ENVISION ICMA

FY 2022 BUDGET

ICMA

FY 2022 BUDGET

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Transmittal Letter

President Malloy and Members of the ICMA Executive Board,

As I prepare to introduce to you ICMA's FY 2022 budget proposal, I cannot help but pause to think about the events that have defined our lives in the last year and a half. Beginning with the onset of the COVID-19 pandemic, with the resulting loss of life and livelihoods at the scale not seen in modern history, followed by the social unrest caused by many acts of racial injustice and galvanized by the brutal murder of George Floyd, to the unprecedented assault on the Capitol in the wake of the national election – all these events have made an indelible impact on all of us.

Like many organizations, ICMA had to respond to the pandemic quickly and decisively. Our initial response ranged from changing how we operate – becoming, for all practical purposes, a virtual organization for the period of the pandemic - to thinking strategically about managing the strained finances of the organization while at the same time serving thousands of members. In anticipation of the significant financial impact of COVID-19, we implemented a variety of measures aimed at expense control and reduction, conserving our resources, and deploying them more strategically. Some of these measures, like restrictions on travel and in-person meetings, helped to reduce our expenses. Also, shortly after the start of the pandemic, our ability to secure federal assistance in the form of the first draw of the Paycheck Protection Plan (PPP) funding helped tremendously to preserve our operational capacity, so that we could continue delivering much needed programs and services to our members and their communities. We are happy to report that, while we did not anticipate contributing to net assets in FY 2021, thanks to all of the cost-saving measures, we now project that ICMA will end this year, once again, with a positive net contribution.

We anticipate that FY 2022 will be a very difficult year in terms of finances. Revenues will continue to be significantly lower than pre-pandemic; however, as the pace of vaccinations has accelerated and more states are easing COVID-19 restrictions, there will be an increased demand for resources to be allocated to programs and services that were put on hold in FY 2021. We were fortunate to obtain the second draw of the PPP funding in March 2021 and expect to meet the criteria for full forgiveness in FY 2022. In the absence of this funding, the long-term impact of the pandemic on our operations would have been devastating.

Even with the PPP funding, as we approach FY 2022, we continue to operate with a highly conservative financial posture. However, as challenging as it is, we must look past where we are in the decisions we make. While cutting back in some areas, we are compelled to think strategically and propose investments in areas that have a great potential to make this organization more effective in achieving its mission and more financially sustainable. Establishing the position of Managing Director of Global Engagement is one such initiative. Although it was not funded in the FY 2021 budget due to financial challenges, soon after the start of the year it became clear that establishing this position sooner rather than later was necessary if we were to move forward with the enterprise-wide conversation we recently started about ICMA's global future, which is an important priority of the board. In line with this priority, the FY 2022 budget proposes a higher allocation of resources to ICMA's global engagement activities compared with any year in the past.

Another example of strategic thinking is the proposed investment in ICMA's professional development business line. Given that learning and professional development are a vital part of ICMA's value to members, we believe it is absolutely necessary to rethink and revitalize this part of our business and make it as accessible as possible to local government professionals all over the world. It is also clear that the underlying business model for ICMA's professional development must change. For example, relying on revenues from highly priced webinars is no longer in line with the market, where more and more organizations provide webinars at low cost or free of charge. While other professional development programs are valued and appreciated by those who have been able to participate in them, they rely excessively on face-to-face interactions and therefore are not accessible to the vast majority of members and other local government professionals. Finally, all of our professional development offerings have been designed with U.S. audiences in mind, which is not consistent with ICMA's worldwide mission.

The process of reimagining ICMA's professional development has already started, with the recruitment, in FY 2021, of a Director of Worldwide Learning with expertise in developing learning programs that are high-quality, dynamic, engaging, and flexible in terms of modalities and learning styles. The FY 2022 budget proposes an investment in technology that will enhance our capacity to deliver such learning opportunities to members and nonmembers alike, and investment in staff with the requisite skills. Success in this area will help us achieve our global strategy, one of our highest priorities. At the same time, this business line holds a great promise with respect to generating revenues – resources needed for ICMA to continue delivering programs and services to our members.

The FY 2022 budget proposal also includes bolstering our capacity in outreach and marketing, which is vital to our ability to expand ICMA's brand recognition and to attract new members, participants in our events and professional development offerings, and partners.

Strategically, we recognize that, to expand ICMA's value to members and, at the same time, ensure ICMA's long-term financial viability, we must strengthen our non-dues and non-grants and contracts revenues. A significant way we have been trying to achieve this objective is by infusing a greater entrepreneurial spirit at ICMA. This has manifested in partnership opportunities with other providers of innovative products and services, some of which have already been established and others that are being contemplated. Our goal is to establish a viable business model where, through these relationships, ICMA makes innovation available to members, their organizations, and their communities, without having to commit a significant capital investment. We have already begun seeing some revenue generation from these partnerships and plan to continue our efforts in this direction in FY 2022.

At the same time, our traditional sponsorships and the strategic partner program are also in need of a reevaluation, given that it has not shown positive growth in the past few years. This budget proposes investing in the redesign of this program, with the goal of expanding sponsorship opportunities, moving away from the transactional approach to year-round engagements, and making partnering with ICMA more attractive to other companies. This is yet another tangible opportunity to increase value to ICMA members and their communities while growing non-dues and non-grants and contract revenues.

Moving forward with the recruitment for the Chief Information Officer (CIO) position, which was put on hold in FY 2021, is another example of strategic decision-making during these challenging times. The highest initial priority of this executive, who is expected to be on board shortly after the beginning of the fiscal year, would be to assess ICMA's technology security and the infrastructure necessary to support the organization in post-pandemic times, but also to work to create a vision for technology and associated strategy that will guide our technology investments into the future.

In conclusion, I would like to acknowledge the ICMA employee family and, in particular, the leadership team, for all their hard work throughout the period of this pandemic. They are to be commended for their creativity, flexibility, and their tireless service on behalf of our members despite the financial strain. Our continued success would not have been possible without the steady financial leadership of our finance team. Like with any high-performing organization, success requires a continuous effort of each and every employee, and I acknowledge them all in this communication.

Finally, I want to express my gratitude to President Malloy and the entire Executive Board for all of your support. I recognize that each one of you has been charged with the difficult job of leading your communities through this crisis, while at the same time you've found ways to provide leadership to this organization. I am confident that with your leadership and by working together we will come out on the other side of this crisis stronger, more resilient, and transformed in a way that will enable ICMA to continue to be vitally important and relevant to our members.

Sincerely,

Marc A. Ott

Executive Director

Budget Overview

Summary

As the financial challenges caused by the COVID-19 global pandemic persist for a second year, our proposed FY 2022 budget continues to demonstrate ICMA's commitment to being the leading provider of relevant and timely support, professional development, and resources to its members and their communities. This budget builds on the work accomplished to date in the implementation of the *Envision ICMA* Strategic Plan, as well as new priorities that emerged as a result of the pandemic and other recent events. In addition, the proposed budget ensures adequate operational capacity and effective use of available resources to enable ICMA to move forward with advancing the organization's priorities and objectives in the context of rapidly evolving and economically uncertain times.

The proposed FY 2022 budget includes projected revenues from programs and services of approximately $26.1 million. This is a slight increase from the FY 2021 budget, but still a significant reduction from prior years, given the continued financial impact of the pandemic on ICMA's revenue-generating programs. Budgeted revenues are discussed in greater detail in the "Revenue Estimates" section of this document.

The proposed FY 2022 budget includes an estimate of total operating expenses of approximately $28 million — our best estimate of resources necessary for ICMA to deliver on its goals and priorities. FY 2022 budgeted operating expenses are allocated to various functions. The "Expense Estimates" section of this document provides additional details regarding the FY 2022 allocation of resources.

The projected total budget gap from operations of approximately $1.9 million is expected to be mitigated through additional revenue resulting from the anticipated forgiveness of the second Paycheck Protection Plan (PPP) loan, which ICMA obtained in March 2021. As with the first round of the PPP funding, ICMA will use the proceeds from this loan on allowable expenses only and expects full forgiveness in FY 2022. With this federal assistance, which was designed to help small businesses and nonprofit organizations maintain their operational capacity during the pandemic, the FY 2022 operating budget is at break-even. The extraordinary level of uncertainty we are currently experiencing will necessitate continuous monitoring of actual results relative to the budget and timely decisions regarding course correction, if necessary.

In addition, the budget contains $560,000 in expenses that are not included in the operating budget and are proposed to be funded directly out of net assets. Additional details on the nature of these expenses are provided in the "Direct Uses from Net Assets" section of this document.

Figure 1, FY 2022 budget summary, illustrates budgeted sources of revenue and allocation of resources to strategic outcome areas.

FIGURE 1 | FY 2022 budget summary

	FY 2022 BUDGET
REVENUE	
Membership dues	5,900,000
Professional development	1,292,273
Conferences, events, and sponsorships	3,858,567
Publications, subscriptions, and advertising	977,540
Management fees	184,230
Subtenant rental income	83,130
Royalty income	2,698,000
Investment income	504,000
Grants and contracts	10,569,388
Total revenue	26,067,128
OPERATING EXPENSES	
Member support	2,889,157
Professional development	954,059
Conferences, events, and sponsorships	3,596,340
Research and policy	885,539
Outreach	1,743,270
Global engagement	700,000
Other programs	283,938
Excess space	620,222
Grants and contracts	8,872,402
Transfer to Future of Professional Management Fund	5,000
Organizational support	7,419,501
Total operating expenses	27,969,428
Net from operations (before Paycheck Protection Program (PPP) funding)	(1,902,300)
PPP funding	1,902,300
Net from operations	-
DIRECT USES FROM NET ASSETS	
Dues structure review initiative	(17,750)
Code of Ethics review initiative	(40,000)
Partnerships and sponsorships program redesign	(60,000)
Investment in professional development	(192,250)
ICMA office space	(100,000)
Executive Director's contingency reserve	(150,000)
Total direct uses from net assets	(560,000)
TOTAL CHANGE IN NET ASSETS	**(560,000)**

Comparative Budget

Figure 2 presents the FY 2022 proposed budget in comparison with the FY 2020 actual results and the FY 2021 approved budget.

FIGURE 2 | FY 2022 budget compared with FY 2020 actual and FY 2021 budget

	FY 2020 ACTUAL	FY 2021 BUDGET	FY 2022 BUDGET
NON-GRANTS AND CONTRACTS PROGRAMS			
REVENUE			
Membership dues	6,176,772	5,961,067	5,900,000
Professional development	1,271,054	1,092,572	1,292,273
Conferences, events, and sponsorships	4,931,187	2,552,388	3,858,567
Publications, subscriptions, and advertising	974,605	949,000	977,540
Management fees	1,037,805	1,105,252	184,230
Subtenant rental income	586,710	179,738	83,130
Royalty income	2,478,317	2,400,000	2,698,000
Investment income	742,505	501,000	504,000
Total revenue	18,198,954	14,741,017	15,497,740
EXPENSES			
Member support	2,701,173	2,762,659	2,889,157
Professional development	818,867	826,746	954,059
Conferences, events, and sponsorships	3,273,100	2,205,629	3,596,340
Research and policy	804,572	827,096	885,539
Outreach	1,519,290	1,616,617	1,743,270
Local government innovation	579,933	53,444	-
Global engagement	303,044	291,459	700,000
Other programs	-	-	283,938
Management services	588,656	664,666	-
Excess space	478,902	746,001	620,222
Transfer to Future of Professional Management Fund	-	-	5,000
Total expenses	11,067,538	9,994,317	11,677,524
Net from non-grants and contracts programs	7,131,417	4,746,700	3,820,216
GRANTS AND CONTRACTS			
Revenue	12,718,878	10,079,189	10,569,388
Expenses	10,619,875	8,552,373	8,872,402
Net from grants and contracts	2,099,004	1,526,816	1,696,986
ORGANIZATIONAL SUPPORT EXPENSES	7,715,942	7,182,126	7,419,501
Net from organizational support	(7,715,942)	(7,182,126)	(7,419,501)
Net from operations before PPP funding	1,514,478	(908,610)	(1,902,300)
PPP funding	-	1,658,610	1,902,300
Net from operations	1,514,478	750,000	-
Direct uses from net assets	103,326	750,000	560,000
TOTAL CHANGE IN NET ASSETS	**1,411,152**	**-**	**(560,000)**

Figure 3 illustrates the full-time equivalent positions (FTEs) budgeted for FY 2020, FY 2021, and FY 2022.

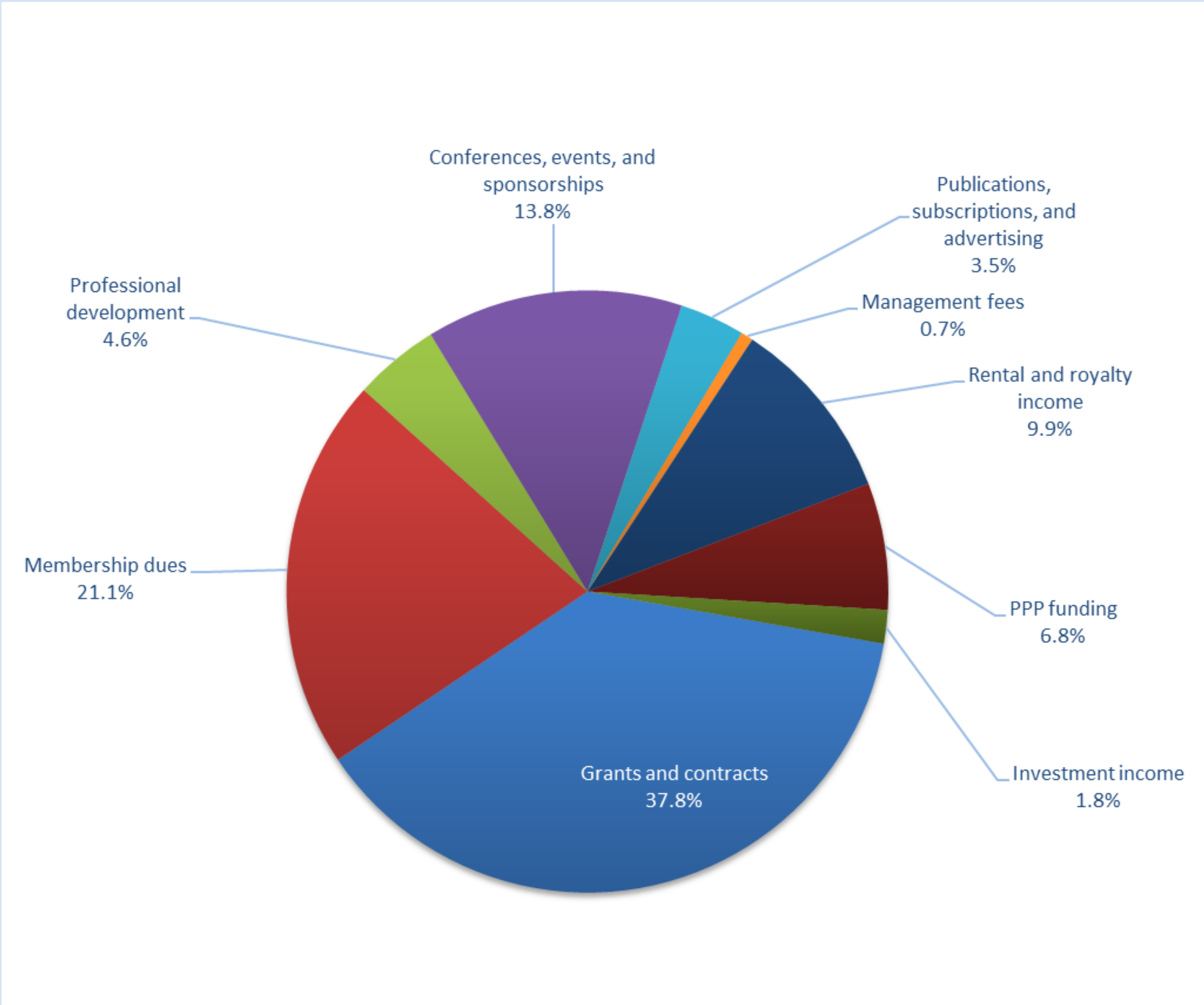
FIGURE 3 | Budgeted FTEs, FY 2020 - 2022

FTEs	FY 2020 budget	FY 2021 budget	FY 2022 budget
Non-grants and contracts programs			
Member support	15.07	14.52	15.11
Professional development	5.80	4.93	6.81
Conferences, events, and sponsorships	5.89	5.88	4.87
Research and policy	3.46	3.01	3.57
Outreach	8.50	8.06	9.86
Local government innovation (digital products)	1.56	0.25	-
Global engagement	1.37	1.40	2.05
Other programs	-	-	0.87
Management services	3.88	3.82	-
Total non-grants and contracts programs	45.52	41.88	43.14
Total grants and contracts	23.45	20.83	17.56
Organizational support	20.00	19.60	20.21
Total operations	88.97	82.30	80.91
Compensated absences	13.94	13.47	12.09
Total FTEs	**102.92**	**95.77**	**93.00**

Revenue Estimates

Figure 4 illustrates the FY 2022 budgeted sources of revenue.

FIGURE 4 | FY 2022 budgeted sources of revenue



Membership dues, budgeted based on the current dues structure, are expected to remain approximately at the FY 2021 level. While in pre-pandemic years dues revenue grew three to four percent year over year, the FY 2022 budget reflects the expectation that dues revenue will remain flat, as members and their communities continue to rebound from the effects of the pandemic. Note: The new dues structure, currently in development, will be implemented in FY 2023.

Professional development consists of the credentialing program as well as various learning programs offered to local government professionals at various career stages, including leadership and other proprietary programs, workshops, and webinars. This budget proposal assumes that in FY 2022, ICMA will continue offering existing programs, as the post-pandemic environment will allow, while beginning to revitalize this business line and to transform it into a significant source of learning experiences for local government professionals worldwide. Vital to the success of this initiative is the establishment of a new learning management system (LMS) capable of housing engaging and interactive learning experiences in various modalities (online and in-person, synchronous and asynchronous, and hybrid) as well as acquiring new staff with the requisite skills to build new products. Also, revenue estimates from webinars are significantly lower than in prior years, reflecting the current environment in which our paid online professional development offerings face significant competition from free and low-cost webinars provided by both ICMA and other organizations. Finally, this area includes other revenues, including a 12 percent increase, compared with the FY 2021 budget, in revenue generated by the Job Center.

Conferences, events and sponsorships include the annual conference, regional conferences, the strategic partner program, and other partnerships and sponsor relationships. Revenues from the annual conference are based on the assumption that the event will be held in person. In addition, a virtual conference is also being planned, which will include some content from the live event. The budget includes conservative assumptions with respect to registration revenue as well as revenues from sponsorships and the exhibit hall. Despite the plan to hold the conference face-to-face, revenue projections are reduced compared with more recent pre-pandemic years, reflecting capacity restrictions and, generally, a high level of uncertainty with respect to holding large in-person events in the aftermath of the pandemic. Because of these reasons, the annual conference is not expected to make a significant net contribution in FY 2022, which is a departure from one of the recommendations of the Task Force on Financing ICMA, as approved by the Executive Board in 2004. This recommendation mandates that the annual conference is expected to generate a profit (after all direct and indirect expenses) of 10 to 20 percent of total conference direct expenses. Considering the unique challenges of conducting an event in the post-pandemic environment, by approving this budget proposal, the board will approve an exception to this policy in FY 2022. Finally, during budget development, it has been assumed that ICMA will move forward with an in-person annual conference. However, the course of the pandemic may change this assumption in the coming weeks. It is quite possible that the event will be held in a digital format, similar to the UNITE event in September 2021.

Regional conferences are also budgeted as in-person events, with estimates of revenue similar to prior years. Estimated revenues from the strategic partner and preferred provider programs are 12 percent lower compared with FY 2021, reflecting a high level of uncertainty with respect to the level of revenue generated from these relationships, including with ICMA-RC (now MissionSquare Retirement)[1]. In addition, the FY 2022 budget anticipates $100,000 in sponsorships for the Brownfields conference, which is currently scheduled to be held in Oklahoma City in December 2021.

Publications, subscriptions, and advertising, which include sales of print and electronic publications and advertising, are projected to remain at approximately the same levels as in FY 2021.

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[1] In the spring of 2021, ICMA-RC announced its transition to a new name and brand, MissionSquare Retirement. MissionSquare Retirement and ICMA-RC are used interchangeably throughout this document.

Management fees consist of revenues derived from management and administrative services provided to certain organizations. These revenues are significantly lower than in prior years, since ICMA no longer provides these services to the Center for State and Local Government Excellence (SLGE) due to its recent dissolution as a stand-alone organization and having transitioned to a research center within MissionSquare Retirement.

Subtenant rental income consists of rental revenue derived from subleasing some of the space leased by ICMA. The significant reduction in revenue, compared with prior years, is due to the fact that all subleases except one have expired and most of the excess space is now vacant. ICMA continues to be responsible for paying rent for the vacant space. While this space is being actively marketed, given that securing a new subtenant in the current economic environment will be challenging, the budget does not assume any additional rental income beyond the one sublease currently in hand.

Royalty income includes licensing fees from MissionSquare Retirement for the use of ICMA's name and brand and are budgeted at the amount consistent with the agreement between ICMA and ICMA-RC currently in place. The amount budgeted for FY 2022 is approximately $2.7 million, $300,000 higher than the FY 2021 budgeted revenue, and is based on MissionSquare's gross revenue projections.

Investment income consists of the annual Real Estate Investment Trust (REIT) dividend distribution, interest, and other earnings from ICMA's investments. The REIT dividend is budgeted in alignment with the building's operating budget.

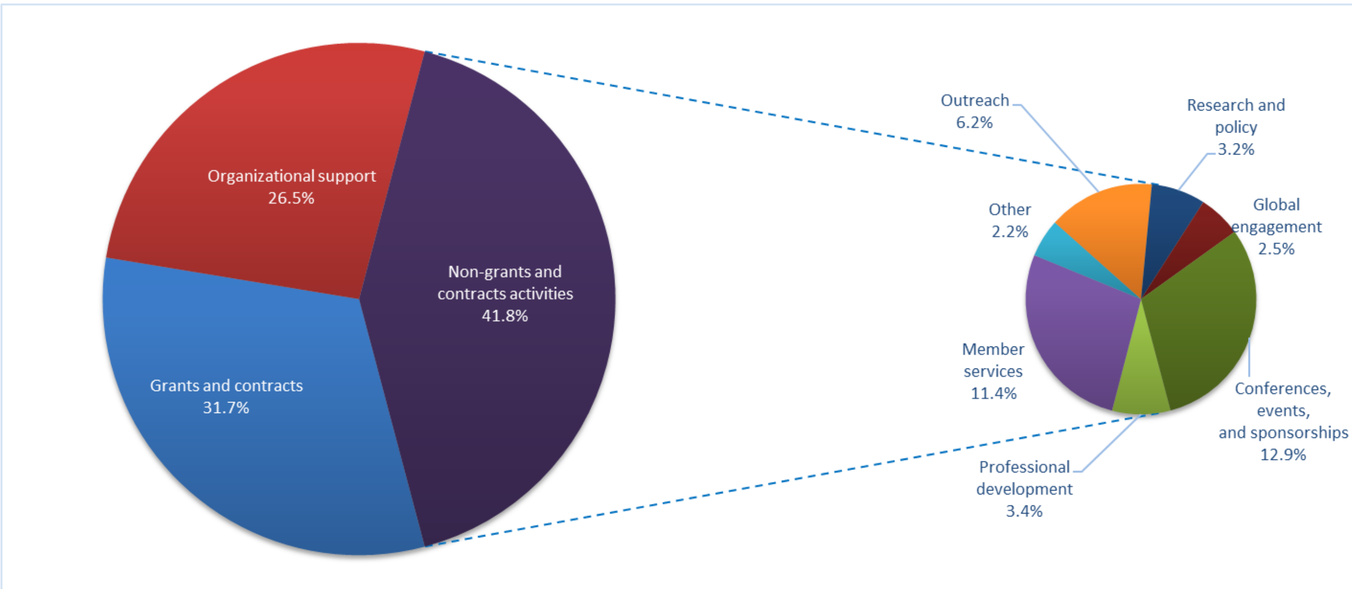
Grants and contracts revenue is budgeted at approximately $10.6 million, or 37.8 percent of total ICMA revenue from all sources, in line with the FY 2021 budget. The largest contract in ICMA's grants and contracts portfolio, the Strengthening Urban Resilience for Growth with Equity (SURGE) project in the Philippines, is expected to generate approximately 36.1 percent of the total grants and contracts revenue and 13.6 percent of total revenues from all sources. Approximately 27.5 percent of total budgeted grants and contracts revenue is expected to come from new, yet to be awarded projects. This estimate is based on the number and size of proposals currently in development or under consideration by funders, combined with our expectation of the probability of new wins.

Paycheck Protection Plan (PPP) funding represents the amount of the loan forgiveness ICMA expects to receive in FY 2022. In March 2021, following full forgiveness by the Small Business Administration of the first $1.8 million loan, ICMA obtained a second loan in the amount of $1.9 million. This funding is intended to help small businesses and nonprofit organizations deal with the adverse impact of COVID-19 on their ongoing operations and business activities. This funding initially comes as a two-year, one-percent loan; however, if certain conditions are met, all or a portion of the loan is expected to be forgiven and converted into revenue. The amount of the loan to be forgiven will depend on the percentage of the loan used for allowable purposes. The FY 2022 budget includes an assumption that the entire loan amount received by ICMA in March 2021 will be forgiven in FY 2022.

Expense Estimates

Figure 5 illustrates the allocation of resources to three major outcome areas of ICMA's operations: non-grants and contracts activities, grants and contracts, and organizational support. In addition, non-grants and contracts activities are further broken down into member support; professional development; conferences, events and sponsorships; research and policy; outreach; global engagement, and other activities.

FIGURE 5 | FY 2022 allocation of resources to outcomes



The FY 2022 budget includes resources to maintain the organizational capacity sufficient to deliver on ICMA's key priorities. It reflects continued cost-containment strategies implemented in the last quarter of FY 2020 and throughout FY 2021, aimed at mitigating the financial impact of the COVID-19 pandemic on ICMA. These strategies include deferral of hiring for vacant positions unless deemed critical to ICMA's operations as well as other cost-saving measures. At the same time, this budget proposal includes strategic uses of resources for areas deemed critical to achieving ICMA's goals, such as global engagement activities (including continued support for ICMA Europe) and establishing a robust information technology vision and strategy to effectively support the organization in the post-pandemic environment. In contrast with the FY 2021 budget, which did not include increases in compensation levels for current staff, the FY 2022 budget includes an average of two percent for merit increases, to be implemented in January 2022.

Direct Uses from Net Assets

In addition to maintaining ongoing operations and services, the FY 2022 proposed budget identifies resources needed to fund several ongoing and new initiatives and activities, which are to be funded directly out of net assets rather than from ongoing operations. Figure 6 provides details of these items.

FIGURE 6 | Direct uses from net assets

Direct uses from net assets	Revenues	Expenses	Net
Dues structure review initiative	-	17,750	(17,750)
Code of Ethics review initiative	-	40,000	(40,000)
Partnerships and sponsorships program redesign	-	60,000	(60,000)
Investment in professional development	-	192,250	(192,250)
Office space	-	100,000	(100,000)
Executive Director's contingency reserve	-	150,000	(150,000)
Total direct uses from net assets	**-**	**560,000**	**(560,000)**

Dues structure review initiative: As part of the Executive Board's strategic planning process conducted from October to December 2019, the board identified ICMA's dues structure and related value of membership as a key strategic priority for the organization. At its February 2020 meeting, the board authorized the use of $75,000 of net assets to engage a consultant that helps membership associations review their dues structures. In FY 2021, ICMA hired a consulting firm, McKinley Advisors, whose scope of services included conducting research with members and other stakeholders to understand current perceptions of the value of membership in ICMA, assessing the portfolio of benefits and services ICMA provides, providing options for new dues structure scenarios, and financial and other implications of changing the current structure. This work began in FY 2021 and is to be completed in FY 2022, when the final expense will be incurred.

Code of Ethics review initiative: As part of the Executive Board's statement on systemic racism, the board committed to revisiting the Code of Ethics to better integrate ICMA's ethical commitment to racial justice and equity into the very fiber of the 12 tenets of the Code. The board then assigned the Committee on Professional Conduct (CPC) the task of developing a plan to engage ICMA's membership in conducting a review of the Code to ensure it reflects the profession's commitment to racial justice and equity. At its December 2020 meeting, the board authorized the use of up to $100,000 of net assets to engage a consultant to assist with this work. Based on responses to a request for proposals issued in FY 2021, this work, scheduled to commence in FY 2022, is estimated not to exceed $40,000.

Partnerships and sponsorships program redesign: This one-time expense is to revamp and reimagine ICMA's strategic partner program to increase opportunities for sponsorships, partnerships, and year-round engagement with a variety of current and prospective partners. This involves engaging a consultant experienced in assisting associations in taking a holistic view of their assets (programs, resources, events, services, etc.) and combining them into a year-round and properly valued strategy that will most effectively appeal to partners. This initiative aims to design a partnership strategy that provides value to members, sponsors, and all stakeholders, while maximizing revenue and ensuring long-term success for ICMA. The cost of this engagement is $125,500, divided between FY 2021 and FY 2022.

Investment in professional development: As ICMA begins the process of revitalizing its professional development business line and transforming it into a hub for learning opportunities for local government professionals worldwide, an initial investment in technology and in people with the right skills is necessary to develop new learning programs for local government professionals at all career stages and to convert existing programs into new flexible formats that would appeal to a greater number of participants. While we anticipate that in subsequent years increases in revenues from new and enhanced programs will mitigate and, eventually, surpass expenses, in FY 2022 we propose an investment from net assets to jump-start the transition and cover, in part, the cost of instructional designer expertise and the new learning management system (LMS).

ICMA office space: This line item includes expected costs associated with modifying ICMA's office space in line with the post-pandemic staffing and office model (currently in development).

Executive director's contingency reserve: Based on the board's Governance Subcommittee's recommendation regarding establishing a reserve as part of the annual budget, to be used at the executive director's discretion, the FY 2022 budget proposal includes $150,000 available for use by the executive director for expenditures not otherwise included in the operating budget. Updates regarding usage of this reserve will be provided to the board quarterly.

Risks and Opportunities

The risk levels with respect to most of ICMA's sources of revenue have been increasing, some as a result of the global pandemic and its adverse economic impact, and others because of other factors. While the FY 2022 budget is based on the best assumptions that can be made at the time of budget development, actual results may be materially different. Budgeted sources of revenue and activities that carry high levels of financial risk include the following.

- While in pre-pandemic years ICMA experienced steady growth of three to four percent per year in dues revenue, in FY 2021 we have seen a reduction of approximately three percent compared with FY 2020. FY 2022 membership dues revenue is projected to remain flat compared with FY 2021, as local governments continue to struggle with the impact of the pandemic on their budgets. However, actual results may differ from the budget depending on local governments' budgets and the extent to which they are able to include funds for dues.

- While a final decision has not been made regarding the format of the FY 2022 annual conference, at the time of this writing, it is being considered as an in-person event, to be held in Portland, Oregon. In addition to an in-person conference, a virtual event with a separate pricing model is also being planned, which will be offered on a complimentary basis to those who register for the in-person event. Conducting the first post-pandemic face-to-face conference presents a number of risks and challenges never before experienced. First and foremost, attendance is expected to be significantly lower than pre-pandemic levels due to space restrictions and social distancing rules as well as attendees' inability to travel and lack of funds in their budgets. On the other hand, the potential inability to accommodate all individuals who want to attend the in-person event due to space restrictions and social distancing rules will lead to lower registration revenues. Net revenues from sponsorships and the exhibit hall are also expected to be lower than in years past, due to a smaller exhibit hall and fewer booths to sell because of space restrictions and social distancing rules. At the same time, ICMA will have higher expenses than in the past, as costs for items such as food and beverage and transportation are higher in Portland as compared to other locations. Another additional expense is for PPE (personal protective equipment), which has not been incurred in the past. To ensure a safe and inclusive meeting experience and environment, ICMA will engage a contractor to assist in organizing and planning for a seamless attendee experience regarding compliance with public health guidelines, purchasing such items as masks, hand sanitizers, signage, etc. As a result, this year's conference is budgeted to operate at break-even, rather than at a significant profit. As noted earlier, this is a departure from the board policy on the net contribution generated by the annual conference, which mandates that the event produce a net contribution of at least 10 to 20 percent of direct expenses. Given the unique set of circumstances, this budget proposal assumes that an exception to the board policy is warranted. On the other hand, expanding the conference in the virtual space will continue offering an opportunity to participate to those who in the past may not have been able to attend the conference because of cost or the need to travel, particularly global audiences.

- Revenues from other professional development offerings have been budgeted at the same level as in FY 2021. Professional development revenues carry some risk, considering ICMA's reliance on revenues from paid webinars and in-person offerings, both of which have been challenged during the past year due to the pandemic. However, professional development is an area of significant opportunity with respect to growing ICMA's value to members at all career stages and in all geographic locations, while advancing the goal of positioning ICMA for long-term financial success. The pandemic has accelerated the need to rethink how ICMA approaches development of its learning products and to implement new and innovative solutions. It has highlighted the need for learning experiences that are relevant, timely, interactive, flexible, and capable of accommodating various learning styles and time zones. Achievement of this goal will be a multi-year process and will necessitate an initial investment in technology (learning management system) and skills that do not currently exist at ICMA.

- Revenues from the strategic partner and the preferred provider relationships are budgeted at a 12 percent reduction compared with the FY 2021 budget. In addition, this budget includes $100,000 in sponsorships for the Brownfields conference, which is scheduled to occur in December 2021 in Oklahoma City. ICMA's ability to generate this revenue will depend on the conference taking place as scheduled. More broadly, partnerships and sponsorships are another area of opportunity with respect to growing ICMA's non-dues revenue sources. To pursue this opportunity, the budget proposes a net assets-funded engagement with a consulting firm to systematically inventory and evaluate all of ICMA's assets (programs, products, events, services, etc.) in order to increase sponsorship opportunities and year-round engagement with sponsors and strategic partners. Also, the budget proposal assumes that ICMA will continue to pursue its strategy to carefully vet and partner with companies that have innovative products and services that can benefit members and their communities, while generating additional non-dues revenues for ICMA.

- With the help of a global engagement consultant, ICMA is currently undertaking a stakeholder engagement process to determine its global future. Based on this work, ICMA's new global strategy is scheduled to be completed in FY 2022. The implementation of this strategy will be a long-term process, which will begin in FY 2022. This budget proposes a higher allocation of resources to ICMA's global engagement activities than in prior years; however, the specific activities will be determined once the strategy is finalized.

- Royalty revenue is budgeted based on the licensing agreement with ICMA-RC (now MissionSquare Retirement) that is currently in place. Because ICMA's royalty income is based on a formula applied to MissionSquare's gross revenue, the financial risk with respect to this revenue source is tied to the accuracy of their revenue estimates, as well as to market fluctuations.

- The REIT dividend is budgeted at $424,000, which is based on net income estimates for the headquarters building, in which ICMA has an ownership interest. Given that the building continuously invests in various improvements to maintain its property value and keep it desirable for tenants, the actual net income of the building may be lower than anticipated, which would result in a lower REIT dividend for ICMA.

- Risks related to grants and contracts revenue, which accounts for 37.8 percent of total budgeted revenues from all sources, include continued reliance on one primary source, USAID, for the vast majority of funding; ability to achieve revenue targets in a highly competitive environment; and various risks associated with working in developing countries. The COVID-19 global pandemic has resulted in additional risks and challenges related to implementing funded programs in the United States and abroad. Additional details are provided in the "Risk Analysis of Federal and Non-Federal Grants and Contracts (G&C) Support" document prepared in conjunction with the FY 2022 budget.

ICMA will utilize multiple strategies to mitigate against the risks and to take advantage of the opportunities described above, including:

- Continuous monitoring of progress against key financial and programmatic metrics and making course adjustments as needed. This strategy is even more important now, given the high level of uncertainty relative to most of our business activities during and after the pandemic.

- Cost-containment strategies, as well as focus on deploying resources strategically and finding new, more efficient ways of delivering value to members and other stakeholders by various means, including technology.

- Enhanced marketing of our products and events, both in-person and digital, to attract returning and new participants, partners, and customers.

- Continued investment in business development and bids and proposals, to ensure a pipeline of new funded projects in order to meet grants and contracts revenue targets.

- Continued focus on pursuing revenues from non-dues and non-grants and contracts sources.

Financial Goals

Net Assets

Net assets represent accumulated earnings of an organization. Net assets increase or decrease as a result of annual operating surpluses or deficits. It is a measure of an organization's long-term financial stability and capacity and is calculated as assets less liabilities. The purpose of net assets is to help organizations to manage transitions, to deal with economic uncertainty, and to fund investments and initiatives as necessary. It is considered a best practice for nonprofit organizations to maintain a net assets balance of approximately 50 percent of their average operating budget.

ICMA's Executive Board establishes an overall net assets goal as well as interim net assets targets in five-year increments. These targets are reviewed and adjusted annually based on the organization's actual financial performance. The overall net assets are further divided into reserves for specific purposes, to ensure availability of funds for various kinds of risks and opportunities.

The interim net assets target established by the board for FY 2023 is $10.3 million. This target was established with the understanding that, while the better-than-budgeted financial results achieved over the previous several years have helped to grow ICMA's net assets, in the next few years the organization would require funds from net assets for investments in new initiatives and opportunities. In light of challenging financial circumstances due to the continued impact of the pandemic, ICMA is not in a position to generate a contribution to net assets in FY 2022. Rather, this proposal assumes a break-even operating budget, which includes the expectation of the full forgiveness of the second PPP loan. In addition, the budget proposal assumes $560,000 in direct uses from net assets, as described in the "Direct Uses from Net Assets" section of this document. With these assumptions, the net assets balance at the end of FY 2022 is expected to reach approximately $12.6 million, as illustrated in Figure 7.

FIGURE 7 | Net assets: actual vs. target, FY 2003-2022

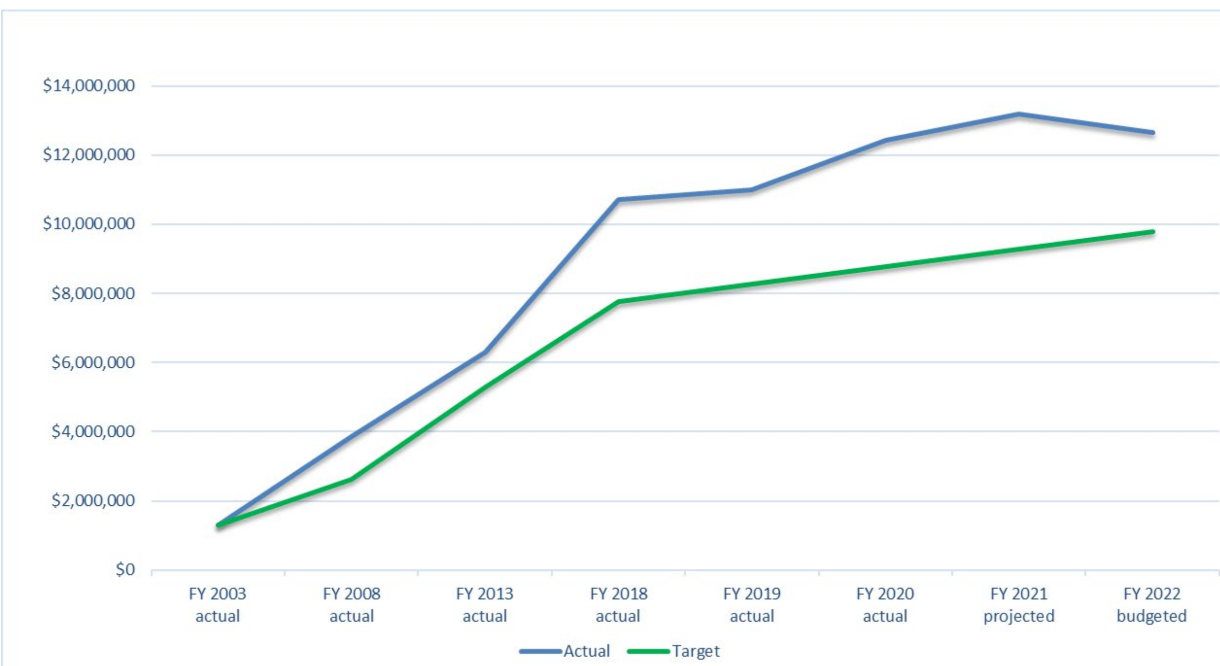


Figure 8 illustrates the overall long-term net assets goal, the incremental target for FY 2023, and the projected net assets balance for FY 2022, with allocations to various purposes.

FIGURE 8 | Net assets goals, balances, and targets

Composition of net assets	Net assets goal (long-term)	FY 2023 net assets target	FY 2022 net assets balance (projected)
Reserve for non-G&C operating expenses (6 months)	$9,000,000	$5,900,000	$7,087,000
Reserve for investments and initiatives	3,000,000	1,931,000	2,363,000
G&C reserve (3% of total awards)	2,000,000	1,181,000	1,575,000
Reserve for other one-time items	2,000,000	1,288,000	1,575,000
Total	**$16,000,000**	**$10,300,000**	**$12,600,000**

Cash and Investments

The cash reserves goal, which is different from the net assets goal, includes operating cash and investments reserves to provide ICMA with the resources needed to continue delivery of its programs in the event of delayed payments from funders; to prevent ICMA from making expensive short-term crisis-based decisions; and to enable ICMA to focus on sound long-term decision making. The minimum cash reserve suggested by the Nonprofit Operating Reserves Initiative Workgroup is 25 percent, or three months of the annual operating expense budget. ICMA's cash and investments balance is projected to be at 51 percent of average annual operating expenses at the end of FY 2022.

Capital Investments and Depreciation

As part of the annual budgeting process, capital investments are reviewed to determine the equipment, software, and other capital assets that must be placed in service or replaced over the next three years. Capital expenditures are depreciated over the useful life of the asset. Decisions about financing capital investments are based on the availability of cash and other economic factors. Currently, ICMA has no investments that are financed through debt arrangements, as it has used its available cash to fund existing capital investments.

ICMA is in the process of developing a post-pandemic office model that would reflect emerging best practices and support new and flexible ways of working. Part of this process is exploring the most economically advantageous ways to optimize the office space and technology in support of the new model. Depending on the outcome of this process, a capital investment related to the office space may be needed in the future. No such investment has been included in the FY 2022 capital budget as the size of this potential investment is unknown at this time.

Figure 9 illustrates existing capital assets and investments projected to be made in FY 2021–FY 2023, with related depreciation expenses.

FIGURE 9 | Capital assets acquisition and depreciation

Capital assets	Acquisition year	Cost	Useful life	Depreciation expense		
				FY 2021	**FY 2022**	**FY 2023**
Furniture	FY 2004-2016	74,512	10	7,349	5,169	2,180
SUBTOTAL Furniture				**7,349**	**5,169**	**2,180**
IT hardware	FY 2017-2023	443,388	3-5	74,980	58,784	47,456
Voice over IP (VOIP)	FY 2014	353,720	7	25,266	-	-
IT infrastructure upgrade	FY 2018	246,533	5	49,307	49,307	24,653
Stutz conference room audio upgrade	FY 2016-2017	35,501	7	5,288	5,288	2,644
Conference room smartboards	FY 2020-2020	12,561	5	2,512	2,512	2,512
SUBTOTAL IT Hardware				**157,352**	**115,891**	**77,266**
Website	FY 2016-2022	367,508	2-5	49,296	53,358	53,358
Sharepoint	FY 2015-2017	87,540	7	12,506	10,091	7,677
Association management software (netFORUM)	FY 2013-2023	2,891,737	10	317,330	354,322	398,989
Other software	FY 2017-2023	340,889	3-7	77,895	25,147	27,811
SUBTOTAL Software				**457,026**	**442,918**	**487,835**
Leasehold improvements	FY 2016-2017	156,694	10	15,688	15,688	15,688
SUBTOTAL Leasehold Improvements				**15,688**	**15,688**	**15,688**
TOTAL				**637,416**	**579,667**	**582,969**

FY 2022 Team Priorities and Budgets

With membership at its core, ICMA is organized into business teams focused on delivering resources, products, and services worldwide in support of ICMA's mission. The directors of these teams form ICMA's Leadership Team.

The following pages describe the FY 2022 priorities and budgeted revenues, expenses, net contribution, and full-time equivalent positions for each team. A detailed workplan with linkages to the *Envision ICMA* Strategic Plan can be found in Appendix 1.

Member Services and Support

Mission

To attract individuals to the local government management profession, recruit local government professionals in all positions and career stages to join ICMA, and provide excellent services and benefits throughout their career in public service.

FY 2022 priorities

- Support members in the challenging economic environment created by the COVID-19 global pandemic.
- Retain existing and recruit new members through a variety of strategies.
- Assist talented individuals in gaining entry into the profession.
- Improve and sustain collaborative relationships with state and affiliate organizations.
- Promote equity and inclusion in the profession.
- Promote a global commitment to ethics and enhance ethics awareness.
- Build awareness of the importance of the CAO role and the council-manager form of government.
- Once approved by the board, implement the new dues framework, for launch in FY 2023.

FY 2022 budget – membership dues revenue

	FTEs	Revenues	Expenses	Net
Membership dues revenue	-	$ 5,900,000	-	5,900,000

Dues revenue is budgeted at the same level as in FY 2021, given the continued economic impact of the COVID-19 pandemic on local governments. Dues revenue is used to fund a variety of programs related to member services and support, outreach, research and policy, and global engagement.

FY 2022 budget – member services and support

	FTEs	Revenues	Expenses	Net
Member recruitment, retention, and support	5.57	$ 22,000	1,018,682	(996,682)
Ethics	1.51	10,000	274,900	(264,900)
Career services	3.54	607,500	548,633	58,867
Relationship management	3.62	62,580	918,462	(855,883)
Advocacy	0.87	-	128,479	(128,479)
	15.11	702,080	2,889,157	(2,187,077)
Allocation of membership dues	-	2,187,077	-	2,187,077
	15.11	$ 2,889,157	2,889,157	-

This budget includes expenses related to member recruitment, retention, and support, as well as member committees, ethics programs, affiliate relationships, next generation, and advocacy activities. As in prior years, these programs are projected to generate some revenues, such as sponsorships for events and fees for certain services. While these revenues cover a portion of the total expenses related to member services and support, the rest of these expenses are covered by an allocation of membership dues.

Professional and Leadership Development

Mission

To develop and enhance the leadership and management capacity of members and local government professionals through a comprehensive array of high-quality programs delivered in a variety of formats that will meet their needs at each career stage.

FY 2022 priorities

- Begin the transformation of ICMA University, with the goal of offering learning experiences that connect with the learner across multiple modalities.
- Implement the new LMS to establish ICMA's capabilities to scale programs for the global markets.
- Revamp and retool existing content to enhance its relevancy in the post-pandemic era.
- Build new programs to help local government professionals sharpen key competencies.
- Improve the credentialing application process and work to increase access and awareness of the program.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
Leadership programs	0.50	$ 97,695	88,693	9,002
Proprietary training programs	1.31	224,310	176,045	48,265
Program development	5.00	320,418	689,322	(368,904)
	6.81	642,423	954,059	(311,636)
Allocation of membership dues	-	311,636	-	311,636
	6.81	$ 954,059	954,059	-

Included in this budget are ICMA University workshops, the ICMA Credentialing Program, webinars, assessments, as well as leadership and proprietary programs for all career stages. This budget also includes expenses related to new product development. While some of these activities will generate revenues in FY 2022, these revenues will cover only a portion of the total expenses related to professional development. The rest of these expenses will be covered by an allocation of membership dues.

Conferences, Events, and Sponsorships

Mission

To generate business opportunities and innovations that boost membership value and foster professional local government management by delivering world-class conferences and events and by identifying and partnering with organizations whose missions align with ICMA's strategic goals.

FY 2022 priorities

- Hold an energizing and engaging annual conference and conduct it in a manner that is effective and efficient within pandemic-related constraints.
- Begin reimagining the content, format, and reach of the regional conferences.
- Conduct a complete review and assessment of ICMA programs and services with the goal of creating a comprehensive year-round strategic partner and sponsorship program.
- Continue pursuing partnerships to promote products and services that are beneficial to ICMA members and their communities while generating revenues for ICMA.
- Increase fundraising efforts for the Future of Professional Management Fund to ensure adequate resources for council-manager form of government advocacy activities.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
Annual conference	2.70	$ 2,747,197	2,707,436	39,761
Regional conferences	1.16	452,500	609,362	(156,862)
Partnerships, sponsorships, and fundraising	1.01	648,750	279,543	369,207
	4.87	$ 3,848,447	3,596,340	252,107

This budget includes annual and regional conferences, various partnerships and sponsorships, as well as fundraising activities. While in FY 2022 these activities are projected to result in a net contribution, it is expected to be significantly lower than in the past due to the economic conditions resulting from the COVID-19 pandemic.

Research and Policy

Mission

To position ICMA as a thought leader with respect to trends and issues affecting local governments and to conduct research and develop information resources important to local government professionals and government leaders.

FY 2022 priorities

- Conduct surveys and other research on local government policies and programs and produce useful and relevant research-based content.
- Lead the implementation of ICMA's Transformation 2030 strategy, including the development of a variety of resources on post-pandemic economic and community recovery and restoration.
- Lead the implementation of the Local Government Management of Policing and Law Enforcement project.
- Continue to produce research-based content on diversity, equity, and inclusion topics.
- Manage ICMA's digital and print publications business line.
- Manage the Local Government Research Fellowship program.
- Advocate for public policy issues as they impact local governments and ICMA's members.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
Public policy	0.37	$ -	95,831	(95,831)
Publications	0.92	394,000	268,084	125,916
Research and content	2.28	185,000	521,624	(336,624)
	3.57	579,000	885,539	(306,539)
Allocation of membership dues	-	306,539	-	306,539
	3.57	$ 885,539	885,539	-

This budget includes activities aimed at responding to public policy issues impacting local government, managing ICMA's publications, and conducting research and producing content on local government policies and practices. Some of the research is sponsored by external sources. The balance is funded through the allocation of membership dues.

Global Engagement

Mission

To transform ICMA into a truly global organization, with worldwide programs, products, and services.

FY 2022 priorities

- Complete the process of establishing ICMA's global strategy and begin its implementation.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
Global engagement	2.05	$ -	700,000	(700,000)
Allocation of membership dues	-	700,000	-	700,000
	2.05	$ 700,000	700,000	-

This budget includes an allocation of resources for the implementation of ICMA's new global strategy. These resources will be used in support of a variety of activities, including ICMA Europe, other global affiliate relationships, and any other priorities and initiatives that will be identified as part of the new strategy. In FY 2022, this business line is not expected to generate revenues and is to be funded through the allocation of membership dues.

Outreach

Mission

To build brand awareness and the reputation of ICMA and the profession globally through effective packaging and dissemination of local government thought leadership content, leading to increased demand for membership, partnerships, and resources.

FY 2022 priorities

- Grow and manage ICMA's outreach channels to generate maximum exposure for the organization's brand, products, and services.
- Partner with internal business teams to develop and implement marketing plans that will help them achieve their revenue and business objectives.
- Drive additional revenue opportunities by leveraging ICMA outreach channels and brand.
- Promote member collaboration and networking through ICMA Connect.
- Ensure an effective online presence for ICMA through the website, mobile apps, and social media channels.
- Promote ICMA thought leadership through media and content partners.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
PM Magazine	0.82	$ 95,000	321,220	(226,220)
Outreach, marketing, and communications	9.04	303,540	1,422,050	(1,118,510)
	9.86	398,540	1,743,270	(1,344,730)
Allocation of membership dues	-	1,344,730	-	1,344,730
	9.86	$ 1,743,270	1,743,270	-

Outreach includes activities related to raising awareness of ICMA's brand and content. As in the past, the FY 2022 budget includes revenues expected to be generated from advertisements in ICMA's communications channels, such as the website and *PM* magazine. The rest of the budgeted expenses are covered by an allocation of membership dues.

Global Program Management

Mission

To deliver high-quality technical assistance to local governments globally and to encourage sharing and replicating leading practices through peer exchanges and hands-on, practical training.

FY 2022 priorities

- Continue to identify opportunities to grow ICMA's funded programs portfolio and to produce prime and subcontracting proposals for federal agencies, foundations, and other donors.
- Continue creating engagement opportunities for members that will contribute to ICMA's funded programs in a variety of ways, including virtually.
- Implement funded programs efficiently and effectively, in compliance with regulations, on budget, and on time.
- Identify ways to contribute to the implementation of ICMA's new global engagement strategy.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
Grants and contracts	12.02	$ 10,569,388	7,715,653	2,853,735
Team management and contract administration	2.14	-	420,954	(420,954)
Business development, bids, and proposals	3.40	-	735,795	(735,795)
	17.56	$ 10,569,388	8,872,402	1,696,986

Global program management includes international and domestic grants and contracts, together with related support costs, such as team management, contract administration, and business development expenses aimed at securing future funding. As in prior years, grants and contracts are projected to make a net contribution in FY 2022.

Organizational Support

Mission

The organizational support teams assist other business teams by providing the human capital, technology, space, and resources needed to achieve their priorities and meet their respective performance objectives. The support teams are charged with ensuring organizational sustainability and an integrated commitment to the organization's mission, vision, and core beliefs.

FY 2022 priorities

- Ensure achievement of FY 2022 programmatic and financial goals in times of high uncertainty.
- Design and implement a post-pandemic staffing and office model.
- Establish an information technology vision and strategy to ensure that ICMA's flexible operations are fully supported and secure.
- Continue to review and modernize ICMA's policies and procedures to ensure compliance with all applicable laws and regulations.
- Continue to build ICMA's employer brand.
- Continue to seek opportunities to enhance revenue sources to ensure ICMA's financial resiliency.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
Executive Board	0.87	$ -	419,687	(419,687)
Executive Office	2.61	-	1,087,181	(1,087,181)
Facilities and administration	1.12	132,000	1,811,106	(1,679,106)
Finance	6.04	-	1,163,778	(1,163,778)
Information technology	6.09	-	2,177,571	(2,177,571)
Human resources	3.48	-	760,179	(760,179)
	20.21	$ 132,000	7,419,501	(7,287,501)

In addition, the Executive Office provides oversight of the diversity, equity, and inclusion programs implemented by the Racial Equity and Social Justice (RESJ) cross-functional action team. The purpose of this team is to effectively drive ICMA's engagement and to support members, local governments, and partnering organizations on issues related to systemic racism and social justice. The following budget reflects revenues to be generated from and resources allocated to these activities.

	FTEs	Revenues	Expenses	Net
Diversity, equity, and inclusion programs	0.87	$ 10,120	283,938	(273,818)
Allocation of membership dues	-	273,818	-	273,818
	0.87	$ 283,938	283,938	-

Other

ICMA-RC (MissionSquare Retirement) royalty

In accordance with the licensing agreement with ICMA-RC (now MissionSquare Retirement), ICMA is paid a royalty for the use of the association's name and brand. Currently, the annual payment is calculated as 1.15 percent of MissionSquare's consolidated gross revenues up to $200 million, plus .75 percent of such revenues in excess of $200 million. The FY 2022 budget includes an estimate of royalty revenue based on MissionSquare's estimates of their gross revenues for FY 2022. ICMA-RC's rebranding to MissionSquare Retirement will not impact the royalty while the licensing agreement is in effect. The agreement expires on December 31, 2036.

REIT dividend and other investment income

Real Estate Investment Trust (REIT) dividend is the income expected from ICMA's one-third ownership of its headquarters building located at 777 N. Capitol Street, NE, Washington, DC 20002. The FY 2022 budget includes an estimate of the REIT dividend based on the REIT net income projections for the calendar year 2021.

Excess space

ICMA leases approximately 42,000 square feet of space at its headquarters building, of which 1,736 square feet are subleased to another organization. While ICMA is currently marketing all of its excess space for sublease, given the challenging market conditions, it is not anticipated that ICMA will realize any rental revenue through the end of FY 2022. Also, in the event ICMA is successful in securing a subtenant, additional investment in the space may be necessary to make COVID-related modifications and to meet the requirements of the subtenant. Meanwhile, the budget assumes continued rent expense for all the leased space, based on the lease agreement in place through December 31, 2026.

Investment income

Investment income consists of estimated earnings on operating cash reserves.

Transfer to the Future of Professional Management Fund

Beginning with FY 2022, ICMA will establish a practice of making an annual contribution from its general fund to the Future of Professional Management Fund for the purpose of adding to the resources available for the council-manager form of government advocacy activities. Given the expectations of total general fund revenues and expenses in FY 2022, this year's budgeted contribution is $5,000.

FY 2022 budget

	FTEs	Revenues	Expenses	Net
ICMA-RC (MissionSquare Retirement) royalty	-	$ 2,698,000	-	2,698,000
REIT dividend	-	424,000	-	424,000
Excess space	-	83,130	620,222	(537,092)
Investment income	-	80,000	-	80,000
Transfer to Future of Professional Management Fund	-	-	5,000	(5,000)
	-	$ 3,285,130	625,222	2,659,908

Appendix 1: Envision ICMA Implementation Plan, FY 2022

Vision:

To be the leading association of local government professionals dedicated to creating and sustaining thriving communities throughout the world.

Mission:

To advance professional local government through leadership, management, innovation, and ethics.

Core Beliefs – We Believe In:

1. **Public Service**: including the stewardship of democratic principles and the efficient and transparent use of public resources.
2. **Ethics**: as the core of professionalism in local government leadership and management as outlined in the ICMA Code of Ethics.
3. **Council-Manager Form of Government and Professional Management**: as the preferred local government structure.
4. **Equity and Inclusion**: ensuring that local governments are inclusive and mirror the diversity in communities.
5. **The Continuous Pursuit of Excellence:** including professional development, life-long learning, networking, capacity building, knowledge sharing, and engagement.
6. **Stewardship**: balancing resources including people, financial, social capital, and environmental so that communities are better than we found them.
7. **Leadership:** developing leadership capacity and attracting and developing future generations of leaders.

PRIORITY I: Membership Benefits and Growth

Strategic Initiative A: Diversify and expand the membership.

Strategy Number	Strategies	FY 2022 initiatives

A.1	Maintain an organizational priority to grow and retain the membership in order to support local government's ability to attract and retain talented professionals.	• Incorporate membership growth in ICMA's new globalization strategy.
		• Develop and implement strategies to retain and support members.
		    ○ Enhance member benefits and services for each cohort.
		    ○ Enhance personal support for members with a focus on resiliency and mental health.
		    ○ Implement an ICMA executive assistance program for managers.
		• Enhance and automate the member retention process.
		• Expand member engagement and outreach via formal staff and volunteer outreach programs leveraging the 10th anniversary of ICMA's Welcome Ambassadors.
		• Continue growing ICMA membership through joint recruitment campaigns with all affiliate partners; recruit nonmembers appointed to CAO/ACAO positions; enhance outreach for events and soft leads; and broaden outreach to local government staff at the department head level and below.
		• Promote member success by highlighting Local Government Excellence Award recipients year-round via monthly *PM* features, *Leadership Matters*, and social media.

A.2	Implement board approved recommendations of the Task Forces on Diversity & Inclusion and Women in the Profession.	• Continue to engage the student chapters in promoting the importance of diversity and inclusion within the profession through content dissemination and programming. Expand to share more student stories with the entire membership. • Execute partner work plans and expand our relationships with the League of Women in Government, NFBPA, LGHN, I-NAPA, CivicPRIDE, and GARE. • Ensure continued alignment with ICMA's professional development team on content development and representation by membership and speakers for all training programs.

Strategy Number	Strategies	FY 2022 initiatives
A.3	Develop strategies to assist talented individuals in gaining entry into the profession.	• Continue to recruit city and county managers and assistants to partner with student chapters to mentor students. • Continue to develop and grow veterans programs, like the Veterans Local Government Management Fellows (VLGMF). • Leverage the member Veterans Advisory Board to increase veteran representation in the profession and expand veteran membership. • Continue to provide members and their organizations with qualified applicants, while creating opportunities for students and early career professionals, by helping them build their career-starting and advancing skills. • Create a new subsite to promote curriculum, teaching resources, speaker resources, and more for the K-12 market. • Continue to enhance Job Center capabilities and marketing to reach new audiences, develop new products, and promote job ads to a wider audience, including nonmembers.
A.4	Define and promote the value of belonging to ICMA in addition to State Associations, International and other Affiliates, and related professional organizations.	• Refresh international affiliate agreements and program consistent with ICMA's new globalization strategy. • Continue joint membership campaigns to promote the value of belonging to ICMA and other affiliate organizations.

A.5	Support the professional and personal needs of members at all life and career stages.	• Develop more content, professional development, and support for first-time administrators.
		• Enhance ethics awareness through the following initiatives:
		  ◦ Publish and promote a second e-book on ethics in the series focused on the ICMA Code of Ethics and building public trust, reaching members and others who are seeking more in-depth understanding of ethics.
		  ◦ Facilitate member virtual roundtable conversations by cohorts.
		  ◦ Contribute content through the ICMA blog and *PM* magazine.

Strategy Number	Strategies	FY 2022 initiatives
		• Develop a series of ethics courses by position to build capacity of members to apply the ICMA Code of Ethics to their work. • Reinvent professional development programs to offer an integrated learning experience that features in-person and online opportunities to meet the needs of every career stage and job classification. • Partner with the Kettering Foundation and the National Civic League to create a Leadership Institute on Race, Equity, and Inclusion that will be dedicated to strengthening the capacity of local government managers to serve as equity leaders of their respective organizations. • Continue to support members by expanding the Senior Advisor program. • Continue to enhance the Members in Transition (MIT) program by implementing approved recommendations of the MIT Task Force along with other services. • Continue the Affiliate Members Assistance Program (AMAP) pilot, which was developed and launched in FY 2021 to aid affiliate members who experienced job loss due to the economic crisis. • Continue to support student members with student chapter engagement activities, networking event support, and, if feasible based on economic conditions and budgetary constraints, travel scholarships. • Continue to recruit and place Local Government Management Fellows as local budgets allow.
A.6	Continue to expand the relevance of Student Chapters and their respective universities to highlight career opportunities in local government management.	• Continue the expansion of student chapters globally. • Build and enhance relationships with the global academic community to make deeper connections to professional local government management internationally. • Continue financial support for developing events that engage students through networking, professional development, and career events. • Continue engagement with student chapters for content development and connection through the monthly chapter newsletter; encourage republishing some of this student content in *PM* magazine and *Leadership Matters*.

Strategy Number	Strategies	FY 2022 initiatives
		• Continue such chapter engagement activities as regional leadership calls, the new form of government challenge, and best event contest.
A.7	Work with elected official organizations to develop and implement training to facilitate the increase of a more diverse pool of executives.	• Cultivate elected officials and their organizations as subject matter experts to incorporate other perspectives and increase the reach of our programs. • Restart conversations with NLC and NACo on a briefing, engagement, or training program for governing boards on "things to consider when hiring CAOs." Focus on encouraging and expanding equity in the recruitment process.
A.8	Identify and promote member services that are relevant to the international community.	• Identify and promote programs, products, and services identified as part of ICMA's globalization strategy. • Begin to scale professional development programs to suit non-U.S. audiences where appropriate. • Promote a global commitment to ethical conduct by expanding ethics training to make it relevant on the global stage, recognizing cultural and regional differences. • Explore offering ethics training opportunities to international affiliates.

PRIORITY I: Membership Benefits and Growth

Strategic Initiative B: Improve and sustain collaborative relationships with international and state associations and affiliates to support, align, and advance common goals.

Strategy Number	Strategies	FY 2022 initiatives
B.1	Strengthen and formalize relationships with organizations that have similar missions to leverage resources for the benefit of the profession.	• Continue to develop partnerships with organizations in the U.S. and abroad that have a similar mission to ICMA.
B.2	Expand the Regional Directors so that at least one director covers each region to foster relationships with international and state	• The implementation of this strategy has been completed with regional directors now in all regions.

Strategy Number	Strategies	FY 2022 initiatives
	associations and the general membership.	
B.3	Establish deeper relationships with international, state associations and affiliate membership organizations to develop a leadership pipeline to serve on the ICMA Executive Board.	• Continue to evaluate and update work plans with international affiliate organizations consistent with the new globalization strategy. • Leverage the annual work plans developed with state and affiliate groups to support mutual goals and stronger engagement.
B.4	Enhance communication and dialogue to develop synergistic relationships with international, state, and affiliate organizations and other professional associations.	• Refresh international affiliate agreements consistent with the new globalization strategy. • Continue to strengthen engagement with ICMA's existing affiliate organizations to leverage membership and ICMA's reach on priority topics. • Working with international affiliates, explore approaches to develop globally shared ethical principles of local government.
B.5	Explore and establish relationships with non-traditional organizations that could serve as partners in achieving ICMA's diversity goals.	• Provide sponsorship to underrepresented groups to attend ICMA's leadership development programs. • Continue outreach to Historically Black Colleges and Universities and Hispanic Serving Institutions. • Implement a strategy to identify and support any cohort or representative group ICMA is missing when creating affiliations.
B.6	Advance work with IHN, NFBPA, and NACA and other organizations on establishing joint recruitment goals and recruitment opportunities and amend the national affiliate agreements as appropriate to further our shared goals.	• Implement the annual work plans to advance mutual interests. • Finalize the agreement with I-NAPA. • Develop formal agreements with local government associations such as GFOA, APA, and APWA. • Partners with affiliate organizations on ICMA programs to build membership and the profession. • Contribute and share contents on websites, at conferences and events, and through other communication channels.

PRIORITY II: Learning Community

Strategic Initiative C: Create a worldwide learning community of local government professionals and provide training programs for all career stages.

Strategy Number	Strategies	FY 2022 initiatives
C.1	Expand learning opportunities and professional development for members at every career stage.	• Invest in staffing and technology to begin the transformation of ICMA University; new focus will be on offering experiences that connect with the learner across multiple modalities—from in-person learning to an online classroom setting. • Develop a series of ethics courses by position to increase awareness of the ICMA Code of Ethics. • Develop a new Effective Supervisory Practices (ESP) course to coincide with a new edition of the ESP book. • Develop monthly online workshops to impart leadership training across a variety of timely topics. • Partner with the Kettering Foundation and the National Civic League to create a Leadership Institute on Race, Equity, and Inclusion that will be dedicated to strengthening the capacity of local government managers to serve as equity leaders of their respective organizations. • Improve the credentialing application process and work to increase access to and awareness of the program. • Explore creating new ICMA conferences and events (both digital and in-person) that are focused on topics as well as career stages.
C.2	Create opportunities for individuals with diverse career backgrounds to engage in training and professional development on local government.	• Implement Brownfields 2021 in Oklahoma City in December 2021 (COVID conditions permitting). • As part of the reimagining of ICMA University, develop programming across multiple platforms that is scalable for the global market, thereby creating opportunities for those with diverse career backgrounds to engage in training and development. • Continue to support the VLGMF and Veterans Advisory Board by engaging and supporting career changers as they move into the local government profession.
C.3	Create learning opportunities for	• Implement new learning opportunities identified as part of ICMA's new globalization strategy.

Strategy Number	Strategies	FY 2022 initiatives
	members to share experiences from countries around the world.	• Implement a new learning management system (LMS) so that ICMA University programs can be accessed from across the globe. • Continue to support international funded programs with training materials. • Engage in efforts to grow U.S. Department of State-funded professional exchange programs. • Continue to identify opportunities for members to be involved in other ICMA grant- and contract-funded activities. • Continue to support ICMA Europe while seeking stronger alignment with ICMA's globalization strategy. • Utilize ICMA conference and events as a channel for these opportunities. • Continue to provide international fellowships and scholarships like the Tranter-Leong Fellowship and the John Garvey Scholarship. • Continue the International Management Exchange Program.
C.4	Create a mechanism for mutual exchange of best practices	• Develop and launch virtual member meetups/exchanges on ICMA Connect.
C.5	Further expand the ICMA coaching program and Local Government Management Fellowship program.	• Continue to support the LGMF with more placements and applicants. • Consider a board-level engagement program to promote the need to host/mentor management fellows (either our own LGMFs or any management internship). • Continue to increase the number of coaches and players who are registered and using the system. • Continue to produce six annual, high-quality, complimentary coaching webinars for the benefit of the profession and to engage nonmembers in the association. • Implement speed coaching at annual, regional, and virtual conferences.
C.6	Continue to create professional development content on management practices.	• Create new monthly workshops informed by management practices. • Continue to produce professional development programs, from webinars to workshops, that are informed by management practices.

Strategy Number	Strategies	FY 2022 initiatives
C.7	Consider ways to market ICMA's professional development programs to local government professionals who are not ICMA members.	• Explore a program to offer limited complimentary access to ICMA professional development events to nonmembers to introduce them to ICMA. • Expand the member marketing campaign "Join/Go/Save" beyond the annual conference to attract nonmembers by offering incentives to join ICMA and attend events at member rates.
C.8	Develop mechanisms to evaluate the effectiveness and impact of professional development programs.	• As part of the new ICMA University, implement a consistent evaluation and reporting process for all programs.

PRIORITY II: Learning Community

Strategic Initiative D: Think globally, act globally.

Strategy Number	Strategies	FY 2022 initiatives
D.1	Develop coordinated strategy to increase brand awareness of ICMA and its benefits to international affiliates.	• Conduct internal and external stakeholder engagement and worldwide local government market research to create a comprehensive strategy and roadmap to advance ICMA's global future (globalization strategy). • In alignment with the new globalization strategy, begin offering ICMA University programming to global audiences, thereby strengthening brand awareness.
D.2	Promote international awareness and perspective of the local impact of globalization.	• Develop a quarterly newsletter to share stories on GPM programs and ICMA global members and affiliates. • Begin implementing ICMA's new globalization strategy.
D.3	Develop a more robust learning network of US and International members.	• Begin Implementing ICMA's new globalization strategy. • Launch a new learning management system (LMS) as the learning platform for U.S. and international members. • Hire bilingual/multilingual instructional designer(s) to begin developing content that is contextualized for global audiences.

Strategy Number	Strategies	FY 2022 initiatives
		• Work with affiliates to share subject matter experts for professional development programs. • Manage such existing ICMA scholarship programs as the Tranter-Leong Fellowship and the John Garvey Scholarship programs.
D.4	Sustain ICMA's technical assistance globally to foster professional management and create sustainable communities.	• Seek new grant and contract funding from federal agencies, foundations, international donors, and partners. • Promote new learning management system and scalable professional development programs in proposals for grants and contracts. • Leverage ICMA's past, current, and future international grant-funded projects in support of ICMA's globalization initiative.

PRIORITY III: Thought Leadership and Resource Network

Strategic Initiative E: Ensure future-ready leaders by providing thought leadership for the emerging and enduring challenges facing local governments.

Strategy Number	Strategies	FY 2022 initiatives
E.1	Continue to support and highlight academic and practitioner research identifying the most significant issues facing local governments.	• Implement ICMA's Transformation 2030 strategy, which includes development of knowledge resources, training, peer engagement, events, and technical assistance on post-pandemic economic and community recovery and restoration. • Implement the Local Government Management of Policing and Law Enforcement project. • Continue to produce research-based content on diversity, equity, and inclusion topics. • Recruit and manage the 2021/2022 Local Government Research Fellows. • Produce public policy thought leadership pieces on disruptive technologies, social changes, COVID-19 and leading American Rescue Plan initiatives, strategies for resilience, economic transformation, and other local government management challenges. • Continue research and program development on the first generation of African American city and county managers. • Continue to support the academic symposium at the ICMA Annual Conference, curating research presentations from faculty and sharing with the membership. • Engage with faculty to share/promote practitioner-related research with membership.
E.2	Partner with the other Big 7 and other related organizations to collectively respond to public policy issues impacting local governments.	• Coordinate ICMA's involvement on current and emerging federal legislative, regulatory, and judicial activities that impact local governments. • Coordinate ICMA's engagement with the Big 7 and other peer organizations on public policy issues.

PRIORITY III: Thought Leadership and Resource Network

Strategic Initiative F: Be the principal resource for leadership and management in local government.

Strategy Number	Strategies	FY 2022 initiatives
F.1	Design and deliver programming to address the important trends, drivers, and issues affecting local government professionals.	• Conduct six interactive webinars on “Planning for Economic Recovery,” the new four-hour course ICMA and IEDC developed for FEMA. Offer related programs and materials at ICMA conferences and events. • Develop monthly online workshops to impart leadership training across a variety of timely topics. • Partner with the Kettering Foundation and the National Civic League to create a Leadership Institute on Race, Equity, and Inclusion that will be dedicated to strengthening the capacity of local government managers to serve as equity leaders of their respective organizations. • Advance racial equity by launching the pre-design phase for a diversity, equity and inclusion training series aimed at members at all career levels. • Update ICMA’s equity and inclusion publications by broadening the scope of equity issues that are covered. • Recruit the second Equity Officer cohort that has served as a valuable resource to staff in their capacity as equity advisors, content contributors and webinar participants. • Leverage and expand partnerships with leading race equity and/or similarly related organizations, with the goal of sharing information, best practices, and other resources. • Pursue a revenue and/or grant funding strategy to help defray the costs associated with ICMA’s DEI programming and other services. • Host the second annual Equity Summit aimed at equity officers and other local government professionals interested in strategies, actions and solutions that will foster more inclusive communities. • Devise strategies on how to advance equity and inclusion commensurate with ICMA’s international footprint. • Continue to offer webinars on COVID-19 and race, equity, and social justice. • Continue to partner with New York University to deliver information about the new City Health

Strategy Number	Strategies	FY 2022 initiatives
		Dashboard tool and resources for local governments. • Continue to manage the U.S. Department of Energy (DOE)-funded SolSmart program for designating communities as "solar ready" for their work in streamlining local policies for solar projects. • Publish a local government guidebook for large-scale solar initiatives for the DOE-funded Solar@Scale project and deliver workshops/webinars based on the guidebook. • In partnership with the U.S. Environmental Protection Agency (EPA), deliver the National Brownfields Conference for up to 2,000 participants in December 2021. • Implement the EPA-funded Technical Assistance to Brownfields (TAB) initiative to support different stakeholder groups to use brownfields to address economic development, environmental justice, and quality and public health issues in their communities. • Successfully conclude the USAID-funded Strengthening Urban Resilience for Growth with Equity Program in the Philippines. Conduct virtual conference on cities in the post-COVID era. • Implement U.S. Department of State-funded fellows programs that enable young professionals from around the world to contribute to their communities' sustainability and democratic governance. The implementation of the three ongoing programs will depend on the post-COVID conditions. • As part of a USAID-funded project, support municipalities in Philippines, Indonesia, Vietnam, Sri Lanka, Maldives, and Peru to implement solid waste management plans that reduce the amount of plastics that make their way to the ocean. Implement the ICMA-developed Solid Waste Capacity Index for Local Governments (SCIL) in select municipalities. • Support the development of a comprehensive political economy analysis and program design for the Efficient, Effective, and Strong

Strategy Number	Strategies	FY 2022 initiatives
		Governance Program in Indonesia (funded by USAID). • Successfully conclude (and replicate and build on) the U.S. Embassy-funded initiative in Costa Rica to create an open procurement observatory.
F.2	Assess, develop and promote professional management competencies and disciplines.	• Continue to offer the ICMA Management and Leadership Assessments and promote these assessments as entry points to new and existing programs, where appropriate.
F.3	Incorporate the concept of leadership in professional development offerings.	• Create new monthly workshops that impart leadership lessons surrounding various practice areas and timely topics.
F.4	Promote leading practices to ensure local government's ability to attract and retain a talented and diverse workforce.	• Complete and release new editions of core ICMA book-length content.
F. 5	Promote ICMA globally as the resource for leading practices in local government management.	• Create pitches to attract media to ICMA thought leadership and content. • Share the results of ICMA's global technical assistance programs.
F.6	Organize and deliver content so it is easily accessible and fresh.	• Launch a new learning management system that will offer programming in multiple modalities and organize learning in an intuitive manner. • Update website navigation, homepage, and inner landing pages to improve user experience and achieve greater results (revenue, downloads, etc.).

PRIORITY IV: Advocacy and Outreach

Strategic Initiative G: Promote the value of professional management and ICMA membership.

Strategy Number	Strategies	FY 2022 initiatives
G.1	Focus prioritization on ethics, leadership, professional development, and member connection.	• Reorganize content on the ICMA website that highlights and showcases ethics, leadership, professional development, and member connection.
G.2	Find new ways to articulate the value of ICMA membership.	• Reimagine the ICMA recognition program to enhance the value of being a recognized ICMA local government. • Humanize member benefits by creating content and videos of members that include clear value explanations and testimonies. • Enhance content, learning and professional development, and support for members in various positions in local government.
G.3	Educate elected officials on the value of professional local government management.	• Produce new web-based content to present the case for the council-manager form of government. • Update and promote the Model City Charter in coordination with the National Civic League. • Support a case study publication on role of the city/county manager.
G.4	Expand programs in schools to explain local government and encourage careers in local government management.	• Develop a K-to-12 strategy to promote careers in local government. Explore potential external funders for this program.
G.5	Educate the public on the council-manager form of government.	• Develop a sustainable financial strategy for supporting ICMA's long-term advocacy efforts. • Increase fundraising efforts for the Future of Professional Management Fund to ensure ICMA's capacity to assist in form-of-government challenges. • Produce new web-based content to present the case for the council-manager form of government. • Update and promote the Model City Charter in coordination with National Civic League.

Strategy Number	Strategies	FY 2022 initiatives
G.6	Expand the outreach to community members presenting value of professional management.	• Produce new web-based content to present the case for the council-manager form of government. • Support a case study publication on the role of the city/county manager.
G.7	Connect the profession's commitment to ethics to building public trust.	• Support and implement the findings of the review of the Code of Ethics to ensure that it reflects the profession's commitment to social and racial justice. • Develop a series of ethics courses by position to increase awareness of the ICMA Code of Ethics. • Develop and deliver scenario-based ethics training for members at all career stages. • Conduct an ethics orientation for state association boards and ethics committees to strengthen the joint and mutual commitment to ethics. • Incorporate ethics considerations into ICMA's new globalization strategy. • Explore approaches, including funding, to develop globally shared ethical principles of local government. • Explore offering ethics training to global affiliates.
G.8	Enhance the Job Center platform to support member career advancement.	• Enhance social media, direct mail, and other advertising to broaden the reach of the Job Center.

PRIORITY IV: Advocacy and Outreach

Strategic Initiative H: Reach members and other important stakeholders through expanded use of technology and emerging media.

Strategy Number	Strategies	FY 2022 initiatives
H.1	Identify ways to support distance learning for members.	• Launch a new learning management system to support distance learning. • Launch new monthly workshop programming in a virtual environment. • Launch a new ethics course in a virtual environment.

Strategy Number	Strategies	FY 2022 initiatives
		• Develop a new Effective Supervisory Practices (ESP) course to coincide with a new edition of the ESP book. • Develop and launch virtual member meetups/exchanges on ICMA Connect. • Utilize ICMA's conferences and events, both in-person and digital, to support this strategy.
H.2	Use new technology, digital/video media, and graphic design to engage members and deliver content.	• Invest in multimedia production to enhance the quality of digital/video/design elements of ICMA University programming. • Launch a member-submission photography contest to incorporate new imagery into ICMA promotional materials. • Reintroduce an ICMA podcast, rebranding as Voices in Local Government, with a storytelling feature. • Relaunch *PM* Alert (the magazine's monthly companion e-newsletter) with a new design and possibly new frequency.
H.3	Continue to invest in developing a platform to share content and encourage peer learning and discussions.	• Launch the new learning management system. • Develop and launch virtual member meetups/exchanges on ICMA Connect.
H.4	Identify business partners to help leverage technology and media capability.	• Working with a third-party consultant, conduct a complete review and assessment of all of ICMA's programs, services, and assets; determine and assess a value; and create a comprehensive year-round strategic partner and sponsorship program, setting up ICMA for long-term success.
H.5	Expand the way ICMA delivers its message and content.	• Incorporate *PM* magazine subscriptions into ICMA's new e-commerce bookstore. • Launch automated and curated e-newsletters focused on ICMA's priorities, demographics, and interests. • Increase member content contributions that align with strategic content and messaging based on ICMA's priorities, demographics, and interests. • Refresh and expand the 2021-22 sponsored content opportunities package.

Strategy Number	Strategies	FY 2022 initiatives
		• Refresh and expand the 2021-22 ICMA advertising package for *PM* magazine, ICMA website, and newsletters.

PRIORITY V: Governance and Operations

Strategic Initiative I: Support the continued growth and development of ICMA's business enterprises and operational resources.

Strategy Number	Strategies	FY 2022 initiatives
I.1	Maintain strong financial and operational policies and practices to ensure the vitality of the Association.	• Continue to transform ICMA and position it as a best-in-class organization that is financially resilient, forward-looking, agile, and entrepreneurial. • Complete reimagination of ICMA's post-pandemic staffing and office model, taking into consideration lessons learned during the COVID-19 pandemic and emerging best practices. • Continue strengthening internal control over resources and financial reporting. Given the high level of uncertainty with respect to all revenue sources due to the economic impact of the pandemic, closely monitor financial performance of all business lines against the budget and implement course corrections as needed. • Create an information technology vision and strategy that reflects ICMA's commitment to innovation and creativity. Ensure optimal IT infrastructure that fully supports a flexible work environment.

I.2	Develop strategies to attract and retain outstanding and diverse staff for ICMA.	• Continue to position ICMA as an employer of choice by:
		  ○ Improving and streamlining recruiting and onboarding procedures.
		  ○ Evaluating and revising ICMA's policies to ensure they are modernized and aligned with the competitive marketplace, responsive to the organization's needs, and adaptable to changing economic circumstances.
		  ○ Creating a culture that embraces organization-wide conversations on crucial and sensitive topics.
		  ○ Incorporating race and social equity into all staff and leadership management programs.

Strategy Number	Strategies	FY 2022 initiatives
		○ Utilizing the new learning management system, begin to expand the development of opportunities and learning experiences for staff through a variety of online and instructor-led training platforms. ○ Developing required ethics and local government 101 courses for ICMA staff to ensure they understand the structure, standards, and principles that guide the local government profession. ○ Identifying critical skills and competencies necessary to maintain an agile and progressive organization through the redesign of the performance management process and the completion of a comprehensive job evaluation review.
I.3	Support a range of viable business lines to diversify the Association's revenue stream.	• Continue efforts to generate revenue streams from new programs, products, services, and partnerships, as well as existing business lines and activities. • Proactively identify opportunities to grow ICMA's technical assistance portfolio in line with current administration priorities domestically and internationally. • Continue to produce prime and subcontracting proposals and concept papers for federal agencies, foundations, and other donors in support of ICMA's funded technical assistance portfolio. • Identify and execute a partnerships/affinity program to launch and promote products and services that are beneficial to ICMA members and the local government community and that generate non-dues revenue for ICMA. • Revitalize and grow ICMA's professional development business line to produce engaging, high-quality, globally focused, and real-time learning experiences. • Working with a consultant, conduct a complete review and assessment of all of ICMA's programs, services, and assets; determine and assess a value; and create a comprehensive

Strategy Number	Strategies	FY 2022 initiatives
		year-round strategic partner and sponsorship program, setting up ICMA for long-term financial success.
I.4	Periodically review the dues policy to ensure that ICMA can attract, retain, and grow membership.	• Implement the board-approved recommendations for a new ICMA member dues framework for launch in FY 2023.
I.5	Maintain the strong relationship with ICMA-RC to support ICMA's members and their role in building great communities.	• As ICMA-RC rebrands to MissionSquare Retirement, provide assistance in their brand launch and in marketing their products and services to ICMA members and local government professionals in the United States.

PRIORITY V: Governance and Operations

Strategic Initiative J: Evaluate the governance of the Association to enhance alignment with ICMA's strategic goals and core beliefs.

Strategy Number	Strategies	FY 2022 initiatives
J.1	Expand efforts to inform members about the role of the Executive Board and its election process.	• Leverage social media, communication strategies, and ICMA events to articulate the role and value of serving on the board. • Implement a member engagement strategy for affiliate members to better position them for board service.
J.2	Evaluate the Executive Board selection process, including regional protocols and geographic assignment of states so that it aligns with ICMA's Core Beliefs and goals.	• Reimagine the governance structure for ICMA as a global association and achieve balanced U.S. regions.
J.3	Review voting eligibility so that it is consistent with the core beliefs and goals of the Association	• The implementation of this strategy has been completed.