ENVISION ICMA

FY 2024 BUDGET

ICMA

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Transmittal Letter

A MESSAGE FROM THE CEO/EXECUTIVE DIRECTOR

Dear President Towery and Members of the ICMA Executive Board,

I am pleased to present you with the proposed Fiscal Year 2024 budget. The budgeting process provides us with the opportunity to reflect on our progress—toward the values and goals set forth in the Envision ICMA Strategic Plan—and, more importantly, to catalyze our future. There have been perhaps a handful of times in ICMA's 109-year history that could be labeled transformational. I believe this is one of those times. It calls for bold action rather than incremental steps.

To be certain, we are still recovering from the financial stress brought on by the pandemic. After two consecutive years of receiving financial assistance in the form of the federal PPP (Paycheck Protection Program) funding, we now find ourselves in a situation where this assistance is no longer available as pandemic relief monies run out. That funding was crucial in preserving our organizational capacity when our membership needed us most. Recognizing that our members too were facing considerable financial challenges, ICMA took the unprecedented step of lowering member dues rates. This action is one of the investments, those bold actions, you will see in this budget. It is an investment in the future of ICMA, which in the short run will result in reduced revenues and constrained operations, but over the long term is forecasted to significantly drive new member growth.

This budget accelerates our journey to become a truly global organization—the home for local government professionals worldwide. Through the collective efforts of the Executive Board, members, business partners, staff, and other stakeholders, we are well on our way toward realizing what a global ICMA can become and achieve. Understandably, this global transition will require a multi-year effort, but much of the foundational work is already underway.

We've closed an important digital gap this year with the launch of our state-of-the-art learning management system, the "ICMA Learning Lab", which enables local government professionals around the world to engage with our professional development offerings. We've stressed that pursuit of our global goals should not come at the expense of our financial stability and that our offering must be better aligned with the market. To that end, we are developing a new product pricing strategy, which will increase our revenues, optimize our operating costs, and position us for success in a competitive marketplace. I am confident that initiatives like these will position ICMA for a bright and prosperous future.

This is a time of transition for ICMA, a time for courageous leadership, as we step out of our traditional U.S.-centric approach and onto the global stage. We will do so in a thoughtful, deliberate, and data-driven manner. The roadmap that is being developed will inform critical decisions by helping to answer questions like: what operating model should we adopt? What will ICMA's governance structure look like? And how do we plan to work with partner organizations around the world? We will adopt strategies that are financially sustainable, giving us the ability to raise additional revenues through programs, products, and services from targeted local government markets both inside and outside of the U.S. However, it is clear that achieving this goal requires making strategic investments in the kinds of activities and programs that will secure our global vision. This budget, therefore, assumes that ICMA will fund these priorities in FY 2024 through an allocation from net assets. The five-year projections we have built demonstrate our intention to begin generating a financial return on these investments, in the form of additional revenue from international markets, beginning in FY 2025.

Without a doubt, 2024 is a transformational year for ICMA. No matter how thorough and diligent our plans and projections may be, risk will always be a factor, and it is important to be clear and transparent about this. While we believe that maintaining a conservative financial posture is always the most prudent business approach, we remain committed to being vigilant, transparent, and agile, ready to pivot and adjust course, if necessary. We are standing on the edge of the precipice—our global vision is within our grasp, and your support of this budget brings us that much closer.

In closing, I would like to thank our Leadership Team and staff across the organization for their dedication to this process. Special thanks go to Chief Financial Officer Sabina Agarunova and her budget team, without whose assistance the creation of this budget would not have been possible. And finally, I want to express my thanks to the Finance Committee and the Executive Board for their vision, leadership, direction, and support.

Respectfully submitted,

Marc A. Ott

CEO/Executive Director

Budget Overview

Summary

The FY 2024 budget and the accompanying net assets target for the next five-year period demonstrate the fact that ICMA is in a period of transition. As the organization emerges from the challenges posed by the Covid-19 pandemic and its impact on finances and operations, and as it absorbs the short-term reduction in revenue because of the new dues structure, it has begun implementation of a series of activities in support of a significant organization-wide priority – transforming into a global organization. The budget recommendation includes allocation of resources to programs, activities, and initiatives necessary to advance this and all other priorities ICMA has undertaken in support of its mission.

The proposed FY 2024 budget includes projected revenues from programs and services of approximately $30.6 million. Budgeted revenues are discussed in greater detail in the "Revenue Estimates" section of this document (page 8). The proposed budget also includes an estimate of total operating expenses of approximately $31.8 million — resources necessary for ICMA to deliver on its goals and objectives. FY 2024 budgeted operating expenses are allocated to various functions and business teams. The "Expense Estimates" section of this document (page 11) provides additional details regarding the FY 2024 allocation of resources.

This budget recommendation assumes the use of net assets of approximately $1.2 million to supplement projected revenues in order to fund operations in FY 2024. Approximately half of this amount is to cover the temporary shortfall in membership dues revenue due to the recent implementation of the new dues structure. The remaining amount of net assets is necessary to fund the initial stages of the global engagement strategy implementation in a manner that will position ICMA for a financially sustainable future through the generation of revenues from global markets in subsequent years.

In addition, the proposed budget contains $252,000 in one-time expenses that are not included in the operating budget and are to be funded directly from net assets. Additional details regarding the nature of these expenses are provided in the "Direct Uses from Net Assets" section of this document (page 12).

Figure 1, FY 2024 budget summary, illustrates budgeted sources of revenue and allocation of resources to strategic outcome areas.

FIGURE 1

	FY 2024 BUDGET
REVENUE	
Membership dues	5,637,250
Member support and professional development	1,125,676
Conferences, events, and sponsorships	6,591,947
Publications, subscriptions, and advertising	1,712,540
Royalty income	2,602,161
Investment income	925,000
Management fees	157,350
Subtenant rental income	113,875
Grants and contracts	11,762,448
Total revenue	30,628,246
OPERATING EXPENSES	
Member support and professional development	4,211,178
Conferences, events, and sponsorships	4,949,188
Research and publications	633,135
Outreach, marketing and communications	1,877,438
Global engagement	699,429
Other programs	771,623
Excess space	670,534
Grants and contracts	9,991,336
Organizational support	8,012,386
Total operating expenses	31,816,246
Net from operations	(1,188,000)
DIRECT USES FROM NET ASSETS	
Review of ICMA governance	77,000
Association management system assessment	25,000
CEO/executive director's contingency reserve	150,000
Total direct uses from net assets	252,000
TOTAL CHANGE IN NET ASSETS	**(1,440,000)**

Comparative Budget

Figure 2 shows the FY 2024 proposed budget in comparison with the FY 2022 actual results and the FY 2023 approved budget.

FIGURE 2

	FY 2022 ACTUAL	FY 2023 BUDGET	FY 2024 BUDGET
NON-GRANTS AND CONTRACTS PROGRAMS			
REVENUE			
Membership dues	6,299,036	6,133,000	5,637,250
Member support and professional development	658,681	1,090,240	1,125,676
Conferences, events, and sponsorships	3,703,413	5,741,249	6,591,947
Publications, subscriptions, and advertising	1,730,201	1,772,040	1,712,540
Royalty income	2,774,384	2,770,438	2,602,161
Investment income	382,608	605,000	925,000
Management fees	178,335	192,350	157,350
Subtenant rental income	113,304	85,621	113,875
Total revenue	15,839,962	18,389,937	18,865,799
EXPENSES			
Member support and professional development	3,487,653	4,396,145	4,211,178
Conferences, events, and sponsorships	3,743,763	4,200,324	4,949,188
Research and publications	568,195	892,360	633,135
Outreach, marketing and communications	1,521,416	1,990,005	1,877,438
Global engagement	461,236	625,608	699,429
Other programs	445,345	563,650	771,623
Excess space	626,579	642,014	670,534
Total expenses	10,854,187	13,310,105	13,812,525
Net from non-grants and contracts programs	4,985,774	5,079,832	5,053,273
GRANTS AND CONTRACTS			
Revenues	8,061,702	12,619,817	11,762,448
Expenses	6,638,415	10,492,717	9,991,336
Net from grants and contracts	1,423,287	2,127,100	1,771,112
ORGANIZATIONAL SUPPORT EXPENSES	7,780,272	7,676,339	8,012,386
Net from organizational support	(7,780,272)	(7,676,339)	(8,012,386)
Net from operations before PPP funding	(1,371,210)	(469,407)	(1,188,000)
PPP funding	1,902,300	-	-
Net from operations	531,090	(469,407)	(1,188,000)
Direct uses from net assets	186,734	345,000	252,000
TOTAL CHANGE IN NET ASSETS	**344,356**	**(814,407)**	**(1,440,000)**

Figure 3 illustrates full-time equivalent positions (FTEs) budgeted for FY 2022, FY 2023, and FY 2024.

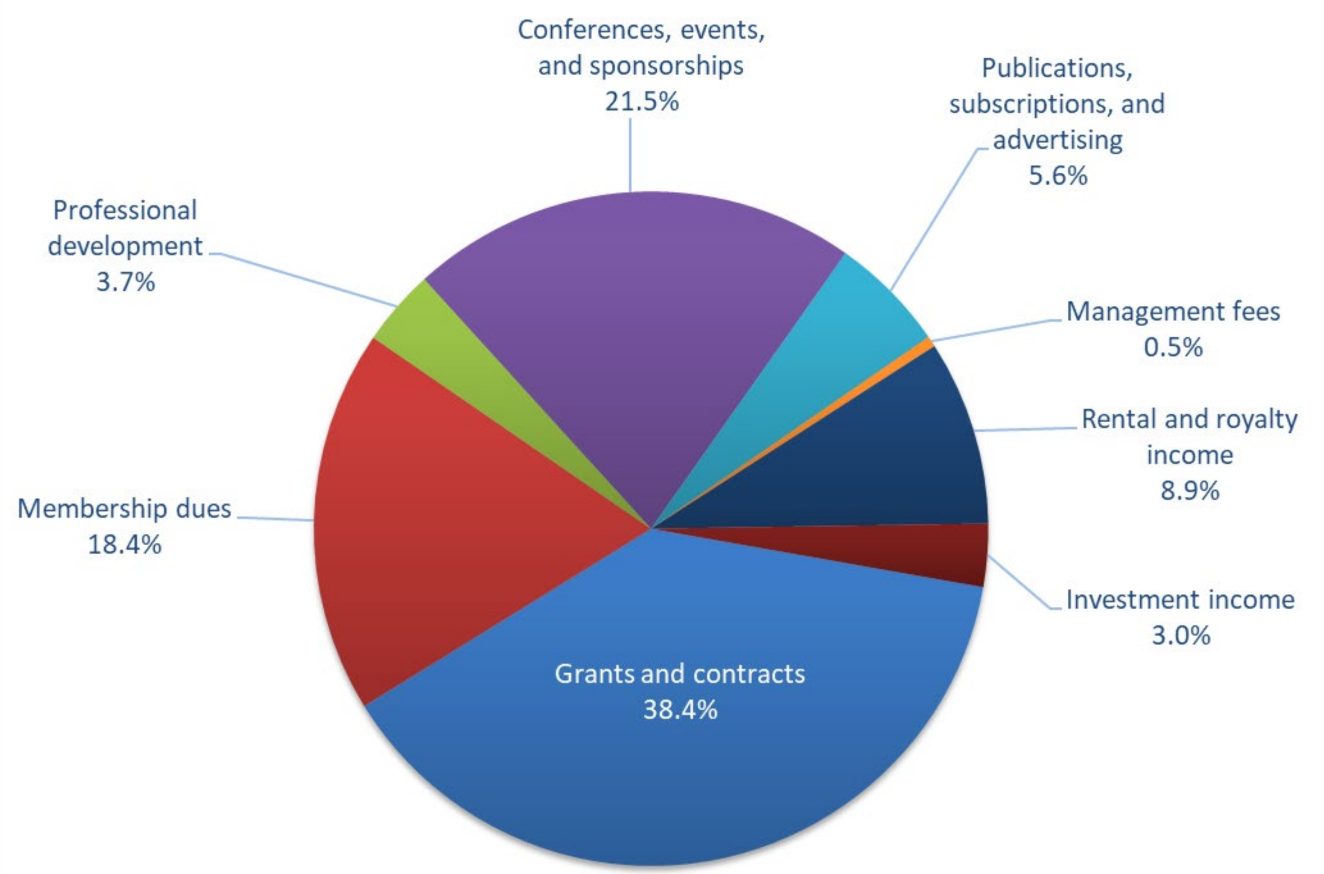
FIGURE 3

FTEs	FY 2022 budget	FY 2023 budget	FY 2024 budget
Non-grants and contracts programs			
Member support	14.2	15.1	13.5
Professional development	6.8	7.0	7.8
Conferences, events, and sponsorships	4.9	6.1	5.7
Research and publications	3.6	3.4	2.5
Marketing and communications	9.9	9.8	8.7
Global engagement	2.1	2.2	3.1
Other programs	1.7	2.6	3.3
Total non-grants and contracts programs	43.1	46.1	44.6
Total grants and contracts programs	17.6	19.5	21.6
Organizational support	20.2	20.2	20.6
Total operations	80.9	85.8	86.8
Compensated absences	12.1	13.7	13.0
Total FTEs	**93.0**	**99.5**	**99.8**

Revenue Estimates

Figure 4 illustrates the FY 2024 budgeted sources of revenue.

FIGURE 4



Membership dues are expected to be approximately nine percent lower than FY 2023 year-end projections because of the recent launch of the new dues structure, which includes reduced dues rates and a discount for small communities. It is expected that lower dues rates will gradually lead to increased member recruitment, resulting in revenue growth in the years beyond FY 2024. Meanwhile, the temporary shortfall in dues revenue in FY 2024 is expected to be covered through the use of net assets.

Professional development consists of the ICMA credentialing program as well as various learning experiences, including leadership and other proprietary programs, workshops, and webinars. The recent implementation of the new learning management system (LMS) is a critical element of ICMA's ongoing efforts to modernize this business line and to transform it into a significant source of engaging and interactive learning experiences for local government professionals at all career stages in the U.S. and internationally. In addition to revenues from continued offering of several of the existing professional development and leadership programs, the FY 2024 budget proposal assumes revenues from new or enhanced programs designed and administered through the new LMS.

Conferences, events, and sponsorships include the annual conference, Local Government Reimagined (formerly regional) conferences, the ICMA partner program, and other partnerships and sponsor relationships.

Registration revenue estimates for the 2023 ICMA Annual Conference in Austin, TX, includes a five percent increase in registration rates and is based on the assumption that paid attendance will reach the level at the 2019 ICMA Annual Conference in Nashville, the most recent pre-pandemic conference. Sponsorships and exhibit hall revenues are budgeted with an increase of 20 percent from the 2022 Columbus Annual Conference, based on strong pre-show exhibit booth sales and high interest in sponsorships from both current and prospective sponsors. In addition, for those unable to attend the Austin conference, both education and general sessions will be recorded and available for purchase in an on-demand format. All attendees registered for the in-person conference will receive access to the on-demand sessions as part of their registration fee. The Austin conference is expected to produce a net contribution of approximately $587,000, which will not be sufficient to meet one of the board-approved recommendations from the 2004 Task Force on Financing ICMA. This recommendation mandates that each annual conference generate a ten to 20 percent profit, after all direct and indirect expenses are paid. With rising costs in several conference expense categories, including labor and food and beverage, meeting this requirement while providing an excellent attendee experience will be challenging, if not impossible. Therefore, as in the previous years, this budget proposes an exception to this policy for the Austin conference.

In addition to the annual conference, ICMA plans to hold a series of Local Government Reimagined conferences between January and June 2024. The FY 2024 budget assumes break-even results for these events.

The budget proposal assumes continued growth in strategic partner and sponsorship revenues, as a result of the redesigned ICMA partner program. In addition, the FY 2024 budget anticipates $100,000 in sponsorships for the Brownfields conference, scheduled to be held in Detroit, MI in August 2023.

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

Management fees consist of revenues derived from management and administrative services provided to certain organizations and are expected to remain at the same level as in prior years.

Subtenant rental income consists of revenue derived from subleasing a portion of the space leased by ICMA at the headquarters building pursuant to the lease agreement that expires on December 31, 2026. The significant reduction in revenue, relative to prior years, is due to the fact that all subleases. except for one, have expired. At the present time, approximately 11,000 square feet of leased space remains vacant. ICMA continues to incur rent expense for the vacant space. Although this space is being actively marketed, given the challenging subtenant market in the Washington, DC area, the budget assumes no additional rental income in FY 2024 beyond the revenue from the one active sublease.

Royalty income includes licensing fees from ICMA-RC (dba MissionSquare Retirement[1]) for the use of ICMA's name and brand. Per the licensing agreement between ICMA and MissionSquare, the amount of revenue is calculated as a percentage of MissionSquare's gross revenues. The amount of royalty income budgeted for FY 2024 is based on MissionSquare's gross revenue projections for that period.

Investment income consists of the annual Real Estate Investment Trust (REIT) distribution related to ICMA's ownership interest in the headquarters building, as well as interest, dividends, and realized and unrealized gains and losses on the cash reserves invested in accordance with ICMA's Investment Policy Statement. The REIT dividend amount is derived from the building's operating budget. The investment income is budgeted based on the target return rate for the investment portfolio.

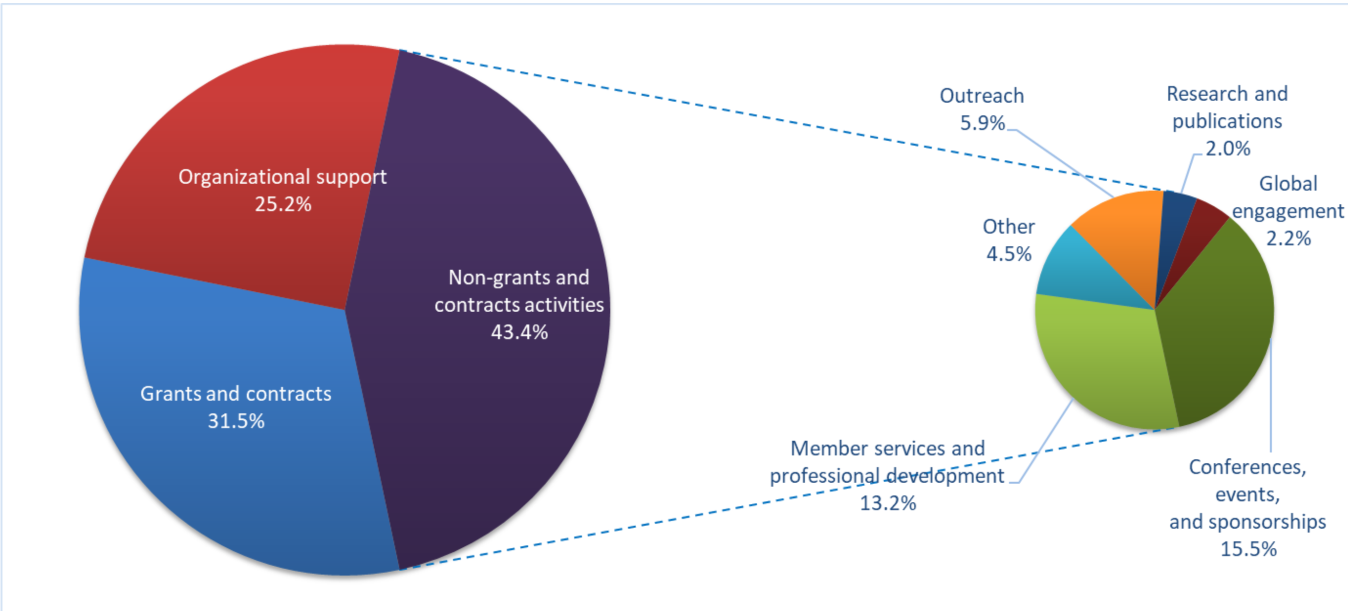
Grants and contracts revenue is budgeted at approximately $11.8 million, or 38.4 percent of total revenues. The current grants and contracts portfolio consists of several geographically diverse awards of various sizes, both prime and subawards. Approximately 11.5 percent of total budgeted grants and 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.

[1] In the spring of 2021, as a result of a rebranding effort, ICMA-RC began doing business as MissionSquare Retirement.

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 and professional development; conferences, events, and sponsorships; research and publications; marketing and communications (outreach); global engagement, and other activities.

FIGURE 5



The FY 2024 budget includes resources to maintain sufficient organizational capacity to deliver on ICMA's major priorities. 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; continued implementation and promotion of the new dues model; continued modernization and expansion of ICMA's professional development function; and positioning ICMA as a thought leader and provider of resources and tools on important topics such as post-pandemic economic and community recovery and restoration, local government management and policing, and racial equity and social justice, to name a few. The use of these resources is aimed at accomplishing these and many other priorities as well as better positioning ICMA to generate higher levels of revenue in the future. Finally, the FY 2024 budget includes funds for periodic compensation increases for staff in alignment with the labor market. The budget assumes a total increase of 3.5 percent of current salaries, which may be used for a combination of cost of living, market, merit, and other compensation adjustments.

Direct Uses from Net Assets

In addition to maintaining ongoing operations and services, the FY 2024 proposed budget identifies several items to be funded from net assets rather than general operations. Figure 6 lists these items.

FIGURE 6

Direct uses from net assets	Revenues	Expenses	Net
ICMA governance model	-	77,000	(77,000)
AMS assessment	-	25,000	(25,000)
CEO/executive director's contingency reserve	-	150,000	(150,000)
Total direct uses from net assets	**-**	**252,000**	**(252,000)**

ICMA governance model: at the December 2022 board meeting, the ICMA Executive Board approved a net assets allocation of up to $125,000 to address the issues of the board's global and U.S. regional representation, including the makeup, diversity, procedures, and future realignment process, and to develop recommendations. ICMA has engaged an external consultant to assist with this initiative. Approximately $48,000 in expenses related to this initiative are expected to be incurred in FY 2023, with the remaining amount budgeted for FY 2024.

Association management system (AMS) assessment: ICMA intends to undertake an assessment of its current AMS (i.e., NetFORUM), to determine whether it will meet ICMA's requirements as it evolves into a global organization. This one-time expense represents the cost for an independent consultant who will be hired to assist with the assessment.

CEO/executive director's contingency reserve: based on the board's Governance Subcommittee's recommendation regarding a contingency reserve as part of the annual budget to be used at the CEO/executive director's discretion, the FY 2024 budget proposal includes funds available 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

Due to a variety of factors, the level of risk with respect to most of ICMA's sources of revenue has been increasing. At the same time, several of the areas with elevated risk also present opportunities for higher impact and revenue generation. While the FY 2024 budget is based on the best assumptions that can be made at the time of budget development, actual results may turn out to be materially different. The following paragraphs offer a brief analysis of the risk factors affecting major activities and revenue sources in FY 2024 as well as the potential for significant opportunities.

Membership dues are expected to be approximately 9 percent lower than in FY 2023, as a result of the recent implementation of the new dues structure, which includes reduced rates and a discount for small communities. While individual dues rates will be lower than in the past for many of ICMA's existing members, the assumption is that, with extensive promotion of the new structure, new member recruitment will gradually increase over the next several years because of greater affordability, particularly for managers and assistants from smaller jurisdictions. Dues are expected to be lower than currently for the next two years, reaching the current level in FY 2026 and surpassing it in subsequent years. While there is a risk associated with the new member recruitment assumptions, this is also a potential growth opportunity for ICMA.

Annual conference: despite the attractive location for this year's annual conference in Austin, TX, certain risks exist with respect to the budgeted attendance and sponsorships assumptions for the event. In addition, given the challenges of conducting in-person events at this time due to rising prices for labor, food and beverage, and technology, we believe the risk level with respect to the budgeted net contribution from the annual conference is higher than in pre-pandemic years. Also, as noted earlier, the budgeted net contribution falls short of the policy that the event produce a net contribution of at least 10 to 20 percent of direct expenses. Under normal circumstances, compliance with this policy would likely require a reduction in conference programming and events, which could adversely impact attendee registration and the overall conference experience that members have come to expect. For these reasons, this budget proposal assumes that an exception to the policy is warranted.

Local Government Reimagined conferences carry a significant level of uncertainty, as ICMA continues to reinvent these events and shape them into a program that is both valuable to members and financially sustainable. As in prior years, ICMA plans to hold a series of these events in the second half of the fiscal year. These "reimagined" conferences will incorporate new and innovative programming, in an effort to attract more attendees and sponsorships. The goal is to raise sufficient revenues to cover direct expenses related to these conferences by using a variety of business and marketing strategies. However, there remains a risk that, despite best efforts, breaking even may still be difficult to achieve.

Professional development continues to be an area of significant opportunity with respect to enhancing 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. In addition, this function is critical to the implementation of the board-approved global engagement strategy. Key to the success of this endeavor is the deployment of a new, state-of-the-art LMS in FY 2023. Now that the system is in operation, the budget includes increased staff capacity to create new learning experiences as well as to enhance existing professional development programs that are in high demand. The budget includes higher revenue assumptions than in prior years; however, revenues from newer programs are at a higher risk than revenues anticipated from the existing programs.

ICMA partner program, in its new “reimagined” form, will be in its second year in FY 2024. ICMA’s goal will be to renew existing agreements while pursuing relationships with new partners and sponsors by promoting year-round engagement around thought leadership and other sponsorship opportunities. This continues to be an area of significant opportunity to drive additional revenue, and the budget reflects the expected growth in revenues from this program. In addition, the budget includes $100,000 in sponsorships for the National Brownfields Training Conference, which is planned for August 2023 in Detroit, MI. ICMA’s ability to generate this revenue will depend on the conference taking place as scheduled.

Global engagement: the implementation of ICMA’s new global engagement strategy is expected to result in a gradual expansion of the organization’s footprint, to include markets outside of the U.S. The FY 2024 budget assumes allocation of resources to fund a number of activities in support of this strategy, many of which are described in the Envision ICMA Implementation Plan, which can be found in Appendix 1. In keeping with long-term financial projections, ICMA has set a goal of generating additional revenues from new markets beginning in FY 2025, with gradual annual revenue increases occurring thereafter. These revenues may be generated from any number of ICMA’s offerings, from membership dues to training and professional development, to sponsorships. While the exact nature of the most relevant programs and services ICMA will offer to the global markets will be informed by the work yet to be done in the next few months, the goal is to conduct this transition in a financially responsible and sustainable manner. This is an area of both high risk and significant opportunity for ICMA.

Royalty revenue: revenue is budgeted based on the licensing agreement with ICMA-RC (now dba 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 funding source depends on the accuracy of their revenue estimates as well as market fluctuations.

Grants and contracts: risks related to grants and contracts revenue, which accounts for 38.4 percent of total budgeted revenues from all sources, include increased competition, staffing challenges, risks related to operating in developing countries, and various other factors associated with this business line. 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 2024 budget.

ICMA utilizes multiple strategies to mitigate risk while also pursuing many of the opportunities described above. These include:

- Continuous monitoring of progress against key financial and programmatic metrics and making course adjustments, as needed.
- Enhanced marketing of programs, products, and services, aimed at attracting new and returning customers, sponsors and partners.
- Continued investment in business development, to ensure a pipeline of new technical assistance projects in order to meet grants and contracts revenue targets.
- Continued focus on diversifying revenue sources.

Financial Goals

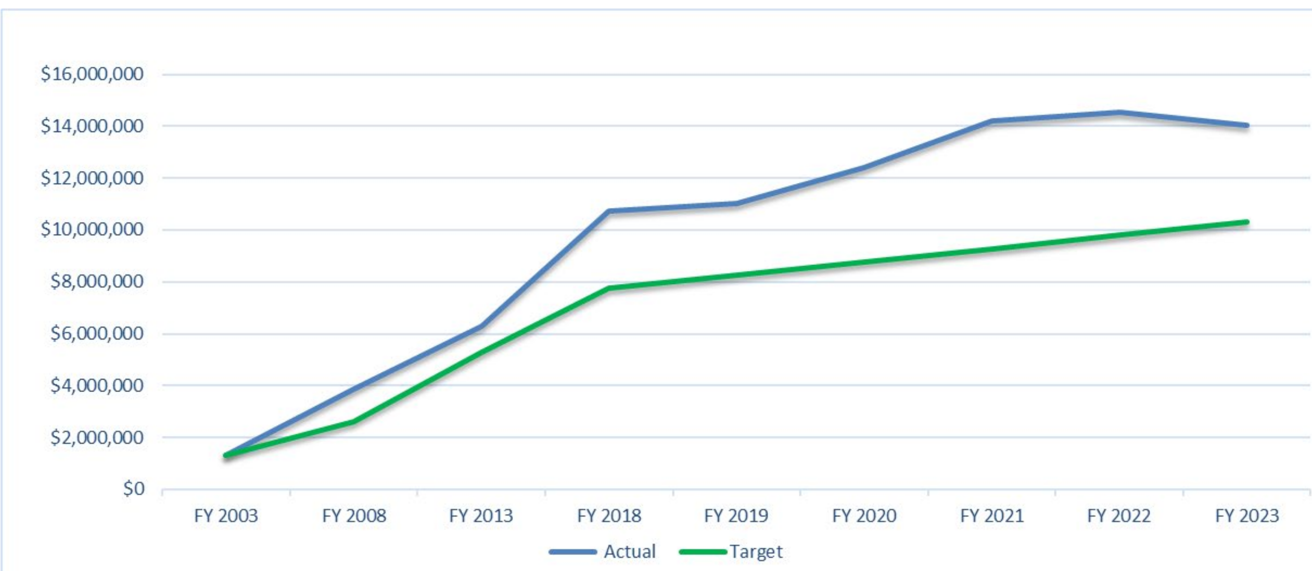
Net assets

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 total assets less total liabilities. Net assets are built to help organizations manage transitions, handle economic uncertainty, and fund investments in new programs, initiatives, and markets. It is considered a best practice for nonprofit organizations to maintain a net assets balance of approximately 50 percent of the average annual operating budget.

ICMA's Executive Board determines an overall net assets goal based on best practice. That goal is further divided into reserves for specific purposes, to ensure availability of funds for various kinds of risks and opportunities. In addition, the board establishes interim net assets targets in five-year increments. These targets are reviewed and adjusted annually based on the organization's actual and expected financial performance as well as potential investments in priorities and programs that are on the horizon.

ICMA has been building its net assets with steadfast fiscal discipline. ICMA's net assets have grown from $1.3 million in FY 2003, when the board began setting net assets targets, and are projected to reach $14 million by June 30, 2023 (the end of the current five-year period), compared with the target of $10.3 million, as shown in Figure 7.

FIGURE 7



The better than budgeted contributions to net assets over the past several years provide ICMA the means to fund new strategic priorities. The recommended FY 2028 net assets target of $14 million assumes the use of net assets over the next two years to fund a temporary shortfall in dues revenue and to implement the recently approved global engagement strategy. It reflects the expectation that ICMA will achieve a break-even financial result in FY 2026 and will begin making additions to net assets in subsequent years, as it realizes financial benefits from strategic investments it has made and plans to make in the next two years. Recognizing the high level of uncertainty with respect to these priorities, the Executive Board will review the net assets target annually and adjust it, as needed.

Figure 8 illustrates the overall long-term net assets goal, the FY 2023 board-approved net assets target, the projected net assets balance for FY 2023, and the proposed incremental target for the next five-year period, FY 2024 - 2028.

FIGURE 8

Composition of net assets	Overall goal	FY 2023 approved target	FY 2023 projected balance	FY 2028 recommended target
Reserve for non-G&C operating expenses (6 months)	$11.0 million	$7.0 million	$9.6 million	$9.6 million
Reserve for grants and contracts (3.5% of total portfolio)	$2.0 million	$1.3 million	$1.8 million	$1.8 million
Reserve for investments in new programs and priorities	$3.0 million	$2.0 million	$2.6 million	$2.6 million
Total	**$16.0 million**	**$10.3 million**	**$14.0 million**	**$14.0 million**

Cash and investments

The cash reserves goal, which is different from the net assets goal, includes operating cash and investment reserves to provide ICMA with the resources needed for continuous operations. The minimum cash reserve suggested by the Nonprofit Operating Reserves Initiative Workgroup is 25 percent of the annual operating expense budget. At the end of FY 2024, ICMA's cash and investments balance is projected to be at 57 percent of its average annual operating expenses.

FY 2024 Team Priorities and Budgets

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

This section describes the 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.

Priorities

- Promote the new dues model to drive new member growth.
- Retain existing members 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.

FY 2024 budget

	FTEs	Revenues	Expenses	Net
Membership dues	-	$ 5,637,250	-	5,637,250
Member recruitment, retention, and support	4.54	22,000	998,703	(976,703)
Ethics	1.31	-	242,357	(242,357)
Career services	4.20	875,000	722,358	152,642
Relationship management	3.50	25,350	888,635	(863,285)
	13.54	$ 6,559,600	2,852,053	3,707,547

This budget includes dues revenue and allocation of resources related to member recruitment, retention, and support, as well as member committees, ethics programs, affiliate relationships, and next generation activities. Besides dues, these programs are projected to generate additional revenues, such as paid advertisements from the Job Center, sponsorships for events, and fees for certain services.

Professional Development

Mission

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

Priorities

- Optimize and expand the use of the new LMS and establish ICMA's capabilities to scale programs for the global markets.
- Continue the transformation of ICMA University, with the goal of offering learning experiences that connect with the learner across multiple modalities.
- Revamp and retool existing content to enhance its relevancy.
- Build new programs to help local government professionals sharpen key competencies.

FY 2024 budget

	FTEs	Revenues	Expenses	Net
Credentialing and assessments	1.84	$ 32,900	217,336	(184,436)
Learning programs	5.10	983,276	842,605	140,671
Program development	0.89	-	299,183	(299,183)
	7.83	$ 1,016,176	1,359,125	(342,949)

Included in this budget are revenues and expenses related to the ICMA Voluntary Credentialing Program, assessments, workshops, webinars, as well as leadership and other learning programs for all career stages. This budget also includes expenses related to new program development.

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.

Priorities

- Hold an energizing and engaging annual conference in an effective and efficient manner.
- Hold other events in various regions around the country focused on timely and relevant topics and issues.
- Continue growing the newly redesigned partner program.

FY 2024 budget

	FTEs	Revenues	Expenses	Net
Annual conference	2.38	$ 4,578,707	3,991,364	587,343
Local Government Reimagined conferences	1.93	713,240	691,210	22,030
Partner program	1.35	1,260,000	266,614	993,386
	5.66	$ 6,551,947	4,949,188	1,602,759

This budget includes projected revenues and expenses for the annual conference in Austin and the Local Government Reimagined conferences. The budget also includes revenues from the partner program as well as resources allocated for its support.

Research and Publications

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.

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 Local Government Reimagined 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.

FY 2024 budget

	FTEs	Revenues	Expenses	Net
Publications	0.22	$ 400,000	222,320	177,680
Research and content	2.30	50,000	410,815	(360,815)
	2.52	$ 450,000	633,135	(183,135)

This budget includes activities related to managing ICMA’s publications, conducting research, and producing content on local government policies and practices. Some of the research is expected to be sponsored by external sources.

Global Development and Engagement

Mission

To transform ICMA to a global business model, with worldwide programs, products, and services.

Priorities

- Implement ICMA's global engagement strategy.

FY 2024 budget

	FTEs	Revenues	Expenses	Net
Global engagement	3.06	$ -	699,429	(699,429)

This budget includes an allocation of resources for the implementation of ICMA's board-approved global engagement strategy. These resources will be used in support of various activities identified as part of the roadmap created for the purpose of implementing the strategy.

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.

Priorities

- Grow and manage ICMA's marketing and communications 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 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 2024 budget

	FTEs	Revenues	Expenses	Net
PM magazine	0.87	$ 98,000	375,079	(277,079)
Outreach, marketing, and communications	7.53	377,040	1,374,464	(997,424)
	8.40	$ 475,040	1,749,543	(1,274,503)

Outreach includes activities related to raising awareness of ICMA's brand and content. As in the past, the FY 2024 budget includes revenues expected to be generated from advertisements and content sponsorships in ICMA's communications channels, such as the website and *PM* magazine.

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.

Priorities

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

FY 2024 budget

	FTEs	Revenues	Expenses	Net
Grants and contracts	14.39	$ 11,762,448	8,586,587	3,175,861
Team management and contract administration	2.07	-	422,208	(422,208)
Business development, bids, and proposals	5.13	-	982,541	(982,541)
	21.58	$ 11,762,448	9,991,336	1,771,112

Global program management includes international and domestic grants and contracts as well as related support costs, such as team management, contract administration, and business development expenses aimed at securing future funding.

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 and vision.

Priorities

- Ensure achievement of the FY 2024 programmatic and financial goals.
- Pursue an information technology vision and strategy to ensure that ICMA's flexible operations are fully supported and secure.
- Continue to build ICMA's employer brand.
- Continue implementation of ICMA's Future of Work model.

FY 2024 budget

	FTEs	Revenues	Expenses	Net
ICMA Executive Board	0.84	$ -	529,163	(529,163)
Executive office	2.38	-	1,051,984	(1,051,984)
Facilities and administration	1.12	132,000	1,969,604	(1,837,604)
Finance	6.68	-	1,364,790	(1,364,790)
Information technology	6.09	-	2,267,795	(2,267,795)
Human resources	3.48	-	829,310	(829,310)
	20.58	$ 132,000	8,012,646	(7,880,646)

In addition, the executive office provides oversight of the diversity, equity, and inclusion programs, the focus of which is to effectively drive ICMA's engagement and to support members, local governments, and partners 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	1.51	$ 40,000	440,246	(400,246)

Finally, the executive office manages the External Affairs team, which focuses on public policy, advocacy for the profession, communications, and fundraising, as follows.

	FTEs	Revenues	Expenses	Net
Advocacy and public policy	1.74	$ -	326,378	(326,378)
Communications and fundraising	0.40	-	127,895	(127,895)
	2.14	$ -	454,272	(454,272)

Other

ICMA-RC (MissionSquare Retirement) royalty

In accordance with the licensing agreement, ICMA receives a royalty from with ICMA-RC (dba MissionSquare Retirement) for the use of the association's name and brand. 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 2024 budget includes an estimate of royalty revenue based on MissionSquare's estimates of their gross revenues for that period. ICMA-RC's rebranding to MissionSquare Retirement is not expected to impact this arrangement while the licensing agreement is in effect. The agreement expires on December 31, 2036.

REIT dividend

Real Estate Investment Trust (REIT) dividend is the income expected to be generated from ICMA's one-third ownership of its headquarters building located at 777 N. Capitol Street, NE, Washington, DC 20002. The FY 2024 budget includes an estimate of the REIT dividend based on the REIT net income projections for calendar year 2023.

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. Although ICMA has been marketing its excess space for sublease, given the challenging market conditions, it is not anticipated that ICMA will realize any additional rental revenue through the end of FY 2024. Meanwhile, the budget assumes continued rent expense for all of the leased space, based on the lease agreement in place through December 31, 2026.

Investment income

Investment income consists of estimated interest, dividends, and realized and unrealized gains and losses on ICMA's cash reserves invested in accordance with its Investment Policy Statement.

Transfer to the Endowed Funds

Beginning in FY 2022, ICMA established a practice of making annual contributions from its general fund to the Endowed Funds.

FY 2024 budget

	FTEs	Revenues	Expenses	Net
ICMA-RC (MissionSquare Retirement) royalty	-	$ 2,602,161	-	2,602,161
REIT dividend	-	525,000	-	525,000
Excess space	-	113,875	670,534	(556,659)
Investment income	-	400,000	-	400,000
Transfer to Endowed Funds	-	-	5,000	(5,000)
	-	$ 3,641,035	675,534	2,965,501

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 several years. Capital expenditures are depreciated over the useful life of each asset class. Decisions about financing capital investments are based on cash availability 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.

As evident from Figure 9 below, ICMA's largest capital investment is related to its association management system (AMS), NetFORUM. The amortization period for the $2.8 million in capitalized AMS customization costs, incurred between FY 2013 and FY 2023, will come to an end in FY 2025. In FY 2024, ICMA plans to conduct a review of the system with the goal of determining if it continues to meet the organization's needs. If it is determined that another system is better suited for ICMA, particularly in light of the organization's global transition, a new capital investment may be necessary in the years beyond FY 2024. No such investment has been reflected in the current projections, as the nature and 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 2024 – FY 2026, with related depreciation and amortization expenses.

FIGURE 9

Capital assets	Acquisition year	Cost	Useful life	Depreciation/amortization expense		
				FY 2024	FY 2025	FY 2026
Furniture	FY 2004-2016	74,512	10	1,019	669	334
SUBTOTAL Furniture				**1,019**	**669**	**334**
Laptops	FY 2021-2026	325,001	3	51,148	62,418	65,436
Other hardware	FY 2020-2026	44,541	5	3,908	2,652	3,896
SUBTOTAL Hardware				**55,056**	**65,070**	**69,332**
Association management software (netFORUM)	FY 2013-2024	2,817,059	10	392,030	196,015	-
Website	FY 2016-2026	697,822	7	48,156	34,199	45,112
Sharepoint	FY 2016-2017	42,222	7	3,838	-	-
Other software	FY 2018	28,604	7	2,067	1,034	-
SUBTOTAL Software				**446,091**	**231,248**	**45,112**
Leasehold improvements	FY 2016-2013	207,244	10	18,974	18,974	11,130
SUBTOTAL Leasehold Improvements				**18,974**	**18,974**	**11,130**
TOTAL				**521,141**	**315,960**	**125,909**

Appendix 1: Envision ICMA Implementation Plan, FY 2024

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 2024 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.	• Continue to promote the new dues structure with a focus on tailored state campaigns to recruit members from small communities. • Work with affiliate organizations like NACA to promote joint membership, capitalizing on the new dues structure. • Continue to promote the new guidebook for members in transition (MIT). • Continue to implement recommendations of the MIT Task Force, including leveraging members to produce content for *PM* magazine, conferences, and events. • Continue to implement the workplan generated by the new Senior Advisor Coordinator; plan seeks to enhance promotion of this member benefit and to expand the program where feasible. • Continue to support the Veterans Advisory Committee by engaging and supporting career changers as they move into the local government profession.
A.2	Implement board approved recommendations of the Task Forces on Diversity & Inclusion and Women in the Profession.	• Strengthen relationships with equity partners (NFBPA, LGHN, I-NAPA, CivicPride, and GARE) to promote the importance of diversity and inclusion within the profession among students. Promote equity partner webinars that discuss diversity and inclusion in the workplace to student chapters. • Increase DEI engagement among global student chapters. • Expand SheLeadsGov network into global membership areas. • Create and promote women-focused professional development opportunities at individual organizations and annual events. • Align equity partner workplans to propel and enhance relationships. • Ensure continued alignment with ICMA's professional development programs on content development and representation by membership and speakers for all training programs.

Strategy Number	Strategies	FY 2024 initiatives
		• Market and present ICMA's Community Equity & Inclusion Award. Highlight previous recipients of the award. • Highlight females in the profession that have received ICMA's Local Government Excellence, Service, Distinguished Service, Honorary Membership, and other awards.
A.3	Develop strategies to assist talented individuals in gaining entry into the profession.	• Build learning opportunities for management analysts and assistant roles to prepare for professional management. • Create strong veteran support systems within the membership of the state associations for Texas, Virginia, and Washington, where our target installations are located. • Increase opportunities for students and early career professionals to build their professional networks and advance their core skillsets by providing more training opportunities through ICMA classroom and partnering with affiliate partner programs. • Complete Careers in Local Government guide and continue 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 and develop new features for employers and job seekers. • Launch and expand the Bob Turner Scholars Program.
A.4	Define and promote the value of belonging to ICMA in addition to State Associations, International and other Affiliates, and related professional organizations.	• Develop a model to guide the implementation of various relationship types with international affiliate organizations, with the focus on enhancing the benefit to both organizations and their members. • Highlight ICMA Awards programs and recipients. • Continue special efforts to promote Awards programs to international audiences.
A.5	Support the professional and personal needs of members at all life and career stages.	• Enhance ethics awareness through the following initiatives: • Develop a plan to celebrate the 100th Anniversary of the ICMA Code of Ethics in FY 2025.

Strategy Number	Strategies	FY 2024 initiatives
		• Facilitate member virtual roundtable conversations. • Continue contributing content through the ICMA blog and *PM* magazine. • Continue development of new ethics courses. • Provide ICMA Awards that span various career stages. • Promote members' tenure in local government through ICMA Service Awards. • Develop a formal training and support program for first time administrators. • Continue to enhance the MIT program by implementing the MIT Taskforce recommendations. • Continue to support members by expanding and promoting the Senior Advisor program. • Continue to support ACAOs through committee activities, opportunities, and events. • Continue to support student members with student chapter engagement activities. Strengthen relationships with state affiliates to increase student engagement and networking opportunities at a regional level. • Reevaluate and reimagine the Local Government Management Fellowship due to the shifting job market and in light of ICMA's global transition. Implement new recruitment and marketing strategies based on reevaluation. • Launch and expand the Bob Turner Scholars Program. Identify opportunities to incorporate international scholars. •
A.6	Continue to expand the relevance of Student Chapters and their respective universities to highlight career opportunities in local government management.	• Continue expansion of the student chapter program. Create opportunities to engage U.S. and international student chapters through targeted programs and events. • Build and enhance relationships with the global academic community to make deeper connections to professional local government management internationally. Explore the possibility of creating faculty chapters. • Continue financial support for developing events that engage students through networking, professional development, and career events.

Strategy Number	Strategies	FY 2024 initiatives
		• Continue engagement with student chapters for content development and connection through the monthly chapter newsletter and the newly formed student member ICMA Connect group. Consider creating audio or video content to promote student chapters. • Continue providing financial support opportunities through Form of Government challenge, best event contest, and conference scholarships. • Increase virtual student engagement opportunities. Host virtual speed coaching, regional happy hours, and encourage student chapter event collaboration.
A.7	Work with elected official organizations to develop and implement training to facilitate the increase of a more diverse pool of executives.	• *Due to staff capacity, development of this training will be deferred to future years.*
A.8	Identify and promote member services that are relevant to the international community.	• Evaluate current programs and services in terms of relevance to markets outside of the U.S. Conduct market research to identify programs and service that may be relevant. Identify initial markets and opportunities for co-creation and branding. • Explore offering online ethics training opportunities to international affiliates. • Explore a global SheLeadsGov presence.

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 2024 initiatives
B.1	Strengthen and formalize relationships with organizations that have similar missions to leverage resources for	• Develop and roll out new, mutually beneficial relationship models for current and future ICMA international affiliates and partners. • Review current international affiliate agreements to ensure alignment with ICMA's

Strategy Number	Strategies	FY 2024 initiatives
	the benefit of the profession.	relationship model and global engagement strategy. • Ensure consistent contact with international affiliates to build relationships and add mutual value. • Continue to support ICMA's state and other affiliates through secretariat services and/or partnership agreements. • Identify mission-driven organizations that can serve as potential partners for ICMA grant and contract-funded activities domestically and internationally.
B.2	Expand the Regional Directors so that at least one director covers each region to foster relationships with international and state associations and the general membership.	• *The implementation of this strategy has been completed, with regional directors now in all regions.*
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.	• Review and update equity affiliate agreements to support deeper relationships and collaboration.
B.4	Enhance communication and dialogue to develop synergistic relationships with international, state, and affiliate organizations and other professional associations.	• Build an equity affiliate calendar of events. • Ensure consistent contact with international affiliates to build relationships and add mutual value. • Build an event calendar for international affiliates and partners. • Include internationally focused articles in ICMA communications. • Hold quarterly webinars with international panelists that are focused on local government best practices occurring outside of the U.S.

Strategy Number	Strategies	FY 2024 initiatives
B.5	Explore and establish relationships with non-traditional organizations that could serve as partners in achieving ICMA's diversity goals.	• Continue working with national equity partners (NACo, NLC, GARE, Policy Link, Living Cities) to share information and resources. • Provide support to underrepresented groups to attend ICMA's leadership development programs. • Identify, develop and support cohorts to advance diversity.
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 workplans to advance mutual interests. • Partner with affiliate organizations on ICMA programs to build membership and the profession. • Contribute and share content 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 2024 initiatives
C.1	Expand learning opportunities and professional development for members at every career stage.	• Promote the newly-implemented Learning Management System (LMS) and begin utilizing it for offering learning experiences across various modalities – from asynchronous e-courses to live online offerings. • Create development plans for the Effective Supervisory Practices webinar series that integrates global inclusion. • Form a mechanism for capturing needs and input from global partners and affiliates to guide decisions. • Complete a development and business plan for the proposed ICMA Certificate program and learning ecosystem. • Conduct a technical analysis of the needs for the proposed Certificate program. • Conduct a global market analysis and research worldwide best practices for the proposed Certificate program. • Establish the 4th Equity Officer cohort. • Complete Equity & Inclusion Toolkit update. • Hold 3rd Annual Equity Summit. • Hold 4th annual SheLeadsGov Virtual Forum. • Conduct 3rd Leadership Institute on Race and Equity. • Design and begin development of the ICMA global professional development portfolio, based on the 14 Core Practices and career stages.
C.2	Create opportunities for individuals with diverse career backgrounds to engage in training and professional development on local government.	• Offer National Brownfields Training Conference in Detroit in August 2023. • Offer Virtual Equity Summit in July 2023. • Continue to support the Veterans Fellowship and Veterans Advisory Board by engaging and supporting career changers as they move into the local government profession.
C.3	Create learning opportunities for	• Create Global Ambassadors Program (members with international experiences

Strategy Number	Strategies	FY 2024 initiatives
	members to share experiences from countries around the world.	sharing the value of those experiences with the broader ICMA membership). • Redesign International Management Exchange Program to foster global engagement goals. • Design and begin development of the ICMA global professional development portfolio, based on the 14 Core Practices and career stages. • Continue to identify opportunities for members to be involved in ICMA's grant- and contract-funded activities.
C.4	Create a mechanism for mutual exchange of best practices	• Hold regular SheLeadsGov huddles for Women Leading Government (WLG) chapters to meet and learn from each other. • Hold bi-monthly huddles for equity affiliates and ICMA to share ideas and best practices. • Promote Tranter-Leong International Fellowship (application and awardees).
C.5	Further expand the ICMA coaching program and Local Government Management Fellowship program.	• Continue to increase the number of coaches and members who are registered and using the system. • Continue to produce high-quality, no-cost coaching webinars for the benefit of the profession and to engage nonmembers in the association. • Implement speed coaching at the annual conference and explore virtual coaching events with partner states. • Reevaluate and reimagine the Local Government Management Fellowship program due to the shifting job market. Implement new recruitment and marketing strategies based on reevaluation.
C.6	Continue to create professional development content on management practices.	• Revamp Leadership ICMA, Emerging Leaders Development Program, Athenian, and Effective Supervisory Practices as globally inclusive programs in the LMS. • Add new leadership programs and micro-certificate programs. • Enhance the monthly workshop and webinar experience.

Strategy Number	Strategies	FY 2024 initiatives
C.7	Consider ways to market ICMA's professional development programs to local government professionals who are not ICMA members.	• Develop a comprehensive business plan for a potential ICMA Certificate program as well as a globally inclusive Practices-based professional development ecosystem. • Establish a Leadership Advisory Group to guide best practices and review learning materials. • Promote professional development product lines to members and nonmembers through all channels. • Work with presenters to produce content and promote concepts and offerings like podcasts, articles, blogs, etc. • Increase use of social media for outreach; continue promotion of professional development programs and events.
C.8	Develop mechanisms to evaluate the effectiveness and impact of professional development programs.	• Establish standardized measurements for attendance, satisfaction, quality, value, and application. • Establish standard and systematic professional development reports.

PRIORITY II: Learning Community

Strategic Initiative D: Think globally, act globally.

Strategy Number	Strategies	FY 2024 initiatives
D.1	Develop coordinated strategy to increase brand awareness of ICMA and its benefits to international affiliates.	• Ensure consistent connections with international affiliates to build relationships and add value for all stakeholders. • Include internationally focused articles in ICMA communications. • Create quarterly webinars with international panelists discussing local government best practices occurring around the world. • Establish a Leadership Advisory Group to serve as an ICMA Community of Practice, a member- and staff-comprised workgroup dedicated to global professional development based on ICMA's 14 Core Practices.

Strategy Number	Strategies	FY 2024 initiatives
		• Assess current ICMA programs, products, and services in line with ICMA value proposition and market assessment to identify key/core existing offerings for global applicability.
D.2	Promote international awareness and perspective of the local impact of globalization.	• Ensure consistent connections with international affiliates to build relationships and add value to ICMA. • Include internationally focused articles in ICMA communications. • Create quarterly webinars with international panelists discussing local government best practices occurring around the world. • Establish a Leadership Advisory Group to serve as an ICMA Community of Practice, a member- and staff-comprised workgroup dedicated to global professional development. • Develop and implement a global communication strategy to promote ICMA's value/brand to local government professionals, policy makers and the public.
D.3	Develop a more robust learning network of US and International members.	• Design and begin development of the ICMA global professional development portfolio. • Incorporate feedback from global professionals on current professional development offerings and input into development of certification modules.
D.4	Sustain ICMA's technical assistance globally to foster professional management and create sustainable communities.	• Continue to capture new grant and contract funding. • Pursue funded contracts in democracy and governance sectors to establish a presence in new markets with growth potential. • Invest in two new markets with products and services that help position ICMA for funded programs and grow the market for professional development programs, products, and services. • Conduct assessment of approaches, investments and strategies for grants and contracts funding. • Create strategy to expand the diversity of international development funders for ICMA's technical assistance.

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 2024 initiatives
E.1	Continue to support and highlight academic and practitioner research identifying the most significant issues facing local governments.	• Continue to implement ICMA's Local Government Reimagined strategy. • Complete Local Government Management of Policing and Law Enforcement project. • Complete Gates Economic Mobility Project research and content elements. • Continue to work on the African American city and county managers research project, including seeking funding for a documentary. • Finalize next edition of the Effective Supervisory Practices book. • Continue to support the academic symposium at the annual conference, curating research presentations from faculty and sharing with the membership. • Engage with faculty to share and promote practitioner-related research with the membership.
E.2	Partner with the other Big 7 and other related organizations to collectively respond to public policy issues impacting local governments.	• Participate in monthly meetings hosted by the Big 7 CEOs to discuss policy and legal issues. • Explore co-hosting webinars with other Big 7 partners on issues of mutual interest. • Continue to participate and support the Big 7's advocacy efforts on issues of importance to local governments and the ICMA membership. • Continue to monitor U.S. Supreme Court cases, including the impact of court rulings on local governments. • Assess the financial viability of becoming a participating member of the Local Government Legal Center in FY 2024. • Raise the awareness of the importance of U.S. Supreme Court decisions on local governments by communicating timely and relevant information on ICMA's communications channels.

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 2024 initiatives
F.1	Design and deliver programming to address the important trends, drivers, and issues affecting local government professionals.	• Continue City Health Dashboard program with new funding. • Continue to implement SolSmart 2.0 technical assistance to local governments. • Continue to implement Solar@Scale training and technical assistance for local governments. • Continue implementing technical assistance for brownfields in the U.S. Environmental Protection Agency (EPA) Region 4 in support of local governments (EPA Region 4 includes communities in the following states: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, and six American Indian Tribes.) • In partnership with EPA, deliver the National Brownfields Conference for up to 2,000 participants in August 2023. • Continue the 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 post-COVID conditions. • As part of a USAID-funded Clean Cities Blue Oceans (CCBO) project, support municipalities in the 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. • Continue implementation of the USAID-funded ERAT local governance program in Indonesia. • Continue implementation of the USAID-funded CHANGE local governance program in the Philippines. • Continue implementation of the USAID-funded Central Tibetan Administration project in India.

Strategy Number	Strategies	FY 2024 initiatives
		• Finalize economic mobility and opportunity programming and cohort project funded by the Gates Foundation. • Begin implementation of the “economic recovery fellows” program in partnership with the IEDC. • Begin implementation of the environmental finance center activities in EPA Region 3 (EPA Region 3 includes communities int the following states: Delaware, Maryland, West Virginia, District of Columbia, Pennsylvania, Virginia, and additional American Indian tribal lands.) • Launch Thriving Communities Technical Assistance Center, supported by EPA funding.
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.	• Revamp the Athenian Program, a premier leadership development opportunity for senior-level public sector executives. • Redesign Leadership ICMA, a flagship leadership development program. • Redesign the Emerging Leaders Development Program, a flagship leadership development program for early-career professionals. • Continue offering the Gettysburg program, with adjustments aimed at enhancing participant experience. • Continue offering leadership programs in partnership with the Professional Development Academy (PDA). • Promote Leading with Excellence opportunities. • Promote Leader as Coach opportunities.
F.4	Promote leading practices to ensure local government’s ability to attract and retain a talented and diverse workforce.	• Promote ICMA’s new publications – *Managing Local Government Services*, the *Effective Local Government Manager*, and *Effective Supervisory Practices*. • Continue to work with CEOs Advancing Health Equity to prioritize workplace mental health by promoting awareness to the ICMA membership

Strategy Number	Strategies	FY 2024 initiatives
		through *PM* magazine, blog articles and other communication channels.
F. 5	Promote ICMA globally as the resource for leading practices in local government management.	• Begin development of integrated website page on global engagement that includes technical assistance.
F.6	Organize and deliver content so it is easily accessible and fresh.	• Promote content and learning experiences housed in the new LMS. • Refresh ICMA website's UX/UI framework – simplify user engagement, provide clear pathways based on job functionality, update content access by user, drive conversions.

PRIORITY IV: Advocacy and Outreach

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

Strategy Number	Strategies	FY 2024 initiatives
G.1	Focus prioritization on ethics, leadership, professional development, and member connection.	• Develop and implement a content strategy that focuses on priority topics and initiatives.
G.2	Find new ways to articulate the value of ICMA membership.	• Develop member benefits campaign using written and video content. • Continue Member Spotlights (videos). • Feature Members spotlighted monthly in *PM* magazine. • Showcase offerings/benefits at the annual conference and ICMA-sponsored events. • Define the value proposition of ICMA as a global brand.
G.3	Educate elected officials on the value of professional local government management.	• Continue offering Council Orientation webinar series. • Maintain web presence with informational form of government content reflecting value of professional management. • Engage with local government elected bodies to inform them of how they might incorporate professional management into the administration of their local government.
G.4	Expand programs in schools to explain local government and encourage careers in local government management.	• Complete Careers in Local Government guide and continue to promote curriculum, teaching resources, speaker resources, and more for the K-12 market. • Support and encourage student research on form of government and value of professional management.
G.5	Educate the public on the council-manager form of government.	• Continue to strengthen fundraising efforts for the Future of Professional Management Fund. • Conduct community-based presentations on form of government and how governments operate under different forms.

Strategy Number	Strategies	FY 2024 initiatives
		• Produce written content and engage with media to expound upon council-manager form of government and professional management.
G.6	Expand the outreach to community members presenting value of professional management.	• Maintain and develop new web-based content. • Establish "ICMA Certificate of Achievement for Excellence in Local Government Administration".
G.7	Connect the profession's commitment to ethics to building public trust.	• Continue supporting and implementing the review of the Code of Ethics. • Continue developing and delivering scenario-based ethics training for members at all career stages. • Continue conducting an ethics orientation for state association boards and ethics committees to strengthen the joint and mutual commitment to ethics. • Promote a global commitment to ethical conduct, making it relevant on the global stage and recognizing cultural and regional differences. • Explore offering ethics training opportunities to international affiliates.
G.8	Enhance the Job Center platform to support member career advancement.	• Market Job Board and career resources at the annual conference; enhance features for both employers and job seekers. Continue to support the platform.

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 2024 initiatives
H.1	Identify ways to support distance learning for members.	• Optimize the LMS functionality and begin growing the portfolio of learning experiences. • Complete market analysis to gain feedback from partners and affiliates about how best to engage them in distance learning.

Strategy Number	Strategies	FY 2024 initiatives
		• Identify and prioritize technology infrastructure resources needed to develop new programs, products, and services under a global operating model.
H.2	Use new technology, digital/video media, and graphic design to engage members and deliver content.	• Enhance development of the podcast *Voices in Local Government* – by expanding the format and host/guest offerings while incorporating global content and voices. • Launch new group offerings in ICMA Connect, offering discussion, resources, engagement by topic, issue, career stage, and region. • Leverage the new LMS to create new e-learning assets. • Identify and prioritize technology infrastructure resources needed to develop new programs, products, and services under a global operating model.
H.3	Continue to invest in developing a platform to share content and encourage peer learning and discussions.	• Launch new group offerings in ICMA Connect, offering discussion, resources, engagement by topic, issue, career stage, and region. • Optimize the LMS functionality through the use of discussion boards, etc. • Identify and prioritize technology infrastructure resources needed to develop new programs, products, and services under a global operating model.
H.4	Identify business partners to help leverage technology and media capability.	• Seek a technology sponsor for one of ICMA's virtual events, like the Equity Summit.
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. • Include internationally focused articles in ICMA communications. • Create quarterly webinars with international panelists discussing local government best practices occurring around the world.

Strategy Number	Strategies	FY 2024 initiatives
		• Communicate benefits of global perspectives on governance issues in social media.

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 2024 initiatives
I.1	Maintain strong financial and operational policies and practices to ensure the vitality of the Association.	• Continue enhancing current financial and operational policies by making investments in new programs to position ICMA as a resilient, forward-looking, agile, and financially sustainable organization. • Continue efforts to grow revenues from non-dues sources. • Design an ICMA Global Partner Program and identify at least one global sponsor for ICMA products and services. • Continue implementation of ICMA's Future of Work model. • Continue implementation of the IT strategy that reflects ICMA's commitment to innovation, creativity, and collaboration, ensures strong IT security, and supports flexible work environment. • Utilize the newly implemented LMS to offer online professional development and training to ICMA staff.
I.2	Develop strategies to attract and retain outstanding and diverse staff for ICMA.	• Continue to foster a culture that embraces diversity in hiring, fosters esprit de corps, and promotes regular and transparent communication and organization-wide conversations on crucial and sensitive social and economic topics. • Revise ICMA's policies to ensure they are aligned with the organization's mission, responsive to the organization's needs, and adaptable to changing workplace dynamics. • Leveraging the new LMS, develop a training and professional development program for ICMA's U.S. and international staff. • Redesign the performance management experience and implement an online performance review process.

Strategy Number	Strategies	FY 2024 initiatives
		• Create opportunities and incentives for staff to participate in projects and activities related to international engagement. • Update ICMA's human capital model to maximize resources and personnel while advancing the Global Engagement Strategy. • Assess. and if needed, make changes to ICMA's organizational structure, staff roles and relationships, while developing incentives to improve the culture of collaboration. • Formulate a plan that creates mechanisms to ensure greater collaboration and knowledge transfer among teams (i.e., cross-functional work teams, reward systems, and communication networks).
I.3	Support a range of viable business lines to diversify the Association's revenue stream.	• Increase efforts to both establish new and enhance existing programs with revenue-generating potential for global audiences. Examples include professional development, sponsorship programs, and other partnerships. • Continue to work with ICMA Partners on establishing relationships that drive engagement and generate value. • Continue to produce prime and subcontracting proposals and concept papers for federal agencies, foundations, and other donors in support of ICMA's technical assistance and other business lines where grant funding is a possibility. • Create a strategy to expand the diversity of international development funders for ICMA technical assistance.
I.4	Periodically review the dues policy to ensure that ICMA can attract, retain, and grow membership.	• Continue to promote the new dues structure with a focus on tailored state campaigns to recruit members from small communities.
I.5	Maintain the strong relationship with ICMA-RC to support ICMA's members and their role	• Continue supporting ICMA-RC (dba MissionSquare Retirement) in their efforts to increase their brand value.

Strategy Number	Strategies	FY 2024 initiatives
	in building great communities.	

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 2024 initiatives
J.1	Expand efforts to inform members about the role of the Executive Board and its election process.	• Increase engagement with state association and affiliate leadership at the onset of the regional nominations process in the fall, so eligibility requirements (regional geographical protocols, process deadlines) for board service in the region for the year are clear. • Launch a member awareness campaign (July-September) via ICMA's website, social media, newsletter, and conference materials, to promote the value of serving on the ICMA Executive Board. • Send tailored emails by region to candidates eligible for Board service per their regional rotation agreement. • Continue promotion of Board service opportunity via *PM* magazine articles, social media, website, and newsletter.
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.	• Review ICMA's current governance structure and related processes to achieve ICMA's goal of being a diverse, inclusive, and global organization.
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.*