	Cubic Meters of Water BILLED (million m3 per year)	22.6	22.9	22.9	
OUTPUT	Cubic Meters of Water PUMPED (million m3 per year)	25.47	25.49	25.62	
EFFICIENCY	Average Operating Cost to Produce one Cubic Meter of BILLED Water (excludes depreciation).	\$0.46	\$0.42	\$0.48	
EFFECTIVENESS	Water bans or limited water use notices	3	2	1	
OUTPUT	Number of Utility Bills Mailed	252,780	253,165	254,002	
EFFICIENCY	Customer Payment Options.	4	4	4	
EFFECTIVENESS	Number of payment transactions processed by:	Credit Card	16,400	17,300	18,400
		On-Line	1,680	1,800	1,850
OUTPUT	Number of telephone calls received on the Automated Call Distribution System	53,800	53,950	54,350	
EFFICIENCY	Average Customer Wait Time to talk to a CSR	18sec	18sec	18sec	
EFFECTIVENESS	Percentage of Utility Bills Uncontested	>99.9%	>99.9%	>99.9%	
OUTPUT	Number of Water Valves Repaired	n/a	43	45	
EFFICIENCY	Number of Water Quality Claims	23	38+	30	
EFFICIENCY	Number of Water Quality Claims (paid to customer)	4	2	3	
EFFECTIVENESS	Average Service Area affected by Water Shut-down.	3 blocks	2 blocks	2 blocks	

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2012 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 via cost recovery fees, property inspection fees and permit fees charged for new construction.

EXPENDITURES

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	1,592,829	1,549,369	1,549,369	1,453,662	1,400,801	-9.59%	1,421,253
Operating	194,609	217,788	177,922	171,517	185,115	-15.00%	183,222
Capital	-	3,000	3,000	15,464	3,000	0.00%	3,000
TOTAL	1,787,438	1,770,157	1,730,291	1,640,643	1,588,916	-10.24%	1,607,475

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	23.0	21.0	20.0

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 the Anti-Blight Team and the Abandoned Residential Structures ordinance. CA also administers the approximately 16,000 rental units in the city through our rental inspection and certification program.

2012 BUDGET HIGHLIGHTS

The FY 2012 Budget reduces staff by two field inspectors. As we continue to extend rental certification periods (from 24 & 36 month certificates to 28 & 40 month certificates), it has led to a reduction in demand for scheduled annual rental certification inspections. Additionally, the 2012 Budget reflects the continued shift in inventory of abandoned properties to the Kalamazoo County Land Bank through tax foreclosure. We do not anticipate any substantial reduction in service delivery due to a reduction in field staff as we continue to focus staff resources to address rental property re-certification, blighted conditions and community standards through code enforcement.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

CODE ADMINISTRATION

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	No. Of Inspections and Enforcement Actions	14,089	12,100	12,000
EFFICIENCY	Number of Inspectors Dedicated to the Task	9.5	7.5	7.5
EFFECTIVENESS	Number of Inspection Actions per Inspector	1,483	1,613	1,600
OUTPUT	Total Operating and Maintenance Expenditures	\$1,842,000	\$1,790,000	\$1,770,000
EFFICIENCY	Total amount billed for permitting, inspection, registration and enforcement activity	\$1,430,000	\$1,500,000	\$1,500,000
EFFECTIVENESS	Percent of budget recovered through billing for permitting, inspection, registration and enforcement activity	78.0%	84.0%	85.0%
OUTPUT	Number of Abandoned Structures Cases Resolved	73	76	45
EFFICIENCY	Number of Cases Resolved Through Demolition	52	50	30
EFFECTIVENESS	Number of Cases Resolved Through Rehabilitation	21	26	15

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

**PLANNING
General Fund**

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	395,509	425,345	425,345	381,401	366,510	-13.83%	371,861
Operating	43,306	55,986	43,004	35,580	38,293	-31.60%	37,670
TOTAL	438,815	481,331	468,349	416,981	404,803	-15.90%	409,531

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	5.0	5.0	4.0

DEPARTMENT DESCRIPTION

The Planning Division is responsible for the implementation and enforcement of the city's zoning ordinance and administers citywide land use policy. The division has recently completed the master land use document, "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 our city's 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.

2012 BUDGET HIGHLIGHTS

For 2012, the Planning Division has one less staff member, with the elimination of the Neighborhood Planner position. Additionally, the budget realizes the loss of 1/2 of a zoning inspector, with the loss of the Code Compliance officer.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Zoning enforcement actions	568	330	350
EFFICIENCY	Average staff cost per zoning violation	\$176	\$152	\$143
EFFECTIVENESS	Actions taken per inspector	284	330	330
OUTPUT	Site plans reviewed	46	44	45
EFFICIENCY	Average staff cost per site plan reviewed	\$143	\$149	\$146
EFFECTIVENESS	Percentage of site plans completed in accordance with approved plans	93%	90%	90%

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Operating	58,400	15,000	30,636	23,892	40,000	166.67%	40,000
TOTAL	58,400	15,000	30,636	23,892	40,000	166.67%	40,000

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 determining that the building or property has become a dangerous. Once action is taken by the City, a lien is placed on the property or other methods are used to seek compensation for expenses incurred. Funding from HUD (i.e., CDBG, NSP1 & NSP2) is used whenever possible, but General Fund expenses are incurred on non-HUD eligible properties and for certain preliminary costs (e.g., boarding broken windows) and holding costs if a property is transferred to the City.

2012 BUDGET HIGHLIGHTS

The 2012 budget includes a \$40,000 General Fund transfer. These funds will be used to address the increase in costs for boarding more broken windows and doors on vacant properties, and addressing blighted vacant commercial properties.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

COMMUNITY DEVELOPMENT (HUD)

Special Revenue Fund

BUDGET OVERVIEW

REVENUE

The special revenues used to fund a portion of the Neighborhood Development division's budget include HUD CDBG, CDBG-R, HOME, HPRP, NSP1, NSP2 and ESG.

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	896,798	999,253	1,124,248	1,124,248	984,896	-1.44%	1,060,000
Operating	2,174,588	2,528,354	5,286,310	5,286,310	90,135	-96.44%	2,690,000
TOTAL	3,071,386	3,527,607	6,410,558	6,410,558	1,075,031	-69.53%	3,750,000

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	11.0	14.0	13.0

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), Community Development Block Grant - Recovery (CDBG-R), HOME Investment Partnerships Program (HOME), Homeless Prevention and Rapid Re-Housing (HPRP), Neighborhood Stabilization Programs 1 and 2 (NSP1, 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.

2012 BUDGET HIGHLIGHTS

The special revenues used to fund a portion of the Community Development Division's budget include CDBG, CDBG-R, HOME, ESG, HPRP, NSP1, and NSP2 from HUD. Eligible administrative and planning funds are used to cover staff time and related expenses associated with those activities. The budget below includes NSP-1 and NSP-2 grants that will continue to significantly increase the total amount of federal awards through the end of 2012. For Program Year 2011-2012, HUD decreased CDBG funds by 16.67 percent and HOME by 11.42 percent.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
COMMUNITY PLANNING & DEVELOPMENT**

COMMUNITY DEVELOPMENT (HUD)

Special Revenue Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Grants: (CDBG, HOME, ESG, CDBG-R, HPRP, NSP-1, NSP-2)	43	36	30
EFFICIENCY	Total Federal Awards for Housing	\$7,800,575	\$9,848,609	\$6,128,991
EFFECTIVENESS	Leveraged funds for Housing*	\$32,859,420	\$13,550,000	\$8,260,843
EFFECTIVENESS	Number of households impacted by housing-related grant award activities	2,702	2,219	1,844

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

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ECONOMIC DEVELOPMENT**

ECONOMIC DEVELOPMENT

General Fund

BUDGET OVERVIEW

REVENUE

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

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	431,175	379,395	379,395	433,188	258,223	-31.94%	238,269
Operating	45,155	54,641	37,314	33,635	22,690	-58.47%	22,690
TOTAL	476,330	434,036	416,709	466,823	280,913	-35.28%	260,959

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	6.0	6.0	5.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

General Fund budget reductions in Economic Development will necessitate an even closer working relationship with our partner economic development organizations -- Southwest Michigan First, Downtown Development Authority and the Southwest Michigan Partners Group -- to continue providing business assistance and brownfield opportunities.

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of acres redeveloped	0	2.19	2.6
EFFICIENCY	Private investment leveraged / jobs created	\$6.1 M / 120	\$16.4 M / 114	\$36.2 M / 200
EFFECTIVENESS	New taxable value added to the city	\$2.4 M	\$3.9 M	\$1.5 M

**CITY OF KALAMAZOO
2012 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 \$143,061 from the solid waste millage for leaf and trash removal.

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	893,895	922,382	922,382	899,396	890,589	-3.45%	903,592
Operating	277,449	297,056	298,250	290,802	298,473	0.48%	299,358
Capital	-	-	-	26,850	-		-
TOTAL	1,171,344	1,219,438	1,220,632	1,217,048	1,189,062	-2.49%	1,202,950

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	9.0	9.0	9.0
Number of Permanent Part Time Positions	2.0	2.0	2.0

DEPARTMENT DESCRIPTION

The vision of the City of Kalamazoo Parks and Recreation is to create a community of neighborhoods where people live, work and play. This is done 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 Parks Division includes the following budget units: General Parks and Bronson Park.

2012 BUDGET HIGHLIGHTS

The 2012 budget reflects a decrease from the adopted 2011 budget, which is a result of a loss of Parks AFSCME staff in the winter months due to a shift in percentage of allocation from the Parks Department to the Public Services Department for snow removal. There is also going to be a shift in the department to focus more on service driven job functions to better serve the community with public and private events, sporting events and gardening needs. The department will be investigating potential cost savings for subcontracting items such as mowing, solid waste removal and trash pick-up, as well as exploring increased revenue options with user fees for sports facilities rentals. Staff has an ongoing mission to provide and maintain high quality park facilities and grounds while providing quality customer services for park users.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
PARKS AND RECREATION**

PARKS

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Acres of Park Mowed	399	398	398
EFFICIENCY	Time to Mow Parks (Mowing Cycle)	8-12 days	8-12 days	4-14 days
EFFECTIVENESS	Number of Complaints Regarding Parks Mowing (annually)	6	7	12
OUTPUT	Number of Park Reservations (includes public & private events)	211	225	230
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	4
OUTPUT	Number of Locations for Trash Removal (barrels)	340	350	350
EFFICIENCY	Frequency of Trash removal	every 3-10 days	every 3-14 days	every 3-14 days
EFFECTIVENESS	Number of Complaints (annually)	11	12	14

**CITY OF KALAMAZOO
2012 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 \$199,500, a contribution of \$30,000 from the Municipal Recreation Endowment Fund, a \$5,488 contribution from the Friends of Recreation, and grant funds.

EXPENDITURES

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	860,915	884,670	892,770	854,006	798,174	-9.78%	790,790
Operating	433,433	471,653	436,774	386,507	384,607	-18.46%	385,711
TOTAL	1,294,348	1,356,323	1,329,544	1,240,513	1,182,781	-12.80%	1,176,501

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	9.0	9.0	8.0
Number of Permanent Part Time Positions	2.0	2.0	2.0

DEPARTMENT DESCRIPTION

The vision of the City of Kalamazoo Parks and Recreation is to create a community of neighborhoods where people live, work and play. We do 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 Center

Adult Sports and Recreation Services:

Administration, Softball, and Volleyball

Inclusive Services:

Inclusive (citizens with and without disabilities together)

Mayors' Riverfront Park (MRP):

MRP/Administration

2012 BUDGET HIGHLIGHTS

There will be a shift in funding for youth programming of \$30,000, that in previous years came from the General Fund, but in 2012 will come from the Municipal Recreation Endowment Fund. The 2012 budget reflects a decrease in expenses as the Youth Program Liaison position is eliminated; thus changing the operation of the Youth Development Center from a drop-in center to a program center and reducing the Center's hours of operation from approximately 60 hours per week to approximately 30 hours per week. Other decreases in the 2012 budget include the absence of a professional baseball team at Mayors' Riverfront Park Homer Stryker Field, the elimination of the senior ceramics program, and the elimination of funding for the operation of the Eastside Youth Center.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
PARKS AND RECREATION**

RECREATION

General Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Special Events (# programs)	7	7	7
EFFICIENCY	Special Events (cost per person)	\$10.90	\$14.20	\$14.20
EFFECTIVENESS	Special Events (# of people served; outdoor events are weather dependent)	7,212	6,845	7,300
OUTPUT	Youth Development (# programs)	54	48	43
EFFICIENCY	Youth Development (# collaborations)	39	40	40
EFFECTIVENESS	Youth Development (units of participation)	12,566	13,112	8,115

**CITY OF KALAMAZOO
2012 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

	2010 Actual	2011 Adopted	2011 Amended	2011 Projected	2012 Adopted	2011/2012 Adopted Variance	2013 Projected
Personnel	28,743	45,778	45,778	45,645	46,729	2.08%	47,411
Operating	16,549	16,183	131,183	131,992	15,900	-1.75%	15,900
TOTAL	45,292	61,961	176,961	177,637	62,629	1.08%	63,311

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Part Time Positions	1.0	1.0	1.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

In the 2012 budget, all costs associated with the Market will be funded from the Farmers' Market Enterprise Fund. The fund is supported by the vendor fees from the operation of the Market, as well as from revenue generated by other organizations renting the facility for their events. The current master planning project for the Market will likely change the future budget of the Market, as the number and size of stalls rented will be changing. The budgetary changes would take place only after the physical alterations for the Market are made and these are contingent on funding.

PERFORMANCE MEASURES	Actual 2010	Projected 2011	Adopted 2012
OUTPUT Number of Seasonal Stalls Available	98	97	97
EFFICIENCY Number of Seasonal Stalls Rented	98	97	97
EFFECTIVENESS Number of Complaints from vendors/public	9	10	12

THE CITY OF



Kalamazoo

**CITY OF KALAMAZOO
2012 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), Educational Realty Trust (ERT) and the City of Kalamazoo and County of Kalamazoo special transit tax levies approved by voters in 2009. These two levies will expire in 2012 and will need to be renewed to ensure adequate funding for the System. Capital funding for vehicle replacement, new equipment, and improvements to public transit facilities is provided 80% by FTA and 20% from MDOT.

EXPENDITURES

	2010	2011	2011	2011	2012	2011/2012	2013
	Actual	Adopted	Amended	Projected	Adopted	Adopted Variance	Projected
Personnel	6,257,999	7,210,437	7,210,437	6,566,021	7,232,561	0.31%	8,626,903
Operating	8,689,037	9,057,854	9,057,854	9,227,734	9,980,825	10.19%	6,902,059
Capital*	1,884,219	14,337,446	14,402,811	4,811,428	12,262,267	-14.47%	191,000
TOTAL	16,831,255	30,605,737	30,671,102	20,605,183	29,475,653	-3.69%	15,719,962

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

POSITIONS

POSITION ALLOCATIONS	Budget 2010	Budget 2011	Adopted 2012
Number of Permanent Full Time Positions	102.0	102.0	103.0
Number of Permanent Part Time Positions	19.0	19.0	19.0

DEPARTMENT DESCRIPTION

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

2012 BUDGET HIGHLIGHTS

During the Spring of 2011, Metro Transit implemented a number of short-term routing improvements in an effort to improve System performance, efficiency and effectiveness. The proposed budget for 2012 will ensure that those current service levels continue. In 2012 Metro Transit will continue its implementation of an Intelligent Transportation System (ITS) that will improve customer service and passenger information services. The City of Kalamazoo has been granted a New Freedom project for the creation of a Mobility Manager position that will be staffed in January 2012. This position will work with agencies, groups and individuals in educating the public on how to use public transit services in this area. Our intention is to work with seniors, people with disabilities and the general public in an effort to increase ridership and usage of our services. Safety and security will be ensured at the Kalamazoo Transportation Center (KTC) with the continuation of two (2) Public Safety Officers funded through this proposed budget. Replacement buses for Metro Transit fixed route service will be ordered in 2011 for delivery in 2013. Replacement buses and vans for the Metro County Connect program will also be acquired, as well as replacement vans for the Community Service Van program. Work will continue between the City of Kalamazoo, the County of Kalamazoo, the Kalamazoo Transit Authority Board (TAB) and the Kalamazoo County Transportation Authority (KCTA) to eventually transition the public transportation services to the KCTA.

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
TRANSPORTATION**

PUBLIC TRANSPORTATION SERVICES

Enterprise Fund

PERFORMANCE MEASURES		Actual 2010	Projected 2011	Adopted 2012
OUTPUT	Number of Schedule Service Hours (including Metro Transit, Metro Van, Care-A-Van and Community Service Vans)	180,288	219,542	179,850
EFFICIENCY	Cost Per Hour	\$83.74	\$74.10	\$82.21
EFFECTIVENESS	Average Passengers Per Hour – All Services	14.79	16.14	14.79
OUTPUT	Number of Service Miles (including Metro Transit, Metro Van, Care-A-Van and Community Service Vans)	2,417,864	2,954,610	2,516,314
EFFICIENCY	Cost Per Mile	\$6.24	\$5.51	\$5.87
EFFECTIVENESS	Miles Per Hour	13.41	13.45	13.99
OUTPUT	Number of Passengers Trips (all services)	2,667,700	3,545,532	2,661,289
EFFICIENCY	Cost Per Passenger	\$5.66	\$4.59	\$5.56
EFFECTIVENESS	Passengers Boarded Per Service Mile	1.1%	1.2	1.0

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO IMPROVEMENTS PROGRAM SUMMARY BUDGET YEAR - 2012			DEPARTMENT: VARIOUS											FUNDING SOURCE
			DIVISION: VARIOUS											
			FUND NAME/NUMBER: GENERAL FUND CAPITAL											
DOLLARS IN THOUSANDS (\$000)														
DEPARTMENT	PRIORITY NO.	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE	
PARKS & RECREATION	1	ADA Upgrades for KIK Pool	46.0										CIP	
PUBLIC SERVICES	2	Auto Ion Environmental	10.0	10.0	40.0	10.0	10.0	10.0					CIP	
PUBLIC SAFETY	5	CAD/RMS/ Mobile Data Upgrades	350.0										CIP	
			150.0										County/Townsh	
PARKS & RECREATION	6	Mayors' Riverfront Electrical Improvements	20.0										CIP	
			20.0										Endowment Fu	
PARKS & RECREATION	7	Axtell Creek Park Improvements	55.0										CIP	
PARKS & RECREATION	8	Kensington Stormwater Treatment System Eval	40.0										CIP	
PUBLIC SAFETY	9	SCBA Replacement	170.0										CIP	
			647.1										Federal	
ENGINEERING DIVISION	10	Non-Motorized Pathway Extension Design	20.0										CIP	
PARKS & RECREATION	11	Parks Facilities Equipment and Repairs	25.0	25.0	25.0	25.0	25.0	25.0					CIP	
PUBLIC SERVICES	12	General Fund Equipment and Facilities Major Repairs	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	CIP	
PUBLIC SERVICES	13	City Hall Improvements	325.0	275.0	100.0	150.0	75.0	100.0	75.0	75.0	100.0	75.0	CIP	
2012 CIP Subtotal			\$1,091.0											
2012 Total Project Cost			\$1,908.1											
PARKS & RECREATION	2013-1	Parks and Recreation Five Year Plan		40.0									CIP	
PARKS & RECREATION	2013-3	Kensington Park Stormwater Treatment Center Repair		220.0									CIP	
PUBLIC SAFETY	2013-4	Repair/Refurbishment/Update Fire Apparatus		300.0									CIP	
PUBLIC SAFETY	2013-5	Video Security System Upgrade		110.0									CIP	
PUBLIC SAFETY	2013-6	Database Upgrade		90.0									CIP	
PARKS & RECREATION	2013-8	Hays Park Improvement Project		162.5									CIP	
				7.5									CPD Funds	
PUBLIC SAFETY	2013-10	Public Safety Facility Upgrades		100.0									CIP	
2013 CIP Subtotal			\$1,362.5											
2013 Total Project Cost			\$1,370.0											
ECONOMIC DEVELOPMENT	2014-1	River's Edge Corridor Improvements			1,152.8								BRA-LSRRF	
PUBLIC SAFETY	2014-3	Repair/Refurbishment/Update Fire Apparatus			75.0								CIP	
ENGINEERING DIVISION	2014-6	Non-Motorized Pathway Extension Construction			350.0								CIP	
PARKS & RECREATION	2014-7	Henderson Tot Lot Improvements			50.0								CIP	
					10.0								Private	

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO IMPROVEMENTS PROGRAM SUMMARY BUDGET YEAR - 2012			DEPARTMENT: VARIOUS										FUNDING SOURCE	
			DIVISION: VARIOUS											
			FUND NAME/NUMBER: GENERAL FUND CAPITAL											
DOLLARS IN THOUSANDS (\$000)														
DEPARTMENT	PRIORITY NO.	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE	
PARKS & RECREATION	2014-8	lanelli Fountain / Pool Repair			290.0								CIP	
					100.0								Federal	
					100.0									State
					50.0									
PARKS & RECREATION	2014-9	YDC Facility Improvements			126.5								CIP	
PARKS & RECREATION	2014-10	Milham Park Portage Creek Dredging			200.0								CIP	
2014 CIP Subtotal					\$1,286.5									
2014 Total Project Cost					\$2,699.3									
PARKS & RECREATION	2015-4	MLK Park Improvements				100.0							CIP	
						75.0							Private	
PARKS & RECREATION	2015-6	Crane Park Redevelopment				420.0							CIP	
						50.0							State	
PUBLIC SAFETY	2015-7	Replace Engine 7				600.0							CIP	
						150.0							Private	
2015 CIP Subtotal					\$1,335.0									
2015 Total Project Cost					\$1,635.0									
PUBLIC SAFETY	2016-2	In-Car Camera Supporting Infrastructure Upgr					82.0						CIP	
PUBLIC SAFETY	2016-3	Facility Replacement					2,570.0						CIP	
PARKS & RECREATION	2016-7	Knollwood Park Improvements					150.0						CIP	
PARKS & RECREATION	2016-8	Spring Valley Park Tennis Court Repairs					180.0						CIP	
PARKS & RECREATION	2016-9	Blanche Hull Park Improvements					300.0						CIP	
							300.0						State	
							1,400.0						Private	
2016 CIP Subtotal					\$3,422.0									
2016 Total Project Cost					\$5,122.0									
PARKS & RECREATION	2017-2	Davis Street Park Improvements						80.0					CIP	
PARKS & RECREATION	2017-3	Davis Street Park Improvements						75.0					CIP	
PARKS & RECREATION	2017-4	Milham Park Improvements						300.0					CIP	
							300.0					State		
							1,400.0						Private	
PUBLIC SAFETY	2017-5	Dispatch Equipment Replacement						1,800.0					CIP	
PUBLIC SAFETY	2017-6	CAD/RMS Upgrade						550.0					CIP	
2017 CIP Subtotal					2,970.0									
2017 Total Project Cost					4,670.0									
GRAND TOTAL			1,908.1	\$1,370.0	\$2,699.3	\$1,635.0	\$5,122.0	\$4,670.0	\$105.0	\$105.0	\$130.0	\$105.0		

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO		DEPARTMENT:	PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY		DIVISION:	ENGINEERING										
BUDGET YEAR - 2012		FUND NAME/NUMBER:	SPECIAL REVENUE FUND CAPITAL - Major & Local Streets										
													KEY:
													L = Local Streets CIP = Capital Improvement Project
													M = Major Streets O=Other V=Various
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	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	1,000.0	1,000.0	1,000.0	1,000.0	CIP
1-2	M	Scattered Site Mill and Resurface Various Major Streets	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	CIP
1-3	M	Burdick Street (Kilgore to Cork)	543.0										Federal
			235.0										CIP
1-4	M	Millcork (Cork to Miller)	330.0										Federal
			145.0										CIP
1-5	M	Traffic Signal Upgrade Various	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	CIP
1-6	M	Drake Road (Concrete begins)	45.0										CIP
1-7	M	Inkster (Rose to Westnedge)	120.0										CIP
1-8	M	March (Fulton to Reed)	200.0										CIP
1-9	M	Race (Palmer to Reed)	320.0										CIP
1-10	M	Stockbridge (Portage to Fulford)	320.0										CIP
1-11	M	Water (Rose to Edwards)	200.0										CIP
1-12	M	Design for Upcoming Years Major Street Projects	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	CIP
1-13	M	Biennial Bridge Inspections	10.0										CIP
1-14	M	Oakland/Parkview Intersection Improvements - Land Acquisition	50.0										CIP
1-15	M	MDOT - Stadium/Drake Intersection Improvements	10.0										CIP
2012 Total =			3878.0										

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: ENGINEERING										
BUDGET YEAR - 2012			FUND NAME/NUMBER: SPECIAL REVENUE FUND CAPITAL - Major & Local Streets										
												KEY:	
												L = Local Streets CIP = Capital Improvement Project	
												M = Major Streets O=Other V=Various	
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE
2013	M	Pavement Management Update		45.0			50.0						Reserve CIP
2013	M	Race (Stockbridge to Lake)		123.0									CIP
2013	M	Clarence (Lake to Vine)		315.0									CIP
2013	M	Wheaton (Short to Westnedge)		410.0									CIP
2013	M	N. Burdick Street (Railroad Tracks to North City Limits)		677.0									Federal CIP
				305.0									
2013	M	Gull (Riverview to North)		222.0									CIP
2013	M	Alvan (Sprinkle to Saidla)		51.0									CIP
2013	M	Saidla (Miller to Alvan)		45.0									CIP
2013	M	Austin (Oakland to Davis)		54.0									CIP
2013	M	Fulford (Cork to Stockbridge)		406.0									Federal CIP
				275.0									
2013	M	Oakland/Parkview Intersection Improvements		820.0									Federal CIP
				100.0									
2013 Total =			5,198.0										
2014	M	Vine (Clarence to Hatfield)			125.0								CIP
2014	M	Drake (West Main to Grand Prairie)			837.0								Federal CIP
					380.0								
2014	M	Howard (W. Michigan to Kendall)			280.0								Federal CIP
					127.0								
2014	M	Rose (Frank to Paterson)			160.0								CIP
2014	M	Factory (Miller to Palmer)			140.0								CIP
2014	M	Kendall (Michigan to Memory)			200.0								CIP
2014	M	Wallace (Michigan to Main)			518.0								CIP
2014	M	MDOT - Stadium/Drake Intersection - Construction			225.0								CIP
2014 Total =			4,342.0										

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO	DEPARTMENT:	PUBLIC SERVICES
CAPITAL IMPROVEMENTS PROGRAM SUMMARY	DIVISION:	ENGINEERING
BUDGET YEAR - 2012	FUND NAME/NUMBER:	SPECIAL REVENUE FUND CAPITAL - Major & Local Streets

KEY: L = Local Streets CIP = Capital Improvement Project
M = Major Streets O=Other V=Various

DOLLARS IN THOUSANDS (\$000)

PRIORITY NO.	FUND KEY	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE
2015	M	Alamo (Douglas to City Limits)				230.0							CIP
2015	M	Edwards (Harrison to Ransom)				120.0							CIP
2015	M	Ransom (Pitcher to Harrison)				220.0							CIP
2015	M	Portage (Alcott to Stockbridge)				305.0							CIP
2015	M	Riverview Drive (Mount Olivet to Mosel)				500.0							Federal
						300.0							CIP
2015	M	Mills (Stockbridge to King)				661.0							Federal
						475.0							CIP
2015 Total =			4,161.0										
2016	M	Kilgore (Service Drive to Sprinkle)					561.0						Federal
							350.0						CIP
2016	M	E. Michigan (E. Main to East City Limits)					600.0						Federal
							275.0						CIP
2016	M	Stockbridge (Portage to Fulford)					375.0						CIP
2016	M	Water (Westnedge to Rose)					115.0						CIP
2016	M	Westfall/Kendall (Michigan to Weaver)					235.0						CIP
2016	M	Porter Street (Frank to Paterson)					155.0						CIP
2016	M	Parchmount (Mt. Olivet to Mead)					145.0						CIP
2016 Total =			4,211.0										
2017	M	Portage (Sheridan to Alcott)						651.0					Federal
								360.0					CIP
2017	M	Walbridge (Michigan to Paterson)						500.0					Federal
								300.0					CIP
2017	M	Manchester (Kilgore to W. End)						110.0					CIP
2017	M	Emerald (Cork to Miller)						180.0					CIP
2017	M	Vine (Westnedge to Burdick)						485.0					CIP
2017	M	Rambling (Winchell to Stadium)						215.0					CIP
2017 Total =			4,151.0										

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO		DEPARTMENT:	PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY		DIVISION:	ENGINEERING										
BUDGET YEAR - 2012		FUND NAME/NUMBER:	SPECIAL REVENUE FUND CAPITAL - Major & Local Streets										
												KEY:	
												L = Local Streets CIP = Capital Improvement Project	
												M = Major Streets O=Other V=Various	
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE
2018	M	Cork (Portage to Sprinkle)							1,161.0				Federal
									510.0				CIP
2018	M	Covington (Manchester to Sprinkle)							390.0				CIP
2018	M	Van Rick (Covington to Sprinkle)							240.0				CIP
2018	M	Nazareth Road (E. Michigan to Charles)							280.0				CIP
2018	M	Lovell (Monroe to Michigan)							230.0				CIP
									2018 Total =	4,161.0			
2019	M	Portage (Walnut to Stockbridge)							1,161.0				Federal
									650.0				CIP
2019	M	Vine (Wheaton to Westnedge)							235.0				CIP
2019	M	N. Rose (Kalamazoo to RR Tracks)							355.0				CIP
2019	M	Pitcher (Water to North)							410.0				CIP
									2019 Total=	4,161.0			
2020	M	Parkview (Drake to Kent)								553.0			Federal
										242.0			CIP
2020	M	Oakland (Parkview to Howard)								428.0			Federal
										188.0			CIP
2020	M	Riverview (Mt. Olivet to Gull)								180.0			Federal
										136.0			CIP
2020	M	Washington (Pitcher to March)								218.0			CIP
2020	M	Lovell (Sprague to Oakland)								137.0			CIP
2020	M	Lane Blvd. (Portage to Factory)								519.0			CIP
2020	M	Maple (Westnedge to Burdick)								125.0			CIP
2020	M	Walter (Lake to Vine)								80.0			CIP
									2020 Total=	4,156.0			

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO		DEPARTMENT:	PUBLIC SERVICES												
CAPITAL IMPROVEMENTS PROGRAM SUMMARY		DIVISION:	ENGINEERING												
BUDGET YEAR - 2012		FUND NAME/NUMBER:	SPECIAL REVENUE FUND CAPITAL - Major & Local Streets												
												KEY:	L = Local Streets	CIP = Capital Improvement Project	
													M = Major Streets	O=Other	V=Various
DOLLARS IN THOUSANDS (\$000)															
PRIORITY NO.	FUND KEY	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE		
2021	M	Miller (Portage to Sprinkle)										235.0	Federal		
												131.0	CIP		
2021	M	Drake (Parkview to Stadium)										350.0	Federal		
												194.0	CIP		
2021	M	Oakland (Kilgore to Howard)										576.0	Federal		
												295.0	CIP		
2021	M	Vine (Davis to Westnedge)										161.0	CIP		
2021	M	Wallace (Michigan to Main)										298.0	CIP		
2021	M	Rose (Burr Oak to Lovell)										210.0	CIP		
2021	M	Reed (Portage to Fulford)										361.0	CIP		
												2021 Total=	4,161.0		
GRAND TOTAL			\$3,878.0	\$5,198.0	\$4,342.0	\$4,161.0	\$4,211.0	\$4,151.0	\$4,161.0	\$4,161.0	\$4,156.0	4,161.0	\$42,580.0		

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: WASTEWATER										
BUDGET YEAR - 2012			FUND NAME/NUMBER: ENTERPRISE - WASTEWATER										
KEY:													
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE
		Capital Management	270.0										Reserves
1-1	PL	Secondary Process Improvements	1,456.0										Private Capital
			527.2										Reserves
1-2	PL	Equipment Replacement & Improvements	110.1	100.0	150.0	150.0	130.0	130.0	175.0	200.0	200.0	250.0	Reserves
1-3	IE	Electrical, Instrumentation & Controls Replace and Upgrade	97.9	120.0	140.0	180.0	130.0	190.0	150.0	150.0	150.0	175.0	Reserves
1-4	PL	Alternate Force Main	244.7										Reserves
1-5	SC	New and Replacement Sewer Construction	509.9	463.0	476.0	491.0	507.0	520.0	535.0	550.0	575.0	550.0	Reserves
						200.0			200.0	50.0		50.0	Bonds
1-6	SC	Lift Station Improvements	275.7	120.0	120.0		120.0	125.0		125.0	120.0	120.0	Reserves
1-7	SC	New Sewer Lead Connections	81.6	103.0	100.0	95.0	95.0	100.0	110.0	120.0	120.0	130.0	Contrib in Aid
2-8	PL	Replace Large Pumps	183.5	50.0	75.0	250.0	325.0				300.0	250.0	Bonds
								175.0	150.0	150.0			Reserves
2-9	GP	Facility Improvements	101.7	100.0	75.0	75.0	100.0	100.0	100.0	100.0	110.0	100.0	Reserves
2-10	PL	Solids Handling Optimization			500.0								Bonds
			40.8	200.0									Reserves
2-11	GP	Replace Work Order Management Software	81.6										Reserves
2-12	ES	Schippers Crossing Interim Remedial Action	151.7	38.0	40.0	41.9							Reserves
3-13	GP	Computer Replacement	20.4	45.0	35.0	35.0	35.0	35.0	35.0	30.0	35.0	35.0	Reserves
3-14	IE	Plant Control System Improvements	20.4	10.0	20.0	10.0	100.0	20.0	20.0	20.0	30.0	30.0	Reserves
3-15	PL	Replace Large Valves	58.7		50.0			75.0			50.0	25.0	Reserves
	PL	Tertiary Screw Pump Replacement #2 and #5			320.0			320.0					Reserves
future	PL	Plant Water System Upgrades (SP)		100.0									
future	GP	Plant Building Demolition (SP)		1,500.0									
future	GP	Stand-by Power Facility Improvements (above)				2,500.0		2,500.0					
future	PL	Process Equipment Replacement (Life Cycle)		1,500.0			1,000.0						
future	PL	Alternate Forced Main (In Plant)				1,500.0							
future	GP	Harrison Facility Road Replacement		75.0	75.0								
Grand Total =			4,281.8	4,524.0	2,176.0	5,827.9	2,542.0	4,290.0	1,475.0	1,486.0	1,680.0	1,720.0	

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET**

CITY OF KALAMAZOO			DEPARTMENT: PUBLIC SERVICES										
CAPITAL IMPROVEMENTS PROGRAM SUMMARY			DIVISION: WATER										
BUDGET YEAR - 2012			FUND NAME/NUMBER: ENTERPRISE - WATER										
WATER CAPITAL IMPROVEMENT PROGRAM SUMMARY													
DOLLARS IN THOUSANDS (\$000)													
PRIORITY NO.	FUND KEY	PROJECT TITLE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	FUNDING SOURCE
		Capital Management	200.0										Reserves
1-1	DI	New and Replacement Water Mains	187.0	190.7	196.4	202.3	208.4	214.6	221.1	227.7	234.5	241.6	Contrib in Aid
			189.5	195.2	391.6	401.5	411.7	422.2	433.1	444.3	456.0	467.9	Reserves
1-2	DI	New Service Connections	199.6	201.6	203.6	205.6	207.7	209.8	211.9	214.0	216.1	218.3	Contrib in Aid
			40.9	81.8	83.1	84.5	85.9	87.3	88.8	90.2	91.8	93.3	Reserves
1-3	DI	New and Replacement Hydrants	80.4	81.8	83.1	84.5	85.9	87.3	88.8	90.2	91.8	93.3	Contrib in Aid
			168.5	275.0	300.0	200.0	150.0	50.0	50.0	100.0	50.0	50.0	Reserves
1-4	GP	Water Pumping Station Improvements			200.0	150.0	100.0	150.0	150.0	200.0	200.0	200.0	Reserves
1-5	SS	Elevated Storage Tank Painting	260.0	356.1	415.5								Reserves
2-6	DI	Lead Service Replacement	95.7	146.0	147.5	149.0	150.5	152.0	153.5	155.0	156.6	158.1	Reserves
2-7	MD	Meter Improvement Program	160.9	162.5	164.1	165.8	167.4	169.1	170.8	172.5	174.2	176.0	Reserves
2-8	SS	Well Rehabilitation/Maintenance and Replacement	204.0	223.2	213.7	224.3	244.5	230.3	220.8	231.5	252.8	237.4	Reserves
3-9	GP	Water SCADA System Replacement	35.0	356.1									Reserves
3-10	GP	New and Replacement Computers	27.0	32.0	41.5	33.2	33.2	33.2	33.2	33.2	33.2	33.2	Reserves
3-11	GP	Stockbridge Security Measures	15.0										Reserves
3-12	DI	Automated Meter Reading	25.0	29.7	29.7	29.7							Reserves
3-13	GP	Stockbridge Facility Improvements	42.1	100.0	105.0	115.0	85.0	165.0	100.0	75.0	75.0	100.0	Reserves
3-14	GP	Mobile Workorder Solution (GBA)	20.0	23.7									Reserves
3-15		Water Station Security											Reserves
Future	SS	New Water Pumping Station & Well Field (Oshlema)							300.0	2,400.0			
Future		Ross township Wellfield Development			300.0	2,000.0	2,000.0						
Future		Iron Removal West (High, Super High, or Ultra High)		500.0	500.0								
Future		Elevated Storage High System Comstock Business Park							1,000.0				
Grand Total =			1,960.6	2,965.3	3,374.9	4,046.3	3,980.2	1,970.8	3,221.8	4,433.6	2,082.0	2,089.0	

THE CITY OF



BROWNFIELD REDEVELOPMENT AUTHORITY (BRA)

2012 ADOPTED BUDGET

	2010 Actual	2011 Adopted Budget	2011 Projected Budget	2012 Adopted Budget
Revenues				
General Fund Contribution	0	0	0	0
TIF Capture - Developer	0	466,100	466,100	298,200
TIF Capture - Building Authority (Ramp)	0	240,000	240,000	144,500
TIF Capture - BRA	744,454	79,000	401,066	13,900
TIF Capture - LSRRF	0	280,000	280,000	505,200
Land Sales Proceeds	300	25,000	20,000	10,000
Interest	9,613	17,000	7,500	7,500
Miscellaneous (Rent/Reimbursements)	19,223	19,200	25,000	15,000
Grants				
EDA		0	0	0
EPA	36,955	0	0	0
Total Resources	810,545	1,126,300	1,439,666	994,300
Expenditures				
Personnel	50,443	69,620	69,620	182,789
Riverfront Redevelopment	45,840	75,000	10,000	30,000
Davis Creek Business Park	37,433	75,000	10,000	30,000
Former Public Safety Buildings	0	7,500	7,500	25,000
Tax Reverted Property Acquisitions/Land Bank	34,598	25,000	0	0
TIF Reimbursements to Developers	529,706	466,100	466,100	298,200
TIF Transfer to Building Authority/Mall Parking Structure	207,544	240,000	240,000	144,500
EPA Eligible Projects	36,955	0	0	0
Site/Building Maintenance	15,382	15,000	10,000	18,000
Special Projects Environmental	9,142	60,000	10,000	20,000
East Bank Site	0	5,000	0	0
Performance Paper	16,759	20,000	20,000	20,000
Site Preparation/Infrastructure	31,278	125,000	38,000	125,000
Targeted Acquisitions	2,713	25,000	0	25,000
Marketing	20,260	20,000	20,000	20,000
Administrative/IT Fees	45,432	45,435	45,435	45,889
BRA Operating Expenses	2,576	5,000	5,000	7,500
Economic Development Strategy	0	75,000	0	25,000
Bank Fees	0	500	500	500
Loan Disbursement	30,000	0	0	0
Total Expenditures	1,116,061	1,354,155	952,155	1,017,378
Revenue over (under) expenditures	(305,516)	(227,855)	487,511	(23,078)
Transfer to Local Site Remediation Revolving Fund	295,000	280,000	280,000	505,200
Beginning Fund Balance	1,355,026	1,397,454	754,510	962,021
Ending Fund Balance	754,510	889,599	962,021	433,743

DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

2012 ADOPTED BUDGET

OPERATING BUDGET

	2011 Recommended	2011 Projected	2012 Adopted
REVENUE			
Taxes			
Operating - Current Year (DDA Levy 1.9638 Mills)	321,165	321,500	345,210
Operating - Current Year (TIF)	2,544,705	2,524,444	2,031,749
Gazette Clawback	-	160,135	-
Usable TIF Returned	228,457	274,457	-
Total Taxes	3,094,327	3,280,536	2,376,959
Fees & Charges for Services			
Festival Place Maintenance Fees	19,000	19,000	19,000
City of Kalamazoo Mall Maintenance	20,000	34,210	14,210
Total Fees & Charges for Services	39,000	53,210	33,210
Other			
Interest Income	9,500	5,000	5,000
PILOTS/Miscellaneous	1,500	1,500	1,500
Total Other Revenue	11,000	6,500	6,500
TOTAL REVENUE	3,144,327	3,340,246	2,416,669
EXPENSES			
Operating Expenses			
DKI Service Agreement	350,681	388,681	350,681
Administration	263,693	263,693	271,604
Insurance/Legal/Audit Services	25,450	25,036	24,625
Mall Assessment	10,000	10,000	10,000
Miscellaneous	7,300	101,582	122,955
Total Operating Expenses	657,124	788,992	779,865

DOWNTOWN DEVELOPMENT AUTHORITY (DDA)
2012 ADOPTED BUDGET
OPERATING BUDGET

	2011 Recommended	2011 Projected	2012 Adopted
Initiatives/Programs			
Marketing	250,000	250,000	240,000
Business Recruitment and Retention	40,000	40,000	40,000
Safety	94,000	94,000	94,000
CIP:			
Special Projects	-	-	10,000
Maintenance	199,710	213,920	213,920
Building Revitalization Programs	5,000	5,000	5,000
Radisson Leased Spaces	27,192	27,192	14,784
TIF Capture-Miller Canfield	113,433	37,356	64,524
Total Initiatives/Programs	729,335	667,468	682,228
DEBT SERVICE/OTHER OBLIGATIONS			
Arcadia Creek Bonds	665,821	680,804	651,585
Building Authority Bonds	694,979	694,979	679,081
DDA Bond	83,645	83,645	85,565
Kalamazoo Community Foundation	75,000	75,000	75,000
Metropolitan Center	48,900	-	48,900
Total Debt Service/Other Obligations	1,568,345	1,534,428	1,540,131
Transfers			
Transfer to Parking System	-	-	200,000
Total Transfers	-	-	200,000
12% Reserve	22,933	28,334	28,334
TOTAL EXPENSES	2,977,737	3,019,222	3,230,558
Revenue Over (Under) Expenses	166,590	321,024	(813,889)

ECONOMIC DEVELOPMENT AUTHORITY (EDC) 2012 ADOPTED BUDGET

	2010 Actual	2011 Adopted Budget	2011 Projected Budget	2012 Adopted Budget
RESOURCES				
Loan Interest	63,002	60,000	54,530	48,121
Interest on Investments	4,250	5,000	2,000	2,000
Reimbursement (Legal Services)	25,280	0	0	0
Miscellaneous	17	0	0	0
Transfers				
General Fund	0	0	0	0
LDFA / TIF	81,024	81,025	81,025	81,025
EDC	0	0	0	0
EIF	0	0	0	0
Insurance Fund	2,616	0	0	
Total Resources	176,189	146,025	137,555	131,146
Expenditures				
Contracting for Services 1)	114,309	118,000	118,000	121,966
Economic Development Strategy	0	75,000	0	25,000
Administrative Fee	2,664	2,700	2,700	2,686
Other Costs 2)	10,921	40,000	10,000	12,000
Utilities (Electricity & Natural Gas)	1,521		2,500	2,500
Audit Fees	1,400	1,800	1,800	1,800
Transfer Out - Fund 702	0	0	0	0
Assets Held for Resale	17,270	0	2,500	0
Total Expenditures	148,085	237,500	137,500	165,952
Revenue over (under) expenditures	28,104	(91,475)	55	(34,806)
Beginning Fund Balance	906,012	806,626	571,227	723,511
Transfer to EOF	0	0	0	0
Transfer to EDC	0	0	0	0
Loan Principal	137,111	146,797	152,229	159,183
Anticipated Loan Projects	500,000	200,000	0	250,000
Ending Fund Balance	571,227	661,948	723,511	597,888

1) The proposed 2012 budget reflects the cost of services provided to the EDC by 1.13 FTE

80% Executive Director
33% Administrative Secretary

2) Cost of supplies, services and legal fees

Revised 9/17/10

**KALAMAZOO MUNICIPAL GOLF ASSOCIATION (KMGA)
2012 ADOPTED BUDGET**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Adopted	2013 Projected
REVENUE						
Cart Rentals	252,172	219,110	232,172	254,640	254,640	254,640
Cell Tower Land Lease (and Other in 11 - 12)	1,000	32,588	31,382	39,947	39,947	39,947
Concession Sales (Net)	6,558	39,647	48,000	38,763	38,763	39,538
Driving Range	59,192	53,171	60,000	55,892	55,892	57,010
Greens Fees	660,117	567,338	580,000	516,958	568,654	625,520
Interest & Misc	2,176	21,610	0	0	0	0
Memberships	238,961	252,464	240,000	220,000	220,000	220,000
Pro-Shop Rental	0	10,200	0	0	0	0
TOTAL REVENUE	1,220,176	1,196,127	1,191,554	1,126,200	1,177,896	1,236,654
EXPENSES						
OPERATING EXPENSES						
Administrative	42,248	44,875	49,198	62,046	62,046	62,667
Course Maintenance	284,712	229,591	265,000	265,000	270,000	280,000
Lease Expense (Carts and Equipment)	78,143	52,426	61,000	68,662	77,462	89,461
Labor Cost	639,500	471,700	483,800	483,800	510,000	515,000
Other	34,545	37,785	29,900	27,679	27,679	27,956
SUBTOTAL OPERATING EXPENSES	1,079,149	836,378	888,898	907,188	947,188	975,084
DEBT SERVICE INTEREST						
Debt Service Interest (Current)	50,715	51,947	41,424	39,714	31,184	28,441
OTHER SOURCES/USES						
Capital Improvements (Cash)	111,869	0	25,000	0	25,000	25,000
Debt Service Principal (Current)	169,000	87,134	91,975	101,656	133,738	121,670
Debt Service Principal (Prior Year)	0	0	59,745	0	59,745	0
SUBTOTAL OTHER SOURCES/USES	280,869	87,134	176,720	101,656	218,483	146,670
TOTAL EXPENSES	1,410,733	975,459	1,107,042	1,048,557	1,196,855	1,150,195
Fund Balance @ Year-End	-254,691	-138,289	-53,777	-60,646	-79,606	6,854
CASH-ONLY, ACCRUED TO PRIOR YEAR						
Debt Service Payback from 2009			27,242		27,242	
Short-Term Loan Payback from 2009			78,500		78,500	
SUBTOTAL CASH-ONLY	0	0	105,742	0	105,742	0

LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)

2012 ADOPTED BUDGET

	2010 Actual	2011 Adopted Budget	2011 Projected Budget	2012 Adopted Budget
RESOURCES				
Beginning Fund Balance	126,676	73,203	72,462	79,476
Revenue				
Projected TIF Revenue*	470,002	464,293	460,873	424,000
Miscellaneous Revenue	0	0	0	0
Total Resources Available	596,678	537,496	533,335	503,476
Expenditures				
Reimbursement for Drake Road Improvements	75,000	40,025	40,025	0
Reimbursement for Parkview Avenue Improvements	75,000	91,339	91,339	202,000
Reimbursement for Sanitary Sewer - Drake Road	10,000	30,000	30,000	39,287
Reimbursement for Water Main (Phase 2) Park Interior	5,070	0	0	0
Infrastructure Maintenance and Sinking Fund	71,500	30,400	30,400	0
Reimburse Water & Sanitary Sewer Connections on Each Lot	20,000	20,000	20,000	20,000
Reimburse Water & Sanitary Sewer Connections on Each Lot	60,000	35,000	35,000	35,000
BTR Park Marketing	15,551	15,000	15,000	7,500
Operating Expenses: Southwest Michigan Innovation Center				
Marketing	5,464	5,464	5,464	5,464
Legal and Accounting	10,927	10,927	10,927	10,927
Business Support	91,980	91,980	91,980	91,980
Administrative Fees	2,700	2,699	2,699	2,726
City Administrative Support	81,024	81,025	81,025	81,025
Total Projected Expenses	524,216	453,859	453,859	495,909
Ending Fund Balance	72,462	83,637	79,476	7,567

* Beginning in 2005, TIF revenue reduced due to SMIC real and personal property tax exemption approved 12/04. The 2009 TIF revenue estimate reflects personal property tax reduction of \$200,000.

Advance Balances Yet to be Repaid to City/WMU

	<i>BTR Park</i>			
	Infrastructure 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 Main (BTR)	34,570	0	0	0
Infrastructure Maintenance Sinking Fund	374,427	202,700	30,400	172,300
Water and Sewer Connections	154,226	134,226	20,000	114,226
WMU Reimbursement (Research Way cul-de-sac -- \$190,000)	480,000	105,000	35,000	70,000
Ending Balance	2,940,307	1,576,467	246,764	1,329,703
	BTR Park			
	Infrastructure Costs	1/1/2012 Balance	2012 Proposed Repayments	12/31/2012 Balance
Drake Road Improvements	413,265	-	-	-
Parkview Avenue Improvements	1,367,103	933,890	202,000	731,890
Sanitary Sewer Reimbursement	116,716	39,287	39,287	0
Water Main (BTR)	34,570	0	0	0
Infrastructure Maintenance Sinking Fund	374,427	172,300	0	172,300
Water and Sewer Connections	154,226	114,226	20,000	94,226
WMU Reimbursement	480,000	70,000	35,000	35,000
Ending Balance	2,940,307	1,329,703	296,287	1,033,416



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

5-Year Fiscal Plan
2012 - 2017

Revised November 2011

TABLE OF CONTENTS

Executive Summary	A-3
Introduction.....	A-3
Plan Development Process and Results	A-4
Baseline Data	A-6
Financial Targets and Criteria.....	A-8
Fiscal Plan Projections	A-10
Implementation Considerations.....	A-14

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 Plan continued to be validated in providing guidance for the 2008, 2009, 2010 and 2011 budget cycles.

The budget has 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, several realities occurred during Fiscal Year 2009 that necessitated reductions of \$2.7 million in General Fund operations which dictated the reevaluation of assumptions and a revision of the plan. These revisions along with an update of where we are in meeting the targets established in the 2012 Five-year Fiscal Plan will be discussed in this document.

The method used in previous years, for budgeting and fiscal management required either annual reductions of 5-10% or one-time deep and narrow reductions eliminating programs and services. This budgeting approach has rarely been effective and is no longer sustainable if we are to maintain the level of services expected by our citizens and required for our community to prosper and flourish. In addition to being demoralizing to the organization, this approach resulted in insufficient capital investment, no reserves, a management approach of "monitor and react," and less than optimal service delivery expected by our citizens.

Continuation of such historical fiscal planning methods and approaches is likely to produce similar results. According to Einstein, "doing the same thing over and over again and expecting different results" defines insanity.

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 qualified employees, with an anticipated participation rate of 55%, a backfill rate of 45%, and annual savings of \$2.8 million to the General Fund, net of paybacks to the Pension Fund that will hold it harmless financially. Revenue for FY 2009, 2010, 2011 and 2012 has been significantly increased through the American Recovery and Reinvestment Act, resulting in increased capital investment and enhanced neighborhood stabilization and community development programming.

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

Introduction

As discussed above, the old way of fiscal planning for the City of Kalamazoo has not produced sustainable results, even in the best of times. Today's stewards face the challenge of producing a plan that results in increased capital investment in the City's infrastructure, optimized service delivery, and establishment of

appropriate reserve funds, all in a manner that provides for a flexible, manageable decision making framework.

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

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

Plan Development Process and Results

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

Step 1:

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

Step 2:

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

Step 3:

Identified revenues from historical trends and projections

Step 4:

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

Step 5:

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

Step 6:

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

Step 7:

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

Step 8: (Added for 2008)

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

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

- Allocate resources based on goals and outcomes outlined in the Blueprint for Action
- Manage organizational effectiveness and performance (output efficiency and effectiveness)
- Increase tolerance for uncertainty by:
 - Recognizing the past as a good predictor of the future and incorporating prospectively positive variances into the budget
 - Increase our ability to adapt to changing conditions by utilizing real-time financial information to monitor and react more effectively and by utilizing this longer-term plan approach.
- Establish reserve funds

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

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

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

Baseline Data

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

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

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

Revenue	Projected Annual Assumptions from Prior Fiscal Plan (2011 – 2016)	Projected Annual Assumptions for Current Fiscal Plan (2012 – 2017)
Property taxes (based on assessor's estimate)	0% for 2012 - 2013, 1.5% for 2014 - 2016	<u>Revised:</u> -2.5% for 2013, 0% for 2014, +1.5% for 2015 - 2017
Licenses, permits & fees	0% for 2012 - 2013, 1.5% for 2014 - 2016	<u>Revised:</u> 0% for 2012 - 2014, 1.5% for 2015 - 2016
Other intergovernmental revenue	0% (-10% for 2012)	0%
Charges for services	2%	2%
Interest and rentals	1%	1%
Other revenue	3% (-6% in 2015)	3% (-6% in 2015)
Expenditures		
Salaries	0% for 2012 - 2013, 1.5% for 2014 - 2016	<u>Revised:</u> 0% for 2013 - 2014, +1.5% for 2015 - 2017
Health Insurance	7.0%	7.0%
FICA, Medicare, Deferred comp.	0% for 2012 - 2013, 1.5% for 2014 - 2016	<u>Revised:</u> 0% for 2013 - 2014, +1.5% for 2015 - 2017
Fringe Benefits	3%	3%
Supplies and services	1%	1%
Non-departmental expenditures	3%	3%

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

It is imperative that the growth of salaries be limited to no more than the growth of our largest single governmental revenue, property taxes. The assumption used for this plan period is a 1.5% increase in 2015 - 2017, however a decrease of -2.5% is assumed for 2013, and no change for 2014.

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

Intergovernmental revenue, which is largely based on State Revenue Sharing, is assumed to be stable starting in FY 2012 with the new State of Michigan's Economic Vitality Incentive Program, with which the City will comply. Revenue Sharing is projected to stabilize as State Sales Tax receipts have been growing by between 8 – 10 percent starting in September 2010.

Other revenue is estimated to take a drop of 6% in 2015, based on cuts of roughly 5 – 10 percent in the General Fund 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) was based on the percentage for property tax changes.

Health insurance expenditures are assumed to grow by the rate of health care inflation in the marketplace (7 percent).

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

Rationale: the City continues to embrace the entrepreneurial concept of living within its means. Pursuing additional funding sources has been deemed the last piece of the budget balancing process. Nevertheless, after \$2.3 million of structural reductions in 2009 and another \$4.5 million of structural reductions in 2011 – 2013, it is necessary for the City to examine prudent and limited opportunities to recover some of the \$6.9 million of lost annual tax revenues in 2013 (based on comparing the proposed 2012 – 2017 Fiscal Plan to the 2009 – 2014 Fiscal Plan).

The Fiscal Plan assumes the application of new funding sources totaling \$1.5 million per year starting in FY 2013. This is based primarily on resources that would require authorization by the voters. Discussions are underway based on staff studies, and decision-making will proceed deliberately and carefully.

Assumption #3: Increased contribution to capital

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

Assumption #4: Continuation of Initiatives

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

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

Rationale: The City continues to retire a portion of its outstanding indebtedness in 2012. This allows the City to continue to use debt instruments to support capital financing requirements. A recent study suggested that attempting to “lever off” the debt-financing approach to new capital that has been used for a number of years would require at least 10 years of capital outlay retrenchment, reducing capital improvement outlays by at least one half for that period of time. For the foreseeable future the City will continue to use new debt as the main tool for financing major new capital projects.

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

Rationale: Intergovernmental revenue, which is largely based on State Revenue Sharing, is assumed to be stable starting in FY 2012 with the new State of Michigan’s Economic Vitality Incentive Program, with which the City will comply. Revenue Sharing is projected to stabilize as State Sales Tax receipts have been growing by between 8 – 10 percent starting in September 2010.

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

While pension funds are restricted to post employment benefits, utilizing excess earnings in a manner that would free up otherwise obligated (to current retiree health care costs) operating funds to cover legacy costs including a Retiree Health Care Fund was seen as a viable option – that is until the nearly unprecedented global financial crisis caused a nearly 50% drop in the value of Pension Trust Fund assets. Despite the nearly unprecedented rebound of over 60%, which brings the Pension Trust Fund most of the way back to its former level, the extreme volatility that was experienced has rendered this option non-viable.

Financial Targets and Criteria

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

Indicator	Target	2011 Accomplishment	2011 Proposed
Fund Balance	Range of 13-15% of budgeted operating revenues	19.6%	18.2%
Budget Stabilization Reserve	Range of 1-2% of budgeted operating revenue Target = \$500K-\$1M	\$1.65M	\$1.65M
Capital Contingency Reserve	Range of 1-2% of budgeted operating revenue Target = \$500K -\$1M	\$350K	\$350K
Annual Capital Improvement Program (CIP)	\$5M (Includes CIP, Major & Local Street Funds)	\$6.6M	\$5.8M
Debt Financing for Capital Improvements	Optimized	Debt Service \$5.38M	Debt Service \$5.36M
Bond Ratings	Maintained or Improved	Maintained	Maintained
Retiree Health Care Fund	Established	\$250K	\$225K

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

- *Fund Balance:* The fund balance of the General Operating Fund will be budgeted within the target range of 13 – 15 percent of budgeted annual operating revenues. This fund balance is designed to address *short-term* operating fluctuations and provide liquidity when receipts are lagging targets or when unanticipated expenses occur. The targeted metric is equivalent to approximately 1½ months of operating expense, consistent with sound financial planning for many entities.
- *Budget Stabilization Reserve:* This reserve is designed to provide fiscal stability from year to year. It is intended to address *mid-term* fluctuations created by unanticipated expenses or economic downturns. The target range for this reserve is 1 – 2 percent of the budgeted operating revenues or \$500,000 - \$1,000,000. This fund balance was originally to be phased in over a 3-year period beginning in 2007. The City has placed all of its fund balance in excess of 13.5% of Revenues into the Budget Stabilization Fund, increasing its estimated FY 2009 year-end balance to be in excess of \$1.65 million. This amount will be drawn down periodically to keep the City's undesignated General Fund balance between 13 – 15%. The current plan is to apply \$575 thousand of the Budget Stabilization Fund in 2014 and the other \$1.075 million in 2015 to minimize the impacts of revenue losses on critical public services.
- *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 overarching 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 financing 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.

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.

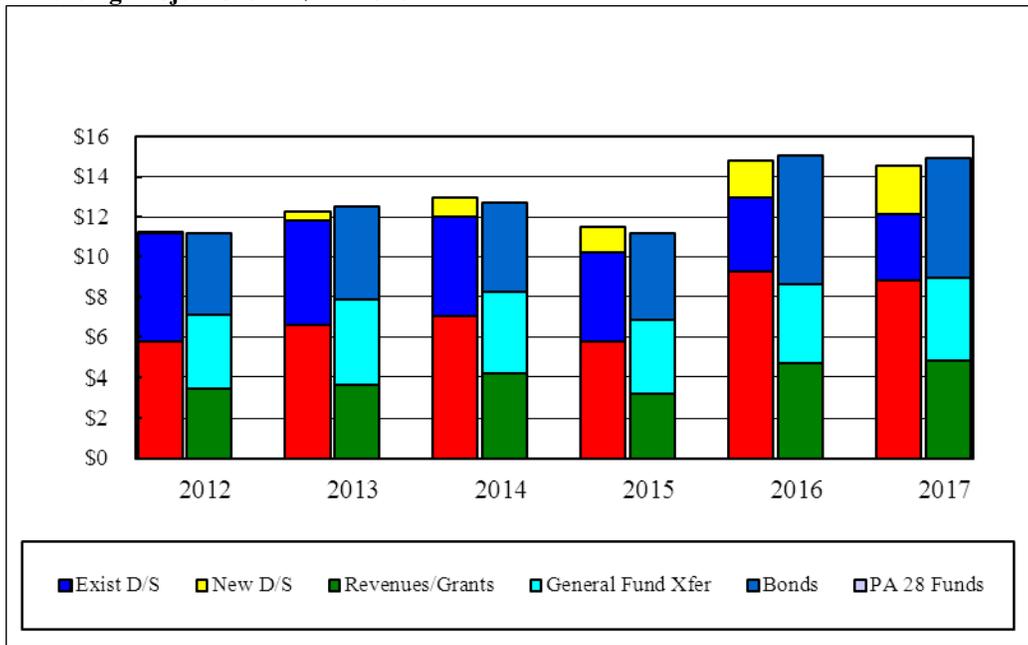
Many scenarios were evaluated before arriving at the combination of management decisions that are represented by the projections presented herein. An initial attempt to achieve all of the fiscal targets, without utilizing debt or other resources to finance projected capital improvements proved insufficient. 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 2012 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>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
FINANCING REQUIREMENTS						
Major CIP	5.79	6.57	7.04	5.80	9.28	8.82
Existing Debt Service	5.37	5.25	4.99	4.39	3.67	3.31
Projected New Debt Service	0.05	0.45	0.90	1.33	1.84	2.41

	-	-----	-----	-----	-----	-----
	11.2					
TOTAL	0	12.27	12.92	11.52	14.78	14.54
FINANCING SOURCES						
Revenues/Grants	3.48	3.69	4.20	3.22	4.71	4.80
General Fund Transfers	3.63	4.15	4.05	3.65	3.93	4.15
Bonds	4.09	4.65	4.47	4.33	6.41	5.96

	-	-----	-----	-----	-----	-----
	11.5					
TOTAL	0	12.79	13.24	11.51	15.04	15.17
<i>Surplus/(Deficit)</i>	0.30	0.51	0.31	(0.01)	0.26	0.63

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

- *Revenues/Grants* consists of user fees, gas & weight taxes, other taxes, federal and state grants, private contributions, and other related items. These sources are not budgeted in the General Fund – rather they are elements contained in the specific capital funds (CIP, Major Streets, Local Streets)

- *General Fund Transfers* reflects the projected utilization of general fund monies to finance capital improvements. In effect, any capital requirements not met from other sources must be met from such transfers.
- *Bonds* represent proceeds from debt issued to finance capital improvements. For illustrative purposes only, The Plan indicates annual Bond sales.

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

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

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

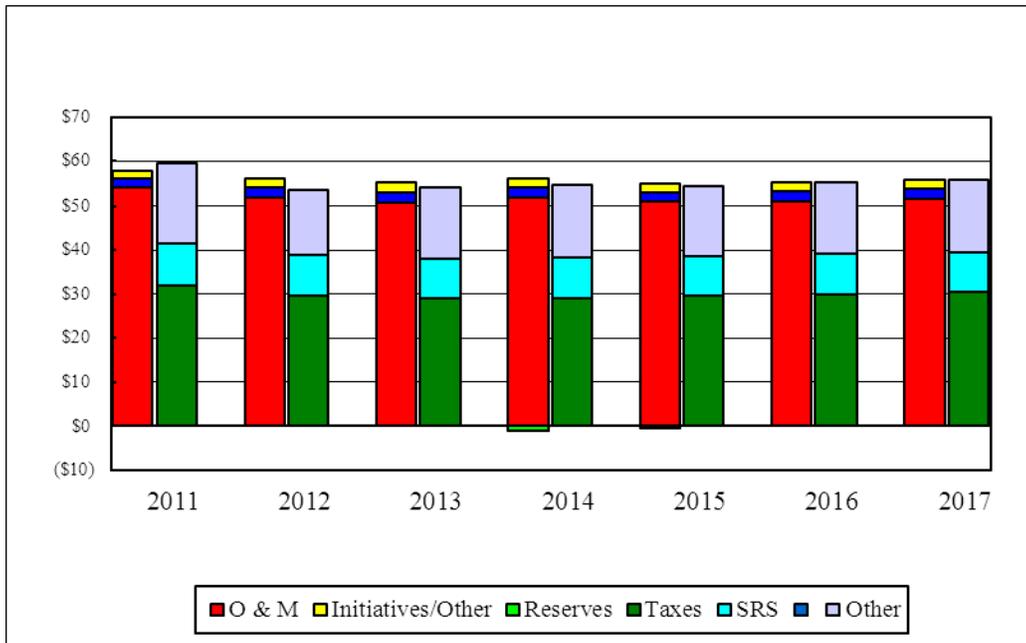
General Fund revenues and other financing sources are represented by the second bar for each year. For purposes of this illustration, financing sources are separated into the following categories:

- *Taxes & Equivalents* includes receipts of property taxes, payments in lieu of taxes, and related items.
- *State Revenue Sharing* is self explanatory and represents the City's allocation of State sales tax receipts.
- *Administration Fee* represents the recovery of administrative costs from City Departments.
- *Other* includes licensing and permit fees, interest income, and other miscellaneous sources. Beginning in 2009 accumulated savings in the Insurance Fund from positive health care and workers compensation experience and plan changes will be rebated to the operational funds city wide. Structural savings of \$4.6 million for FY 2011, \$1.5 million for FY 2012, and \$1.2 million annually beginning in FY 2013 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

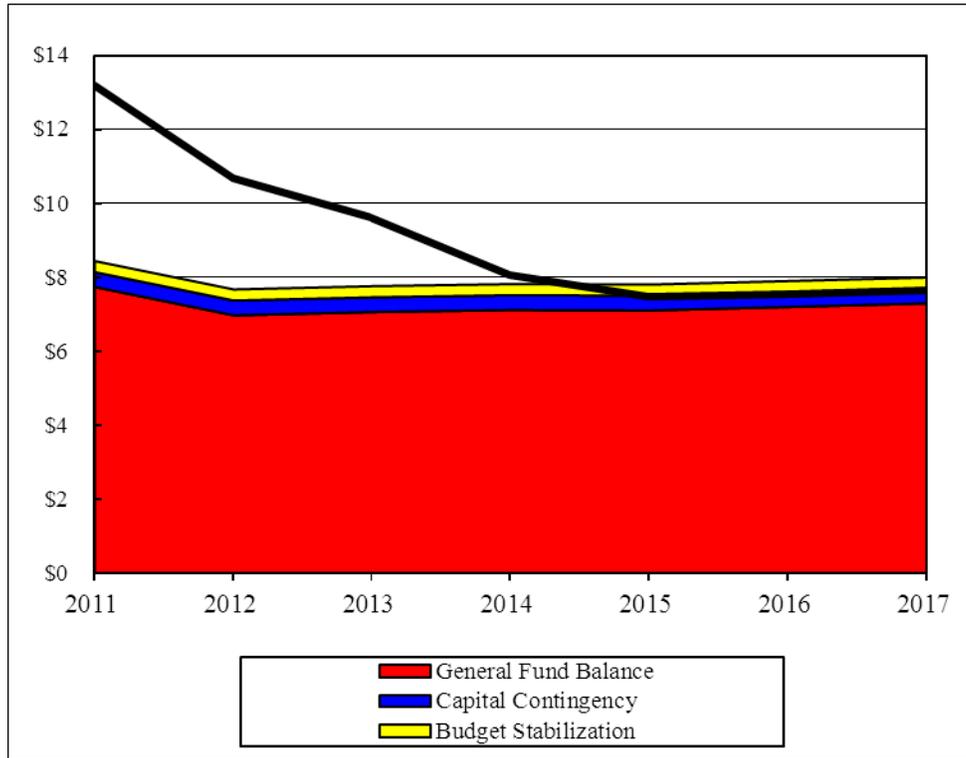
Fiscal Plan Projections - \$ millions



	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
EXPENSES							
Operation & Maintenance	54.38	51.91	50.69	51.80	51.09	50.99	51.52
Capital Improvements	1.90	2.20	2.50	2.40	2.00	2.28	2.50
Initiatives & Other	1.80	2.04	2.18	2.10	2.13	2.00	2.00
Reserves	0.00	0.00	0.00	(1.07)	(0.58)	0.00	0.00
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TOTAL	58.08	56.15	55.36	55.23	54.64	55.27	56.02
REVENUE							
Taxes & Equivalents	32.03	29.77	28.97	29.15	29.58	30.02	30.47
State Revenue Sharing	9.48	9.05	9.05	9.05	9.05	9.05	9.05
Other	18.01	14.81	16.28	16.55	16.00	16.30	16.60
	-----	-----	-----	-----	-----	-----	-----
TOTAL	59.52	53.63	54.29	54.74	54.63	55.37	56.11
<i>Surplus/(Deficit)</i>	1.45	(2.52)	(1.07)	(0.49)	(0.01)	0.10	0.09

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.

Fund Balance - \$ millions



	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Recommended Levels</u>							
General Fund Balance	7.74	6.97	7.06	7.12	7.10	7.20	7.29
Capital Contingency	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Budget Stabilization	<u>0.30</u>						
Total Recommended	8.44	7.67	7.76	7.82	7.80	7.90	7.99
<u>Projected Levels</u>							
General Fund Balance	11.20	8.68	7.61	7.12	7.11	7.21	7.30
Capital Contingency	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Budget Stabilization	<u>1.65</u>	<u>1.65</u>	<u>1.65</u>	<u>0.58</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Projected	13.20	10.68	9.61	8.05	7.46	7.56	7.65

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.

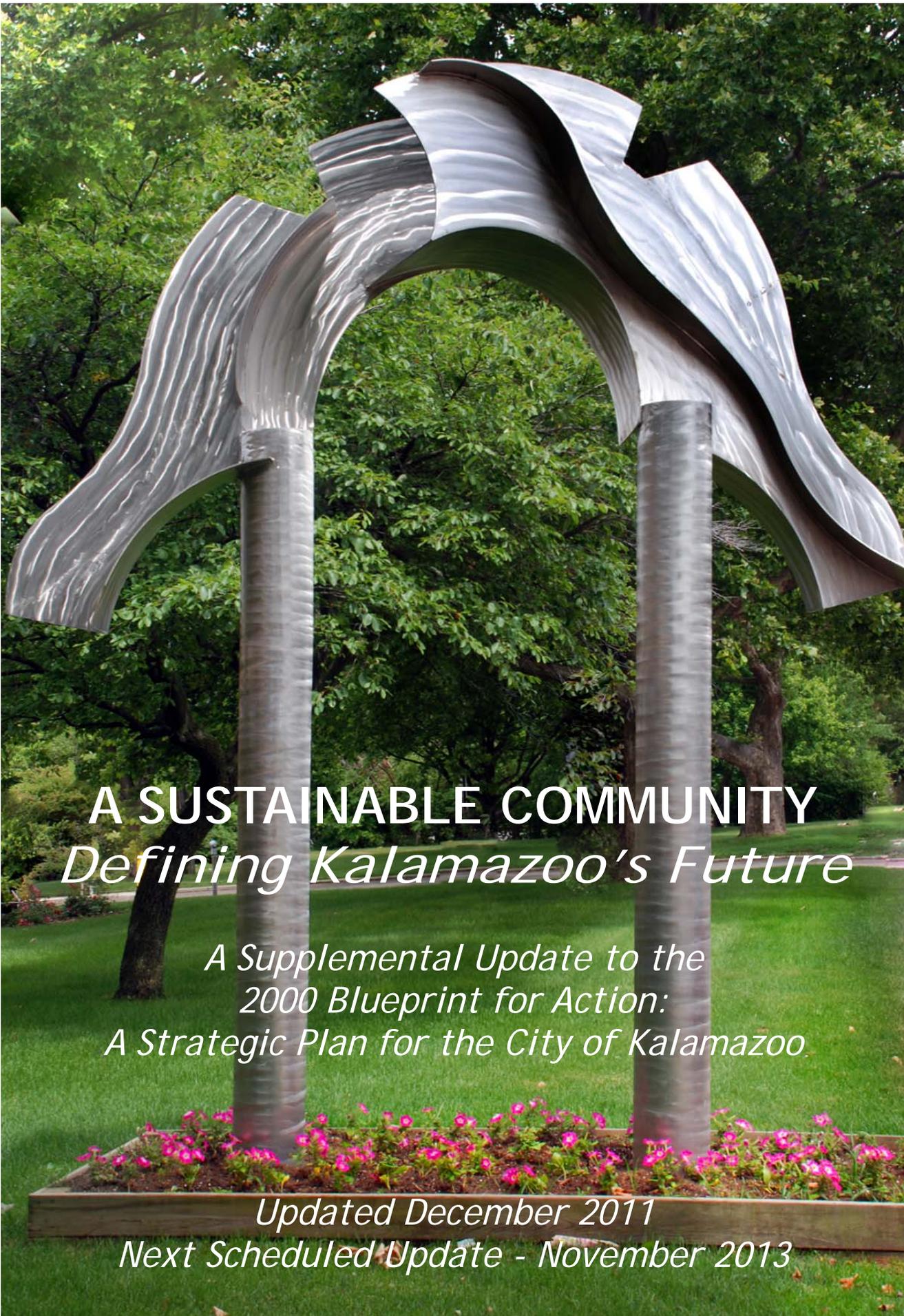
It is important that the Plan contemplate such events and contain the flexibility to address contingencies. To the extent that economic pressures dictate that not all targets can be achieved, it is envisioned that priority to specific "metric" targets would follow this structure:

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





A SUSTAINABLE COMMUNITY
Defining Kalamazoo's Future

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

*Updated December 2011
Next Scheduled Update - November 2013*

THE CITY OF



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City Commission

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

City Manager

Kenneth P. Collard



December 2011

Table of Contents

Vision, Values and Mission

The Community's Vision

The Community's Values

The City Organization's Vision and Values

The City Organization's Mission

Strategic Focus Area Accomplishments and Plans

Economic Vitality

Help Grow and Maintain a Sustainable Economy

Increase Economic Opportunities through Collaborations

Leverage the Impact a Healthy Educational System has on the Economic Strength of a Community

Create a Vital and Vibrant Downtown

Neighborhood Development

Encourage Diverse, Clean, Safe, Quality Neighborhoods

Encourage and Provide Affordable Housing Opportunities

Build Upon Neighborhood Infrastructure by Strengthening the Quality of Relationships to Improve Neighborhoods through Community Policing

Continue Quality Life Improvements for Residents in Area Neighborhoods

Environmental Stewardship

Protect and Preserve Water Quality

Meet or Exceed All Standards for Effluent Discharge

Create and Maintain a System of Open Space and Greenways

Create and Maintain a Strategy for the Implementation of Sustainable Practices Citywide

Community Building

Encourage a Culture of Acceptance and Tolerance

Continue to Work toward the Reduction of Poverty throughout Kalamazoo

Work with Community Partners to Address Homeless Issues

Responsible and Responsive Government

Maintain an Open and Accessible Government

Provide Quality City Services and Programs

Embrace Ethical, Integrity-Based, Quality Customer Service Performance Practices

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

Updated Progress with Davis Creek Business Park & River's Edge Projects

- Davis Creek Business Park was recertified with the State of Michigan as a Certified Business Park, while efforts were redoubled to market the Park to potential businesses
- Planning continued throughout the year with regard to the development, zoning and housing proposals for River's Edge/Arcadia Commons West. Businesses in the River's Edge area include *One Way Products*, *People's Co-Op*, *Lifestory* and *Habitat for*



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 Hannah J. McKinney
Commissioner Don Cooney
Commissioner Barbara Hamilton Miller
Commissioner David Anderson
Commissioner Bob Cinabro
Commissioner Stephanie Bell

City Manager

Kenneth P. Collard



December 2011

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

STRATEGIC OBJECTIVE 2: Support existing businesses and corporate citizens with tax incentives, loans and other programs that sustain the local economy through local and state programs such as *Cool Cities* and "*Buy Fresh, Buy Local - Select Michigan*" campaigns

UPDATES AND ACCOMPLISHMENTS

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

Continued to Initiate Brownfield Redevelopment Authority Projects

- Utilized funding to support the development of *Metropolitan Center, People's Food Co-Op, Performance Paper, The Exchange, InterAct, Ignertia, River's Edge* and former Public Safety sites
- Other properties acquired for further development include *Great Lakes Insurance Group* (511 E. Paterson) and the former *JA Richards* property (419 Harrison) as well as properties at 609, 617 & 623 Harrison Street, 529 Ransom
- *People's Food Co-Op* completed constructed on \$1.1 million expansion of store in the River's Edge area which expands their services to residents



Continued Utilization of Tax Abatements, Small Business Loans to Create/ Maintain Jobs

- *Fabri-Kal* received a \$17.3 million tax abatement extension for an investment which will create 30 jobs. In total the company has received \$32.6 million, which has yielded the retention of 42 jobs, creation of 25 new jobs and potential for 100 next year



- Other companies receiving tax abatement extensions include *International Paper*, *Kalexyn*, *HECO*, *Impact* and *Graphic Packaging* yielding 280 jobs retained and 160 new jobs created



- *Kalamazoo Beer Exchange* received \$40,000 Small Business Revolving Loan

Collaborated to Renovate Commercial Space

- Collaborated with *Downtown Tomorrow, Incorporated* to renovate the commercial space on Portage Road, now known as the Washington Square Commons (former Déjà Vu bookstore), to attract new businesses in the Edison Neighborhood. The renovation was funded through a \$250,000 Community Development Block Grant

Expanded Opportunities at Farmers' Market

- Received \$15,000 from the Michigan Economic Development Corporation (MEDC) to fund developing business, marketing and master plan for the Market. Parks also received funds as a match to complete a plan of the Market that would address circulation, facility improvements and accessibility, which was completed
- Supported efforts to expand economic opportunities for area vendors adding

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[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

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](#)

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and cultural institutions

STRATEGIC OBJECTIVE 1: Continue to work with downtown businesses, corporate citizens, community and regional partners to establish strategies that will continue the growth of downtown

STRATEGIC OBJECTIVE 2: Utilize Downtown Kalamazoo Inc. (DKI) Downtown Comprehensive Plan and collaborate with community partners to strengthen connections between the Central Business District, higher education community and the core residential neighborhoods immediately surrounding downtown

UPDATE AND ACCOMPLISHMENTS

Worked with Area Companies to Create Mix-Use Space in Downtown Kalamazoo

- Staff partnered with companies to build new, mixed-use space including



⇒ *The Exchange – Phoenix Properties* \$24 million, eight-story building at the corner of Michigan Avenue and Rose Street, which include upscale apartments, bank, office and retail space

⇒ *Metropolitan Center - Mavcon Construction* \$10 million conglomeration of approximately 30,000 square feet of mixed

use property located on E. Michigan Avenue will yield ground level retail and 2nd and 3rd floor residential units



⇒ *Peregrine Plaza Redevelopment – Peregrine Plaza LLC* \$2.4 million,

10,000 square foot project redevelops a former charter school in apartments and retail space

Supported Summer Festivals, Events and Parades

- Supported events like Mixer on the Mall and Downtown Summer Festivals [e.g., Blues Festival, Irish Festival, Black Arts Festival, Taste of Kalamazoo, Rib Fest, Rock for Kids, etc.] which hosted 42 events from April to October, attracted more than 150,000 people downtown and generated more than \$371,000 in revenue for Downtown Kalamazoo Association Charities



Supported WMU Sponsored Click Downtown

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



2012 FUTURE PROSPECTUS

- Continue to work with DKI, Economic Development Corporation (EDC) and Downtown Development Authority (DDA) to make downtown Kalamazoo attractive to potential business and consumers

Strategic Focus Area

NEIGHBORHOOD DEVELOPMENT

Back to Basics

VALUE THEMES

Striking a Balance

We need strong neighborhoods and we also value working together as a cohesive community.

Belonging

We embrace our diversity and believe everybody counts in our community; no one should be left out because of income, geography, ethnic heritage, race, social standing or ability.

Safety and Security

We believe there is a direct relationship between strength of families and community safety.

We share responsibility for understanding the respective roles and strengthening relationships between citizens and Public Safety officials in order to maintain a safe community.

Distinct aesthetic character, a strong education community and access to a thriving economic center and resources are fundamental elements that create healthy, vibrant neighborhoods. 29 neighborhoods make up a very unique place 75,000 people call home; each filled with people, families, homes, businesses, public spaces, organizations and institutions that contribute to the viability of Kalamazoo. Although our work with external organizations to help make affordable housing accessible to residents is important to make our neighborhoods more vibrant, this strategic area focuses on practical tactics used to ensure quality of life issues are addressed as it relates to the City's ability to provide core services to strengthen the infrastructure of all neighborhoods.

GOALS, OBJECTIVES AND FUTURE PROSPECTUS

Encourage Diverse, Clean, Safe, Quality Neighborhoods

GOAL 1: Encourage diverse, clean, safe, quality neighborhoods offering a variety of residential opportunities at a variety of affordable prices

STRATEGIC OBJECTIVE 1: Work with community partners to support, retain and increase home ownership

UPDATE AND ACCOMPLISHMENTS

Continued to Implement Neighborhood Stabilization Program- Phase I & Phase II

- As a part of the Phase I implementation, seven homes were rehabilitated and available for sale to eligible homebuyers
- Phase II realized the construction 14 new homes and rehabilitation of five homes all incorporating Energy Star standards
 - ⇒ 4 homes were featured the 21st Parade of Homes with more than 800 people touring Marketplace. 91 contractors and 140 employees have worked on Marketplace since its inception. Partners include Bronson



Hospital, Homebuilders Association of Greater Kalamazoo, Kalamazoo Community Foundation, Kalamazoo County Land Bank Authority, Edison Neighborhood Association and Kalamazoo Neighborhood Housing Services. Homes anticipated to be completed in 2013

⇒ Five homes slated for rehabilitation include properties at 923 Russell, 1423 Clinton, 1702 & 1706 Egleston and 716 Gilbert

Administered Kalamazoo Homeownership Opportunity Program

Kalamazoo Neighborhood Housing Services (KNHS) continues to assist the City and Land Bank in administering the Kalamazoo Homeownership Opportunity Program (KHOP). KNHS is providing mandatory homebuyer counseling and income qualification services, as households must be at or below 120% area median income (AMI) to purchase a NSP2 home

2012 FUTURE PROSPECTUS

- Continue to monitor NSP Phase I and Phase II funding allocations for targeted neighborhoods
- Aggressively market and promote the Kalamazoo Homeownership Opportunity Program to sell Neighborhood Stabilization Program (Phase I & II) homes to eligible households
- Continue to provide access to resources and education for residents preparing for first-time homeownership and those experiencing foreclosure
- Continue to implement Annual Action Plan (required report to HUD that addresses the programs the City of Kalamazoo will undertake with regard to Community Development Block Grants, Home Investment Partnerships and Emergency Shelter Grant programs) and recommendations from Plan Kalamazoo

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

Utilized Recovery Assistance to Aid in Foreclosures Crisis

- Utilized Community Development Block Grant, Recovery funding to assist Kalamazoo Neighborhood Housing Services in preventing foreclosure for families living in downtown core neighborhoods



Created New PILOT Program for Housing Projects

- City Commission approved nine Payment in Lieu of Taxes (PILOT) requests to support affordable housing projects in the community

2012 FUTURE PROSPECTUS

- Utilize Neighborhood Stabilization Program (Phase II) funding to assist a private developer to acquire Edison Place and rehabilitation seven rental units for individuals below 50% of Area Median Income
- Continue to utilize Neighborhood Stabilization Program funds to help with the after effects of foreclosure in the Kalamazoo
- Continue to maximize and leverage local Housing and Urban Development dollars and other housing resources

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

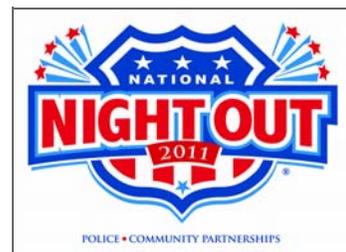
STRATEGIC OBJECTIVE 2: Create a coactive Public Safety operation to include City departments/resources, neighborhood associations and other organizations to address sensitive community needs and concerns as it relates to strengthening our neighborhoods

UPDATE AND ACCOMPLISHMENTS

Worked with Community Leaders to Promote Community Policing Programs



- Hosted various programs such as the Citizen Academy used to reinforce cooperation between residents and public safety
- Utilized foot patrols (minimum of 20 minutes per shift) to make non-traditional police/resident contacts throughout the various neighborhoods
- Hosted the *3rd Annual Citizens Leadership Academy* where 17 community leaders from various organizations participated in a highly interactive experience with Public Safety
- Initiated the Summer Curfew Enforcement Program, designed to discourage curfew violations and reduce criminal activity occurring during night hours. Worked alongside the Kalamazoo County Prosecutor's Office and Kalamazoo County Juvenile Office to help enforce the curfew ordinance that prohibits youth to be out on the streets after 10:00pm for youth 12 and under and after midnight for youth under 13-16 years old
- Conducted 28th Annual National Night Out Event that continues to building relationships between law enforcement and the community as well as educating youth and adults about the



crime trends across in Kalamazoo

- Prepared KDPS Explorer Post #265 to compete against 35 other Explorer post teams from throughout the United States who won Wings Governor Cup earning them a number one ranking in the state
 - Hosted 150 youth during a Youth Town Hall Meeting
- ⇒ Youth were able to ask direct questions to a panel comprised of youth

from the Street Academy, Hispanic American Council, Phoenix School and adults from Kalamazoo Public Schools, a local judge, a Legislator, the City Attorney, a Kalamazoo Public Safety Detective and Chief of Public Safety

- Hosted 2 summer youth academies for males and females during the summer in an effort to bridge the gap between law enforcement and youth in this area

Utilized Targeted Patrols to Address Crime Issues

- Conducted numerous directed patrols in the Northside, Southside and Central Business District areas due to complaints regarding cruising lines resulting in the decline in activity



- Conducted proactive patrols with the utilization of the Kalamazoo County Mounted Division in the Edison Neighborhood to address quality of life issues
- Developed weekly crime reduction meetings focusing on data analysis, resource allocation and problem solving

Attended Leadership Training for Public Safety Supervisors

- 17 Public Safety supervisors attended a one-day advanced leadership training program to improve overall leadership and community interaction throughout the organization

2012 FUTURE PROSPECTUS

- Continue partnerships with neighborhoods, other City departments, businesses and Western Michigan University to coordinate and support youth programming through Town Hall meetings, National Night Out events as well as safe summer programming
- Identify crime trends that negatively affect the quality of life within various neighborhoods and develop and implement action plans that address those trends with emphasis on community needs and concerns
- Continue to work with neighborhood leaders to improve resident relations and proactively affect crime throughout the City

Continue Quality of Life Improvements for Residents in Area Neighborhoods

GOAL 4: Continue to improve community quality of life by determining and addressing community and neighborhood priorities and responding to issues

STRATEGIC OBJECTIVE 1: Build capacity to improve quality of life within neighborhoods

STRATEGIC OBJECTIVE 2: Work with community partners to enhance the appearance of the City's neighborhoods, businesses, public spaces and rights-of-way

STRATEGIC OBJECTIVE 3: Build upon the City's many assets, including its historic character, cultural amenities, parks, and its traditional, pedestrian-friendly urban form

STRATEGIC OBJECTIVE 4: Ensure that Community Planning and Development, Public Services and Public Safety respond to neighborhood issues, including property maintenance, housing code violations, other violations, public nuisances and quality of life issues such as noise violations (loud stereos, parties, etc.), speeding violations, unsightly junk autos, blighted housing, tall weed and grass

UPDATE AND ACCOMPLISHMENTS

Worked with Community Leaders to Develop Plans that Improve Neighborhood Aesthetics and Improve Quality of Life

- Collaborated with ONEPlace, LISC, Volunteer Center and Neighborhood Association Executive Directors and Board Presidents to develop and implement a collective Neighborhood Board Training series
- Convened bi-monthly meetings with the Neighborhood Executive Directors from the six core neighborhoods and staff from Community Planning and Development, Public Safety, Public Services, and Parks and Recreation to increase communication and collaboration
- Public Services staff worked closely with Community Planning and Development and the Kalamazoo County Land Bank to ensure that vacant properties were properly maintained and mowed through 2011

Supported Collaborations to Enhance Parks and Other Public Infrastructure

- Staff continued to build upon relationships with organizations such as *Kalamazoo in Bloom, Adopt a-Park, Friends of Woods Lake, Sunshine Rotary, Vine Neighborhood Association, Friends of Crane Park, Blanche Hull and Milham Park* to provide volunteer manpower to aid in to the aesthetic beauty of our parks and/or raise funds to ensure their perpetuity

Implemented Code Enforcement Efforts to Improve Neighborhoods

- Responded to a top priority for the Fairmont Neighborhood by demolishing the former Blakeslee Hospital as part of the Neighborhood Stabilization Program 2



- Issued 1,600 permits representing year-to-date construction valuation of \$32,208,330 as of August 2011
- Continued City's Rental Certification program which monitors and inspectors 16,000+ rental units and Anti-Blight program which monitors 200+ vacant properties

Maintained Walkways and Other Nuisance Concerns

- Supported ongoing Solid Waste Millage programs such as recycling, monthly bulk trash pick-up, fall/leave pick up and monthly brush pick up were conducted



throughout 2011 to continue to enhance City neighborhoods. Included in these efforts was a special brush pick-up conducted early 2011 after a snow and ice storm caused a large amount of limbs to fall throughout the City

- Staff continued to enhance the City infrastructure as time and funding allowed. Ongoing efforts include

extensive street sweeping efforts, major and local street resurfacing projects, utility cut repairs and spot sidewalk, curb and gutter drive approach replacements

- Nuisance enforcement concerns regarding tall grass and weeds plus curb lawn trash issues were also addressed. Over 1,000 notices were sent to residents regarding tall grass and weeds in 2011. Approximately 10,000 cubic yards of trash was removed from City curb lawns in 2011

2012 FUTURE PROSPECTUS

- Continue to meet bi-monthly with the Neighborhood Executive Directors from the six core neighborhoods and staff from Community Planning and Development, Public Safety, Public Services, and Parks and Recreation to increase communication and collaboration
- Continue to build upon existing partnerships and explore new partnerships with area non-profits and other organizations to enhance the appearance of the City's neighborhoods, businesses and public spaces
- Continue nuisance enforcement activities to address neighborhood blight and nuisance concerns. Trash removal, coordinated efforts with Community Planning & Development, and tall grass/weed enforcement will continue to receive priority response

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 inter-governmental 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

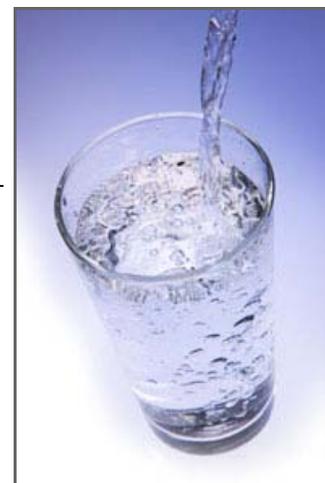
STRATEGIC OBJECTIVE 1: Improve resident satisfaction with potable water

STRATEGIC OBJECTIVE 2: Evaluate treatment processes to reduce energy and chemical usage

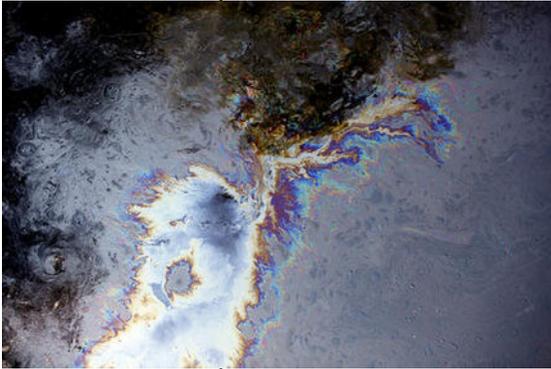
UPDATE AND ACCOMPLISHMENTS

Completed Survey to Determine Resident Satisfaction with Water

- The annual Consumers Confidence Report (CCR) was completed and sent out to all City water customers prior to the July 1, 2011 deadline. This report demonstrates the safety of the City's water supply system



Continued Assessment of the Impact of Kalamazoo River Oil Spill



- City staff continued to work with USEPA, MDEQ and Embridge Oil officials to assess any potential impacts from the 2010 Kalamazoo River oil spill on the City's wellfield on the south shore of Morrow Lake. Monitoring wells were installed by Embridge Oil to determine to what extent this wellfield may be impacted

Drafted Water Service Agreements

- Staff drafted water service agreements for renewal with surrounding jurisdictions. While no agreements were signed in 2011, significant ground work was done to generate draft standardized agreements once negotiations are able to continue with these jurisdictions

Addressed Concerns with Allied Disposal Site

- Staff continued to diligently work with the United States Environmental Protection Agency (USEPA) in Chicago to determine the charge of the Superfund process due to the bankruptcy of Millennium Holdings. The draft Feasibility Study, originally due spring 2011 has now been slated for release December 2011
- Quotes for the total removal of the materials have been estimated to be more than 40% lower than the USEPA's original estimate. Information was shared with USEPA for their consideration prior to the publication of the Feasibility Study. Removal operations on the creek slated to begin spring 2012

2012 FUTURE PROSPECTUS

- Continue to work with are municipalities to secure standardized water service agreements to improve the City's ability to bond for funding for the water system and create stability within the water system for all users both inside and outside the City
- Continue to work with United States Environmental Protection Agency to achieve proper cleanup and closure of the Allied Disposal Site. Oversee site redevelopment/reuse and ensure that one of the City's major drinking water

supply source is properly protected from potential contamination

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

Renovated Water Reclamation Plant

- An \$8 million renovation of the Water Reclamation Plant's secondary treatment process was conducted by modifying existing infrastructure to increase efficiency and provide better overall wastewater treatment. Modifications have already shown demonstrable reductions in electricity and chemical usage. Additionally, a significant portion of the cost for these modifications were covered due to a large capital contribution from *Pfizer, Inc.* per their service contract



Managed and Preserved Open Spaces to Protect Wellheads

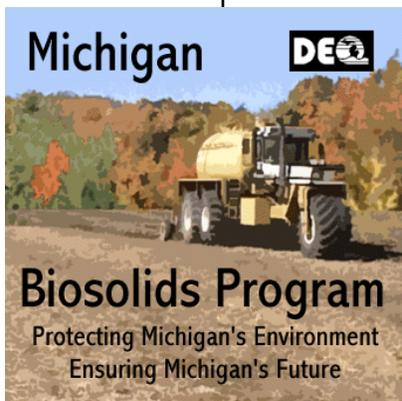
- The City continued its involvement in 2011 in local and regional efforts to develop, manage and preserve open spaces within the Community especially as it relates to wellhead protection areas for City wellfields throughout Kalamazoo County

- The Five Year Well Maintenance and Replacement Plan is effectively being implemented by City crews and contractors and have been successful rehabilitating 14 water wells

Reviewed Composting Options for City Operation

Environmental Services Staff met with a large Grand Rapids composting operation interested in conducting a pilot composting study using Water Reclamation Plant dewatered primary and secondary sludge along with other materials. Based on lab results from sludge samples, Plant samples could be composted and meet all applicable DEQ parameters and preliminary approval has been given to conduct pilot program

Explored Creation of Bio-Solids Program



- Rising transportation and disposal costs for sludge landfilling has narrowed the gap with land application costs. Staff has summarized projected costs for producing Class A bio-solids land application to the existing practice of landfill disposal and continues to investigate alternative technologies for sludge dewatering in an attempt to reducing current landfill disposal. Evaluation of State of Michigan regulatory requirements is also ongoing

2012 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
- Work with MDEQ to conduct a pilot study composting KWRP solids with yard waste and wood chips
- Continue to explore the creation of a bio-solids program that produces class A or class B bio-solids suitable for land application

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 communi-

ty'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

Worked with Area Organization to Enhance Community Parks and Trailways

- Staff worked alongside *Kalamazoo in Bloom*, *Adopt a-Park*, *Friends of Woods Lake* and *Sunshine Rotary* to make park improvements to Mayors' Riverfront Park, installed new electric stations in Bronson Park, made improvements to LaCrone Park, completed lighting project in Rose Park, repairs to three bridges at Milham Park, planted approximately 50 native trees in community parks and continued work to remove invasive species and restore native species to Woods Lake Park
- City staff continued to work with a variety of community partners to expand and enhance the county-wide trailway system



Received Funding for Park Improvements

- Received more than \$1 million for park improvements including
 - ⇒ \$420,000 - HUD for Lacrone Park (Phase I)
 - ⇒ \$363,200 - Trust Fund Grant from (MDNRE) for Woods Lake Park
 - ⇒ \$167,200 - HUD for Farrell Park
 - ⇒ \$100,000 - Land and Water Conservation Fund grant from the Michigan Department of Natural Resources and Environment (MDNRE) for Lacrone Park (Phase II)



2012 FUTURE PROSPECTUS

- Continue to build the Citywide trail system through multi-jurisdictional cooperation
- Determine advantages to the community on the possibility of swapping buildable parkland for other green space
- 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

Worked with ECC to Create Sustainability Standards

- The Environmental Concerns Committee has worked diligently to review and develop various sustainability standards for City operations and provided considerable educational efforts within various City operations to raise awareness regarding sustainable practices
 - ⇒ Resolutions were approved by the City Commission with regard to the cleanup of the former Allied Paper Site and the enhancements by the Southwest Michigan Land Conservancy of the Bow-in-the-Clouds preserve

Implemented Green Initiatives Citywide

- Metro Transit received five hybrid/electric buses
- Public Services staff did extensive work in to implement modifications to City Hall including an energy assessment, which yielded the addition of a “green” roof and new storm windows that will not only enhance energy efficiency but will maintain historical significance of the building

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

Co-Sponsored Respecting Differences Awareness Event

- The HR Department continued its sponsorship of the annual Respecting Differ-



ences Conference held in March. This year's speaker, Roger Crawford, addressed two groups totaling 819 people and spoke about the ability to overcome perceived disabilities

Continued Support of YWCA Summit on Racism Event

- The Human Resources/Labor Relations Director continued as co-chair for the YWCA *Summit on Racism Employment Initiative*. *The Initiative focused its work on helping area employers eliminate Racism* within their organizations. Co-chairs of the Initiative presented their year's work at the annual Summit on Racism held September 30

Worked throughout Organization to Ensure Diversity through Hiring Process

- Human Resources staff continued to help and educate hiring managers in the recruitment process in order to obtain the most diverse pools of candidates possible when conducting recruitment events

2012 FUTURE PROSPECTUS

- Continue to work on diversity initiatives within the organization and the City at-large including the planning and participation with the Respecting Differences Conference and Summit on Racism
- Continue to collaborate with other organizations to provide diversity opportunities for City staff
- Continue to support events and programs that encourage acceptance, tolerance and support of all Kalamazoo resident

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 Funding of Park Street Market

- Utilized Community Development Block Group-Recovery Stimulus funding to support Park Street Market operations and related Northside Association for Community Development job training program

Supported Summer Youth Employment Program



- Pursued funding for youth employment and hired 153 youth between the ages of 14-17 over the summer. Previously funded Counselors in Training (CIT) program provided volunteer opportunities for 13 students who worked at six mini camps and the Youth Development Center (YDC) alongside adult staff to assist with activities, games and chaperoning field trips

2012 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

Implemented Homeless Prevention Rapid Re-Housing Program

- In partnership with *Housing Resources, Inc.*, over 300 people and 150 households avoided homelessness through the Eviction Diversion Program and more than 250 people and 100 households receiving housing or shelter

Approved CDBG Funds for Emergency Shelter Grants

- Annual Action Plan is required by HUD to address programs under the Community Development Block Grant (CDBG), the Home Investment Partnerships (HOME) and the Emergency Shelter Grant (ESG) programs. HUD informed participating jurisdictions that Congress reduced the federal CDBG budget for the 2011 program year by approximately 16.67% and HOME budget by approximately 11.42%, but increased ESG fund by 40%

2012 FUTURE PROSPECTUS

- Expend Homeless Prevention Rapid Re-Housing Program grant and work with *Housing Resources, Inc.* to explore opportunities for additional resources to continue the Eviction Diversion Program and HPRP-related services
- Continue to participate with the Local Initiatives Support Corporation community committee that compiled and addressed a plan to eliminate homelessness in 10 years in Kalamazoo County



Strategic Focus Area

RESPONSIBLE AND RESPONSIVE GOVERNMENT

Back to Basics

VALUE THEMES

Economic Opportunity and Stability

Our economy should provide jobs, adequate income and the tools to increase our quality of life.

Equity

We are a community that expects the systems serving us to provide equal treatment and access to all our citizens.

It is important to us to have equality across the community when it comes to safety, housing, transportation, jobs, government services and education.

Striking a Balance

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

Our residents support community planning and expect action and implementation to follow.

Kalamazoo is a “full-service city”. It provides an array of “core” services related to protecting the health, safety and welfare of its constituents, including public safety, public infrastructure, public utilities, planning and zoning administration, parks, inspection services, maintenance of public rights-of-way, as well as the legal and administrative functions to support those services. The City also provides many other services to residents and the community as a whole, including economic development, transit service, administration of the Community Development Block Grant Program (CDBG) and youth development programming. While neither list is exhaustive, it illustrates the broad range of services the City provides.

In these recent economically challenged times, the City has found it necessary to do an assessment of its deliverables as we face a growing imbalance between residents’ high service demand, dwindling City revenues. As a result, the City continuously evaluates its role in the community as the “new normal” takes shape. Redefining the City’s organizational and community culture in this new economic environment will establish the foundation by which this organization serves its residents in the future.

GOALS, OBJECTIVES AND FUTURE PROSPECTUS

Maintain an Open and Accessible Government

GOAL 1: Maintain a City government that is open and accessible to the community

STRATEGIC OBJECTIVE 1: Enhance communication between the City and community, and increase resident involvement in the decision-making process

STRATEGIC OBJECTIVE 2: Increase accessibility of City services to residents and customers

STRATEGIC OBJECTIVE 3: Strive for a clear understanding between the City and its residents regarding resident preferences for services and the City's capacity to provide them

STRATEGIC OBJECTIVE 4: Develop a community strategy to provide information about City resources and services

STRATEGIC OBJECTIVE 5: Continue to monitor and ensure the alignment of resident expectations for service and the City organization's capacity

STRATEGIC OBJECTIVE 6: Review and evaluate core charter responsibilities / basic services and recommend services essential to City function based on projected fiscal responsibility

UPDATE AND ACCOMPLISHMENTS

Maintained Active City Commission Advisory Boards and Commissions

- Utilized City staff to guide direction of Advisory Boards



Assisted in Taxpayer Education

- Staff prepared pamphlets to assist taxpayers in understanding the assessment appeal process

Held Public Meetings to Discuss Future of Parks Projects

Parks staff held several public visioning sessions to discuss Park issues including the future of the Farmers' Market, Lanelli Fountain and Pools Improvement projects

2012 FUTURE PROSPECTUS

- Continue to participate on boards and committees to help influence issues in the community
- Continue to encourage resident participation during City Commission meetings as well as the distribution of publications to keep residents informed of City endeavors

- Continue to utilize public meetings, forums and study groups as a means to assess City related issues
- Continue to assess the City Charter; propose improvements that will advance the quality of life for all residents

Provide Quality City Services and Programs

GOAL 2: Provide quality services and programs delivered efficiently and cost-effectively

STRATEGIC OBJECTIVE 1: Update the City's information technology infrastructure for better utilization by customers and residents

STRATEGIC OBJECTIVE 2: Continue to provide dynamic parks, trails and recreation programs for all City residents as well as promote youth development initiatives in support of healthy families

STRATEGIC OBJECTIVE 3: Establish and maintain a strong network of public 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

Realized Several Technology Upgrades

- Implemented citywide Voice Over Internet Protocol (VOIP) phone system to replace aging Centrex system and generate considerable operational cost savings. Implementation anticipated completion December 2011. As a result, a inter-governmental contract with the Kalamazoo County Road Commission was signed and IT staff will help facilitate the conversion of their existing phone system



- Implemented new wireless network that covers Metro Transit and provides internet access to public as well as a secure internal wireless network. This is the preliminary step to provide internet access to buses and other vehicles in support of Metro ITS project and will be used as a model for future wireless deployments at other City locations
- Staff completed the installation of the *IntelliTime Time Card and Scheduling System*. The system was initially purchased for Public Safety usage however the robust software has been implemented citywide
- In collaboration with Human Resources, staff began *NeoGov Insight* web-based applicant tracking project that interfaces with the existing EDEN financial system and provides HR staff with more accurate and timely information on candidates and allows for online applications
- Other projects include the upgrade of cameras in Public Safety vehicles, customer service online billing/payments and Metro Transit technology upgrades

NEOGOV™

Continued Summer Mini-Camp Program for Local Youth

Registered 60 campers for each extended mini camp sites at Spring Valley, Upjohn Park, Milham Park and Douglass Community Association. Funds for the camps were provided by the City Manager's Fund and Sally Appleyard donation. Activities included swim lessons at Kik Pool, field trips, art hop projects, and daily activities on-site



Continued Collaborations to Supplement Youth Activities

- Hosted over ten youth programs throughout the year utilizing nine different parks: Spring Valley, Milham, Bronson, Upjohn, Southside, Mayors' Riverfront, Rockwell, Blanche Hull, and Versluis/Dickinson
 - ⇒ In collaboration with Fair Food Matters, Future Chef participants received certificates for completing a six-week program, which included training in preparing food, food and cooking safety, nutrition; as well as,

CHAMPIONS FOR HEALTHY KIDS

field trips to kitchens in area restaurants

- ⇒ Collaborated with Wood TV 8 to host *Maranda's Park Party*, held at Upjohn Park with over 2,000 participants in attendance. Activities included free prizes, rides, free snacks and beverages, interactive games, music and entertainment
- ⇒ Other youth related programming includes
- ⇒ *Pioneering Healthy Communities*, a committee planning a *Champion*

for Healthy Kids Summit whose purpose of the summit is to convene a group of community and business leaders to develop goals and strategies to address childhood obesity, nutrition, and movement issues that challenge the health of our youth

- ⇒ *Coalition for the Education of Culinary Arts Collaborative Group*, established to inform, assess, discuss and develop strategies to expand education in culinary arts into schools and the community. The partnership between Parks & Recreation and Fair Food Matters for Future Chef's program was highlighted and culminated with goals and ideas to educate the public of the need for such programs
- ⇒ Hosted study-time once a week for 2 hours at the Youth Development Center and continued to host Girls Night and Boys Nights at the YDC, along with teen nights
- ⇒ Partnered with *Communities in Schools* to provide a Math/Archery program at Milwood Middle School, which is one of the 21st Century sites
- ⇒ Over 120 public and private events took place in City parks and generated \$50,472 in revenue



- Various fee increases were implemented in 2011, generating approximately \$10,000 in additional revenue from youth programs

Continued Major and Local Street Paving and Other Improvement Projects

- Utilized Community Development Block Group-Recovery stimulus funding and Community Development Block Grant funding to resurface the street and replace sidewalks and curbs on Hays Park between Fulford and James
- Continued major street projects such as Douglas Avenue and local street projects such as Hays Park, Glenwood from Edgemoor to Bronson
- 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 with emphasis in the Westnedge Hill area
- Replaced potholes throughout the City with an increased emphasis the most severe areas addressed first
- Replaced 245 street lights



Maintained Leaf Collection, Snow Removal and Hydrant Flushing Activities

- Staff created a special brush collection to address fallen trees/branches as a result of an ice storm. Crews made 2,668 stops and collected 4,721 cubic yards of loose brush, which generated 532 cubic yards of wood chips



- Conducted annual Spring and Fall hydrant flushing to remove accumulated sediments in the hydrants conducted with a monthly brush collection program in coordination with bulk trash collection and weekly recycling

Utilized ARRA Funding for City Improvement Projects

- The City received a \$18 million from the American Recovery and Investment Act to include



⇒ Metro Transit - \$3.1 million (GPS for buses project, bus shelter replacement project)

⇒ Public Safety - \$2.4 million (continuation of 2010 COPS grant through 2012)

⇒ Community Planning & Development - \$10.2 million (acquired properties for rehabilitation, homeless prevention)

⇒ Energy Efficiency - \$800,000 (City Hall chiller, window and roof replacement)

⇒ Federal Highway - \$1.5 million

2012 FUTURE PROSPECTUS

- 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 provide a variety of quality programs for families, youth and adults that build healthy bodies, relationships and enhance life skills and explore the use of Municipal Recreation Endowment Fund to supplement budget for youth programs
- 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
- Continue to utilize ARRA funds to improve the quality of life of residents
- Effectively realign organization with regard to the ERI program to continue to provide responsive service to residents

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

Continued to Track Collections for Efficiencies

- Continued to track collections and lapse in referral dates on private properties reported by Code Enforcement, Building, Public Services staff or residents

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

Worked with Property Owners to Access Avenues for Property Tax Relief

- Staff developed an *Application for Reduction in Property Taxes Due to Financial Hardship* created to assist eligible taxpayers with property tax relief

Examined Testing Protocols for Public Safety

- HR helped the Public Safety Department develop a promotion process that allows for the use of an outside vendor to write tests for promotions to command officer positions

Continued Work to Diversify Workforce

- Human Resources conducted training in Recruitment and Interviewing, Harassment and Discrimination, and AA/EEO programs for supervisors whose duties include recruiting for vacant positions
- Staff developed tutorials for the Public Safety entrance exam to diversify recruitment pool



2012 FUTURE PROSPECTUS

- 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

- Implemented *Fast 50*, a program that encourages residents to text their crime tips to Public Safety/Silent Observer. If the tip results in an arrest or valuable information leading to an arrest, the resident will receive \$50

Implemented Racial Profiling Study

- Public Safety hired a consultant to examine practices related to racial profiling during average/daily traffic stops. Data gathered by the consultant will be analyzed by Public Safety officials
- Utilized Citizen Public Safety Review and Appeals Board to help develop officer selection criteria and served on selection committee

Examined Crime Trends

- Continued the examination of crime trend in an effort to assess Public Safety's service deliverability in the community realizing the third straight year of crime reduction (22% decline)
- Investigated more than 62 methamphetamine labs in 2010 and 39 by September 2011

- 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. As a result, a 2003 cold case (Linda Gibson) resulted in an arrest for the murder

Received Grants to Fund Public Safety Operation

- In February, COPS funding was eliminated for meth remediation. Expenses for cleanup are now the responsibility of individual municipalities. 15 KVET staff have been trained and developed a meth remediation plan alongside Public Services to address new costs and procedures associated with remediation

⇒ Continued to utilize COPS Grant which supports ten officer positions and expires in 2012

⇒ Received \$987,000 of a \$1



million Fire Reimbursement Grant that supports the purchase of Self Contained Breathing Apparatuses

- Received \$73,000 from JAG for the continuation of updates to in-car camera systems

2012 FUTURE PROSPECTUS



- Encourage continued diversity and sensitivity training for officers to inspire the highest level of integrity and ethics throughout the department
- Expand collaboration with area fire agencies to reduce response time and evaluate emergency medical response protocols and improve efficiencies when appropriate

Design and Implement a Multi-Modal Transportation Strategy

GOAL 5: Support the design and implement a comprehensive, multi-modal regional transportation system and improved non-motorized facilities

STRATEGIC OBJECTIVE 1: Continue to support public transit to aid access to employment, educational and community activities

STRATEGIC OBJECTIVE 2: Implement the City's non-motorized transportation plan

STRATEGIC OBJECTIVE 3: Lobby for and encourage the development of the US-131 interchange and connector

UPDATE AND ACCOMPLISHMENTS

Completed the Installation of 70 Replacement Shelters for Rider Use

Implemented Comprehensive Operational Analysis (COA) Recommendations

- Input gathered from residents from area municipalities yielded route modifications realized in April, which include the addition of 2 routes (#17-Douglas), reconstitution of Portage area routes (#26-Milham, #27-Romence, #28-Shaver,

#29-Centre) and changes to routes on the West Side. These changes were possible through the reallocation resources (e.g., underutilized bus service in certain areas)

Lobbied Governor to Retain Transportation Funding in FY2012 Budget

- Worked with lobbyists to urge State politicians not to reduce the Transportation funding for FY2012. The proposed \$20 million reduction would cut transit capital and operating assistance. Potential loss to Metro Transit for FY2012 could mean a \$480,000 loss



Began Project for Equipping Busses with GPS

- Work will begin to outfit GPS equipment on Metro Transit vehicles in an effort to produce a cleaner, faster, more reliable transportation system. The system will provide real time operational status for better fleet management and consumers. The project is slated to take up to 3 years to complete

Continued Metro Transit Office Expansion

- Work continued throughout the year to expand the office space at the Transportation Center. The 2,500 square foot facility expansion was completed late 2011. Project is funded 80% federal and 20% state. KCTA staff (program director and administrative assistant) 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. Approximately 2,264 passenger trips were made using special kicker buses on Route #16 (Lovell)



Provided Updated System Ridership Details for Comparison and Assessment of Services

- October 2011 year-to-date system-wide ridership is 1,737,475, an increase of 50,636 passengers or 3% and over year to date figure for 2010

Designed Non-Motorized Facility



- Public Services staff worked with three Western Michigan University College of Engineering seniors who completed their senior design project for a non-motorized facility linking the end of the existing WMU/Kalamazoo College trail at Academy and Michigan with the Kal-Haven connector at Westnedge. Other route options were analyzed by community partners to assess feasibility of routes from Kilgore to Mayors' Riverfront Park

2012 FUTURE PROSPECTUS

- Work with Kalamazoo County Transportation Authority on renewal of millage that will provide transit countywide
- Implement community service van pilot program which allows volunteer drivers from non-profit agencies in outlying areas access to the City
- Continue vehicle replacement program with the replacement of three demand service vans
- Expand Support transportation enhancement improvements
- Complete the trail-way system throughout Kalamazoo

Strategic Focus Area

FISCAL STEWARDSHIP

Fiscal Stewardship represents the City's commitment to prudently manage the City's resources and maintain a stable economic environment. Some of the goals within this focus area specifically deal with what the City government can do to responsibly address our short and long-term fiscal challenges, while other goals focus on the value of a regional approach in tackling the significant economic hurdles facing the Kalamazoo community and many other communities in the State of Michigan.

A recurring issue regarding the City's financial structure has been an equitable distribution of the tax burden. A large number of properties within the City are exempt from paying City property tax. In addition, 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. As a result, 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 citi-

zens 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

Received Award for Achievement in Procurement

- The Purchasing Division earned the *Achievement of Excellence in Procurement* for the fifth consecutive year for the department's responsible use of procurement practices

Received Award for Budget Presentation and Financial Reporting

- Staff earned the Distinguished Budget Presentation Award for the 2011 Budget Document and the Award for Excellence in Financial Reporting for the 2009 Comprehensive Annual Financial Report

Created Kalamazoo Dashboard

- The *Michigan Dashboard* is a tool that measures Michigan's performance in the areas of Economic Strength, Health and Education, Value of Education, Quality of Life and Public Safety. The City unveiled its own performance gauge, specific to Kalamazoo's performance to be in compliance with State of Michigan directives

Budget Monitoring

- Staff prepared and made website quarterly budget monitoring reports available online with in depth analysis of economic drivers

Collected taxes

- Approximately 95% of bills issued received a payment (whether in full or a partial/installment payment)

Received Funds from Auction of Surplus Items

- The City received \$36,592 at the semi-annual intergovernmental auction of surplus personal property administered by the Purchasing Department

Implemented 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

Received Grant Funding to Continue City Programs

- Parks and Recreation received approximately \$150,000 in grants to help run programs that department would have been able to offer



- The Sally Appleyard Estate granted \$124,860 for additions to recreation programs and park redevelopment including Street Academy, Kik pool (both swim lessons and extended week of operation), Mini-Camps (additional sites; one six week mini-camp & one extended mini-camp, and staffing for additional mini-camps), Summer Youth Employment, park funding at Crane Park for internship & materials, MLK Park improvements and a park tree planting program in 2012
- The 15th Annual Friends of Recreation Golf Classic raised \$6,188, with \$700 going into the Recreation Endowment Fund and \$5,488 to support the operation of the Youth Development Center during 2012
- MLK Day of Service activities (Fifth Third Bank, Kalamazoo Community Foundation)
- Awarded funding to help supplement city-driven, Dr. Martin Luther King,

Jr. Communitywide Day of Service activities in which *Fifth Third Bank* and the *Kalamazoo Community Foundation* provided sponsorship

- Residents throughout Kalamazoo County volunteered and helped 18 social service organizations and more than six Kalamazoo Public Elementary and Middle Schools to commemorate the life and legacy of Dr. King

2012 FUTURE PROSPECTUS

- Continue to implement the Five-Year Fiscal Plan and Organizational Management Approach
- Develop and evaluate options for ensuring a sustainable general fund and DDA budget, including researching new funding and revenue strategies and sources, cost reduction opportunities and/or funding partnerships from the private sector or regional governmental agencies
- Continue to seek grants to fund recreational programs, services, and youth development opportunities as well as specific funding for the Summer Youth Employment Program and the Street Academy to leverage general fund dollars
- Strategically implement ERI to adhere to principles/financial goals identified in program

THE CITY OF



Kalamazoo



THE CITY OF



Kalamazoo Living

A Thumbnail Sketch
of Life in Kalamazoo

CITY THUMBNAIL SKETCH

In 2001, the City of Kalamazoo initiated two source documents, the *Blueprint for Action* and *City Thumbnail Sketch*.

The *Blueprint for Action* provides a strategy for the City to implement programs and services to improve the quality of life for its residents and the *City Thumbnail Sketch* documents City statistics and trends.

This 2012 *City Thumbnail Sketch* will show how Kalamazoo ranks in comparison to other cities in the State of Michigan and offers information regarding local, regional, state and national trends.

Although this is not a comprehensive report, the information provides a glimpse into the current conditions of the Kalamazoo area.





INCLUDED IN THIS ISSUE

Governance

Governance
 Locality
 Elections
 City Boards & Commissions

People in the Community

Population Demographics
 Ethnic Composition
 Poverty in Kalamazoo County
 Homeless in Kalamazoo County
 Family Composition in Kalamazoo County
 Population Trends
 Community Health

Jobs and Economics Growth

Employment by Industry in Kalamazoo County
 Residential, Commercial and Industrial
 Tax Valuations
 Economic Incentives
 Downtown Development

Neighborhood Composition

Kalamazoo Neighborhoods
 Housing
 Affects of Foreclosure on the State of Michigan and Kalamazoo

Education

Kalamazoo Public Schools
 Kalamazoo Promise
 Higher Education

City Services and Utilities

Community Planning & Development
 Economic Development
 Parks and Recreation
 Public Safety
 Public Services
 Transportation



KALAMAZOO GENERAL FACTS

POPULATION

Michigan population	10,003,422 (2008)	9,969,727 (2009)	9,883,640 (2010)
County population	245,912 (2008)	248,407 (2009)	250,331 (2010)
City population	72,179 (2008)	72,825 (2009)	74,262 (2010)

SOURCE: 2010 American Fact Finder (<http://factfinder2.census.gov/main.html>)

DEMOGRAPHICS

Gender	
Male	49.3
Female	50.7
Race	
White	68.1
Black	22.2
Hispanic	6.4
Other	5
Median Age	26.2

SOURCE: 2010 American Fact Finder (<http://factfinder2.census.gov/main.html>)

EMPLOYMENT

** Michigan labor force	4,966,000 (2008)	4,859,000 (2009)	4,790,000 (2010)
** Michigan unemployment rate	8.3 (2008)	13.3 (2009)	12.5 (2010)
** County labor force	135,116 (2008)	131,588 (2009)	129,608 (2010)
** County unemployment rate	6.2 (2008)	9.8 (2009)	10.2 (2010)
** City labor force	40,708 (2008)	40,238 (2009)	39,688 (2010)
** City unemployment rate	8.6 (2008)	13.4 (2009)	13.9 (2010)
%^ Total downtown workers	n/a	12,940	12,553
++ Largest employers in Kalamazoo County	Borgess Medical Center Western Michigan University Bronson Healthcare Group Pfizer Stryker Corporation	4,201 4,045 3,779 3,200 2,083	

SOURCE: ** - Michigan Department of Technology, Management & Budget Labor Market Information (<http://mlmi.org/>)

%^ - Downtown Kalamazoo, Inc., State of Downtown 2011: Setting the Stage for a Promising Future

(<http://www.downtownkalamazoo.org/About-Downtown/State-of-Downtown.aspx>)

++ - Kalamazoo Regional Chamber of Commerce: Largest Employers in Southwest Michigan as of April 2010

(<http://www.kazoochamber.com/clientuploads/Largest%20Employers%202010.pdf>)

EDUCATION

Area college student population and institutions	40,000+ Western Michigan University, Kalamazoo College, Kalamazoo Valley Community College, Davenport University
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SOURCE: Western Michigan University (www.wmich.edu); Kalamazoo College (www.kzoo.edu); Kalamazoo Valley Community College (www.kvcc.edu); Davenport University (www.davenport.edu);

COST OF LIVING & HOUSING

** Cost of living index (as of January 2011)	83.5 of 100
++ Median Household Income	\$29,299
Owner occupied	\$50,876
Renter occupied	\$18,107
++ Median Household Value (owner occupied)	\$108,800
++ Owner Occupied/ Renter Occupied Housing Units (number)	12,949
Owner occupied	15,489
Renter occupied	
++ Median Household Monthly Housing Costs	\$741
Owner occupied	\$886
Renter occupied	\$637

SOURCE: ** - City Data - Kalamazoo (<http://www.city-data.com/city/Kalamazoo-Michigan.html>)
++ - 2009 American Fact Finder (http://factfinder.census.gov/servlet/STSelectServlet?_ls=331126129399)

DOWNTOWN KALAMAZOO

Kalamazoo Library	1,000,000 visitors annually
Radisson Plaza, Hotel & Restaurants	800,000 visitors annually
Arcadia Festival Site	450,000 visitors annually

SOURCE: Downtown Kalamazoo, Inc., Employment & Traffic: Economic Indicators (<http://www.downtownkalamazoo.org/Do-Business/Economic-Indicators/Vacancy/Employment-and-Traffic.aspx>)

GOVERNANCE

- The City of Kalamazoo was incorporated as a commission-manager form of government in 1918, which grants the Commission as the legislative and governing body of the City



- The City Commission consists of seven members who are elected at-large on a non-partisan basis to serve a two-year term in office. The Commissioner receiving the most votes becomes mayor with executive power over the Commission. Subsequently, the Commissioner receiving the second number of votes becomes the vice mayor and performs mayoral duties in the absence of the mayor
- The City Manager is appointed by the City Commission and functions as the Chief Administrative Officer for the City. He/She is responsible for all administrative appointments with the exception of the City Assessor, Attorney, Clerk and Internal Auditor

Locality

- The City, which is a part of Kalamazoo County, encompasses an area approximately 26 square miles and is located in the southwest corner of Michigan's lower peninsula approximately 136 miles west of Detroit, 73 miles southwest of Lansing (state capital of Michigan), 50 miles south of Grand Rapids, 23 miles

west of Battle Creek and 145 miles east of Chicago, Illinois. The City, also the county seat, is easily accessible from both I-94 and U.S. 131, which crosses the State from east to west and north to south, respectively

Elections

- Participation rates for City elections have varied since 2006. However, historical markers indicate that residents are more likely to participate in the election process based on the type of election (e.g., presidential, gubernatorial, general, county-wide, etc.)
- Since 2009, election participation in the City of Kalamazoo ranged from 10.3% (May 2010-General Election) to 31.9% (November 2010-Gubernatorial Election)
- The November 2009 municipal elections yielded a remarkable 22.8% turnout mostly due to a controversial ballot measure (e.g., Ordinance 1856) that proposed to extend anti-discrimination protections to gays, lesbians and transgendered individuals



Voting Statistics for the City of Kalamazoo

Since 2009

Date of Election / Type of Election	Total Registered Voters	Total Precinct Voters	Total Absentee Voters	Total Voters	Precinct Turnout	Total Turnout
May 2011-General Election <i>(local school board)</i>	51,218	4,159	2,120	6,279	8.1%	12.3%
November 2010-Gubernatorial Election <i>(legislative/congressional elections)</i>	55,209	13,846	3,791	17,639	25%	31.9%
August 2010-General Election <i>(County Commission; gubernatorial/legislative/congressional primary)</i>	55,028	5,424	2,148	7,572	9.8%	13.8%
May 2010-General Election <i>(local school board; education millage; law enforcement millage)</i>	54,838	3,351	2,294	5,645	6.1%	10.3%
November 2009-Municipal Election <i>(City Commission; transit millage; Ordinance 1856)</i>	55,772	10,152	2,548	12,700	18.2%	22.8%
May 2009-General Election <i>(local school board; transit millage)</i>	57,411	5,181	2,212	7,393	9%	12.9%

SOURCE: City of Kalamazoo website; City Clerk; Elections: www.kalamazoo-city.org/portal/government.php?page_id=432

City Boards & Commissions

- Besides voting, Kalamazoo residents are involved in civic life through strong neighborhood organizations, monthly neighborhood organization meetings with the City Commission and through public involvement processes on such City projects as the selection of a new City Attorney and Public Safety Chief as well as Community Policing and EPA Superfund Site clean-up efforts (former Allied Paper)
- Residents and business owners are able to participate on various Boards and Commissions that aid the City Commission with issues related to the quality of life of residents in Kalamazoo. There are 28 boards and commissions which include:

Board of Review for Assessments – This board has the power to raise or lower the assessed value of properties in light of the evidence presented and in accordance with state law

Brownfield Redevelopment Authority (BRA) - BRA was established to promote the revitalization of environmentally distressed, contaminated or blighted areas of the City of Kalamazoo. The BRA develops and implements a plan for the utilization of tax increment funds to ameliorate environmental contamination on development sites. The membership of the BRA Board is the same as the Economic Development Corporation Board

Civil Service Board - Board reviews and investigates complaints from the city employees who allege discrimination on the basis of race, color, religion, national origin, ancestry, sex or age. The Board reports the findings of its investigations to the City Manager or City Commission. The CSB also serves as a board of appeal for city employees concerning findings and decisions of the City Manager

Community Development Act Advisory Board (CDAAC) - This Board's primary responsibility is to review applications from community organizations for Community Development Block Grant (CDBG) funds and make recommendations to the City Commission for the allocation of these funds

Construction Board of Appeals (CBA) - This Board considers appeals regarding the requirements, determinations, and decisions made by the city's building, plumbing, mechanical and electrical inspectors. Also, the board grants

variances to elements of the building and fire codes in instances where literal application of the code would result in exceptional practical difficulty. In granting variances, the board may approve alternate materials and methods of installation

Dangerous Buildings Board (DBB) - DBB conducts hearings concerning structures the city has determined to be "blighted or dangerous buildings." These hearings give property owners the chance to challenge the building officials' determination and to seek relief from some or all of the requirements of the determination. The final decisions of the Dangerous Buildings Board can be appealed to Circuit Court



Downtown Development Authority (DDA) - This Board is the governing body of a special purpose local authority established under state enabling law to halt deterioration and to foster development of the downtown business area. The DDA contracts with Downtown Kalamazoo Incorporated (DKI) to administer the city's parking system and to manage the

economic development programs funded by Tax Increment Financing (TIF) dollars

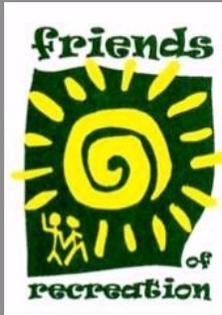
Economic Development Corporation (EDC) - Governing board of a special purpose corporation established under state enabling legislation to set up project areas and to provide financing and other assistance for commercial and industrial development projects. Members of EDC are also members of the Brownfield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

Employee Retirement System Board of Trustees – This Board oversees all matters relating to the administration of the city's pension system. These matters include approving the disbursement of funds, pensions, and rendering decisions in duty disability and buy-back cases

Environmental Concerns Committee (ECC) - ECC monitors significant environmental trends affecting the City of Kalamazoo and advises the City Manager and

City Commission regarding environmental matters. The Committee also serves as a citizens' forum for environmental issues

Friends of Recreation Board - The *Friends of Recreation Board* seeks funds through donations, gifts, fund-raising events, and bequests for projects identified in the Parks and Recreation Master Plan. These funds are deposited into the Kalamazoo Municipal Recreation Endowment Fund at the Kalamazoo Community Foundation with the intent to someday fully fund the Parks and Recreation budget



Housing Board of Appeals (HBA) - This Board considers appeals regarding the requirements, determinations, and decisions made by the city's inspectors in their enforcement of Chapter 17 of the Code of Ordinances (*Housing Code*). The Board also grants variances to elements of the Housing Code in instances where literal application of the code would result in exceptional practical difficulty

Investment Committee of the Retirement System & Perpetual Care Investment Committee - This group has dual responsibility and manages the assets of the Employees' Retirement System and Perpetual Care Fund and has full authority to invest and reinvest those assets according to the policies, strategies, and guidelines approved by the City Commission

Kalamazoo Historic District Commission - This Commission conducts design review hearings in a quasi-judicial capacity to decide issues relating to the enforcement of the Historic District ordinance and to permit, within standards established by the ordinance, exceptions to strict compliance with the terms of the ordinance in recognized historic districts and as applied to designated landmarks

Kalamazoo Historic Preservation Commission (HPC) - This body advises the City Commission on historic preservation issues including the establishment of historic districts and landmarks and the nomination of such districts and landmarks to the National Register of Historic Places

and the state register. HPC encourages and promotes historic preservation through publications, education, the collection of historical materials, and the identification of historical resources which warrant preservation

Kalamazoo Hospital Finance Authority (HFA) - HFA was incorporated under state enabling legislation for the purpose of constructing, acquiring, reconstructing, remodeling, improving, adding to, enlarging, repairing, owning, and leasing hospital facilities for the use of any non-profit hospital within or without the boundaries of the City of Kalamazoo

Kalamazoo Municipal Golf Association (KMGA) - KMGA Board of Governors oversees the operations of the city's three public golf courses (Red Arrow, Milham Park, and Eastern Hills). The Board adopts an annual budget, sets the greens and membership fees, and establishes rules and regulations for the grounds and the behavior of members

Kalamazoo Transit Authority Board - This Board provides oversight to the management of the city's Metro Transit system

Local Development Finance Authority (LDFA) - Established under state enabling legislation, LDFA exists to foster economic growth through the development of land and facilities within the Business, Technology and Research (BTR) Park located at the intersection of Drake Road and Parkview Avenue. Revenue from the Tax Increment Financing (TIF) District located at the BTR Park is used to fund the Authority's projects

Local Officers Compensation Commission (LOCC) - A special purpose body established pursuant to state law, LOCC meets every two years to set the compensation for elected City officials. The City Commission, by a 2/3 vote, may reject the compensation levels recommended by the LOCC

Parks and Recreation Advisory Board (PRAB) - Strictly an advisory board, PRAB makes recommendations to the City Manager and City Commission regarding parks and recreation planning and programming

Planning Commission - This body is required and regulated by state law. One of its major duties is the development of the city's Comprehensive Plan, a master plan for current and future land use. In accordance with this plan and the current Zoning Ordinance, the Planning Commission provides recommendations to the City Commission on re-zoning requests and changes to the Zoning Ordinance text. The Planning Commission also has responsibility for reviewing and approving Special Use Permits, and site plans for buildings within WMU's BTR Park



Traffic Board - This administrative board hears citizen appeals/requests and considers recommendations from the Traffic Engineer regarding traffic control orders and parking regulations

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

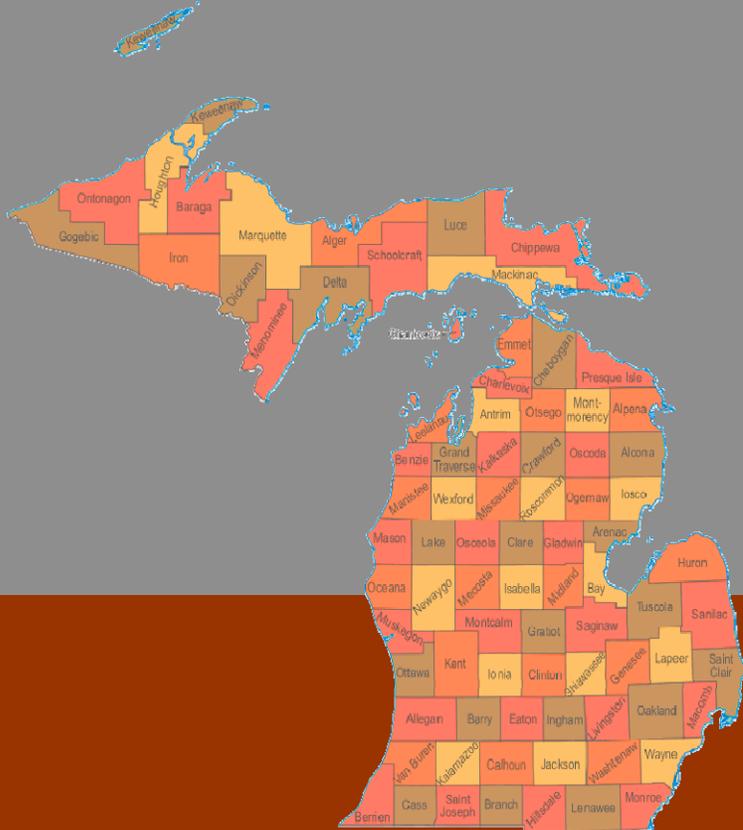
Zoning Board of Appeals (ZBA) - The Zoning Board of Appeals' primary role is to hear requests for granting variances from the Zoning Ordinance. The ZBA also provides interpretations of the Zoning Ordinance and appeals of administrative zoning decisions



PEOPLE IN THE COMMUNITY

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

Population of Largest Counties in Michigan
2008 - 2010 Comparison

	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

Population of Largest Cities in Michigan
2008 & 2010 Comparison

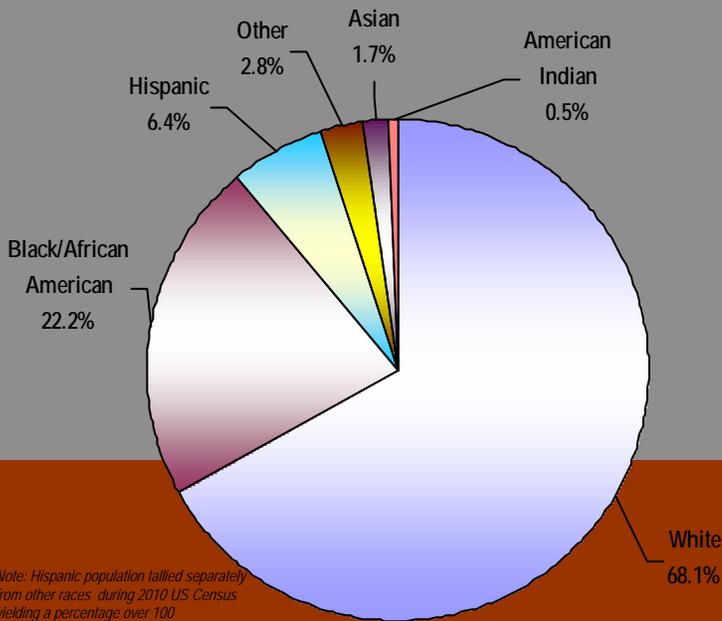
	2010 Population	2008 Population
Detroit	713,777	912,062
Grand Rapids	188,040	193,396
Warren	134,056	133,939
Lansing	114,297	113,968
Ann Arbor	113,934	114,386
Flint	102,434	112,900
Dearborn	98,153	86,477
Livonia	96,942	91,220
Westland	84,094	78,961
Troy	80,980	80,264
Farmington Hills	79,740	78,522
Kalamazoo	74,262	72,179
Wyoming	72,125	70,462
Southfield	71,739	75,392
Rochester Hills	70,995	69,014

SOURCE: US Census Bureau: American Fact Finder
 NOTE: Cities placed in chronological order (largest to smallest) based on 2010 statistics

Ethnic Composition

- According to *American Fact Finder* (associated with the 2010 *US Census Bureau*) there were 70,828 (95.4%) people reporting one race in Kalamazoo (city):

White – 50,604 (68.1%)
 Black/African American – 16,460 (22.2%)
 Hispanic – 4,736 (6.4%)
 Reported two or more races – 3,434 (4.6%)
 Other – 2,074 (2.8%)
 Asian – 1,279 (1.7%)
 American Indian/Alaska Native – 384 (.5%)
 Native Hawaiian/Other Pacific Islander – 27 (less than 0%)



**Racial Composition (Percentage)
 Select Cities in Michigan
 2010**

	White	Black	Asian	Native American	Hispanic	Other
Ann Arbor	73	7.7	14.4	.3	4.1	1
Battle Creek	71.7	18.2	2.4	.7	6.7	2.7
Detroit	10.6	82.7	1.1	.4	6.8	3
Flint	37.4	56.6	.5	.5	3.9	1.1
Grand Rapids	64.6	20.9	1.9	.7	15.6	7.7
Holland	80	3.6	3	.6	22.7	9.2
Kalamazoo	68.1	22.2	1.7	.5	6.4	2.8
Lansing	61.2	23.7	3.7	.8	12.5	4.3
Muskegon	57	34.5	.4	.9	8.2	2.6
Portage	86.9	4.9	3.8	.4	3.1	1
Saginaw	43.5	46.1	.3	.5	14.3	5.2
Warren	78.4	13.5	4.6	.4	2.1	.4
Wyoming	75.8	7.2	2.8	0	19.4	9.6

SOURCE: *American FactFinder* website (<http://factfinder2.census.gov/main.html>)
 NOTE: Statistics as of 2010 US Census; Cities listed in alphabetical order

- American Community Survey* statistics also noted that of the 2010 Kalamazoo County population, 51% were female and 49% were male, while in the city of Kalamazoo, 49.3% were men and 50.7% were women
- In the city of Kalamazoo, the median age was 26.4 years old and in Kalamazoo County, the median age was 34.1

**Percentage of Population by Age
 Kalamazoo (city) and Kalamazoo (county)
 2010**

Age Range	Kalamazoo (city) 74,262	Kalamazoo (county) 250,331
Under 5	6.4%	6.3%
5-9	5.7%	6.3%
10-14	5.2%	6.4%
15-19	10.1%	7.8%
20-24	20.1%	11.1%
25-29	8.6%	7.2%
30-34	6.4%	6.1%
35-39	5.2%	5.8%
40-44	4.7%	6.0%
45-49	5.0%	6.6%
50-54	5.1%	6.9%
55-59	4.6%	6.4%
60-64	3.5%	5.1%
65-69	2.5%	3.7%
70-74	1.8%	2.7%
75-79	1.6%	2.2%
80-84	1.5%	1.8%
85 and over	2.0%	1.9%

SOURCE: *American FactFinder* website (factfinder2.census.gov/main.html)
 NOTE: Statistics as of 2010 US Census; information listed by ages

Poverty in Kalamazoo

- According to the *US Office of Management and Budget*, federal guidelines to calculate poverty statistics are established by the *US Census Bureau* and are referred to as the **poverty threshold**. In contrast, the US Department of Health & Human Services determines the minimum financial capacity for an individual and/or family to maintain a household, referred to as **poverty guidelines**)

Living with Poverty (county)

- According to the 2010 US Census, the population for whom the poverty status was determined for Kalamazoo county was 242,812 residents. Of which, 49,724 (20.5%) lived below the poverty limits - 23,051 (19.4%) were male and 26,673 (21.5%) were female
- Of the 242,812 individuals 26.7% (15,062) residents were under the age of 18 years old, 21.2% (33,120) are between the ages of 18 and 64 years old lived below the poverty line and 5.2% (1,542) were over 65 years old
- All people living at or below the poverty limit are not unemployed. In Kalamazoo County, of the 128,875 residents over the age of 16 and eligible to work

70,193 people worked full-time, year round for 12 months in 2010, of whom 3,459 or 4.9% lived below the poverty line

60,665 people worked part-time or part of the year or 12 months in 2010, of whom 18,342 or 30.2% lived below the poverty line

61,893 people did not work at all in 2010, of whom 14,199 or 22.9% lived below the poverty line

- The median income deficit for individuals in Kalamazoo county was not available

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

Living with Poverty (city)

- According to the 2010 US Census, the population for whom the poverty status was determined for Kalamazoo city was 67,452 residents. Of which, 26,201 (38.8%) lived below the poverty limits - 12,159 (38.3%) were male and 14,042 (39.3%) were female
- Of the 67,452 individuals 53.3% (8,012) residents were under the age of 18 years old, 38.7% (17,694) are between the ages of 18 and 64 years old lived below the poverty line and 7.3% (495) were over 65 years old
- Of the 53,879 residents over the age of 16 years old, eligible to work and living within the city limits

17,229 people worked full-time, year round for 12 months in 2010, of whom 2,246 or 13% lived below the poverty line

20,721 people worked part-time or part of the year for 12 months in 2010, of whom 10,884 or 52.5% lived below the poverty line

15,929 people did not work at all in 2010, of whom 5,665 or 35.6% lived below the poverty line

- The median income deficit for individuals in the city was \$6,049

Employment Statistics for Men and Women Living Within the Kalamazoo City Limits 2010			
	Total Number of Residents Available for Employment	Total Number of People Living Below Poverty Limit	Percentage of Population Living Below Poverty Limit
Employed	30,326	8,262	27.2%
Unemployed	6,220	4,315	69.4%

SOURCE: 2010 US Census: Poverty Status in the Past 12 Months: www.factfinder2.census.gov

- Since 2006, the percent of people living below the poverty level fluctuated for each age group within the State, County and City

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

	State of Michigan		Kalamazoo County		City of Kalamazoo	
	2010 1,618,257 <i>residents living below poverty</i>	2009 1,417,380 <i>residents living below poverty</i>	2010 49,724 <i>residents living below poverty</i>	2009 42,696 <i>residents living below poverty</i>	2010 26,201 <i>residents living below poverty</i>	2009 22,970 <i>residents living below poverty</i>
Under 18	23.5	19.8	26.7	18.1	53.3	36.5
18-64	16.1	13.6	21.2	19.8	38.7	37
65+	8	8.5	5.2	8	7.3	15.8

SOURCE: 2010 US Census: Poverty Status in the Past 12 Months (www.factfinder2.census.gov) 2009 American Community Survey- Poverty Status in the Past 12 Months (2009); State of Michigan, Kalamazoo County, Kalamazoo City

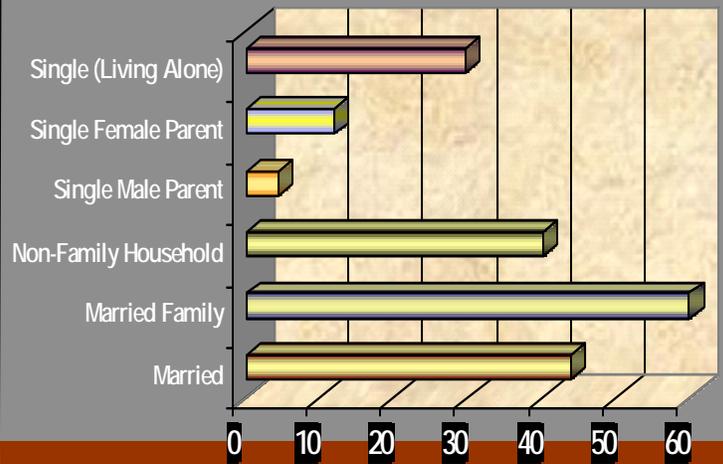
Children / Elderly and Poverty

- The child poverty rate in the city in 2006 was 40.9%, representing approximately 5,366 children under 18 years old. In 2009, the child poverty rate was slightly lower (36.5%) representing 5,064 children of which 4,998 were siblings according to the 2010 American Fact Finder
- In 2006, the poverty rate for the elderly (65 years and older) was 10.9%. In 2009, the poverty rate increased to 15.8% affecting 983 residents according to the 2010 American Fact Finder



Household Composition

- According to the 2010 American Fact Finder, the average household size in the city of Kalamazoo is 2.40 people and average family size is 2.98. The family composition of the average household in the city of Kalamazoo is as follows:
 - Married – 43.9%
 - Married Family – 59.9%
 - Non-Family Household (*which includes students*) – 40.1%
 - Single Male Parent – 4.2%
 - Single Female Parent – 11.8%
 - Single (Living Alone) – 29.6%



**Household Composition
Select Cities in Michigan
2010**

	Average Household Size	Unmarried Partners	Married Couple	Married Couple with Children	Single Parent Male	Single Parent Female	Single Household Male	Single Household Female
Ann Arbor	2.17	2.4%	34.2%	14.4%	19%	45.3%	.9%	3.8%
Battle Creek	2.41	3.5%	37.1%	15%	19.1%	37.5%	3.1%	12%
Detroit	2.59	2.7%	21.5%	8.5%	24.2%	48.9%	2.8%	16.3%
Flint	2.45	3.7%	23.1%	8.3%	23.6%	46.5%	3.2%	17.4%
Grand Rapids	2.49	3.1%	35.5%	51.4%	15.6%	34.8%	2.4%	10.2%
Holland	2.52	2.4%	46.5%	19.6%	20.3%	30.8%	2.6%	7.6%
Kalamazoo	2.29	3.4%	26.1%	10.7%	20.8%	36.1%	2.2%	10.3%
Lansing	2.33	4.1%	30.8%	12.5%	21.4%	36.9%	2.7%	11%
Muskegon	2.38	3.3%	27.9%	10.7%	21.1%	43.6%	3.1%	14.3%
Portage	2.40	2.8%	50.1%	21.3%	15.6%	28.2%	2.3%	6.7%
Saginaw	2.52	3.2%	26.9%	10.3%	21%	46.1%	2.9%	17.5%
Warren	2.49	2.8%	42.2%	16.9%	19.4%	32.8%	2.4%	8%
Wyoming	2.66	3.1%	47.1%	21.9%	17.5%	28.2%	3%	8.8%

SOURCE: 2010 American Fact Finder (www.factfinder2.census.gov)

NOTE: Statistics as of 2010; Cities listed in alphabetical order; Single=male/female householder, no wife/husband present + nonfamily householder living alone by gender; Families/Single Male/Female with children under 18 years

Community Health

- Infant mortality rates are universal quality indicators and are closely linked to access to prenatal care and poverty. This rate measures the number of infant deaths under the age of one per 1,000 live births
- According to the Michigan Department of Community Health, the Michigan infant mortality rate continues to be higher than the national rate. In 2009, Michigan realized a 7.5 infant mortality rate versus a 6.3 rate for the nation
- Kalamazoo county consistently realizes more infant deaths than the State and national average. In 2000, 2002-2004 Kalamazoo city, realized more infant deaths than the national, state and county averages. However, in 2006, 2008 and 2009, Kalamazoo city managed to average fewer infant deaths than the national, state and county averages

Numbers of Infant Deaths Comparison of the United State, Michigan (state), Kalamazoo (county) and Kalamazoo (city) 2000-2009

	United States	Michigan	Kalamazoo (county)	Kalamazoo (city)
2000	6.9	8.2	8.8	10.2
2001	6.8	8.0	11.0	7.6
2002	7.0	8.1	11.5	14.4
2003	6.9	8.5	8.2	10.6
2004	6.8	7.6	6.7	10.1
2005	6.9	7.9	7.4	7.1
2006	6.7	7.4	5.5	4.3
2007	6.8	8.0	8.6	9.7
2008	6.6	7.4	7.0	6.0
2009	6.3	7.5	9.5	5.8

SOURCE: Michigan Department of Community Health - 1989-2009 Michigan Resident Birth and Death Files, Division for Vital Records & Health Statistics - <http://www.mdch.state.mi.us/pha/osr/InDx/Main/InDx.ASP>; Number and Rate of Infant Deaths by Race, Michigan and United States; Infant Deaths, Live Births & Infant Death Rates Kalamazoo city, Kalamazoo County Residents, 1989-2009 - <http://www.mdch.state.mi.us/pha/osr/CHI/InDx/frame.html>; Infant Deaths, Live Births and Infant Death Rates Kalamazoo County Residents, 1989-2009 - <http://www.mdch.state.mi.us/pha/osr/CHI/InDx/frame.html>

NOTES: Rates are per 1,000 live births. Adding and subtracting the number shown after the ± symbol from the rate creates a confidence interval indicating that the true rate lies between the lower and upper bounds of this interval with 95 % statistical confidence

**Number of Infant Deaths, Live Births and Infant Death Rate
Select Cities in Michigan
2009**

	Infant Deaths	Live Births	Infant Death Rate
Holland	3	513	**
Muskegon	6	950	6.3
Ann Arbor	8	1,254	6.4
Battle Creek	9	1,076	8.4
Kalamazoo	10	1,738	5.8
Wyoming	10	1,245	8.0
Portage	11	591	18.6
Lansing	18	2,095	8.6
Warren	18	1,621	11.1
Saginaw	22	1,034	21.3
Flint	28	2,174	12.9
Grand Rapids	28	3,592	7.8
Detroit	166	11,199	14.8

SOURCE: Michigan Department of Community Health - 2005 - 2009 Michigan Resident Birth & Death Files, Division for Vital Records & Health Statistics; <http://www.mdch.state.mi.us/pha/osr/InDxMain/Tab4.asp> - Number of Infant Deaths, Live Births and Infant Deaths for Selected Cities of Residence, 2009 and 2005-2009

NOTES: Cities arranged from lowest to highest rate of infant death; this table shows cities with (1) populations greater than 40,000 according to 2007 estimates and (2) three-year average births of greater than 200. Some city rates may be subject to MCD residence misallocation errors. See Data Quality Considerations for further details. Rates are per 1,000 live births. Adding and subtracting the number shown after the ± symbol from the rate creates a confidence interval indicating that the true rate lies between the lower and upper bounds of this interval with 95 % statistical confidence

** - a rate is not calculated when there are fewer than 6 events because the width of the confidence interval would negate any usefulness for comparative purposes

- There is still a large disparity between the black infant mortality rate and the rate by which white infants expire in Michigan. In 2009 the white infant mortality rate was 5.4 per 1,000 live births while the black rate was 15.5 per 1,000 live births. The infant mortality rate for infants of other races including biracial children was 6.6 per 1,000 live births (<http://www.mdch.state.mi.us/pha/osr/InDxMain/Tab2.asp>)



**Number of Infant Deaths, Live Births and Infant Death Rates By Race
Michigan Residents, 2004 - 2009**

	White			Black			Other		
	Infant Deaths	Live Births	Infant Death Rate	Infant Deaths	Live Births	Infant Death Rate	Infant Deaths	Live Births	Infant Death Rate
2004	527	100,795	5.2	388	22,484	17.3	61	5,719	10.7
2005	549	99,117	5.5	400	22,365	17.9	62	5,461	11.4
2006	534	98,551	5.4	339	22,873	14.8	60	5,636	10.6
2007	549	93,868	5.8	368	22,314	16.5	74	6,932	10.7
2008	496	91,509	5.4	332	22,695	14.6	61	6,691	9.1
2009	470	87,471	5.4	346	22,292	15.5	46	6,980	6.6

SOURCE: Michigan Department of Community Health website: www.mdch.state.mi.us/pha/osr/InDxMain/Tab2.asp - Number of Infant Deaths, Live Births and Infant Death Rates by Race Michigan Residents, 1970-2009; 1970 - 2009 Michigan Resident Birth and Death Files, Division for Vital Records & Health Statistics, Michigan Department of Community Health

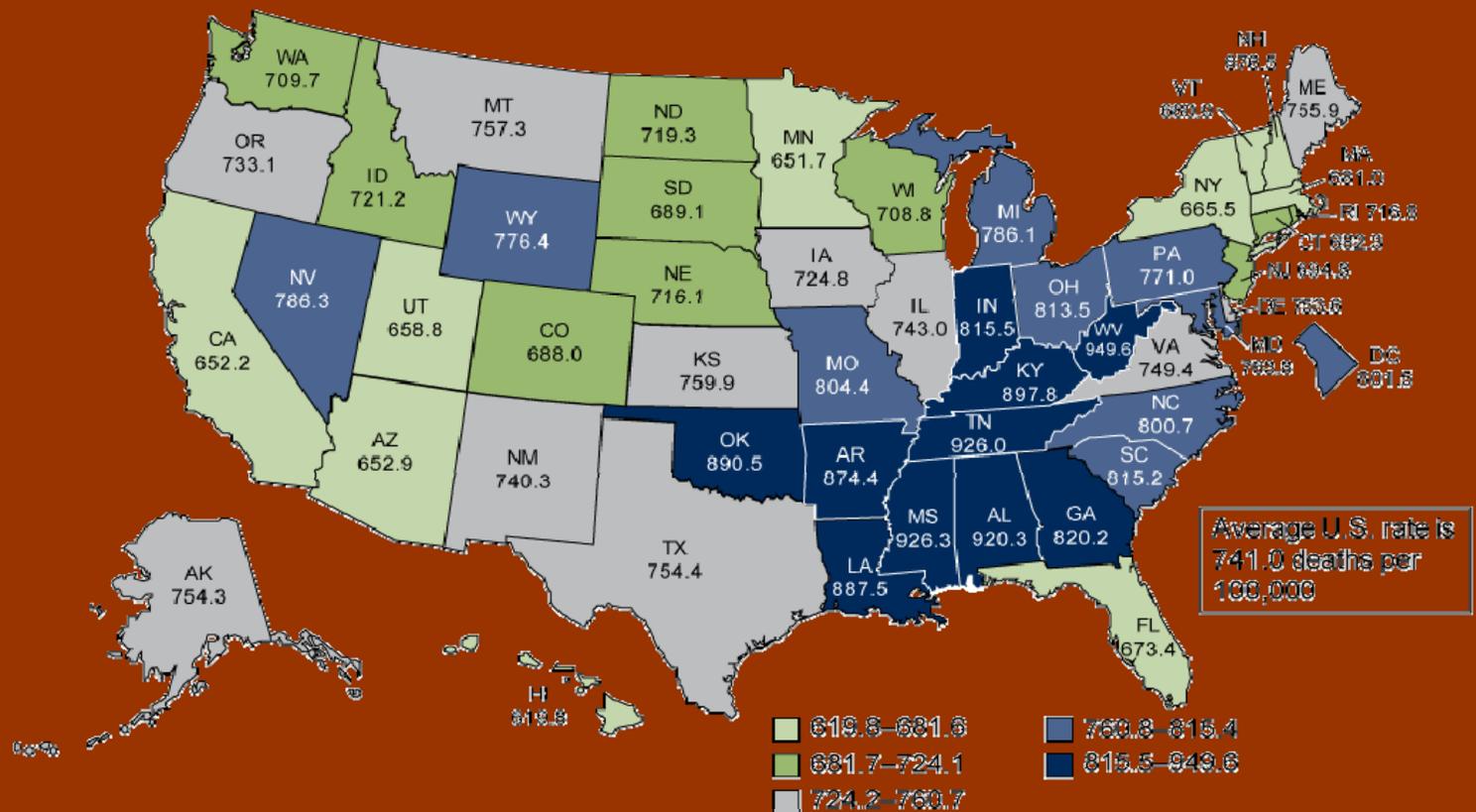
NOTE: Infant deaths by race of infant; live births used in calculating infant death rates are by race of mother. Rates are per 1,000 live births. Adding and subtracting the number shown after the ± symbol from the rate creates a confidence interval indicating that the true rate lies between the lower and upper bounds of this interval with 95% statistical confidence. Infant deaths of unknown race are not included in this table

Mortality in the United States

- According to the preliminary data from the *Center for Disease Control National Center for Health Statistics (CDC-NCHS)*, the number of deaths in the United States in 2009 was 2,436,682, down 36,336 from 2008 totals
- Additionally, CDC-Division of Vital Statistics notes that the "age adjusted death rate for the United States reached a record low of 741.1 per 1000,000 population. Life expectancy at birth reached a record high of 78.2 years"
- According to the *National Center of Health Statistics Data Brief*, "states experience different risks of mortality" (http://www.cdc.gov/nchs/data/nvsr/nvsr59/nvsr59_04.pdf)
- According to preliminary 2009 death rates, the highest number of deaths occur in the lower midwest and southeast portions of the country to include states such as Indiana (815.5), Kentucky (897.8), Tennessee (926) and as far south as Oklahoma (890.5), Louisiana (887.5), Mississippi (926.3) and Georgia (820.2)
- Although the death rate in the country has fallen from 825.9

in 2006 to 741 in 2009, West Virginia still leads the nation with the highest death rate realizing a 194.1 reduction in deaths in 2006 (1,143) to 949.6 in 2009. Conversely, Hawaii had the lowest death rate in the country in 2009 (619.8).

- According to the Center for Disease Control, the leading cause of death in the United States in 2009 was heart disease followed by malignant neoplasm (cancer), chronic lower respiratory disease, cerebrovascular disease and fatalities caused by unintentional accidents
- Cerebrovascular disease replaces stroke as one of the top 5 leading causes of death in the United States and comprises all conditions that restrict blood flow to the brain including stroke, aneurysm or other circulatory conditions of the brain



Mortality in Michigan

- The leading causes of death in Michigan are deaths related to heart disease, cancer, stroke, chronic lower respiratory and unintentional injuries caused by accidents
- From 2006, Kalamazoo County realized an increase in overall total deaths, deaths related to cancer and stroke. Kalamazoo County decreased death numbers with heart disease, accidents and chronic lower respiratory disease

Number of Deaths for the State of Michigan and Select Counties 2005 - 2009

	2005	2006	2007	2008	2009
State of Michigan	86,785	85,945	86,642	88,272	86,310
Calhoun	1,403	1,414	1,451	1,376	1,326
Genesee	3,996	3,977	3,865	4,005	4,084
Ingham	1,922	1,895	1,926	1,925	1,975
Kalamazoo	1,902	1,845	1,908	1,974	1,985
Kenil	4,242	4,021	4,030	4,238	4,121
Macomb	7,423	7,356	7,468	7,642	7,572
Muskegon	1,586	1,643	1,581	1,539	1,634
Ottawa	1,493	1,546	1,588	1,643	1,579
Saginaw	2,136	2,132	2,066	2,065	1,979
Van Buren	727	666	720	740	714
Washtenaw	1,840	1,858	1,938	2,004	1,944
Wayne	18,870	18,576	18,581	18,795	17,625

SOURCE: Michigan Department of Community Health website - All Causes Deaths and Death Rates, 1989-2009- Michigan Resident Death Files. Vital Records & Health Data Development Section, Michigan Department of Community Health - <http://www.mdch.state.mi.us/pha/osr/chi/criframe.html>

- Over the last 5 years, the number of deaths in Michigan has fluctuated resulting in the most significant decline in overall causes of deaths (1,962) between 2008 and 2009
- Kalamazoo County has experienced a consistent increase in overall deaths since 2006. The lowest total number of deaths was realized in 1980 (1,434) and the highest number in 2009 (1,985)
- For 2009, Kalamazoo ranked the 7th lowest in overall causes of deaths among select Michigan cities

Mortality Totals for the 5 Leading Causes of Death

Select Cities in Michigan

2009

	Total Deaths	Deaths Related to Heart Disease	Deaths Related to Cancer	Deaths Related to Chronic Lower Respiratory Disease	Deaths Related to Cerebrovascular Disease	Deaths Related to Accidents - Unintentional Injuries
State of Michigan	86,310	23,044	20,174	4,941	4,415	3,671
Holland	301	57	54	18	22	13
Portage	390	89	99	22	13	18
Wvoming	453	107	101	33	20	27
Muskegon	495	97	118	26	38	18
Ann Arbor	512	127	120	17	23	23
Battle Creek	552	130	120	24	26	27
Kalamazoo	597	109	140	42	25	23
Saginaw	618	146	136	33	32	21
Lansing	945	232	212	61	43	30
Flint	1,092	274	251	60	46	64
Warren	1,554	468	353	68	85	76
Grand Rapids	1,651	441	323	79	79	96
Detroit	7,661	2,346	1,634	235	355	381

SOURCE: Michigan Department of Community Health website - 2009 Michigan Resident Death File, Division for Vital Records & Health Statistics, Michigan Department of Community Health and National Center For Health Statistics, Deaths: Preliminary Data for 2008. National vital statistics reports: vol. 59 no 2. Hyattsville, MD: National Center for Health Statistics, December 2010. <http://www.mdch.state.mi.us/pha/osr/chi/Deaths/frame.html> - Deaths and Crude Rates for Ten Leading Causes of Death, 2009 Michigan Residents and 2008 United States Residents

NOTE: Rates are per 100,000 population. Data displayed are by the underlying cause of death which is the condition giving rise to the chain of events leading to death. Causes of death are classified in accordance with the Tenth Revision of the International Classifications of Diseases (ICD-10), a coding structure developed by the World Health Organization. This revision has been used to classify deaths occurring on or after January 1, 1999- Cities ranked from lowest to highest total deaths



Employment in the Nation, Region & State

- According to the Bureau of Labor Statistics the national unemployment rate was 9.3% in June 2011, while regional and state unemployment numbers for the same period were virtually unchanged
 - * 28 states and the District of Columbia registered unemployment rate increases
 - * 8 states recorded rate decreases
 - * 14 states had no rate change at all

- The West reported the highest regional unemployment rate in June (10.4%) while the Northeast reported the lowest rate (8.1%)

- Over the month, two regions experienced statistically significant jobless rate changes: the Midwest (+0.2 percentage point) and South (+0.1 point). Three of the regions registered significant rate changes from a year earlier: the Midwest (-1.1 percentage points) and Northeast and West (-0.6 point each)
 - * Nevada recorded the largest jobless rate decrease from June 2010 (-2.5 percentage points). 2 other states had rate decreases of at least 2.0 percentage points--Michigan (-2.1 points) and Indiana (-2.0 points)



Employment in Kalamazoo (city)

- According to the *Michigan Department of Technology, Management & Budget*, there has been a steady increase in unemployment since 2000 in Kalamazoo (city). Unemployment rates were at its height in 2010 at 13.9 and realized its largest increase (4.8) from 2008 to 2009

Annual Unemployment Rates for Kalamazoo (city) 2000-2010		
PERIOD	UNEMPLOYMENT	UNEMPLOYMENT RATE
2000	1,648	4.2
2001	2,257	5.7
2002	2,553	6.6
2003	2,967	7.6
2004	3,109	7.9
2005	2,847	7.2
2006	2,875	7.1
2007	2,969	7.3
2008	3,509	8.6
2009	5,409	13.4
2010	5,512	13.9

SOURCE: State of Michigan, Department of Labor and Economics, Labor Market Information, Data Explorer <http://mlmi.org/>

NOTES: Information includes annual unemployment statistic.



- In June 2011, the unemployment rate for the State of Michigan and Kalamazoo County was 11% and 12.3%, respectively both higher than the national rate

Employment by Industry in Kalamazoo (county)

- Employers in Kalamazoo reflect our community's strength. Industries in Kalamazoo include pharmaceuticals, healthcare,

Employment Statistics United States, Michigan, Select Cities June 2011				
	Total Workforce	Number of People Employed	Number of People Unemployed	Unemployment Rate
United States	154,538,000	140,129,000	14,409,000	9.3
Michigan	4,766,000	4,242,000	524,000	11.0
Portage	25,837	24,046	1,791	6.9
Ann Arbor	62,313	57,231	5,082	8.2
Wyoming	40,302	36,583	3,719	9.2
Battle Creek	25,030	22,233	2,797	11.2
Holland	17,660	15,591	2,069	11.7
Grand Rapids	102,502	90,048	12,454	12.2
Kalamazoo	40,422	35,456	4,966	12.3
Lansing	65,702	57,109	8,593	13.1
Muskegon	17,237	14,825	2,412	14.0
Warren	67,397	57,525	9,872	14.6
Saginaw	25,223	20,922	4,301	17.1
Flint	48,955	39,187	9,768	20.0
Detroit	354,730	278,156	76,574	21.6

SOURCE: State of Michigan, Department of Labor and Economics, Labor Market Information, Data Explorer <http://lmi.mi.org/>

NOTES: Information includes June 2011 labor force statistics. Cities ranked from lowest to highest unemployment rate.

cation, automotive manufacturing, banking, government services, insurance, telecommunications, media, injection molding and plastics

- According to the Kalamazoo Regional Chamber of Commerce, there are more than 400 industrial employers in Kalamazoo County 'providing jobs for nearly 20% of the area's workforce'
- According to the Chamber of Commerce, in April 2010, Borgess Hospital is the largest employer in Kalamazoo County employing 4,201 employees, followed by Western Michigan University (4,045), Bronson Methodist Hospital (3,779), Pfizer (3,200), Stryker (2,083) and PNC (2,000). Of the 54,049 people employed in Kalamazoo County
 - * 40,574 people work for companies that employ 1,000 people or more
 - * 8,670 people work for companies with 500-999 employees
 - * 4,805 people work for companies with 200-499 employees



edu-

Residential, Commercial & Industrial Tax Valuations

- Based on information from the City's *2010 Comprehensive Annual Financial Report*, the tax base is still quite diverse with residential, commercial and industrial valuations accounting for approximately 50.18% (up from 48.92% in 2009) 33.77% (down from 34.62% in 2009) and 16.06% (down from 16.46% in 2009), respectively, of its total taxable value based on the fiscal year ending December 31, 2010



Percent of Total Taxable Value by Use & Class 2006-2010					
	2006	2007	2008	2009	2010
Residential	47.99	48.65	49.34	48.92	50.18
Commercial	34.67	34.80	33.98	34.62	33.72
Industrial	17.34	16.55	16.68	16.46	16.06

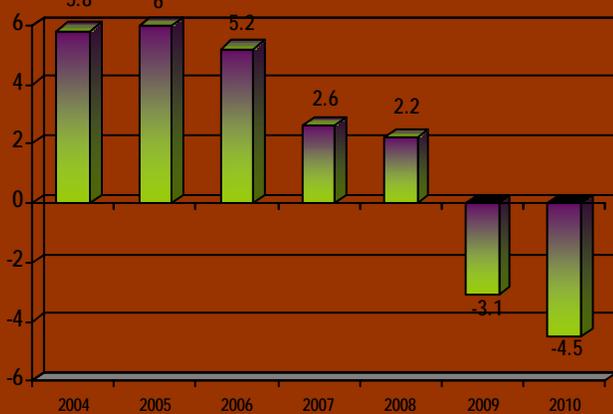
SOURCE: 2010 Comprehensive Annual Financial Report, City of Kalamazoo, Management Services Department, Assessor Division

- 40% of Kalamazoo's tax base is owned by institutions that are not taxable. As a result, the City does not recover all costs on services delivered under the current revenue structure
- Residential property accounts for 50% of the tax base, with commercial property at 34%
- Kalamazoo realized a 4.5% decline in assessments in 2010 compared to 2009 as commercial assessments were down 11%, residential values down 4% and industrial assessments down 2%

State Equalized Valuations by County and Classification Select Counties 2007 & 2010					
		Commercial	Industrial	Residential	Total Real and Personal Property
Calhoun	2007	\$360,497,780	\$556,065,198	\$2,785,334,379	\$4,428,748,693
	2010	\$681,615,790	\$189,424,499	\$2,562,051,523	\$4,336,796,209
Genesee	2007	\$2,441,415,634	\$507,740,852	\$10,154,661,030	\$14,156,934,349
	2010	\$2,248,063,789	\$421,919,001	\$7,269,244,631	\$10,798,912,285
Kalamazoo	2007	\$1,719,347,867	\$505,724,481	\$6,159,696,308	\$9,411,054,325
	2010	\$1,743,345,742	\$399,521,368	\$5,734,285,28	\$8,987,753,185
Kent	2007	\$4,421,321,198	\$1,964,202,450	\$15,791,563,476	\$24,338,570,446
	2010	\$4,749,084,700	\$1,545,240,000	\$14,114,465,475	\$22,577,744,317
Macomb	2007	\$5,053,234,643	\$2,681,261,126	\$27,627,368,273	\$38,357,400,548
	2010	\$4,676,384,437	\$2,175,330,455	\$19,618,528,805	\$29,264,162,054
Muskegon	2007	\$845,349,137	\$250,108,480	\$3,941,533,537	\$5,543,825,045
	2010	\$842,644,200	\$267,426,500	\$3,573,981,700	\$5,221,199,500
Ottawa	2007	\$1,328,378,003	\$828,518,629	\$8,322,378,855	\$11,719,793,894
	2010	\$1,320,574,090	\$844,725,800	\$7,618,003,419	\$10,990,874,852
Saginaw	2007	\$1,020,122,237	\$153,977,661	\$3,941,749,626	\$5,981,826,799
	2010	\$1,059,705,076	\$146,001,351	\$3,386,884,167	\$5,534,223,582
Washtenaw	2007	\$3,454,743,68	\$955,904,700	\$13,180,821,892	\$19,330,951,897
	2010	\$3,541,600,760	\$523,122,733	\$10,619,743,038	\$16,263,508,267
Wayne	2007	\$10,207,580,746	\$4,866,833,743	\$45,073,474,033	\$66,127,289,684
	2010	\$9,400,509,146	\$4,281,155,663	\$31,639,690,635	\$50,648,353,534

SOURCE: State of Michigan, *State Tax Commission 2007 Annual Report*, (www.michigan.gov/documents/treasury07AnnualReport_223787_7.pdf); State of Michigan, *State Tax Commission 2010 Annual Report*, (http://www.michigan.gov/documents/treasury/2010_Annual_Report_345719_7.pdf)

Change in Annual Residential Assessed Values
2004-2010



Downtown Development

- Ten years ago, population trends marked the nation moving away from urban centers to rural/ suburban areas. At present, revitalization efforts target the urban core and are attracting people back to the inner city. Kalamazoo is following that trend and has focused on developing downtown Kalamazoo
- Downtown construction includes the development of lofts/ condos, restaurants and retail shops. Some projects include
 - * **Rickman House** – The redevelopment project began February 2011. Expected completion summer 2012



- * **Metropolitan Center Construction** – Redevelopment of the 100 block of E Michigan began December 2010 with the creation of a mixed use structure with living space and retail stores scheduled for completion in 2012



- According to the *2011 State of the Downtown Address* presented by *Downtown Kalamazoo Incorporated*, other downtown Kalamazoo Facts include
 - * Number of People Working Downtown – 12,553 workers in 2010, a net loss of 387 workers from the previous year representing 600 downtown businesses
 - * Retail Incubation Program – incentive program of offering subsidized rental assistance to new businesses opening downtown Kalamazoo
 - * Events downtown – hosted 42 events (April to October) yielding an estimated 150,000 visitors and \$371,000 in revenue
 - * Crime Stats – In 2010, calls for service were down 9% from previous year; Sherriff's Mounted Patrol division added more surveillance to downtown events including late night festivals, expanded art hops and holiday shopping
 - * Electric Vehicle Charging Stations – added several 240 -volt charging stations in downtown parking garages for motorists with electric cars
 - * Created 500 new residents downtown over the last 10 years



Economic Incentives

- According to the *US Department of Commerce, Bureau of Census and US Department of Labor Employment/Training Administration*, 99.9% of the 27.2 million businesses in the United States are small companies with less than 500 employees



- According to the *US Small Business Administration*, small businesses in the United States
 - * provide 99.7% of the workforce
 - * employ ½ of all private sector employees
 - * 44% of total US private payroll
 - * generated 65% of net new jobs over the past 17 years
 - * create more than ½ of non-farm private gross domestic product (GDP)
 - * hire 43% of high tech workers, scientists, engineers, computer programmers, etc.
 - * 52% home-based/2% franchise

State Business Incentives

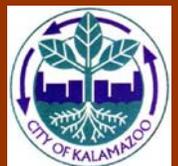
- **Michigan Economic Growth Authority (MEGA) Tax Credit** - provides a refundable tax credit against the Michigan Business Tax (MBT) to companies expanding or relocating their operations in Michigan. Eligible companies include manufacturing, research and development, wholesale trade
- **Industrial Property Tax Abatement (PA 198)** - provides incentive for Michigan manufacturers to build new plants, expand existing plants, renovate aging plants or add new machinery and equipment. Companies in Kalamazoo that have taken advantage of this program include Fabri-Kal, Graphic Packaging and Aggregate Industries



- **Private Activity Bond Program** - provides profitable firms with capital cost savings stemming from the difference between taxable and tax-exempt interest rates
- **Economic Development Job Training Program** - provides a training resource to retain and attract business and people
- **Worker Recruitment Services** - provides customized recruitment services to Michigan employers with major expansions and large numbers of job openings
- **Procurement Technical Assistance Centers** - helps companies acquire government contracts

Local Business Incentives

- **Renaissance Zones** - tax free areas available to businesses and residents designed to provide selected communities with the most powerful market-based incentive - no taxes - to create new jobs and investment such as *Kalamazoo Renaissance Zones* such as *Vine Neighborhood* and *Midlink Business Park*
- **Brownfield Redevelopment** - industrial or commercial property available for redevelopment that may be contaminated are eligible for tax incentives such as *Davis Creek Business Park*, *Mavcon's Metropolitan Center*, *McKenzies' Bakery* and the *United Building*



NEIGHBORHOOD COMPOSITION

Kalamazoo Neighborhoods

- There are more than 20 active neighborhood associations in the City of Kalamazoo. Of these associations, seven neighborhoods are contiguous to downtown Kalamazoo
- The City of Kalamazoo receives annual funding from HUD through three separate programs: *Community Development Block Grant (CDBG)*, *Home Investment Partnerships Program (HOME)* and *Emergency Shelter Grant (ESG)*

Housing

- According to the *2010 US Census Bureau, American Fact Finder*, Michigan residents occupied about 3.8 million housing units of which approximately 2.7 million (72.1% down from 75% in 2006) were owner occupied and approximately 1 million (27.9% up from 25% in 2006) were occupied by renters

- Kalamazoo County residents occupied a total of 110,033 housing units, of which 9.8% were vacant. Of the total housing units, 70.1% were single-unit structures, 26.3% were multi-unit structures and 3.6% were mobile homes. 23.2% of these housing units were built since 1990
- Kalamazoo city residents occupied 28,181 housing units of which 49.4% were owner occupied and 50.6% were occupied by renters
- The median monthly housing cost for residents with mortgages was \$1,143, owners without a mortgage averaged \$420 and renters paid on average \$719 in Kalamazoo city. Kalamazoo County residents make up 68.1% of owners with mortgages and 31.9% of owners without mortgages. 53.1% of renters in Kalamazoo County spent more than 35% of their household income on housing

Occupied Housing Units
United States, Michigan, Kalamazoo County, Select Cities in Michigan
2010

	Total Housing Units	Total Occupied Housing Units	Total Vacant Housing Units	Total Owner Occupied Units	Total Renter Occupied Units	% of Owner Occupied Units	% of Renter Occupied Units
United States	131,704,703	116,716,292	14,988,438	75,986,074	40,730,218	65.1	34.9
Michigan	4,532,233	3,872,508	659,725	2,793,342	1,079,166	72.1	27.9
Kalamazoo (county)	110,007	100,610	9,397	64,254	36,356	63.9	36.1
Ann Arbor	49,789	47,060	2,729	21,078	25,982	44.8	55.2
Battle Creek	24,277	21,118	3,159	12,799	8,319	60.6	39.4
Detroit	349,170	269,445	79,725	137,730	131,715	51.1	48.9
Flint	51,321	40,472	10,849	22,364	18,108	55.3	44.7
Grand Rapids	80,619	72,126	8,493	40,391	31,735	56	44
Holland	13,212	12,021	1,191	7,656	4,365	63.7	36.3
Kalamazoo	32,433	29,141	3,292	12,723	16,418	43.7	56.3
Lansing	54,181	48,450	5,731	20,019	22,431	53.7	46.3
Muskegon	16,105	13,967	2,138	7,332	6,635	52.5	47.5
Portage	20,559	19,199	1,360	13,220	5,979	68.9	31.1
Saginaw	23,574	19,799	3,775	11,939	7,860	60.3	39.7
Warren	57,938	53,442	4,496	39,723	13,719	74.3	25.7
Wyoming	28,983	26,970	2,013	17,776	9,194	65.9	34.1

SOURCE: 2010 US Census Bureau, American Fact Finder, *American Community Survey: Selected Housing Characteristics* (www.factfinder2.census.gov)

- The median monthly housing cost for Michigan homeowners with a mortgage was \$1,288 (\$1,259 for Kalamazoo county, \$1,143 for Kalamazoo city)
- Homeowners without a mortgage paid on average about \$438 while renters paid on average \$709
- The Michigan State Housing Development Authority (MSHDA) continues to create programs to promote homeownership throughout the State such as
 - * Michigan Mortgage Credit Certificate – a reformed program that reduced the amount of federal income tax a homebuyer pays to make more money available for conventional mortgage loans and house payments
 - * Down Payment Assistance – increases income limits to parallel single family income limits, improving the potential ability for homebuyers to qualify for loans

- * Hardest Hit Fund – partnership with Michigan Bankers Association, Michigan Credit Union League, Michigan Association of Community Bankers, Michigan Associations of Realtors, Michigan Foreclosure Task Force to provide resources and counseling for new homeowners



- Locally, the Community Planning and Development department in conjunction with the Kalamazoo County Land Bank Authority and Homebuilders Association of Greater Kalamazoo are utilizing \$4 million in stimulus funding to construct 24 new homes in the Edison neighborhood over the next 2-3 years creating affordable housing opportunities for new homeowners, work experience for ex-offenders and work for local home builders

Median Monthly Housing Costs
United States, Michigan, Kalamazoo County, Select Cities
2010

	Median Housing Costs for Homeowners with Mortgages	Median Housing Costs for Homeowners without Mortgages	Median Housing Costs for Renters	% of Homeowners with Mortgages	% of Homeowners without Mortgages	% of Renters who spend more than 35% of household income
United States	\$1,496	\$431	\$855	37.2%	32.8%	43.8%
Michigan	\$1,288	\$442	\$730	66%	34%	46.9%
Kalamazoo (county)	\$1,295	\$446	\$701	68.1%	31.9%	53.1%
Ann Arbor	\$1,818	\$695	\$922	68.7%	31.3%	37.6%
Battle Creek **	\$1,100	\$419	\$624	66.4%	33.6%	38.2%
Detroit	\$1,088	\$449	\$733	55.4%	44.6%	61.6%
Flint	\$858	\$382	\$660	55.7%	44.3%	68.2%
Grand Rapids	\$1,103	\$410	\$736	71.2%	28.8%	49.2%
Holland**	\$1,279	\$454	\$718	69%	31%	49.4%
Kalamazoo	\$1,143	\$420	\$719	65.3%	34.7%	63.8%
Lansing	\$1,046	\$427	\$724	76.5%	23.5%	51.5%
Portage **	\$1,237	\$418	\$683	68%	32%	51.9%
Muskegon **	\$1,050	\$380	\$649	61.9%	38.1%	48%
Saginaw **	\$1,096	\$406	\$686	60.7%	39.3%	46.6%
Warren	\$1,160	\$440	\$809	62.3%	37.7%	50.8%
Wyoming	\$1,169	\$415	\$656	74.2%	25.8%	47.2%

SOURCE: 2010 US Census Bureau, American Fact Finder, *American Community Survey: Selected Housing Characteristics* (www.factfinder2.census.gov)

NOTES: Cities listed in alphabetical order; **-Individual areas not available. Metropolitan Statistical Areas listed

Real Estate Trends

- According to *RealtyTrac* statistics from July 2011, Michigan reported 10,894 foreclosed homes (about 1 in 417 homes) lower than the national rate (1 in every 611 homes or 1,625,087 homes)

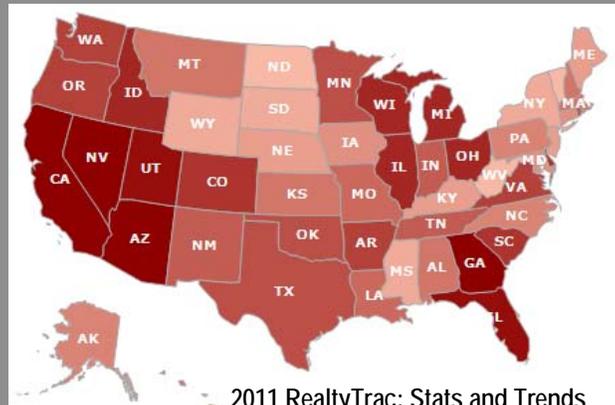
Foreclosure Statistics United States, Michigan, Kalamazoo County, Select Cities July 2011				
	Statistics <i>as of July 2011</i>	Number of Homes <i>(1 in every XX home)</i>	Total Number of Homes to Date	Average Cost of Homes
United States	n/a	611	1,629,468	\$173,450
Michigan	10,894	417	84,542	\$69,220
Kalamazoo (county)	n/a	803	1,873	\$71,645
Portage	22	993	267	\$68,007
Lansing	41	379	1,935	n/a
Ann Arbor	46	1,527	481	\$165,853
Holland	60	648	697	n/a
Wyoming	65	397	426	\$47,669
Kalamazoo	84	826	1,185	\$68,317
Battle Creek	102	412	1,127	\$69,554
Flint	160	558	1,571	\$17,715
Saginaw	214	298	1,107	\$51,169
Warren	248	256	1,924	36,793
Muskegon	269	208	1,766	\$42,740
Grand Rapids	360	428	2,596	\$58,593
Detroit	1,050	339	18,748	\$49,148

SOURCE: 2011 RealtyTrac: National Real Estate Trends: Foreclosure Trends (<http://www.realtytrac.com/trendcenter/>)
 NOTES: Cities listed chronologically from lowest reported foreclosure statistics in July 2011



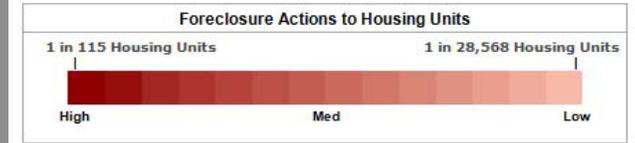
National Real Estate Trends

- July 2011 *RealtyTrac* reported that the highest foreclosure action in the US occurred on the west coast in Nevada (9,930 foreclosures = 1 in every 115 homes) followed by California (56,193 foreclosures = 1 in 239 homes) and Arizona (10,098 foreclosures = 1 in 273 homes)
- Conversely, the lowest rate of foreclosures in the country occurred in Vermont (11 foreclosures = 1 in 28,568 homes) followed by the District of Columbia (27 foreclosures = 1 in 10,561 homes) and North Dakota (35 foreclosures = 1 in 9,041 homes)



2011 RealtyTrac: Stats and Trends
United States Real Estate Trends

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

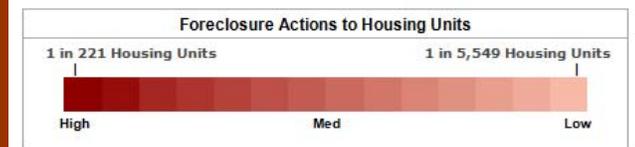
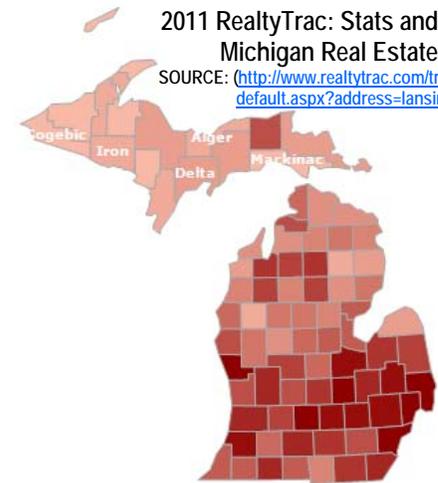


Michigan Real Estate Trends

- July 2011 *RealtyTrac* also reported that the highest foreclosure action in Michigan occurred in Shiawassee County (138 foreclosures = 1 in every 221 homes) followed by Muskegon County (313 foreclosures = 1 in 235 homes) and Eaton County (190 foreclosures = 1 in 241 homes)
- Conversely, the lowest rate of foreclosures in Michigan occurred in the Upper Peninsula in Gogebic County (2 foreclosures = 1 in 5,549 homes) followed by Mackinac County (2 foreclosures = 1 in 5,025 homes) and Dickinson County (4 foreclosures = 1 in 3,557 homes)

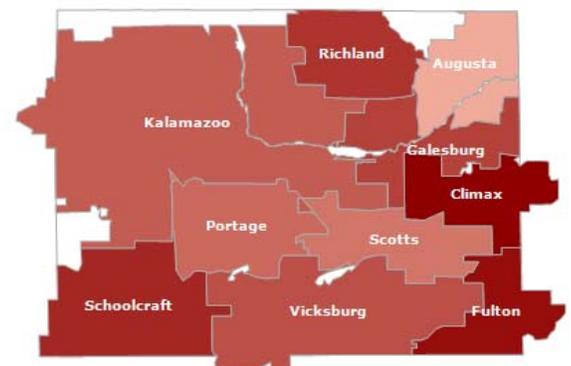
2011 RealtyTrac: Stats and Trends
Michigan Real Estate Trends

SOURCE: (<http://www.realtytrac.com/trendcenter/default.aspx?address=lansing%2c+MI>)



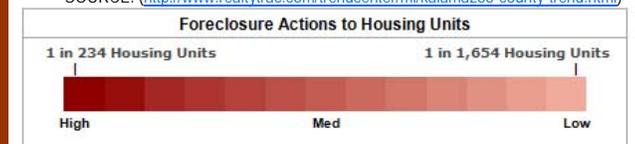
Kalamazoo County Real Estate Trends

- In Kalamazoo County, RealtyTrac reported that the highest foreclosure action occurred in Climax (2 foreclosures = 1 in every 234 homes) followed by Fulton (1 foreclosure = 1 in 335 homes) and Schoolcraft (5 foreclosures = 1 in 436 homes)
- Conversely, the lowest rate of foreclosures in Kalamazoo County occurred in Augusta (1 foreclosure = 1 in 1,654 homes) followed by Scotts (1 foreclosure = 1 in 1,242 homes) and Portage (22 foreclosures = 1 in 993 homes)



2011 RealtyTrac: Stats and Trends
Kalamazoo County Real Estate Trends

SOURCE: (<http://www.realtytrac.com/trendcenter/mi/kalamazoo-county-trend.html>)



Kalamazoo Public Schools

- **Kalamazoo Public Schools (KPS)** boasts one of the lowest pupil-teacher ratios among urban school districts
 - * Kindergarten – 20:1
 - * Lower Elementary (Grades 1-3) – 20:1
 - * Upper Elementary (Grades 4-6) – 26:1
 - * Middle School (Grades 7-8) – 24:1
 - * High School (Grades 9-12) – 29:1

- According to the **Annie E. Casey Foundation's Kids Count Data Center**, Michigan spent on average \$10,318 per student. Utah spent the least (\$6,525 per student) and Wyoming spent the most (\$17,114) during the 2010-2011 school year. The national average was \$11,223 per student

- According to the **Michigan Center for Educational Performance and Information (CEPI)** and **Michigan School Data**, **Kalamazoo Regional Educational Service Area (KRESA)** was the 9th largest school district in the State during the 2010-2011 school year
 - * Wayne RESA – 299,779 students
 - * Oakland Schools – 192,659 students
 - * Macomb RESA – 137,997 students
 - * Kent ISD – 103,493 students
 - * Genesee ISD – 73,465 students
 - * Ottawa Area ISD – 46,873 students
 - * Washtenaw ISD – 46,813 students
 - * Ingham ISD – 43,690 students
 - * Kalamazoo RESA – 34,296 students
 - * Saginaw ISD – 30,999 students

- For the 2011-2012 school year, Kalamazoo Public Schools opened 25 school buildings to accommodate a total enrollment of 12,216 students and continues to be the largest school district in Southwest Michigan and the second largest on the west side of the State

- Kalamazoo leads the State in LEED Gold Certification with two schools receiving the certification, Prairie Ridge Elementary and Linden Grove Middle Schools



Linden Grove Middle School

- According to the **Michigan Department of Education's 2011 Michigan Public School Top to Bottom Ranking**, Indian Prairie (ranked #91), Winchell (ranked # 69) and Greenwood (ranked #49) elementary schools were the highest ranking schools on the statewide list of achievement. Ada Elementary School in Kent ISD, Angell School in Washtenaw ISD and Birmingham Covington School from the Oakland School District were among the highest ranked schools on the list

- According to the *Michigan Department of Education, Center for Educational Performance and Information (CEPI)*, in 2010 there were 867 1st time 9th graders, 478 on-track graduations and 126 dropouts in Kalamazoo Public Schools yielding a graduation rate of 63.06% and dropout rate of 16.62%, slightly higher than the State graduation and dropout rates, 78.95% and 11.07%, respectively

	Total	White	Black	Hispanic	Asian/Pacific Islander	American Indian/Alaska Native
2005	9.4	6.0	10.4	22.4	2.9	14.0
2006	9.3	5.8	10.7	22.1	3.6	14.7
2007	8.7	5.3	8.4	21.4	6.1	19.3
2008	8	4.8	9.9	18.3	4.4	14.6
2009	8.1	5.2	9.3	17.6	3.4	13.2

NOTE: The status dropout rate is the percentage of 16- through 24-year-olds who are not enrolled in high school and who lack a high school credential. A high school credential includes a high school diploma or equivalent credential such as a General Educational Development (GED) certificate. Estimates beginning in 1987 reflect new editing procedures for cases with missing data on school enrollment items. Estimates beginning in 1992 reflect new wording of the educational attainment item. Estimates beginning in 1994 reflect changes due to newly instituted computer-assisted interviewing

SOURCE: U.S. Department of Education, National Center for Education Statistics. (2011). *The Condition of Education 2011* (NCES 2011-033). <http://nces.ed.gov/ipeds/data/ipedsdatacenter.asp?tid=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/mda/F2010_MEAP_Score_Categories_and_Scale_Score_Ranges_346226_7.pdf



The Kalamazoo Promise

kept exclusively at The Kalamazoo Public Schools



- The *Kalamazoo Promise* is a scholarship offered to every Kalamazoo Public School student that awards free tuition to students who graduate and attend Michigan public schools of higher education
- The *City of Kalamazoo* along with the *Kalamazoo Public Schools* and *Kalamazoo Communities in Schools* work together to sponsor Promise Partners, an employee based mentoring program benefitting students in *Kalamazoo Public Schools*
- More than 32 City of Kalamazoo staff spent 112 total hours mentoring or tutoring students around KPS
- At present, more than 1,000 students have taken advantage of the *Kalamazoo Promise* since its inception
- The *Kalamazoo Promise* has brought state and national recognition to the district and community including the **2011 Champion for Children** by the Michigan Association for School Administrators, the superintendents' state association

Higher Education

- There are 8 colleges/universities/trade schools within the City limits; three traditional 4- year institutions (Western Michigan University, Kalamazoo College, Davenport University), one traditional community college (Kalamazoo Valley Community College), three satellite campuses (University of Phoenix, Cornerstone University, Spring Arbor College) and one trade school (Olympia Career Training Institute)
- Of the three traditional, 4-year institutions only two confer graduate degrees (Western Michigan University, Davenport University)

- According to *President's Council of State Universities of Michigan*, in 2010, 302,186 students attended public institutions for higher education in the state of Michigan; 223,919 undergraduates and 68,267 graduates realizing increases from 2009
 - * Subsequently, there are more than 2 million living alumni of Michigan's 15 public universities
- 4 institutions (Michigan State University, Michigan Tech University, Northern Michigan University, Wayne State University) realized decreases in enrollment from Fall 2009 to Fall 2010
- As of Fall 2010, 9 public institutions boasted enrollments with more than 14,000 students. Western Michigan University had the 5th highest total student enrollment (25,045) among like institutions



- Michigan State University has the largest total enrollment and undergraduate enrollment, 47,131 and 36,058, respectively. However, University of Michigan – Ann Arbor has the largest graduate student population, 14,897

Public Universities in Michigan Enrollment Fall 2010			
	Total Enrollment	Undergraduate Students	Graduate Students
Lake Superior State University (<i>Sault Sainte Marie</i>)	2,637	2,566	71
Michigan Technological University (<i>Houghton, MI</i>)	6,976	5,720	1,256
University of Michigan – Flint (<i>Flint</i>)	8,138	6,874	1,264
University of Michigan - Dearborn (<i>Dearborn</i>)	8,885	7,224	1,661
Northern Michigan University (<i>Marquette</i>)	9,417	8,719	698
Saginaw Valley State University (<i>University Center</i>)	10,656	9,116	1,540
Ferris State University (<i>Big Rapids</i>)	14,381	13,134	1,247
Oakland University (<i>Rochester</i>)	19,053	15,530	3,523
Eastern Michigan University (<i>Ypsilanti</i>)	23,504	18,529	4,975
Grand Valley State University (<i>Allendale</i>)	24,541	20,986	3,555
Western Michigan University (<i>Kalamazoo</i>)	25,045	19,966	5,079
Central Michigan University (<i>Mount Pleasant</i>)	28,389	21,633	6,756
Wayne State University (<i>Detroit</i>)	31,509	20,837	10,672
University of Michigan – Ann Arbor (<i>Ann Arbor</i>)	41,924	27,027	14,897
Michigan State University (<i>East Lansing</i>)	47,131	36,058	11,073
Total	302,186	233,919	68,267

NOTES: Universities arranged from smallest to largest institution
Source: Presidents Council-State Universities of Michigan Enrollment Report (Fall 2010) - <http://www.pcsum.org/Portals/0/docs/PCSUMEnrollmentReport2010.pdf>

Area Colleges/Universities

- Western Michigan University (WMU) is a public, four year institution with a current enrollment of 25,045 (as of Fall 2010)



- WMU instituted an instrumental pilot program, *Foster Youth and Higher Education Initiative*. This program is designed to recruit and offer a support structure and financial aid to young people who have aged out of the foster care system and quali-

fy for admission or transfer to WMU. This effort is being launched in coordination with the Michigan Campus Compact and the Michigan Department of Human Services

- US News & World Report* ranks WMU 179th of national universities and 97th for top public institutions. WMU also ranks among the top 50 in the nation for occupational therapy (#33), physician assistant (#38), rehabilitation counseling (#45) and speech pathology (#38)
- WMU began offering extension classes in 1905, just two years after its founding. Today, the University is home to eight branch campuses across Michigan, all of which provide primarily graduate and professional education

- WMU ranks first in Michigan and second in the nation in the use of wireless computing technology on a university campus, according to a 2005 study conducted by Intel

- Kalamazoo College is a private, nationally ranked, four year liberal arts college with a current enrollment of 1,369 (as of Fall 2010) [students represent 40 states and 25 countries; 18 percent students of color]



- Kalamazoo College has maintained their ranking as one of the best liberal arts colleges in the nation based on *US News and World Report-100 Best Liberal Arts Colleges*. Kalamazoo College is best known for its international education focus and the "K-Plan," which allows students to customize a number of outstanding educational options to produce a unique collegiate experience



- Davenport University, headquartered in Grand Rapids, has a very active campus for non-traditional students in Kalamazoo
- Davenport University offers four-year and two-year degrees as well as certificates in various subject areas. Currently, there are more than 1,200 students enrolled in the Kalamazoo campus

- Kalamazoo Valley Community College (KVCC), a two-year public institution, has a total enrollment of more than 13,000 students and boasts small class sizes

- KVCC offers certificate programs in more than 20 areas of study and associate degrees in 25 others. These "go-to-work" programs include careers in business, health care, human and public service, technical occupations, and industry



- KVCC was established in 1966 by the overwhelming approval of voters in nine K-12 school districts. KVCC has two campuses: the Texas Township Campus and the Arcadia Commons Campus

- Expanded several times over the last 35 years, the Texas Township Campus boasts a 430,000-square-foot complex featuring modern classrooms, comprehensive library and computer capabilities, two gymnasiums, a swimming pool, ball fields, tennis courts, a running track, two auditoriums, food services, free parking in expansive lots, and fully equipped labs for teaching science, industrial and manufacturing technologies



Public Services

- The City of Kalamazoo provides services and programs on an ongoing basis through the Public Services Department including
 - * Water/Wastewater Services
 - * Spring brush and fall leaf pick-up
 - * Weekly recycling
 - * Street cleaning and snow removal
 - * Road maintenance and construction
 - * Sidewalk repair and construction
- The City of Kalamazoo operates a water and wastewater system that services a large portion of the county outside of the City of Kalamazoo's corporate limits, and both systems are financially self-supporting
- Currently, there are 45,153 water and 30,333 wastewater services within the respective systems and on an annual basis add more than 430 large and small water services to the system. All of the meters and hydrants within the water system are serviced and maintained by Public Services
- There are over 780 miles of watermains throughout the 110 square mile service area that is strategically looped to ensure system reliability. The water system utilizes 102 production wells and 18 pumping stations to produce an average of 19 million gallons per day



- The average quarterly bill for a resident in the city of Kalamazoo for water and sewer usage is \$25.35 the lowest in the State

Water/Wastewater Rate Comparison 2003 & 2010				
	2010	2010 State Ranking	2003	2003 State Ranking
Kalamazoo <i>(inside city limits)</i>	\$25.35	1	\$28.44	6
Wyoming	\$42.79	2	\$28.82	8
Holland	\$45.59	3	\$29.75	14
Jackson <i>(inside city limits)</i>	\$46.35	4	n/a	n/a
Dearborn	\$46.70	5	n/a	n/a
Kalamazoo <i>(outside city limits)</i>	\$46.95	6	n/a	n/a
Muskegon	\$50.07	7	\$25.07	2
Battle Creek <i>(inside city limits)</i>	\$53.63	8	\$38.65	35
Ann Arbor	\$58.61	9	\$37.98	34
Detroit	\$61.60	10	\$29.69	12
Battle Creek <i>(outside city limits)</i>	\$64.57	11	n/a	n/a
Grand Rapids	\$72.28	12	\$48.26	47
Jackson <i>(outside city limits)</i>	\$77.40	13	n/a	n/a
Saginaw <i>(inside city limits)</i>	\$116.23	14	\$32.98	19
Bay City	\$142.75	15	n/a	n/a
Flint	n/a	n/a	\$64.91	53
Lansing	n/a	n/a	\$58.56	52
Warren	n/a	n/a	\$26.78	4

NOTES: State Rankings based on Cities & Townships lowest monthly water & wastewater bills & assumes 7,500; Communities with no available (n/a) information ranked lower than 16th in the State; Communities listed from lowest to highest combined 2010 water/sewer bills; Communities listed from lowest to highest combined 2010 water /sewer bills
SOURCE: *Sample Comparison of Typical Residential Water/Sewer Bills in Michigan Communities* conducted by The Foster Group, October 2011

- Public Services staff
 - * Collected over 2,000 tons of bulk trash through the Monthly bulk trash collection program
 - * Collected over 2,500 tons of recycling
 - * Collected 1,109 cubic yards of brush
 - * Responded to over 5,000 calls for curb lawn trash, tall grass and weeds

- The Environmental Services Division within the Public Services Department is responsible for environmental and safety program development and management, inspections, sampling, analysis and training in support of all Public Services operational groups. Some examples of types of services Environmental Services personnel provide each year to the Public Services Department:
 - * Conduct over 300 inspections of drinking water backflow prevention devices in high/low risk locations
 - * Collect over 20,000 water & wastewater samples
 - * Perform over 58,000 chemical analyses for state and federal regulatory compliance monitoring and operational control with <1% error

Transportation

- Interstate 94, the State's major east-west artery, bisects the City, providing direct access to Battle Creek, Jackson and Detroit to the east and St. Joseph, Benton Harbor and Chicago to the west
- US-131 is the City's principle north-south highway, providing direct access to Grand Rapids. Other major highways providing access across the City and County include Michigan Highways 89, 43 and 96
- Three airlines provide daily air service from newly renovated Kalamazoo-Battle Creek International Airport to several hubs throughout the country including Chicago, Detroit, Minneapolis, Orlando and Ft. Meyers, Florida
- Amtrak provides passenger rail service, while Norfolk Southern and CN North America provide freight service to the area. Greyhound and Indian Trails bus lines provide inter-city bus transportation for the area
- Metro Transit ridership trends have fluctuated since 2003. According to the 2003 *Kalamazoo Area Transportation Study*, 38.35% of Metro Transit passengers are considered "captive" riders versus "choice" riders. Captive riders are those passengers who have no driver's license, no automobile available in their household or no other alternative means of personal transportation

- 2035 Metropolitan Transportation Plan for the Kalamazoo Area** is a plan adopted by the Kalamazoo Area Transportation Study Policy Committee in June 2011. The document forecasts efficient and effective short and long range transportation strategies, decisions, and investments (http://www.katsmpo.org/html/2035_plan.html)

Kalamazoo Metro Transit Ridership 2006 - 2010				
2006	2007	2008	2009	2010
3,055,211 (.1% loss from 2005)	3,011,536 (-1.4% from 2006: 43,673 riders)	3,094,575 (+2.8% from 2007: 83,039 riders)	2,833,093 (-4.45% from 2008: 132,597 riders)	2,534,819 (-11.83% from 2009: 299,774 riders)
NOTE: Resident ridership based on number of actual ridership during the years listed above SOURCE: City Manager Reports – December Transportation section February 2007-2011				

- According to *Sterling's Best Places*, in 2009, 75% of commuters used a car to get around Kalamazoo. On average, drivers took 20 minutes to commute one way to their respective destinations. Only 11% of people carpool and 3% of commuters use the mass transit system

Transportation Statistics for Select Michigan Cities 2010					
	Average time for one way commute	% of commuters w/ car	% of people who carpool	% of commuters who take mass transit	% of people who work from home
Holland	17 minutes	75%	13%	1%	3%
Kalamazoo	19 minutes	73%	9%	3%	3%
Battle Creek	20 minutes	82%	12%	1%	2%
Saginaw	20 minutes	81%	12%	1%	2%
Grand Rapids	21 minutes	73%	13%	4%	4%
Portage	21 minutes	89%	6%	0%	3%
Muskegon	21 minutes	74%	16%	2%	4%
Wyoming	21 minutes	82%	6%	0%	3%
Ann Arbor	22 minutes	59%	7%	9%	6%
Lansing	22 minutes	78%	11%	4%	2%
Flint	25 minutes	76%	15%	3%	3%
Warren	26 minutes	84%	11%	1%	2%
Detroit	29 minutes	71%	14%	8%	3%
NOTE: Statistics as of 2010: Cities listed in chronological order based on shortest average commute one way to longest SOURCE: Sperling's Best Places - http://www.bestplaces.net/					

Public Safety

- The City of Kalamazoo provides services and programs on an ongoing basis through the Public Safety Department including police and fire protection and remains the largest public safety department in the country
- The Federal Bureau of Investigation has replaced the Uniform Crime Reporting (UCR) system with the *National Incident-Based Reporting System (NIBRS)* for the collection of crime statistics and data. As a result, the utilization of categorizing index and non-index crime has been eliminated
- Crime is categorized into two categories
 - * **Group A** crimes includes arson, bribery, burglary, counterfeiting/forgery, destruction of property, drug/narcotic, embezzlement, extortion, fraud, gambling, homicide, kidnapping, larceny, auto theft, pornography, robbery, prostitution, sex offense, stolen property, weapon law violation
 - * **Group B** crimes include bad check, curfew, disorderly conduct, dui, drunkenness, family offenses, liquor law, peeping tom, runaway, trespass of real estate, all other offenses

- There are 243 women and men of Public Safety that responded to more than 90,000 requests for service in 2010 from police, fire and emergency medical services personnel realizing a 16% drop in overall crime



- According to the *Michigan Incident Crime Reporting*, Kalamazoo Public Safety reported a total of 16,135 offenses reported in 2010 with 3,569 arrests
 - * Of the offenses, larceny led the city in the greatest number of reported offenses (981) followed by burglary (forced entry – 868)

Number of Violent Offenses (Against People) Comparisons of Select Cities in Michigan Reporting 12 Month Cycle 2010				
	Murder Non- Negligent Man- slaughter	Rape	Robbery	Aggra- vated Felonious As- sault
Michigan	528	4,397	11,386	26,465
Detroit	291	396	5,549	9,382
Flint	51	92	673	1,343
Grand Rapids	9	91	521	1,025
Saginaw	4	61	192	740
Warren	5	74	171	431
Kalamazoo**	8	79	187	394
Battle Creek	5	62	122	375
Lansing	9	79	24	282
Muskegon	1	45	90	190
Ann Arbor	0	43	769	140
Wyoming	1	37	46	118
Holland**	0	30	15	84
Portage**	1	20	16	61

NOTES: Cities listed chronologically from highest to lowest aggravated assault offenses; Rape figures include two categories of sexual assault-1st and 3rd degree
 ** - cities reporting only 11 months
 SOURCE: Michigan Incident Crime Report: 2010 All Offenses Reported by County/Agency-
www.michigan.gov/documents/misp/2010_Annual_Offenses_By_County_Agency_358718_7.pdf

- According to the *Michigan Incident Crime Reporting: 2010 All Offenses Reported by County/Agency*, aggravated assaults were the most prevalent of the reported violent crimes in 2010 with 26,465 reports while larceny was the most widespread of the property offenses with 161,423 cases reported



Number of Property Offenses (Against Property) Comparisons of Select Cities in Michigan Reporting 12 Month Cycle 2010				
	Burglary	Larceny	Auto Theft	Arson
Michigan	71,810	161,423	26,875	2,930
Detroit	17,259	17,896	12,563	1,081
Grand Rapids	2,767	3,803	380	100
Lansing	1,428	2,100	253	34
Flint	3,606	1,911	664	343
Ann Arbor	1,527	1,872	124	22
Warren	955	1,804	730	35
Battle Creek	1,094	1,646	157	19
Muskegon	529	1,465	97	23
Kalamazoo**	868	1,119	188	36
Portage**	238	892	47	10
Saginaw	1,321	769	125	23
Holland**	196	736	24	6
Wyoming	521	621	164	8

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

- 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



**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

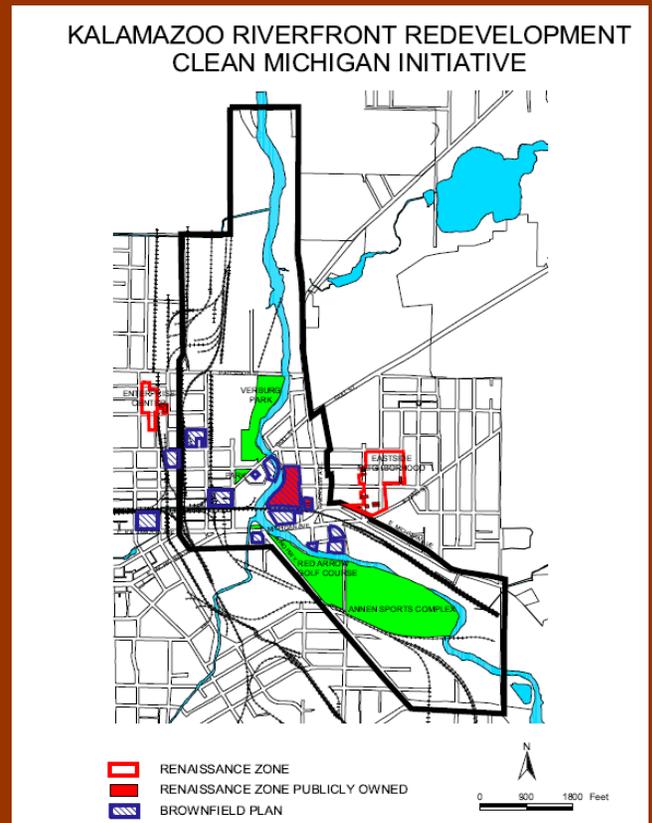


- * LADD Real Estate – \$1.25 million, 14 jobs, 6 residential units
- * Peregrine Plaza - \$2.4 million, 34 jobs, 14 residential units



- * 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

Parks & Recreation

- The Parks & Recreation Department oversees thirty-six parks and tot-lot playgrounds, including Bronson Park and the Kalamazoo Farmer's Market on Bank Street; manages the protection of physical and natural assets in the City; and provides recreation and leisure programs for youth, adults, senior citizens, and citizens with disabilities



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

- For the last 22 years, the Michigan Department of Natural Resources has been instrumental in providing funds for park renovations including Upjohn Park (\$370,000), Spring Valley (\$205,000), Versluis/Dickinson (\$500,000) and Arcadia Creek (\$400,000)



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



- The *Youth Development Center* (YDC) is a community collaboration focused on helping youth reach their potential and serves as the City's significant commitment to youth in cooperation with a host of other agencies such as the Kalamazoo Youth Development Network (KYDNet), Boys and Girls Club and Kalamazoo Public Schools

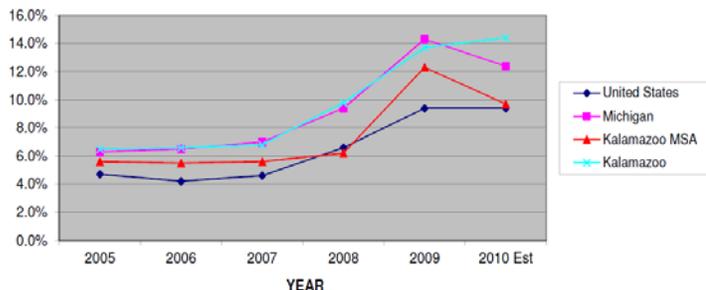
- *Friends of Recreation* is an active, City Commission appointed advisory board that exists to develop funding partnerships with corporations and individuals for municipal parks and recreation in our community to ensure that local funding for parks, recreation and leisure programs will continue to be available for all people in our community in the future



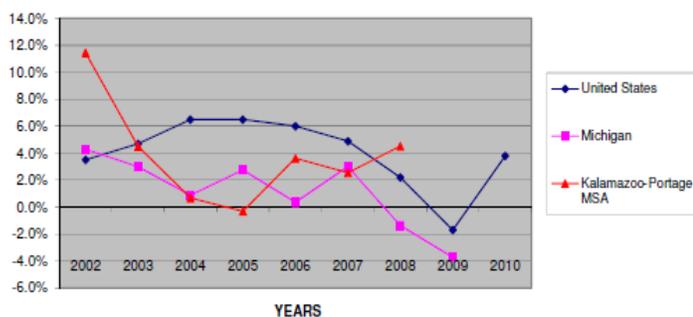
KALAMAZOO DASHBOARD

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

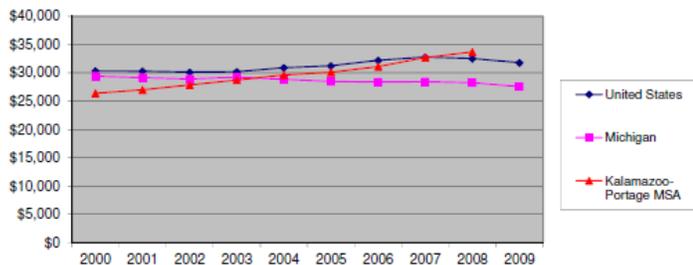
PERCENTAGE UNEMPLOYED
SEASONALLY ADJUSTED



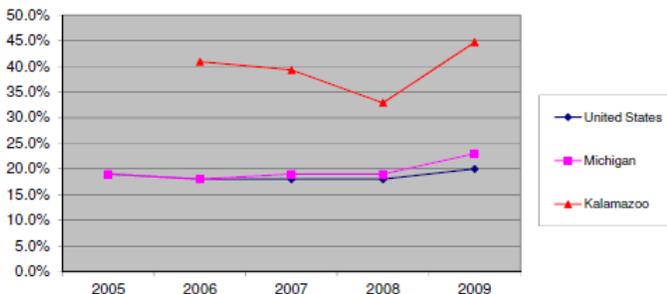
GROWTH IN GDP



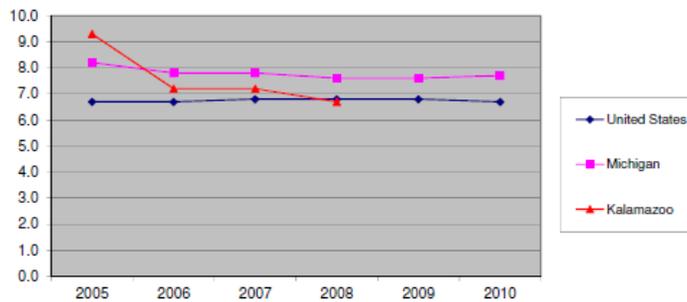
Real Personal Income Per Capita



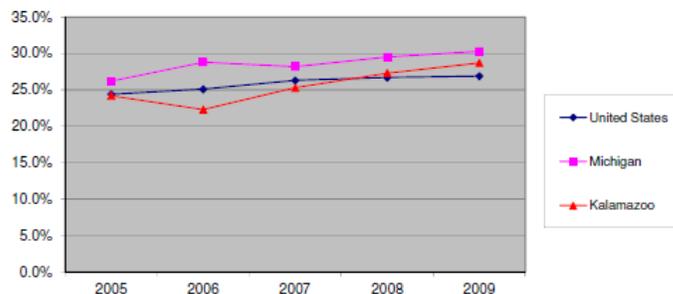
Percent of Children Living in Poverty



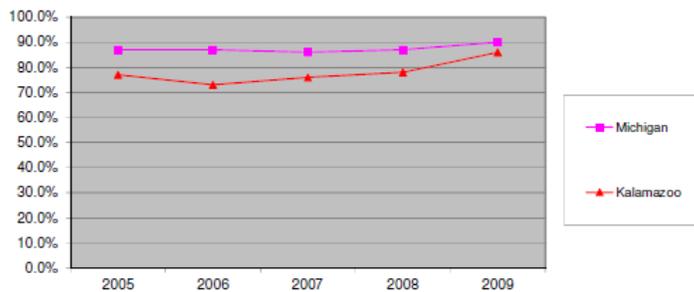
Infant Mortality
Per 1,000 Live Births



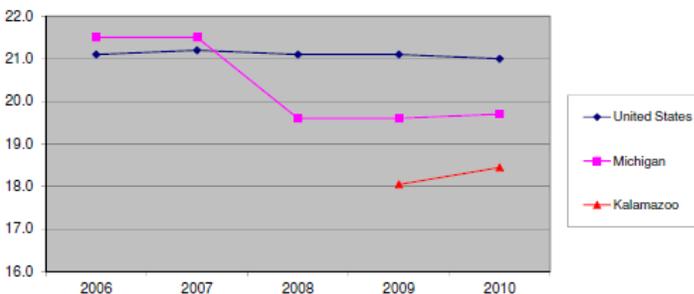
Obesity in the Population



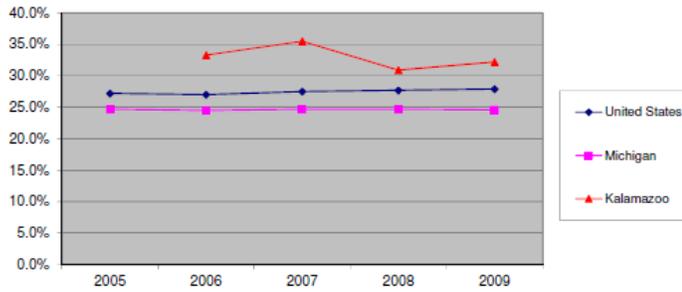
Reading Capability of Third Graders
Percentage of 3rd graders meeting reading expectations



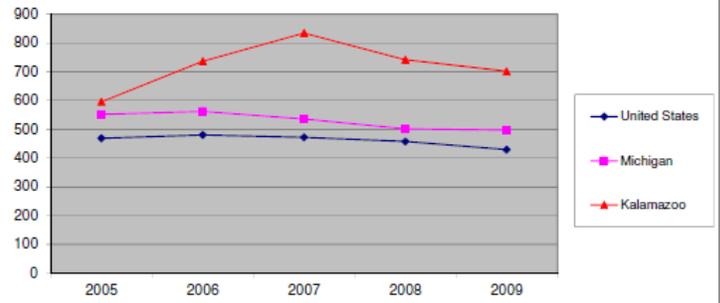
College Readiness
Average ACT Scores



Population with Bachelor's Degree or Higher



Violent Crime Rates

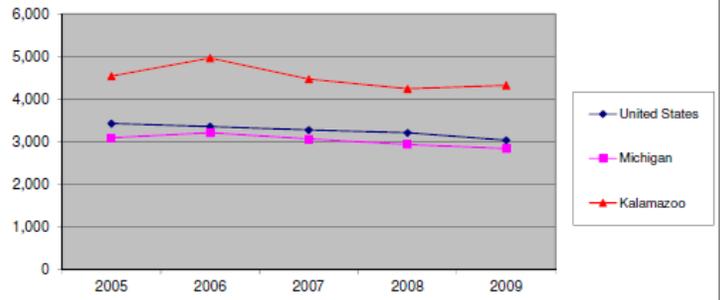


City of Kalamazoo Bond Ratings

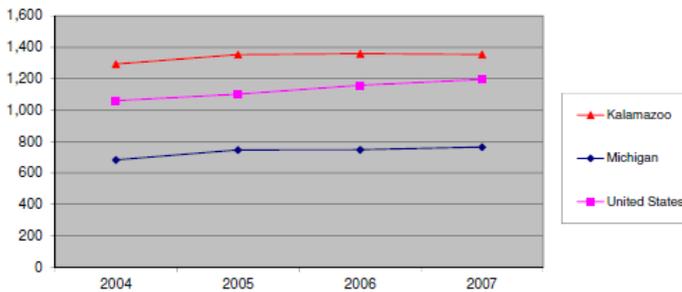
	2005	2006	2007	2008	2009	2010	2011
S & P	AA						
FITCH	A+	A+	A+	A+	A+	AA+	AA+

Kalamazoo Department of Management Services

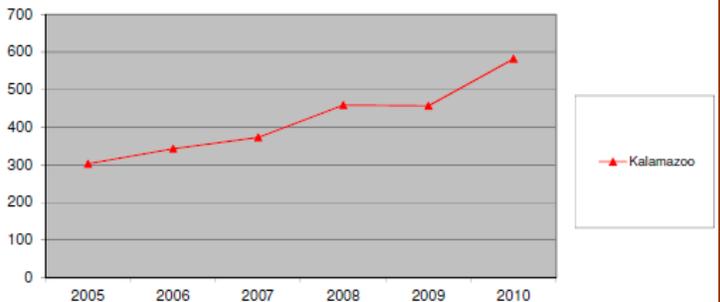
Property Crime Rates



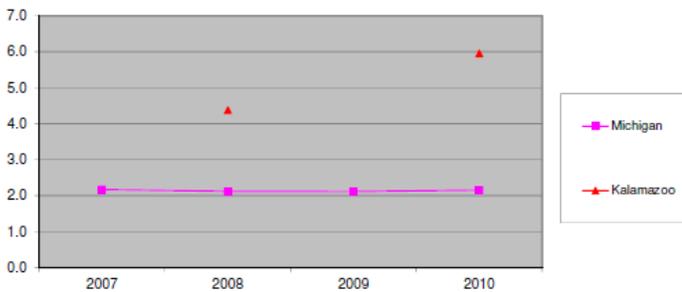
Government Debt Burden Per Capita



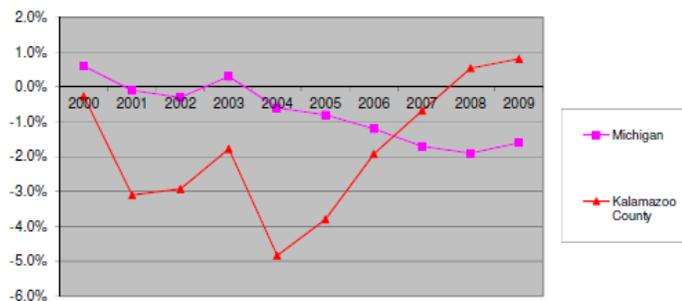
Traffic Incidents Injuries



Park Popularity



Percentage Change in Population Ages 25-34



Traffic Incidents Fatalities



THE CITY OF



**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation		Department Total
CITY ADMINISTRATION		
F102	City Manager	1
E92	Deputy City Manager	1
C41	Administrative Support Manager	1
B22	Executive Assistant	1
		4
CITY ATTORNEY		
E83	City Attorney	1
E81	Deputy City Attorney	1
D72	Assistant Attorney III	2
B31	Paralegal	1
B21	Administrative Legal Secretary	1
B21	Legal Secretary	1
		7
CITY CLERK		
Administration		
D61	City Clerk	1
C41	Deputy City Clerk/Office Manager	1
	Subtotal:	2
Elections		
S30	Elections Specialist	1
	Subtotal:	1
Records Management, Research and Archives		
S34	Archives Specialist	1
S24	Archives Records Clerk	1
	Subtotal:	2
		5
INTERNAL AUDITOR		
C41	Internal Auditor	1
		1
HUMAN RESOURCES		
E83	Human Resources/Labor Relations Director	1
D61	Labor Relations Specialist	1
C51	Senior Human Resources Advisor	2
C41	Human Resources Advisor	1
C42	Human Resources Benefits Specialist	1
B21	Human Resources Assistant	1
		7

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
INFORMATION TECHNOLOGY	
E83 IT Director	1
C53 IT Operations Manager	1
C43 Senior Systems Analysts Level II	2
C42 Senior Technical Analyst	1
C42 Technical Analyst	1
S28 Accounts Coordinator/Secretary-Part Time	1
	7
MANAGEMENT SERVICES	
Budget and Accounting	
E83 Management Services Director/Chief Financial Officer	1
E81 Management Services Deputy Director/Comptroller	1
D61 Financial Services Manager	2
C41 Financial Analyst	1
B21 Payroll Control Clerk	1
S40 Senior Accountant	3
S28 Accounts Coordinator	4
	Subtotal: 13
Assessor	
E81 City Assessor	1
S40 GIS Property Mapping Specialist	1
	Subtotal: 2
Treasury	
D72 City Treasurer	1
C51 Assistant City Treasurer/Assessor	1
C41 Tax Collection Coordinator	1
B31 Utilities Coordinator	1
S28 Accounts Receivable Coordinator	1
S28 Accounts Connection Coordinator	1
S24 Treasury Records Clerk	1
S24 Public Services Coordinator	3
S20 Clerk Cashier II	3
S16 Secretary Typist	1
	Subtotal: 14
Purchasing	
E81 Purchasing/Risk Management Director	1
C42 Procurement Advisor	1
B21 Purchasing Secretary	1
S40 Senior Buyer	1
S18 Clerk Cashier I/Purchasing Clerk I	1
	Subtotal: 5
	34

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
PUBLIC SAFETY	
Administration	
E91 Public Safety Chief	1
E81 Deputy Public Safety Chief	1
D72 Assistant Chief / Operations	1
D72 Assistant Chief / Professional Standards	1
B21 Administrative Support Coordinator	1
S134 Public Safety Sergeant	1
Subtotal:	6
Financial Services	
D71 Financial Services Division Manager	1
S18 Computer Information Processor/Offense Records Clerk	4
S14 Public Safety Records Clerk	2
Subtotal:	7
Training	
S28 Training Division Accounts Coordinator/Secretary	1
S149 Public Safety Captain	1
S134 Public Safety Sergeant	1
P117 & P217 Public Safety Officer	3
Subtotal:	6
Kalamazoo Valley Enforcement Team (KVET)	
B21 KVET Secretary	1
S149 Public Safety Captain	1
S134 Public Safety Sergeant	3
P117 & P217 Public Safety Officer	8
Subtotal:	13
Operations	
S24 Operations/Service Division Secretary	1
S24 Operations Division Secretary	1
S149 Public Safety Captain	1
S139 Public Safety Lieutenant	6
S138 Executive Public Safety Lieutenant	2
S137 Senior Public Safety Lieutenant	2
S134 Public Safety Sergeant	27
P117 & P217 Public Safety Officer	151
P71 CSO Investigative Aide	2
P50 Fire Marshal	1
Subtotal:	194

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
PUBLIC SAFETY continued	
Criminal Investigation	
S24 CID Division Secretary	2
S149 Public Safety Captain	1
S138 Executive Public Safety Lieutenant	1
S134 Public Safety Sergeant	1
P34 Polygraph Examiner	1
P33 Crime Lab Specialist II	1
P32 Crime Lab Specialist I	1
P30 Lab Technician I	3
P26 Detective	19
P71 CSO Investigative Aide	1
Subtotal:	31
Service	
C43 Senior Systems Analyst Level II	1
C42 Senior Systems Analyst	1
S149 Public Safety Captain	1
S138 Executive Public Safety Lieutenant	1
S134 Public Safety Sergeant	1
P79 CSO Service	1
P78 CSO Evidence Quartermaster	3
P73 CSO Computer Analyst	1
P73 CSO Dispatch Group Leader	3
P72 CSO Dispatcher	16
P70 CSO Dispatcher - Part Time	4
Subtotal:	33
PUBLIC SERVICES	
City-Wide Maintenance Division	
B31 Maintenance Foreperson	1
S36 Buildings Technician	1
H38 Lead Maintenance Mechanic	2
H24 Custodian II	6
Subtotal:	10
Engineering Division	
E81 City Engineer	1
C43 Senior Civil Engineer	5
C43 Traffic Engineer	1
C41 Public Services Records Supervisor	1
B31 Engineer Associate Surveyor	1
S36 Lead Drafter	1
S32 Engineer Technician I - Utility	2
S32 Traffic Engineer Technician I	1
S24 Engineering Technical Secretary	1
Subtotal:	14
Subtotal:	290

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
Fleet Services	
D61 City Fleet Director	1
C41 Vehicle Operations Supervisor	1
S26 Stores/Procurement Clerk	1
H40 Lead Master Mechanic	1
H38 Master Mechanic	6
H34 Vehicle Mechanic III	1
H26 Vehicle Mechanic I	1
Subtotal:	12
Public Works	
C41 Administrative Support Manager	1
B32 Forestry Supervisor	1
B31 Right of Way Coordinator	1
B31 Utility Zone Foreperson	2
S32 Environmental Inspector	1
S24 Public Works Coordinator	1
H38 Lead Tree Trimmer	2
H38 Lead Maintenance Mechanic	2
H32 Tree Trimmer	4
H30 Equipment Operator II	9
H26 Equipment Operator I	1
H28 Mason	4
H26 Labor Foreperson I	2
H24 Municipal Worker Apprentice	2
H24 Laborer II	6
Subtotal:	39
Wastewater	
D72 Environmental Services Superintendent	1
D71 Facilities Engineer	1
D62 Environmental Programs Manager	2
D61 City Building Maintenance Manager	1
C51 Senior Operations Supervisor - Wastewater	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 Biosolids EMS Supervisor	1
C41 Wastewater Operations Supervisor	5
C41 Senior Equipment Maintenance Supervisor	1
C41 Biologist	1
C41 Data Systems Chemist	1
B32 Environmental Services Specialist	1
B31 Utility Zone Foreperson	1
B32 Treatment Control Analyst II	1
B31 Treatment Control Analyst I	5

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation	Department Total
PUBLIC SERVICES, continued	
Wastewater, continued	
B22 Safety Specialist	1
S46 Master Utility Electrician	1
S44 Instrument Technician	5
S44 Utility Electrician	2
S36 Electronics Technician	1
S36 Environmental Services Technician III	2
S34 Preventive Maintenance Technician	1
S32 Instrumentation Records Specialist	1
S32 Environmental Services Technician II	2
S30 Environmental Services Technician I	3
S28 Accounts Coordinator/Secretary	1
S26 Stores/Procurement Clerk	1
S24 Wastewater Technical Secretary - Part Time	1
H36 Sewer Surveyor	1
H34 Vactor Jet Operator	3
H38 WW O/M III - Maint	1
H38 WW O/M II - Maint	4
H38 WW O/M I - Maint	4
H38 WW O/M Appr - Maint	2
H42 WW O/M III - Ops	1
H36 WW O/M II - Ops	3
varies WW O/M I - Ops	4
varies WW O/M Appr - Ops	4
H38 Wastewater Operator III	1
H34 Wastewater Operator II	1
H28 Mason	2
H26 Equipment Operator I	1
H38 Municipal Worker I Apprentice	1
H24 Laborer II	2
Subtotal:	84
E83 Public Services Director	1
E81 Deputy Public Services Director	1
D72 Public Services Field Manager	1
D71 Public Services Asst Field Manager	1
D61 Public Services Financial Manager	1
B21 Administrative Support Coordinator	1
C52 Water Supply Manager	1
C41 Water Supply Operations Supervisor	1
B32 Capital Improvements Supervisor	1
B31 Water Maintenance Supervisor	1
B31 Administrative Analyst	1
B31 Public Services Dispatch Coordinator	1

CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)

Allocation	Department Total
PUBLIC SERVICES, continued	
Water	
B31 Meter Shop Supervisor	1
B31 Utility Zone Foreperson	1
B21 Inventory Procurement Supervisor	1
S28 Accounts Coordinator	1
S26 Stores/Procurement Clerk	1
S14 Clerk Typist	1
H38 Lead Equipment Operator III	1
H38 Lead Maintenance Mechanic	7
H38 Water Well Driller II	1
H30 Water Well Driller I	1
H34 Maintenance Mechanic	1
varies Water Operator/Maintainer Apprentice	3
H38 Water Operator III	3
H34 Water Operator II	1
H28 Water Operator I	1
H32 Lead Distribution Servicer	5
H30 Distribution Servicer II	8
H28 Distribution Servicer I	1
H30 Equipment Operator II	4
H30 Field Maintenance Servicer	3
H28 Meter Servicer II	2
H24 Municipal Worker Apprentice	3
Subtotal:	63
COMMUNITY PLANNING AND DEVELOPMENT	
Code Administration	
D62 Code Administration Manager	1
C43 Building Official	1
C42 Housing Inspections Supervisor	1
S36 Zoning /Electrical Inspector	1
S38 Buildings Inspector Plan Review Technician	1
S38 Mechanical/Plumbing Inspector	2
S36 Housing Inspectors	7
S36 Electrical Inspector	1
S30 Code Permit Technician	1
S26 Rental Registration Certification Coordinator	1
S24 Community Development Records Coordinator	1
S20 Code Administration Clerk/Cashier	2
Subtotal:	20

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation		Department Total
Planning		
D71	City Planner	1
C42	Assistant City Planner	1
C42	Historic Preservation Coordinator	1
S24	Community Planning & Development Secretary	1
	Subtotal:	4
Community Development (HUD)		
E83	Community Planning & Development Director	1
E81	Deputy Community Planning & Development Director	1
C42	CD Compliance Specialist II	1
C41	CD Compliance Specialist I	1
C41	Community Development Project Coordinator	1
C41	Grants Finance Officer	1
S40	Buildings Inspection, Plan Review and Rehab Tech	1
COMMUNITY PLANNING AND DEVELOPMENT, HUD, continued		
S40	Senior Rehabilitation Specialist	1
S38	Senior Program Specialist	1
S36	Anti-Blight Housing Inspector	1
S26	Anti-Blight/Dangerous Bldgs Board Clerk	1
S24	Community Planning & Development Secretary	2
	Subtotal:	13
		37
ECONOMIC DEVELOPMENT		
E83	Director Economic Development Corporation	1
C51	Redevelopment Project Manager	1
C41	Redevelopment Coordinator	1
C41	Business Assistance Specialist	1
A13	Administrative Secretary	1
		5
PARKS AND RECREATION		
Parks		
C43	Parks Manager	1
B31	Parks Supervisor	1
H30	Ornamental Gardener	1
H30	Equipment Operator II	1
H26	Equipment Operator I	1
H26	Labor Foreperson I	3
H24	Laborer II	1
H24	Laborer II - 8 Month	2
	Subtotal:	11

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation	Department Total
PARKS AND RECREATION, continued	
Recreation	
E83 Parks & Recreation Managing Director	1
D61 Recreation Division Manager	1
C43 Financial Services Supervisor	1
S34 Aquatics/Special Population Coordinator	1
S32 Youth Programs Coordinator	1
S28 Accounts Coordinator - Part Time	1
S26 Youth Program Assistant	1
S26 Youth Program Assistant - Part Time	1
S20 Secretary Typist/Clerk Cashier I	1
H30 Lead Field & Maintenance Operator	1
Subtotal:	10
Kalamazoo Farmers Market	
H26 Market Servicer - 8 month	1
Subtotal:	1
TRANSPORTATION	
E83 Transportation Director	1
D71 Assistant Transportation Director	1
C42 Transportation Operations & Maintenance Supervisor	1
C42 IT Technical Analyst	1
B31 Equipment Maintenance Supervisor	2
B31 Maintenance Foreperson	1
B31 Transportation Dispatch Supervisor	5
B22 Customer Service Supervisor	1
B22 Travel Trainer	1
B22 Special Project Coordinator	2
B22 Marketing Specialist/Publisher	1
B31 Inventory Maintenance Foreperson	1
A13 Senior Secretary	1
A13 Customer Service Specialist	1
A13 Paratransit Specialist	1
S28 Accounts Coordinator	1
S18 Payroll/Accts Payable-Clerk Cashier I	1
S18 Clerk Cashier I	3
S14 Clerk Typist	1
H38 Lead Maintenance Mechanic	1
T8 Master Mechanic	2
T7 Inventory Control Clerk	1
T7 Inventory Control Clerk/IT	1
T6 Class C Mechanic	2

**CITY OF KALAMAZOO
2012 ADOPTED BUDGET
ALLOCATED POSITIONS
(PERMANENT FULL-TIME AND PART-TIME)**

Allocation			Department Total
TRANSPORTATION, continued			
T5	Class A Mechanic	5	
T4	Class B Mechanic	3	
T4	Body Repair Person	1	
T3	Bus Driver	55	
T3	Bus Driver -Part Time	19	
T2	Utility Worker	2	
T1	Service Lane Attendant	3	
		<hr/>	
Total		763	122

GLOSSARY

ACRONYMS

ADA	Americans with Disabilities Act
AFSCME	American Federation of State County & Municipal Employees
ATU	American Transit Union
ARRA	American Reinvestment and Recovery Act
BRA	Brownfield Redevelopment Authority
BRI	Brownfield Redevelopment Initiative
BTR	Business Technology and Research Park
C-PSRAB	Citizen-Public Safety Review and Advisory Board
CAD Co	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
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
GIS	Geographic Information System

GLOSSARY

ACRONYMS, (continued)

HOME	Home Investment Partnerships Grant
HOPE	Home Ownership for Public Employees
HPRP Ho	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	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
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.