



Kalamazoo  
Foundation for  
Excellence

# Agenda FFE Finance Committee

**Monday, October 6, 2025      2:00 PM**

**Kalamazoo City Hall – 241 West South Street**

**A. CALL TO ORDER**

1. Roll Call
2. Approve Agenda
3. Welcome Guests

**B. APPROVAL OF MINUTES**

1. Approve the meeting minutes of March 31, 2025
2. Approve the meeting minutes September 8, 2025

**C. REPORTS AND COMMUNICATIONS**

**D. REGULAR AGENDA**

1. Approval of budget recommendation to the FFE Board for Aspirational Projects
2. Recommend Draft 2026 Budget for Board Review
3. Recommend an Update to the Investment Allocation for the FFE Endowment

**E. PUBLIC COMMENTS**

**F. BOARD MEMBER COMMENTS**

**G. ADJOURNMENT**

General information about the Foundation for Excellence (FFE) including board meeting schedules, meeting agendas and minutes, bylaws, and much more can be accessed at: <https://www.kalamazoocity.org/ffe>.

Agendas and previous minutes and video streams for FFE meetings are available directly at: <https://kalamazoomi.civicclerk.com/>.

Questions regarding agenda items may be answered prior to the meeting by contacting the FFE Manager at 269.337.8047 or [ffe@kalamazoocity.org](mailto:ffe@kalamazoocity.org).

## **KALAMAZOO FOUNDATION OF EXCELLENCE**

### **PUBLIC COMMENT RULES**

1. Persons attending a regular or special meeting of the Board of Directors of the Kalamazoo Foundation for Excellence shall be permitted to address the Board in conformity with this rule and the Michigan Open Meetings Act.
2. An individual wishing to address the Board shall wait to be recognized by the presiding officer.
3. A person addressing the Board shall provide their name and whether they are a resident of the City.
4. Remarks by a speaker shall be confined to matters within the purview of the Board and KFFE.
5. The chairperson of the meeting or a majority of the Board in attendance may permit individuals to speak once, for up to four (4) minutes, on specific matters being considered on the meeting agenda of the Board, except no comment is permitted on secondary or procedural motions to a main motion.
6. A speaker is permitted to address the Board once during the Public Comment portion of the meeting for up to four (4) minutes.
7. A speaker is not permitted to yield any unused portion of speaking time to other speakers.
8. A speaker may be ruled out of order for conduct that interrupts or disrupts the meeting.

*Updated October 23, 2023*

**KALAMAZOO FOUNDATION FOR EXCELLENCE  
BOARD OF DIRECTORS  
FINANCE COMMITTEE**

**MINUTES**

Meeting of March 31, 2025

- A. Call to Order
  - 1. The meeting of the Kalamazoo Foundation for Excellence (KFFE) Finance Committee was called to order at 2:14 p.m. in the Community Room of City Hall by President Calderon-Huezo.
  - 2. Roll Call. President Calderon-Huezo, Treasurer Balkema, Director Parker, and Chief Financial Officer Vicenzi were present. Vice President Ritsema and Director Carrell were excused absent. A quorum was present.
  - 3. Approve the agenda. Treasurer Balkema moved and CFO Vicenzi seconded approval of the agenda. The motion was approved by unanimous voice vote.
- B. The draft minutes of December 9, 2024, meeting were moved for approval by Treasurer Balkema and seconded by CFO Vicenzi. The motion was approved by unanimous voice vote.
- C. Reports and Communications.
  - 1. CFO Vicenzi and Executive Director Brown reviewed the Annual Financial Report Information beginning with the Endowment performance dated 12.31.2024, as well as annual financial reporting documents. CFO Vicenzi reported that the endowment had been rebalanced as approved in 2024 and that the 2025 endowment contribution had been received and liquidated per policy.
- D. Regular Agenda
  - 1. Policy Review. Due to the volume or remaining work on policies, Treasurer Balkema made a motion to move the item to the September 8 Finance Committee meeting, which Director Parker seconded. Policy reviews from Directors will be provided to Staff by July 1 for staff to prepare September 8 committee packets. The motion was approved by a unanimous voice vote.
  - 2. Recommend Draft Annual Grant Distribution to the Board of Directors. Treasurer Balkema moved and Director Parker seconded a recommended \$4 million aspirational grant to the City of Kalamazoo for 2026. It was discussed that the budget stabilization will be calculated as a 3.1% increase. The 2024 tax reduction true-up payment and 2026 tax reduction grant cannot be finalized at this point in the year and will be confirmed following the appropriate board of review meeting. The motion was approved by a unanimous voice vote.
- E. No public comments.
- F. No board comments.
- G. President Calderon-Huezo adjourned the meeting at 3:04 p.m.

The next meeting is scheduled for Monday, September 8, 2024, at 2 p.m.

Minutes Drafted: March 31, 2025.

Minutes Approved: \_\_\_\_\_

\_\_\_\_\_

Steve Brown, Recording Secretary

DRAFT

**Monday, September 8, 2025 2:00 PM**  
**Kalamazoo City Hall – 241 West South Street**

### A. CALL TO ORDER

1. Roll Call-

Present: Bostrom, Vice President Ritsema, Treasurer Balkema, Dr. Parker, Director Vazquez-Alatorre

Absent: Carrell- excused

Staff present: Richard Cherry- Attorney and Steve Vincenzi

2. Approve Agenda- **Motion:** President Ritsema **2<sup>nd</sup>** :Balkema

### B. APPROVAL OF MINUTES

- Minutes not attached to agenda. The Committee will approve minutes at next finance meeting.

### C. REPORTS AND COMMUNICATIONS

1. (No Action) Receive Q2 Endowment Report from the Investment Subcommittee

- Steve Vicenzi provided the report
  - 351 Million of assets.
  - A year ahead of 500 million target.

### D. REGULAR AGENDA

1. Foundation for Excellence Investment Subcommittee Membership-

- Four Members up reappointment.

- **Motion to reappoint:** Balkema 2<sup>nd</sup>: Ritsema
2. Recommend Policy Updates- Policy changes did not include a redline. Attorney Cherry will conduct review and redline policies for consideration from the board.
- **Motion to recommend Attorney Cherry to provide a redline copy of Policy for Executive Committee to review:** Balkema 2<sup>nd</sup>: Ritsema
3. Recommend Draft 2026 Budget for Board Review
- Steve V. went through budget
  - Recommendation: 9-30-2025 to evaluate to see if 5.016 Million amount is viable. Will do 5 Million and Housing and Public Works Roll-Over (need to check Mary's notes on this one)
  - **Motion:** Balkema
  - 2<sup>nd</sup> : Vazquez-Alatorre

**E. PUBLIC COMMENTS**

- No public comments.

**F. BOARD MEMBER COMMENTS**

- No public comments.

**G. ADJOURNMENT**



Kalamazoo  
Foundation for  
Excellence

# FFE Finance Committee Staff Report

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**TO:** Foundation for Excellence Finance Committee

**FROM:** Steve Brown, Executive Director

**DATE:** October 6, 2025

**SUBJECT:** Approval of budget recommendation to the FFE Board for Aspirational Projects

## **RECOMMEDATION:**

Approval of budget recommendation to the FFE Board for Aspirational Projects

## **BACKGROUND:**

### **Endowment Update and Carryforward Projections**

- **Endowment Balance (Unofficial, as of 09/30/2025):** \$334,291,000

### **FFE Carryforward Projections**

City staff has prepared preliminary estimates of projects expected to carry forward funds into 2026. These figures are based on financial data through August 31, 2025, and do not reflect additional spending that may occur through year-end. Official carryforward amounts will be finalized after year-end accruals are completed and will be shared with the FFE Executive Director and subsequently approved by the City Commission.

With the updated endowment balance and projected carryforwards, the Finance Committee is anticipated to recommend an amount available to the City for Aspirational Spending, subject to approval by the FFE Board.

KALAMAZOO FOUNDATION FOR EXCELLENCE

As of August 31, 2025	2025 Adopted Budget	Total Budget including carry forwards	Encumbrance	YTD Expenditures	Remaining Unencumbered Budget	Anticipated Carryforward	Carryforward Comments
<b>FOUNDATION FOR EXCELLENCE ASPIRATIONAL PROJECTS</b>							
<b>FFE OPERATIONS</b>							
FFE COORDINATOR/STAFF	652,000	652,000	-	-	652,000	500,000	
<b>TOTAL</b>	<b>652,000</b>	<b>652,000</b>	-	-	<b>652,000</b>	<b>500,000</b>	<b>Yes, as a percentage of 2025 projects</b>
<b>YOUTH DEVELOPMENT &amp; EMPLOYMENT</b>							
YOUTH DEVELOPMENT COORDINATOR	-	-	-	-	-	-	
SUPER REC	230,000	230,000	11,191	148,473	70,336	50,000	Request being finalized for use of remaining funds
YOUTH EMPLOYMENT-KRESA	619,000	619,000	619,000	-	-	-	
ALL THINGS POSSIBLE	116,000	116,000	30,512	74,916	10,571	-	Annual Program
COUNSELOR'S-IN-TRAINING STIPEND	24,000	24,000	14,550	1,312	8,138	-	Annual program
KALAMAZOO YOUTH ACTION COUNCIL (KYAC)	15,000	15,000	3,175	6,917	4,908	4,908	
<b>TOTAL YOUTH DEVELOPMENT &amp; EMPLOYMENT</b>	<b>1,004,000</b>	<b>1,004,000</b>	<b>678,428</b>	<b>231,619</b>	<b>93,953</b>	<b>54,908</b>	
<b>SHARED PROSPERITY KALAMAZOO</b>							
SPK HIGH IMPACT FUND	-	65,000	-	65,000	0	-	
<b>TOTAL SHARED PROSPERITY</b>	<b>-</b>	<b>65,000</b>	<b>-</b>	<b>65,000</b>	<b>0</b>	<b>-</b>	
<b>COMPLETE NEIGHBORHOODS</b>							
<b>COMPLETE NEIGHBORHOODS INFRASTRUCTURE</b>							
NEIGHBORHOOD TREE MAINTENANCE	-	80,663	76,863	3,800	-	-	
RIVERSIDE CEMETERY PAVING	-	11,628	-	-	11,628	11,628	
PORTAGE ST SHARED USE PATH SVY & DESIGN	-	41,941	41,136	-	805	805	
SIDEWALK PRI-COMPLAINCES, GAPS, GIS INV	1,360,000	1,366,102	7,597	5,005	1,353,500	1,353,500	Held for grant match, utilize in 2026.
SIDEWALK PRI-HSP MATCH	-	427,248	-	-	427,248	427,248	Held for grant match, utilize in 2026.
SIDEWALK PRI-CLEARING PILOT	-	61,975	-	40,690	21,285	21,285	Held for grant match, utilize in 2026.
<b>TOTAL INFRASTRUCTURE</b>	<b>1,360,000</b>	<b>1,989,557</b>	<b>125,596</b>	<b>49,495</b>	<b>1,814,467</b>	<b>1,814,466</b>	
<b>NEIGHBORHOOD ENGAGEMENT &amp; ACTIVATION</b>							
NEIGHBORHOOD OUTREACH & ENGAGEMENT	-	71,039	12,741	34,555	23,743	23,743	
<b>TOTAL NEIGHBORHOOD</b>	<b>-</b>	<b>71,039</b>	<b>12,741</b>	<b>34,555</b>	<b>23,743</b>	<b>23,743</b>	
<b>TOTAL COMPLETE NEIGHBORHOODS</b>	<b>1,360,000</b>	<b>2,060,596</b>	<b>138,336</b>	<b>84,050</b>	<b>1,838,209</b>	<b>1,838,209</b>	
<b>INVITING PUBLIC PLACES</b>							
EVENT SUPPORT	10,000	10,000	-	-	10,000	-	2026 funds requested
<b>TOTAL INVITING PUBLIC PLACES</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	
<b>CONNECTED CITY</b>							
YOUTH MOBILITY	-	78,676	27,926	32,074	18,676	18,676	
<b>TOTAL CONNECTED CITY</b>	<b>-</b>	<b>78,676</b>	<b>27,926</b>	<b>32,074</b>	<b>18,676</b>	<b>18,676</b>	
<b>ECONOMIC VITALITY</b>							
<b>ECONOMIC DEVELOPMENT</b>							
BDF CAPACITY BUILDING TRAINING	50,000	50,000	25,000	25,000	-	-	
BDF CANDO BUSINESS INCUBATOR	-	100,000	-	100,000	-	-	
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>50,000</b>	<b>150,000</b>	<b>25,000</b>	<b>125,000</b>	<b>-</b>	<b>-</b>	
<b>AFFORDABLE HOUSING</b>							
HDF INCREMENTAL DEVELOPMENT	1,702,000	1,702,000	-	-	1,702,000	1,702,000	Projects anticipated being encumbered in 25/26
HDF SITE ACQUISITION	-	385,658	-	-	385,658	385,658	
HDF PATHWAYS LEASE PURCHASE	-	25,000	25,000	-	-	-	
HDF HOUSING PREDEVELOPMENT	-	141,778	29,200	33,500	79,078	79,078	
HDF LAWRENCE PROPERTIES	-	104,262	-	66,059	38,203	38,203	
CLEARING CLOUDED TITLES	-	9,734	-	-	9,734	9,734	
HOMESHARE PROGRAM	80,000	80,000	-	-	80,000	80,000	Bid awarded in 2025 with work to start
HDF - GUN VIOLENCE REPAIR	4,000	4,000	-	-	4,000	4,000	
<b>TOTAL AFFORDABLE HOUSING</b>	<b>1,786,000</b>	<b>2,452,432</b>	<b>54,200</b>	<b>99,559</b>	<b>2,298,673</b>	<b>2,298,673</b>	
<b>TOTAL ECONOMIC VITALITY</b>	<b>1,836,000</b>	<b>2,602,432</b>	<b>79,200</b>	<b>224,559</b>	<b>2,298,673</b>	<b>2,298,673</b>	
<b>ENVIRONMENTAL RESPONSIBILITY</b>							
GREEN AFFORDABLE HOUSING (ENERGY AUDIT)	-	112,075	32,875	79,200	-	-	
322 STOCKBRIDGE CONTINUED PLANNING	-	50,877	2,940	590	47,347	-	Project fully encumbered
<b>TOTAL ENVIRONMENTAL RESPONSIBILITY</b>	<b>-</b>	<b>162,951.58</b>	<b>35,815.00</b>	<b>79,790.00</b>	<b>47,346.58</b>	<b>-</b>	
<b>SAFE COMMUNITY</b>							
DANGEROUS BUILDING DEMOLITION	-	39,297	28,271	4,099	6,927	6,927	
HDF CRITICAL & CODE REPAIR	138,000	138,000	-	138,000	-	-	
<b>TOTAL SAFE COMMUNITY</b>	<b>138,000</b>	<b>177,297</b>	<b>28,271</b>	<b>142,099</b>	<b>6,927</b>	<b>6,927</b>	
<b>PROJECT TOTALS</b>	<b>5,000,000</b>	<b>6,812,952</b>	<b>987,976</b>	<b>859,191</b>	<b>4,965,786</b>	<b>4,717,393</b>	



Kalamazoo  
Foundation for  
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# FFE Finance Committee Staff Report

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**TO:** Foundation for Excellence Finance Committee

**FROM:** Steve Brown, Executive Director  
Steve Vicenzi, CFO

**DATE:** October 6, 2025

**SUBJECT:** Recommend Draft 2026 Budget for Board Review

## **RECOMMEDATION:**

Recommend Draft 2026 Budget for Board Review

## **BACKGROUND:**

The draft 2026 proposed budget is attached for second review by the Finance Committee. Consistent with past practice, the Finance Committee is being presented with a requested action to recommend the budget to the Board for approval at its final regularly scheduled board meeting of the year held in October as required by the FFE bylaws.

## **Attachments**

- The proposed 2026 Foundation for Excellence Budget, including the 2025 Amended Budget for comparison;
- The 2026 Grant Request Memo from the City of Kalamazoo to the Foundation for Excellence;
- The 2026 proposed Aspirational Project list.

## **Timeline:**

10/6/25 - FFE Finance Committee: Recommend final draft  
10/6/25 - City Commission: Review final draft  
10/27/25 - FFE Board: Approve and recommend to City Commission  
Jan. 2026 - City Commission: Approve



**Department of Management Services**

241 West South Street  
Kalamazoo, MI 49007-4796  
Phone: 269.337.8020  
Fax: 269.337.8448  
[www.kalamazoocity.org](http://www.kalamazoocity.org)

August 28, 2025

Steve Brown  
Executive Director, Kalamazoo Foundation For Excellence (FFE)

Mr. Brown,

I am writing on behalf of the City of Kalamazoo to formalize the initial budget request for 2025. We are requesting the following amounts for the 2025 budget.

- \$16,515,097 – Tax reduction
- \$119,080 – Tax reduction reconciliation payment
- \$5,126,556 – Budget Stabilization
- \$21,760,733 – Total operational funding request
  
- \$5,016,000 – Aspirational from Endowment (Any remaining Grant funds expended first)
- \$26,776,733 – Total funding request

**TAX REDUCTION**

Bylaws, Section 9.03, Subsection A: “Equal to the difference between the amount that the City would have received in real estate tax and personal property tax revenue for the fiscal year-in-question calculated using a millage rate of 19.2705 mills (\$19.2705 per \$1000 of taxable value) less the amount of real and personal property taxes that the City is budgeted to receive for the fiscal year-in-question under the City's proposed millage rate, so as to provide the City a tax rate that is correlative to other municipalities in the Kalamazoo area (...)”

Total 2025 Projected Net Effective Taxable Value = \$2,137,111,246

Projected difference in taxes under 19.2705 mills and current 12 mills = \$16,515,097.

**TAX REDUCTION RECONCILIATION PAYMENT**

Due to the timing of the Foundation for Excellence’s budget timeline, the City provides an estimate for the upcoming year’s tax valuations. The City sets taxable values less exemptions after the March Board of Review. The values are then created by assessing for the tax bills to be sent out in July.

The final personal property tax value to be reimbursed for the prior year is provided by the State of Michigan in October.

Due to the timing of the estimates and the State’s reporting, this calculation is done on a lookback basis that can span multiple years.

The following summarizes the tax reimbursement payments to the City starting from 2023 through 2025.

- Payments to the City for tax reduction - \$45,829,410
- Projected property taxes eligible to be reimbursed - \$45,238,976
- Tax reconciliation payments made - \$471,354

The difference is \$119,080. This amount becomes the requested tax reconciliation payment in 2026.



**Department of Management Services**

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**BUDGET STABILIZATION**

Bylaws, Section 9.03, Subsection B: \$4 million for budget fiscal 2019 and thereafter adjusted annually by the Municipal Cost Index developed by the American City & County Magazine, or another credible model addressing the price of the unique market basket of goods and services purchased by local governments, to address the structural revenue imbalance to City finances due to Michigan's broken municipal finance system. This year's request is calculated using the amount provided in 2025, \$5,126,556 increased by 2.7%.

**ASPIRATIONAL PROJECTS AND PROGRAMS**

Bylaws, Section 9.03, Subsection C: Additional annual distributions may be approved (...) (i) consistent with the purposes set forth in Article II in the Articles of Incorporation of this Corporation; and, (ii) consistent with donor intent as specified in the Statement of Donor Intent (...)

Our proposed 2026 aspirational projects will be drawn on a reimbursement basis. These funds will be utilized on the projects described in the chart on the following pages.

I am also proposing the following draw schedule from the endowment for 2026.

March 2	\$5,126,556 – Budget Stabilization
June 1	\$16,515,097 – Tax Reduction
June 1	\$119,080 – Tax Reconciliation
Various	\$5,016,000 – Aspirational and operational funds reimbursed quarterly.

A handwritten signature in blue ink, appearing to read "Stephen Vicenzi".

Stephen Vicenzi  
Chief Financial Officer  
City of Kalamazoo

### Proposed 2026 Aspirational Projects, Alignment, and Details

New or Continuing Program	Request Name	Project Summary	IK2025 Goal Alignment	FFE Goal Alignment	2026
Continuing	Youth Mobility	Fund to help youth overcome transportation barriers.	Youth Development	Promote Youth Development	\$67,000
New	Disaster Relief Funds	Investment to partially fund the Community Resilience Program Manager role and provide support for disaster response in conjunction with the city emergency manager.	Safe Community	Address Generational Poverty	25,000
New	Emergency Shelter Programs	Coordination with Kalamazoo County and community partners to identify service providers to operate an emergency shelter during extreme weather.	Shared Prosperity	Address Generational Poverty	500,000
Continuing	All Things Possible Camp	Supports a program for students transitioning from Middle to High school during the summer to eliminate "summer slide" and build social emotional learning.	Youth Development	Promote Youth Development	152,000
Continuing	Councilor in Training	Supports up to 30 youth who serve as leaders in Parks and Rec summer youth programming, receiving stipends and learning life and leadership skills.	Youth Development	Neighborhood Improvement to Attract and Connect	30,000
Continuing	Kalamazoo Youth Action Council	Supports Parks and Recreation department's Youth Advisory Board providing input and leadership for programs, activities, and events.	Youth Development	Promote Youth Development	22,000
Continuing	KRESA Career Connect*	Partnership with KRESA to employ youth ages 6-12 at five neighborhood sites in Kalamazoo.	Youth Development	Promote Youth Development	416,000
Continuing	Event Sponsorship	Supports events hosted by non-profits which are open to all residents and free to attend.	Strength through Diversity	Neighborhood Improvement to Attract and Connect	40,000
New	Spring Valley Tennis Court Improvements	Repair the tennis court surface at Spring Valley Park that are no longer functioning and transition the court into four pickleball	Inviting Public Places	Neighborhood Improvement to Attract and Connect	110,000
Continuing	Super Rec Camp	Provides nine week of free summer camp for city youth ages 6-12 at five neighborhood sites in Kalamazoo.	Youth Development	Address Generational Poverty	264,000
Continuing	Demo Funds	Funds to be used when CDBG funds cannot be for abated building demolition, removal of foundation, and restore the site per City of Kalamazoo ordinance.	Complete Neighborhoods	Neighborhood Improvement to Attract and Connect	50,000
Continuing	Neighborhood Planning	Support the neighborhood planning effort that will follow the approval of the 2035 Master Plan.	Good Governance	Neighborhood Improvement to Attract and Connect	9,000
Continuing	Kalamazoo Micro-Enterprise Grant (KMEG) Fund 2.0	Partnership with United Way to offer \$5,000 and \$10,000 support to business' for business improvement including hiring, equipment, technology, real estate, and other capital needs.	Economic Vitality	Address Generational Poverty	537,000

New or Continuing Program	Request Name	Project Summary	IK2025 Goal Alignment	FFE Goal Alignment	2026
Continuing	Neighborhood Capacity Building	Support to small neighborhoods to help establish a neighborhood organization.	Good Governance	Neighborhood Improvement to Attract and Connect	6,000
Continuing	Foreclosure Prevention	Partnership with the County to reduce or eliminate the number of annual tax foreclosures on owner-occupied homes in the City of Kalamazoo with a one-time relief program.	Shared Prosperity	Address Generational Poverty	60,000
Continuing	Housing Development Fund	Supports affordable housing opportunities through three strategies; mixed income multi-family gap financing, housing rehabilitation, and appraisal gap/rental subsidy.	Complete Neighborhoods	Capital and Human Infrastructure	1,720,000
New	Downtown Circulator Feasibility & Planning	Feasibility and planning study for a downtown circulator for Downtown business' during the upcoming transformational street construction and beyond for the event center	Connected City	Capital and Human Infrastructure	120,000
Continuing	Critical Code Repair	Partnership with Community Homeworks which provides free critical repairs to low income households to bring their homes into code compliance.	Safe Community	Capital and Human Infrastructure	135,000
Continuing	Sidewalk Snow Clearing	Project to remove snow from selected sections of sidewalk throughout the City adjacent to City properties, Brownfield properties, and other priority streets	Connected City	Neighborhood Improvement to Attract and Connect	60,000
Continuing**	Police Athletic League Program	Provides mentorship and helps to build positive relationships between Kalamazoo Community Youth and Kalamazoo Public Safety through youth programming.	Youth Development	Promote Youth Development	39,000
	<b>Total of Requested Projects</b>				<b>\$4,362,000</b>
	Project Administration	In accordance with Federal grant guidelines, de minimis administrative costs to support project implementation, administration, and evaluation.	Good Governance		654,300
	<b>Total Funding Request for Aspirational Projects</b>				<b>\$5,016,300</b>

\*previously called MyCITY Summer Youth Employment

\*\*returning project, previously funded with ARPA

### Long Term Planning

In an effort to streamline planning and provide greater certainty around funding requests, the City anticipates seeking ongoing support for the following list of projects through 2030. Establishing this multi-year horizon not only helps align projects with available resources but also enables more strategic, long-term planning. The project list is expected to evolve over time, with new initiatives added as priorities emerge and others removed as they are completed or no longer needed. By looking ahead over the next several years, the City can better coordinate investments, reduce uncertainty for stakeholders, and ensure that resources are directed toward the most impactful and sustainable outcomes.

Request Name	2027	2028	2029	2030
Youth Mobility	\$67,000	\$67,000	\$67,000	\$67,000
All Things Possible Camp	154,000	156,000	159,000	161,000
Councilor in Training	30,000	30,000	30,000	30,000
Kalamazoo Youth Action Council	22,000	22,000	22,000	22,000
KRESA Career Connect	210,000	-	-	-
Super Rec Camp	266,000	271,000	276,000	282,000
Neighborhood Capacity Building	6,000	-	-	-
Foreclosure Prevention	50,000	-	-	-
Housing Development Fund	1,568,000	1,618,000	1,618,000	1,618,000
Downtown Circulator Feasibility & Planning	50,000	50,000	-	-
Critical Code Repair	130,000	120,000	110,000	100,000
Sidewalk Snow Clearing	62,000	64,000	66,000	68,000
Police Athletic League Program	40,000	41,000	42,000	43,000
<b>Total of Requested Projects</b>	<b>\$2,655,000</b>	<b>\$2,439,000</b>	<b>\$2,390,000</b>	<b>\$2,391,000</b>

Account Name	2025 Amended Budget	Proposed Budget
INVESTMENT INCOME	21,833,000	25,650,000
CONTRIBUTIONS*	55,000,000	55,000,000
<b>Total Revenue</b>	<b>76,833,000</b>	<b>80,650,000</b>
PAYROLL - BASE PAY	157,426	165,307
PAYROLL - BENEFITS AND EXPENSES	33,185	33,926
OFFICE SUPPLIES AND FORMS	200	200
MEETING SUPPLIES	200	250
POSTAGE	8,610	8,600
BANK FEES	700	1,000
INVESTMENT MANAGEMENT FEES	230,000	300,000
CONSULTING FEES	200,078	180,000
AUDIT FEES	16,500	18,000
CUSTODIAN FEES	171,600	170,000
LEGAL SERVICES	80,000	80,000
MEMBERSHIPS AND SUBSCRIPTIONS	385	400
DUE DILIGENCE	20,000	20,000
PROFESSIONAL DEVELOPMENT	8,000	8,000
SOFTWARE AND APPLICATIONS	9,700	7,200
LIABILITY INSURANCE	42,008	42,000
ADMINISTRATIVE FEES	51,500	55,000
CONTRIBUTION TO CITY - TAX REIMBURSEMENT	15,904,940	16,515,097
CONTRIBUTION TO CITY - TAX REIMBURSEMENT RECONCILIATION	86,660	119,080
CONTRIBUTION TO CITY - BUDGET STABILIZATION	4,886,859	5,126,556
CONTRIBUTION TO ASPIRATIONAL PROJECTS FUND	5,000,000	4,000,000
<b>Total Expenses</b>	<b>26,908,551</b>	<b>26,850,616</b>
<b>Revenue over Expenses</b>	<b>49,924,449</b>	<b>53,799,384</b>

\*Contributions budgeted on a cash basis. FFE has recognized long term contribution receivable on the financial statements.



Kalamazoo  
Foundation for  
Excellence

# FFE Finance Committee Staff Report

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**TO:** Foundation for Excellence Finance Committee

**FROM:** Investment Subcommittee

**DATE:** October 6, 2025

**SUBJECT:** Recommend an Update to the Investment Allocation for the FFE Endowment

## **RECOMMEDATION:**

Recommend an Update to the Investment Allocation for the FFE Endowment

## **BACKGROUND:**

The FFE Investment Subcommittee (FFEIS) is responsible for formulating and recommending to the Finance Committee investment policies, strategies, and guidelines for approval by the Board. At the August 28th meeting, the Investment Subcommittee approved a recommendation to the FFE Finance Committee to update the investment allocation for the FFE Endowment with the assistance from advisors from Zhang Financial.

Multiple scenarios of an investment allocation were considered by the subcommittee, landing on the allocation attached. This recommendation seeks to increase the expected profitability while reducing the average expense ratio of the portfolio.

**KFFE EQUITY ASSET REALLOCATION**  
**Approved 27Aug2025**

Fund Name	Ticker Type	KFFE Equity Current Allocation	KFFE Equity Approved Allocation	KFFE TOTAL Current (30Jun2025)	KFFE TOTAL Approved Calculated	KFFE TOTAL Recommended Rounded
<b>US EQUITIES</b>		<b>92.9%</b>	<b>71.4%</b>	<b>65.0%</b>	<b>50.0%</b>	<b>50.5%</b>
BlackRock S&P 500 (B)	CTF	78.6%	53.6%	55.0%	37.5%	38.0%
Dimensional US High Relative Profitability Portfolio	DURPX US Mutual Fund	0.0%	7.0%	0.0%	4.9%	5.0%
Dimensional US Large Cap Value Portfolio I	DFLVX US Mutual Fund	7.1%	0.0%	5.0%	0.0%	0.0%
Dimensional US Small Cap Value Portfolio I	DFSVX US Mutual Fund	7.1%	7.1%	5.0%	5.0%	5.0%
Dimensional US Micro Cap Portfolio I	DFSCX US Mutual Fund	0.0%	3.7%	0.0%	2.6%	2.5%
<b>Developed ex-US</b>		<b>3.6%</b>	<b>18.3%</b>	<b>2.5%</b>	<b>12.8%</b>	<b>12.5%</b>
Dimensional International Core Equity 2 Portfolio I	DFIEX US Mutual Fund	0.0%	18.3%	0.0%	12.8%	12.5%
Dimensional International Small Cap Value Portfolio I	DISVX US Mutual Fund	3.6%	0.0%	2.5%	0.0%	0.0%
<b>Emerging Markets</b>		<b>3.6%</b>	<b>10.3%</b>	<b>2.5%</b>	<b>7.2%</b>	<b>7.0%</b>
Dimensional Emerging Markets Core Equity 2 Portfolio I	DFCEX US Mutual Fund	0.0%	10.3%	0.0%	7.2%	7.0%
Dimensional Emerging Markets Value Portfolio I	DFEVX US Mutual Fund	3.6%	0.0%	2.5%	0.0%	0.0%
<b>Total Equity</b>		<b>100.0%</b>	<b>100.0%</b>	<b>70.0%</b>	<b>70.0%</b>	<b>70.0%</b>
<b>Fixed Income</b>						
Jennison	Separate Account	Not Applicable	Not Applicable	25.0%	25.0%	25.0%
<b>Total Fixed Income</b>				<b>25.0%</b>	<b>25.0%</b>	<b>25.0%</b>
<b>Real Estate</b>						
Vanguard	VGSNX US Mutual Fund	Not Applicable	Not Applicable	5.0%	5.0%	5.0%
<b>Total Real Estate</b>				<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>Total KFFE Portfolio</b>				<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>