

# City Commission Work Session

January 23, 2017



imagine  
kalamazoo  
2025

# Opening Remarks

Jim Ritsema, City Manager

# Work Session Outputs



- Present understanding of the word “aspirational”
- Ensure understanding of integration of IK2025, FFE, HPO, and PBB
- Review & approve PBB Process and City Commission weighting of the Results for FFE project prioritization
- Ensure understanding of Commission’s thinking regarding FFE investment, projects, programs
- Explain why 2017 is different

# What Does \$10 Million Look Like?



- Estimated expenses for a few projects that have been mentioned recently:
  - Two-way conversion for only 2 local streets - \$8-9 million
  - Re-working US-131 North of city - \$18-20 million
  - Sidewalk improvement plan - \$40,000 per block
  - Removal of lead water service lines - \$30 million
  - Youth center for teens - \$10-12 million

Laura Lam, Community Planning &  
Development Director

# FFE Progress To Date



## **OCTOBER 24, 2016 - AUGUST 31, 2017**

Development of FFE and approval by City Commission; creation of legal FFE entity

## **JANUARY 1, 2017 - JUNE 30, 2019**

Capital campaign begins to raise \$70.3 million and fully endow FFE.

# 2017

### **JANUARY 1 - MARCH 4**

Program & project selection and prioritization

### **MARCH 4 - DECEMBER 31**

Implementation of FY 2017 projects and programs

### **JANUARY 17**

Approval of FY 2017 Budget including property tax rate reduction to 12 mills.

### **MARCH 4**

Aspirational projects presented to City Commission for approval

### **DECEMBER 1**

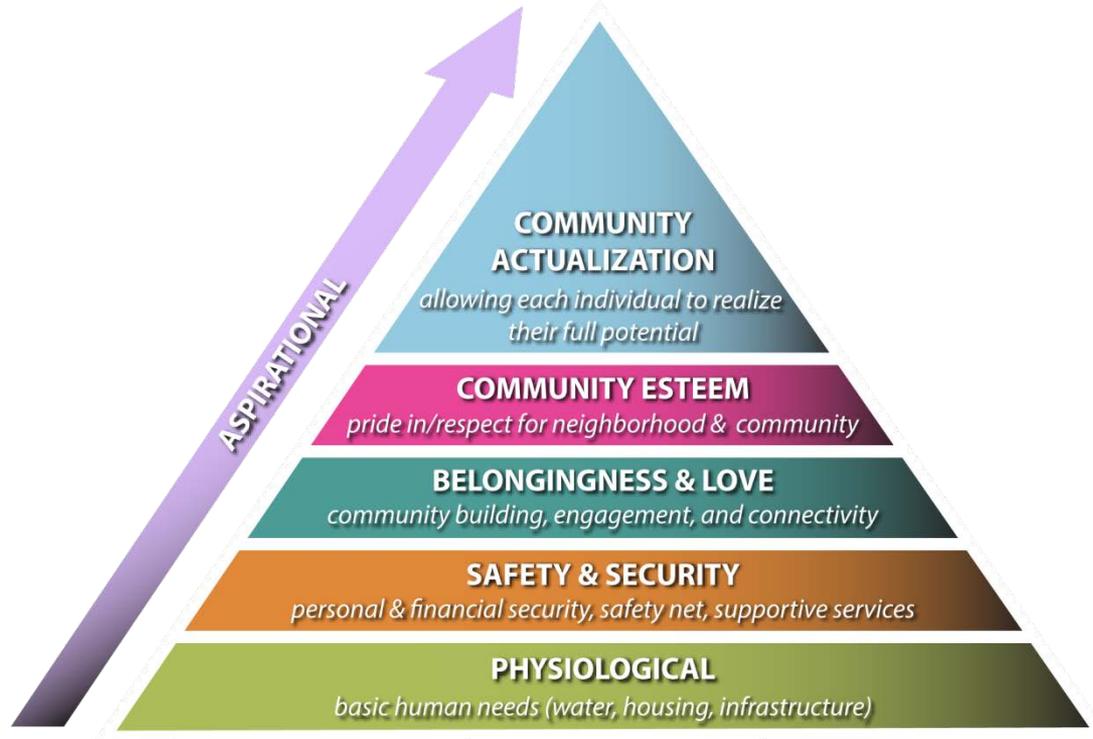
FY 2018 Budget transmittal including property tax rate of 12 mills

# 2017 vs. 2018 & Beyond

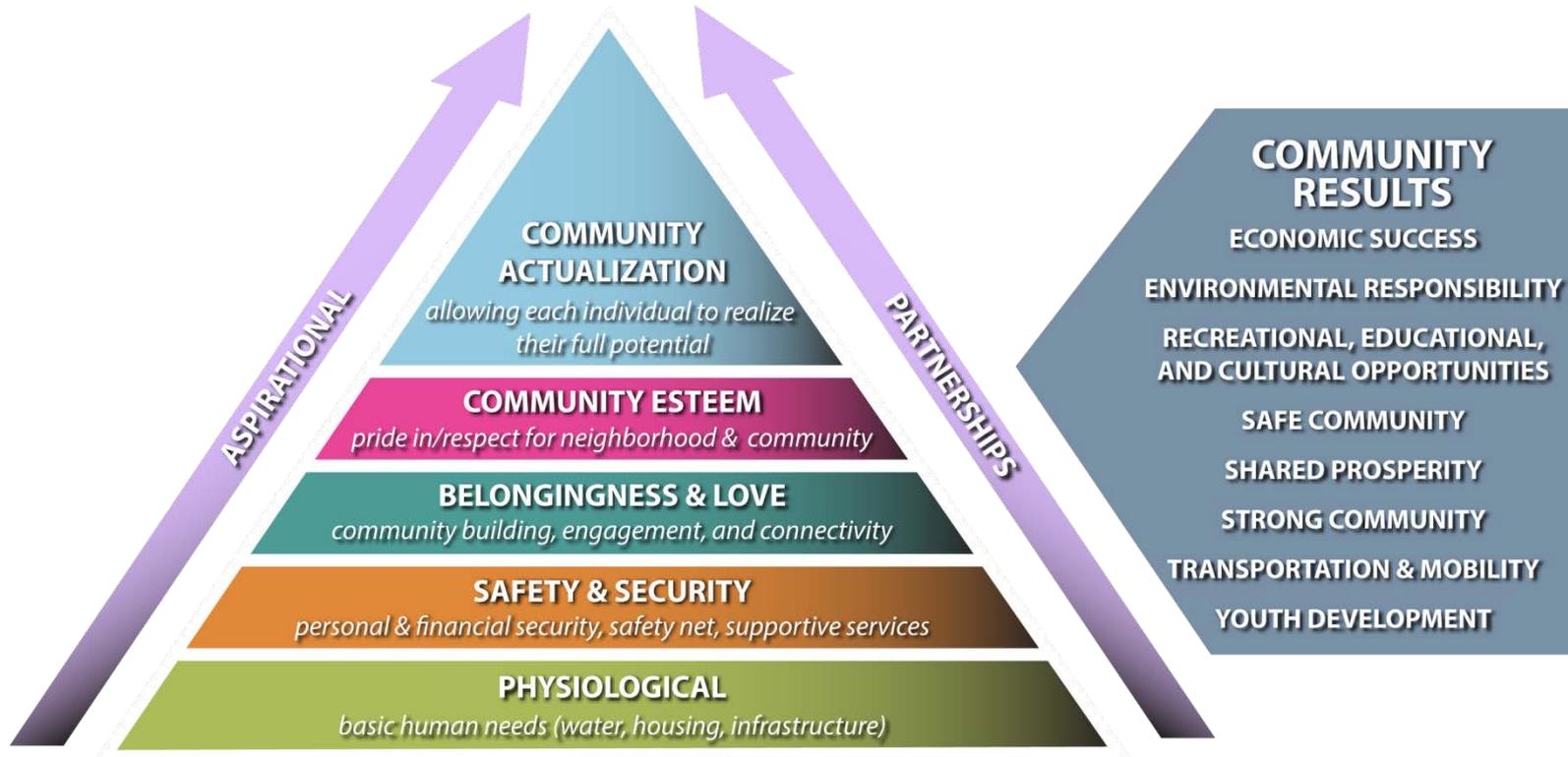


- 2017 is a year of transition
- “Building plane as we are flying it...”
- 2017 PBB Community Results
  - Blueprint for Action, current Master plan, and PBB best practice
  - Vetted with the community in 2015
- 2018 PBB Community Results and beyond – directly informed by IK2025

# Maslow's Hierarchy of Needs



# Through a City of Kalamazoo Lens



# How does the Foundation for Excellence Fit into City Initiatives?



Tom Skrobola, CFO

# Priority Based Budgeting



- Review how the process works and why this best practice is our recommendation for prioritization
- Explain changes to the PBB tool
- Explain the weighting information

# What's the Big Idea?



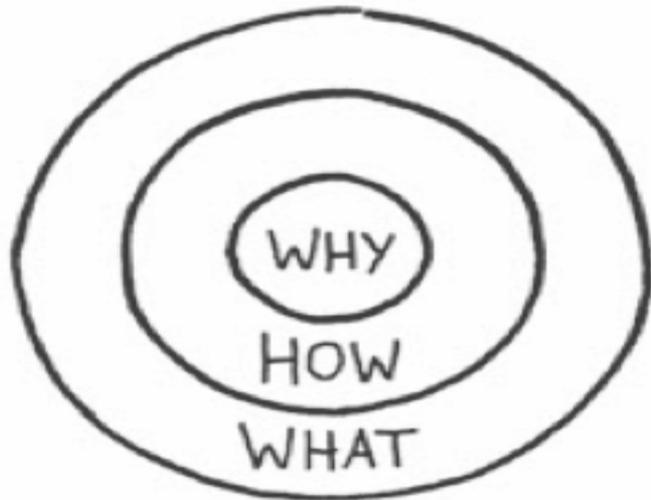
## Achieving Fiscal Health & Wellness

Fiscal Health

Long-term Fiscal Wellness



# The Golden Circle



## What

Every organization on the planet knows **WHAT** they do. These are Products they sell or the services they offer.

## How

Some Organizations know **HOW** they do it. These are things that make them special or set them apart from their competition

## Why

Very few Organizations know **WHY** they do what they do. **WHY** is not about making money. That's a result. It's a purpose, cause or belief. It's the very reason your organization exists.

# Program Inventory/Costs



## City of Kalamazoo, Michigan Department Program Inventory Worksheet February, 2015

SUGGESTED NAME CHANGE  
REVIEW COMMENTS FROM CPBB



**DIRECTIONS:** Comprehensively identify "what you do" in your department by developing a list of programs /services you offer. Please provide a program name that clearly identifies what the program "does" and provide a brief description, if needed to clarify that programs function. **PLEASE AVOID ABBREVIATIONS, ACRONYMS or TERMINOLOGY THAT WOULD BE UNFAMILIAR TO SOMEONE OUTSIDE YOUR DEPARTMENT**

Accounting Fund Name	DEPARTMENT NAME	DIVISION NAME	PROGRAM NAME	PROGRAM NUMBER	PROGRAM DESCRIPTION
General	City Clerk	Elections	Voter Education, Outreach and Advocacy	28	Providing education and training on the voter registration and election processes. Includes mailing a sample ballot to voters before General Elections.
General	City Clerk	Elections	Poll Worker Training	29	Training all City poll workers in even numbered years and providing training on an as-needed basis the rest of the time. Includes maintaining awareness of changes to election laws and procedures, developing training materials, scheduling sessions, delivering training, and evaluating training effectiveness.
General	City Clerk	Elections	High School Mock Elections	30	Conducting mock elections in area high schools in conjunction with the even-year General Elections. Includes coordinating educational presentations with the League of Women Voters, coordinating logistics with Kalamazoo Public Schools, and coordinating ballot printing and tabulator programming.
General	City Clerk	Elections	Election Administration	31	Administering all federal, state, and local elections for residents of the City of Kalamazoo; includes hiring poll workers, testing voting equipment, processing absentee ballot requests; packing precinct supplies, managing precinct activities on Election Day, and delivering results.
General	City Clerk	Elections	Petition Verification	32	Using the Qualified Voter File to verify signatures on nominating, referendum, and initiative petitions.
General	City Clerk	Elections	Voter Registration	33	Maintaining accurate voter registration records in the Qualified Voter File and voter Master Card File; includes processing voter registration applications and mailing voter registration cards and notices as required by law.
General	City Clerk	Elections	Voting Equipment and Supplies Storage	34	Storage of the City's voting tabulators, ballot marking devices, and election supplies.
General	City Clerk	Elections	Voting Equipment Maintenance and Repair	35	Preventative maintenance and repair of the City's voting tabulators and ballot marking devices.

# Identifying 2017 Programs & Costs



*“Inventorying all of a government’s services into a list of programs is the most difficult part of the process, but for many, it is the most illuminating. By costing out and rethinking the budget in terms of what specific services a government provides, decision-makers gain valuable information about what they actually do and how much each unit costs to produce.”*

## **Program Types (program count)**

## **Program Cost**

### **Ongoing Programs (480)**

- **Direct Programs (456)**
    - **Community Programs (266)** \$78,670,639 (79% of ongoing)
    - **Governance Programs (190)** \$18,758,080 (19% of ongoing)
    - **Department Administration Programs (24)** \$ 1,967,517 (2% of ongoing)
- \$99,396,236**

### **Fixed Cost Programs: one-time transfers/capital (43)**

**\$49,290,603**

### **Citywide Programs (523)**

**\$146,719,322**

# Community Results



- **Economic Success**
- **Environmental Responsibility**
- **Recreational, Educational & Cultural Opportunities**
- **Safe Community**
- **Shared Prosperity (NEW)**
- **Strong Community**
- **Transportation & Mobility**
- **Youth Development (NEW)**

# Basic Program Attributes



- *Mandated to Provide Program*
- *Reliance on City to Provide Program*
- *Change in Demand for Program*
- *Cost Recovery of Program*
- *Portion of Community Served by Program*

# Enhanced Program Attributes



- ***Project Impact on City Operations***  
*(Operations & Maintenance costs)*
- ***Ready to be Implemented***
- ***Community Partnerships***
- ***Program Leverage***  
*(Outside Grants – Non City/Non FFE)*

# “Degree” of Relevance to Result



4 = Program has an essential or critical role in achieving Result

3 = Program has a strong influence on achieving Result

2 = Program has some degree of influence on achieving Result

1 = Program has minimal (but some) influence on achieving Result

0 = Program has no influence on achieving Result

“High Degree” of Relevance

“Lower Degree” of Relevance (still a clear connection)

No Clear Connection

# Enhanced Program Attributes



- **Project Impact on City Operations (O & M)**
  - **4: Substantial Positive Impact; 3: Significant Positive Impact**
  - **2: Modest Positive Impact; 1: Minimal Positive Impact**
  - **0: No Impact**
  - **-1: Minimal Negative Impact; -2: Modest Negative Impact**
  - **-3: Significant Negative Impact; -4: Substantial Negative Impact**

# Enhanced Program Attributes



- ***Ready to be Implemented***
  - ***4: Finished in 2017***
  - ***3: Project Started in 2017***
  - ***2: Project Started in 2018***
  - ***1: Design Completed in 2017***
  - ***0: Not Ready***

# Enhanced Program Attributes



- **Community Partnerships**
  - *4: Multiple other partners*
  - *3: Other partners inside city*
  - *2: Other partners outside city*
  - *1: City is primary provider with 1 partner*
  - *0: City is only provider*

# Enhanced Program Attributes



- **Program Leverage (Grants, Non City/Non FFE \$)**
  - 4: 75% to 100%
  - 3: 50% to 74%
  - 2: 25% to 49%
  - 1: 1% to 24%
  - 0: 0%

# Weighting of Community Results



- Each FFE project or program proposal will be evaluated using the scorecard method
- The results of the program scorecard will be weighted based on City Commission FFE \$1,000 allocation exercise
- Proposals that align with prioritized community results will be favored in selection process

# FFE \$1,000 Prioritization Exercise

	Economic Success	Environmental Responsibility	Rec. Edu. Cultural Op.	Safe Community	Shared Prosperity	Strong Community	Trans. & Mobility	Youth Develop.
<b>Hopewell</b>	<b>200</b>	<b>50</b>	<b>50</b>	<b>100</b>	<b>225</b>	<b>100</b>	<b>100</b>	<b>175</b>
<b>Cooney</b>		<b>100</b>			<b>600</b>	<b>100</b>		<b>200</b>
<b>Anderson</b>	<b>700</b>	<b>25</b>	<b>50</b>	<b>100</b>	<b>25</b>	<b>25</b>	<b>50</b>	<b>25</b>
<b>Knott</b>	<b>500</b>					<b>500</b>		
<b>Milcarek</b>	<b>150</b>	<b>125</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>75</b>	<b>250</b>	<b>150</b>
<b>Sykes</b>	<b>150</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>300</b>	<b>50</b>	<b>50</b>	<b>200</b>
<b>Urban</b>	<b>400</b>	<b>100</b>	<b>50</b>	<b>50</b>	<b>25</b>	<b>75</b>	<b>250</b>	<b>50</b>
<b>AVG</b>	<b>300</b>	<b>71.4</b>	<b>35.7</b>	<b>64.3</b>	<b>182.1</b>	<b>132</b>	<b>100</b>	<b>114.3</b>

# Discussion

Jeff Chamberlain, Deputy City  
Manager



**COMMUNITY GOALS  
PROGRAMS  
& PROJECTS**

**COMMUNITY  
SCORECARD**

*Basic Program Attributes  
Results Definitions  
Performance Indicators  
Continuous Improvement*

**RESOURCE  
ALLOCATION**

*Program Prioritization  
Program Scoring  
Best Practice  
Commission Approval*

**IMAGINE  
KALAMAZOO  
2025**

**ASPIRATIONAL  
PROJECTS**

**ASPIRATIONAL  
PROPERTY TAXES**

**CITY SERVICES**

**BUDGET**

*Foundation For Excellence*

*Priority Based Budgeting*

*High Performing Organization*

# Results and Discussion

- What's Missing?
- What are you hearing?
  - Given IK2025 providing some concepts and projects, what else are you hearing that we should consider adding into the pipeline for consideration of projects and programs?
  - 10 years of goals
    - » FFE becomes a funding source to assist with achieving these goals

# Upcoming: City Commission Retreat

- City Commission Retreat on March 4, 2017 at Metro Transit's Governing Board Room at 8:30 a.m.
  - Facilitated by David Wheatley, Humanergy
  - Propose 2017 projects and programs for FFE funding
  - Moving from existing City Commission Priorities to Imagine Kalamazoo 2025 Goals