



Kalamazoo
Foundation for
Excellence

Agenda FFE Board of Directors

Monday, February 23, 2026 2:00 PM

251 Mills Street, Kalamazoo, MI

A. CALL TO ORDER

1. Roll Call
2. Director Introductions
3. Approval of the Agenda
4. Introduction of Guests

B. APPROVAL OF MINUTES

C. REPORTS AND COMMUNICATIONS

1. (No Action) Imagine Kalamazoo 2035 Update
2. (No Action) 2025 FFE Endowment Report
3. (No Action) 2025 Program and Operations Data
4. (No Action) Communication Exercise

D. REGULAR AGENDA

1. Approve Fiscal Year 2026 Budget Amendment
2. Executive Director Compensation

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.

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
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FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: February 23, 2026

SUBJECT: Roll Call

RECOMMEDATION:

Roll Call

BACKGROUND:

Dr. Andrea Bostrom, President, Healthcare
Mary Balkema, Treasurer, Housing
Jamauri Bogan, Secretary, At-Large Director
David Anderson, Mayor
Alisa Carrel, Arts Organization
Sarah Drumm, Neighborhood Focus: Vine
Malcolm Hankins, City Manager
Jeanne Hess, City Commissioner
Kelsey McKague, Neighborhood Focus: Oakwood
Dr. Karika Parker, Education
Ida Salas, Business Sector
Alice Taylor, Neighborhood Focus: Northside
Adrian Vazquez-Alatorre, Affinity Organizations
Rev. Christina Westbury, Faith-based Organizations
Alonzo Wilson, City Commissioner



Kalamazoo
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Minutes FFE Board of Directors

Monday, October 27, 2025 2:00 PM
Mayors Riverfront Park – 251 Mills St

A. CALL TO ORDER

1. Roll Call

- **Present:** Dr. Andrea Bostrom, James K. Ritsema, Mary Balkema, Jamauri Bogan, David Anderson, Alisa Carrel, Sarah Drumm, Stephanie Hoffman, Kelsey McKague, Dr. Karika Parker, Ida Salas, Rev. Christina Westbury

Absent: Qianna Decker (not excused), Adrian Vazquez-Alatorre (excused), and Alice Taylor (not excused)

2. Approve Agenda-

- Motion: from Balkema and request to add E7 to regular agenda—approval of a three-year agreement with Z Financial LLC for investment consulting.
- 2nd: Westbury

3. Welcome Guests

- None

B. APPROVAL OF MINUTES

1. Approve meeting minutes of September 22, 2025

- Motion: Ritsema
- 2nd: Balkema
- Discussion- Correct spelling error in minutes, Sandi Doctor's name was spelled incorrectly.

C. REPORTS AND COMMUNICATIONS

1. KRESA Data Table

- ED Brown shared a simplified table (for 2024) using KRESA-provided Excel data.
- Noted: KRESA has benefited several community areas including North Side, Edison, East Side, Millwood, and others.

2. Fund Management Bios and Tribute

- Bios for fund management staff disseminated upon request.
- In Memoriam: Long-standing chair, Robert Salisbury, passed away 7-10 days prior.
 - 20 years of service—joined City pension committee in 2005.
 - Instrumental in foundation’s endowment establishment and City's pension policy.
 - Helped developed the updated investment allocation.
 - Card of sympathy for his family circulated for signatures.
 - His legacy and contributions universally acknowledged and appreciated.

D. CONSENT AGENDA

E. REGULAR AGENDA

1. Approve an Update to the Investment Allocation for the FFE Endowment

- **Action:** Approve update to investment allocation (referenced: pages 9–10).
- **Motion:** Ritsema
- **2nd:** Balkema
- **Discussion:** No further comments; item previously discussed in last meeting.

Approved.

2. Approve the 2026 Budget

- **Action:** Approve budget.
- **Discussion:**
 - In-depth reviewed by Finance Committee.
 - Considered a good and fair budget.
 - Used September 30th market valuation for aspirational project funding.
 - Market status is favorable.
- **Query:** Impact of KRESA Career Connect, My City Program on budget decrease.
- **Clarified:** Main financier so far, but program encouraged to seek external funding to reduce dependence.
- **Motion:** Balkema
- **2nd:** Westbury

Roll call; all present members voted yes. Passed

3. Approve the 2026 Aspirational Grant Agreement with the City of Kalamazoo

- **Action:** Approve grant agreement (pages 18–24).
- **Discussion:**
 - Status quo agreement with City except for an added provision (page 20; bullet IV.3):
 - Housing development revolving loans to be transferred by March 31st of the budget year.
 - Infrastructure project funds carryover permitted for minimum two years.
 - Change aligns with Finance Committee and Treasury recommendations.
 - Supports multi-year planning for housing and infrastructure.
- **Motion:** Hoffman
- **2nd:** Salas

Approved.

4. Approve Renewal of the Annual Service Agreement with the City of Kalamazoo

- **Action:** Approve renewal (page 25).
- **Discussion:**
 - Correction needed for meeting dates (should specify 2024).
- **Motion:** Balkema
- **2nd:** McKague

Approved.

5. Approve Renewal of Liability and Director and Officer Insurance

- **Action:** Approve renewal (pages 32–43).
- **Correction:** Policy updated to expire October 27, 2025.
- **Motion:** Ritsema
- **2nd:** Carrel

Approved.

6. Approve Renewal of Legal Services Agreement with Miller Johnson Attorneys

- **Action:** Approve renewal (moving to a three-year agreement).
- **Discussion:**
 - Shift from annual to three-year contract at Executive Committee request.
 - Total not-to-exceed amount: \$80,000 over three years; this year under budget.
 - Fee-for-service, not retainer-based; hourly fees discounted by 15% for three years.
 - Complies with purchasing policy: must go out for bids after five years.
- **Motion:** Ritsema
- **2nd:** Carrel

Approved.

7. Approve a three-year agreement with Zhang Financial LLC for investment consulting services

- **Action:** Approve agreement (pages 50–61).
- **Discussion**
 - Finance Committee held a prior meeting with Z Financial.
 - No further comments.
- **Motion:** Carrel
- **2nd:** Parker

Approved.

PUBLIC COMMENTS

F. BOARD MEMBER COMMENTS

- Tribute and congratulations to outgoing City Manager Jim—thanked for years of service to the FFE and the City of Kalamazoo.
 - Mary Balkema read poem in dedication to Jim’s retirement: A detailed tribute poem was read, honoring Jim’s leadership and service.
 - Poem and remarks to be included in official minutes.
 - Framed recognition gift and cake (chocolate with white frosting) presented as requested.
 - Photo taken with Jim, name plaque given as keepsake.
- Outgoing City Manager (Jim) expressed gratitude for everyone’s service and commitment.
- Special acknowledgment to Steve Brown for detailed and effective management of FFE bylaws and operations.
- Affirmed that FFE and City operations remain in strong, capable hands.

G. ADJOURNMENT 2:28 p.m.



Kalamazoo
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FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: February 23, 2026

SUBJECT: (No Action) Imagine Kalamazoo 2035 Update

RECOMMEDATION:

(No Action) Imagine Kalamazoo 2035 Update

BACKGROUND:

Imagine Kalamazoo (IK) is the City's framework for developing strategic visions and master plans approximately every ten years. Imagine Kalamazoo's special approach is about creating a shared vision through community engagement to enhance the quality of life for all.

The **Strategic Vision** is the overarching guiding document for the City informed by the community's priorities and vision for the future of Kalamazoo. The document outlines 10 Strategic Goals that guide the City's work and provide a framework for all other City plans. The Strategic Vision was approved by the Kalamazoo City Commission on July 17, 2017.

The **Master Plan** is the road map for City projects. It shapes the City's future built environment by guiding growth and development, preserving Kalamazoo's unique character, and enhancing Kalamazoo's neighborhoods. The City-wide document primarily focuses on land development and transportation. The Master Plan is reviewed every 5 years and updated at least every 10 years.

The previous IK 2025 plan is now being updated and replaced by the IK 2035 plan, which will be unveiled this year. Extensive community engagement has been underway this winter along with months of outreach, research, and planning by City staff and consultants. City of Kalamazoo planning staff and leaders will be present to communicate updates to the FFE board and engage around questions that arise.

Comprehensive information on IK 2025 and IK 2035 can be found on the City's website at: <https://www.kalamazoocity.org/Government/Programs-Initiatives/Imagine-Kalamazoo>



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FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: February 23, 2026

SUBJECT: (No Action) 2025 FFE Endowment Report

RECOMMEDATION:

(No Action) 2025 FFE Endowment Report

BACKGROUND:

The 2025 FFE endowment investment report will be provided at the meeting as an addendum to this packet. Delays have been experienced by the FFE investment managers and consultants that prevent the report from being included in this packet as is typical.



Kalamazoo
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FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: February 23, 2026

SUBJECT: (No Action) 2025 Program and Operations Data

RECOMMEDATION:

(No Action) 2025 Program and Operations Data

BACKGROUND:

The attached **2025 Year In Review** contains an overview of key performance aspects of FFE operations and governance. It is supported by the **2025 Updates** PowerPoint presentation outlining all-time and 2025 program impact data.

2025 Year in Review

We are pleased to report that the Kalamazoo Foundation for Excellence had a positive year across all dimensions in 2025. The FFE is a growing, well-governed, and transparent organization following its mission to achieve impact in partnership with the City of Kalamazoo.

Since 2017, \$119.6 million of property tax savings have been passed on to all taxpayers, \$63.2 million of aspirational projects have been funded for residents, and \$34.7 million has been paid to the City to stabilize its budget and provide excellent services. In total, \$217.5 million has been invested in Kalamazoo. FFE grants represent approximately 20% of the City's general fund budget.

The FFE endowment continues to grow rapidly due to annual capitalization installments of the historic ten-year, \$400 million pledge and consistent market earnings. Endowment value exceeded \$385 million for the first time in December. This places the endowment approximately one year ahead of where projections anticipated it would be at this point. The FFE endowment has weathered the volatility of the pandemic era well. The most recent available report, dated December 31, 2025, shows that since inception on May 1, 2020, the endowment return on the portfolio, net of manager fees, has exceeded expectations of 6.5%.

The FFE prioritizes fiscal responsibility. The draft and final budgets were delivered on time for the seventh consecutive year. Actual budget expenditures were in line with long-term projections, demonstrating that strategic planning has been complemented with annual discipline. Operations expenses in 2025 represented just 2.39% of the budget and personnel costs just 0.69%.

Since inception, \$0.987 of every dollar FFE has spent has been invested directly in impact.

We are proud of the steps we take each year to remain efficient and focused. In a challenging economic and socio-political environment, the FFE stayed on mission and maximized resource availability with the need for endowment permanence.

The FFE continues to build an internal culture of excellence with its diverse board of 15 directors. Our President and one additional director reached term limits in 2025, showing that service on the FFE board is meaningful and sustainable. Year after year, FFE's public board application process also attracts a wide range of quality candidates resulting in a skilled board that represents Kalamazoo. We are deeply grateful to all those who volunteer to serve FFE.

Fewer than 10% of FFE public meetings were canceled or rescheduled in 2025; overall director attendance was 80%. All votes were unanimous and no board votes were tabled, showing the care in preparation of agenda items and directors to effectively conduct business.

The Mission of the Kalamazoo Foundation for Excellence is to support the goals of the City of Kalamazoo, fund aspirational investments in the city, and empower Kalamazoo residents to achieve the lives they want for themselves and their families.

Transparency remains of the highest importance to maintaining public trust. The innovative FFE interactive data dashboard on our website is updated annually in Q1 and continues to be used as our premier tool for showing the public where FFE dollars are invested in Kalamazoo and why. The FFE and City websites maintain extensive documentation including policies, annual reports, meeting agendas and minutes, and further resources. FFE mails a newsletter to every household each year. FFE also received a *Platinum* rating from GuideStar once again last year.

The FFE remains focused on positive impact on the lives of every resident and stakeholders. We do this by staying aligned with our mission requirements and the goals of Imagine Kalamazoo. For more information, please review the attached presentation that includes detailed data on impact, including demographic and geographic information.

Finally, City-FFE governmental relations remain very positive. There are sound and complementary working relationships with all levels of City government. Areas of ongoing need for improvement are deeper collaboration on program data gathering and accountability; project objective setting and tracking; communication of vision and achievement to the public; shifting energy from initial innovations to next levels that leverage the City's unique municipal duties and powers for increased impact.

As executive director I remain focused on maximizing transparency, fostering excellent board governance, ensuring investment impact and accountability, and supporting long-term endowment health. It is a unique honor to serve this community and the transformative generosity and philanthropic vision propelling FFE.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Brown', written in a cursive style.

Steve Brown
Executive Director

The Mission of the Kalamazoo Foundation for Excellence is to support the goals of the City of Kalamazoo, fund aspirational investments in the city, and empower Kalamazoo residents to achieve the lives they want for themselves and their families.



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FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: February 23, 2026

SUBJECT: (No Action) Communication Exercise

RECOMMEDATION:

(No Action) Communication Exercise

BACKGROUND:

The executive director will facilitate interactive exercises with the board regarding two topics:

1. The 2025 annual newsletter and FFE dashboard updates.
2. The 2027 year of celebration for FFE's 10th anniversary. The entire year of 2027 offers opportunities to highlight accomplishments and communicate vision and hope. Since 2017, \$220 million has been invested. In the coming ten years, \$320 million more is anticipated. Unprecedented capital investments in roads, water, wastewater, and infrastructure, have also been made by the City in the past ten years. IK 2035 will be fully launched by 2027 and the downtown Arena will be opening. FFE will be seeking to convene a working group with board members, city staff, and relevant outside partners to move ahead together with a plan. There are timeline and budgeting considerations, along with a number of partnership opportunities to consider together.



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FFE Finance Committee Staff Report

TO: Foundation for Excellence Finance Committee

FROM: Finance Committee

DATE: February 23, 2026

SUBJECT: Approve Fiscal Year 2026 Budget Amendment

RECOMMEDATION:

Approval of a Fiscal Year 2026 Budget Amendment for \$24,500 for communications expenses.

BACKGROUND:

The FFE 2026 budget was approved in October. At that time, communication plans and costs for the 2026 newsletter were not finalized. Staff recommends approval of a budget amendment to allow for the publication and mailing of a combined newsletter and annual report in the amount of \$24,500, roughly 5% more than the previous 2025 budget to account for the estimated annual cost increase. If approved, the amendment would be brought forward to the FFE board of directors for final approval.

In previous years, the newsletter was published on or around the first of each year and the annual report was published in March or April when audited financials were available. In 2026, the FFE will merge those two publications to achieve two benefits: first, it will reduce pressure on the City and FFE to generate full project and program data prior to the end of the year under review, which has been a consistent challenge; second, it will align FFE with the common practice of the foundation sector to have one annual publication. The 2026 combined annual report will be released once audited financials are available.



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FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Executive Committee

DATE: February 23, 2026

SUBJECT: Executive Director Compensation

RECOMMEDATION:

It is recommended to increase the executive director's salary by 6% retroactive to January 1, 2026, including a 3% cost of living adjustment (COLA) and 3% merit increase, in recognition of his exemplary service to the foundation for excellence.

BACKGROUND:

Please refer to the attached memo from the President and Executive Committee.

MEMORANDUM

January 26, 2026

TO: FFE Board of Directors

FROM: FFE Executive Committee

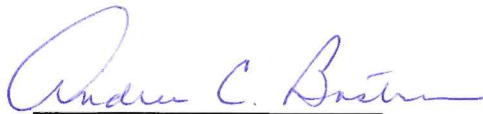
RE: Annual salary review recommendation for Steve Brown, Executive Director

The Executive Committee unanimously recommended the following at its January 26, 2026, meeting for executive director Steve Brown's salary increase based on his 2025 performance evaluation of 4.5 out of 5:

- 3% merit increase
- 3% Cost of Living Adjustment increase
- Total of 6% increase in his salary for 2026, retroactively to begin January 1, 2026.

We appreciate and value the work of Executive Director Brown as he facilitates the functioning of the FFE Board and the management of the requisite activities for fund maintenance.

Respectfully,



Andrea Bostrom, President