



Minutes FFE Board of Directors

Monday, February 24, 2025 --- 2:09 PM

Kalamazoo City Hall – 241 West South Street

A. CALL TO ORDER

1. Roll Call
 - ♦ Present - Calderon-Huezo; Ritsema; Balkema, Bostrom; Bogan; Carrel; Hess; Hoffman; Lonberg; McKague; Salas; Vazquez-Alatorre; Parker
 - ♦ Excused absence – Anderson; Decker
 - ♦ Unexcused absence - Taylor
2. Approve Agenda
 - ♦ Motion to approve agenda - Balkema
 - ♦ Second - Parker
 - ♦ **Motion approved unanimously**
3. Welcome Guests
 - ♦ Carrie Lynn Williams, City Grants Division Manager, unable to attend due to illness. ED Brown to fill in on most of the presentation.
 - ♦ Chad Wendt, Recreation Manager

B. APPROVAL OF MINUTES

1. Approve minutes of the October 28, 2024 meeting
 - ♦ Motion to approve October 28, 2024 minutes - Bostrom
 - ♦ Second - Carrel
 - ♦ **Motion approved unanimously**

C. REPORTS AND COMMUNICATIONS

1. (No Action) FFE Endowment Update
 - ♦ **Endowment Status:**
 - Principal investment exceeding \$300 million for the first time
 - Annual valuation growth at 37.9%
 - Second installment of an additional \$45 million received to correct COVID-19 setbacks
 - On track to reach the \$500 million goal by 2030
 - ♦ **Financial Performance:**
 - Average net growth rate of 1.48%

- Real return since inception at 10.48%
- Current tax reduction contribution: 54%
- Budget stabilization: 15%
- Aspirational projects: 30%
- Operations and fixed costs: 1%
- ♦ **Future Projections:**
 - Expected total investment by 2040: \$483 million
 - Continued adherence to Prudent Management of Institutional Funds Act
 - Focus on maintaining a net growth rate above 1%
- ♦ **Investment Strategy:**
 - Emphasis on balancing tax reductions, budget stabilization, and aspirational projects
 - Use of Monte Carlo simulations for risk assessment and resilience planning
- ♦ **Challenges Identified:**
 - Difficulty in translating large financial figures into personal impact
 - Need for more granular data to effectively communicate benefits to individual residents
 - Low output and outcome percentages in housing development programs due to long project timelines
- ♦ **Action Items:**
 - Explore more detailed and relatable metrics for endowment performance, so the public can easily understand and relate
 - Implement multi-year tracking for long-term projects like housing development.
 - Enhance data collection methods to better capture program impacts.

2. (No Action) Multi-Year FFE-Funded Program Data

- ♦ Parks and Recreation 2024 Presentation
- ♦ Chad Wendt - Recreation Manager
- ♦ **Parks Programs Overview:**
 - Focus on youth sports, camps, Teen Council, after-school programs, Police Athletic League, adult programs, and special community events
 - Parks Department offers seasonal programming with summer being the most active
- ♦ **FFE Endowment Funded Programs:**
 - **All Things Possible:**
 - **Super Rec:** Largest program serving 338 unique participants with free camp experiences
 - **Youth Action Council:** Empowers youth to engage in city governance and event planning
 - **Counselor Training:** Develops a pipeline for future camp staff
 - Director Parker asked how many participants were actually hired under this program.

- **Outcomes and Challenges:**
 - Attendance goals met with adjustments in program duration
 - Feedback indicates significant family and community impact
 - Director Bogan -Expansion needed for adult programs to engage young professionals
 - **Financial Impact:**
 - FFE funds 15% of departmental funding, serving 37% of youth participants
 - Leveraging partnerships to maximize program reach and effectiveness
3. (No Action) City FFE Special Request Process Review
 - ♦ ED suggested that this subject be skipped for this meeting in an interest in time. The topic was skipped as no action is required for this topic.
 4. (No Action) 2024 and 2025 SWOT
 - ♦ Board reviewed SWOT analysis
 - ♦ Director Parker -Maybe rename to annual work plan
 - ♦ View more columns on spread sheet
 - ♦ Use for ED evaluation
 - ♦ Majority of goals achieved
 5. (No Action) Annual Board Survey
 - ♦ **Participation:** High engagement with nearly full board participation

Key Findings:

- ♦ **Positive Metrics:**
 - ♦ 100% understand the board's mission
 - ♦ 85% are very familiar with the budget
 - ♦ Increased comfort in demonstrating leadership and discussing difficult topics
- ♦ **Areas for Improvement:**
 - ♦ 77% feel familiar with aspirational programs
 - ♦ 77% understand how to represent their stakeholder group
- ♦ **Attendance Metrics:**
 - ♦ Average board attendance at 84%, with a low of 76% and a high of 100%
 - ♦ Minimal instances of meetings lacking a quorum

D. CONSENT AGENDA

No items for the board to consider for the consent agenda.

*****Breakout Session*****

E. REGULAR AGENDA

1. Executive Director Annual Review and Compensation
 - ♦ The Executive Committee assigned Treasurer Balkema at the 12/9/2024 meeting to compile the reviews and make a recommendation to the Executive Committee and the full board at the February meeting. Based upon the reviews and the feedback, this is the recommendation:
 - Cost of Living 3.1%
 - Merit Raise 5.0%
 - Final salary amount for 2024: \$157,426.69
 - Effective immediately and retroactive pay to January 1, 2025
 - ♦ Motion to Approve ED Annual Review and Compensation - Ritsema
 - ♦ Second - Parker
 - ♦ **Approved by a unanimous roll-call vote.**

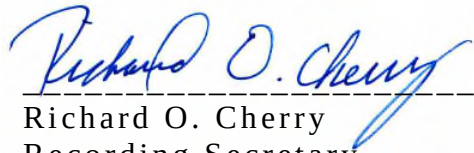
F. PUBLIC COMMENTS

No public comments.

G. BOARD MEMBER COMMENTS

No board members comments.

H. ADJOURNMENT- Meeting adjourned 5:01 pm



Richard O. Cherry
Recording Secretary