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**City Council Work Session Minutes
Not-For-Profits Contribution**

**Monday, January 25, 2016
6:30 p.m., Conference Room**

***Minutes are unofficial until approved by Council.
Council approved minutes as presented February 8, 2016.***

1. CALLED TO ORDER AND ROLL CALL:

Mayor Peter Truax called the Work Session to order at 6:20 p.m.

CALL: COUNCIL PRESENT: Thomas Johnston, Council President; Richard Kidd; Victoria Lowe; Ronald Thompson; Malynda Wenzl; and Mayor Peter Truax.

COUNCIL ABSENT: Elena Uhing, excused.

STAFF PRESENT: Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; and Anna Ruggles, City Recorder.

2. WORK SESSION: NOT-FOR-PROFITS CONTRIBUTION

Downey and VanderZanden facilitated the work session, noting the purpose of the work session was to aid in the decision-making process, if Council wants to establish a policy for in-kind donations and/or contributions of revenue to not-for-profit organizations as part of the budget process. Downey reported this policy would require establishing an application and criteria process for evaluating requests, noting in the 1990's, the City allocated \$21,000 and held an additional Budget Committee Meeting. In addition, Downey presented a PowerPoint presentation outlining the history dating back to FY1991-92, when social service agency donation allocation was set at 1/10 percent of the operating budget, noting contributions had occurred for many years prior. Downey reported in FY1992-93, \$21,095 was distributed in funding; FY1994-95, budget reductions occurred due to Measure 5 eliminated social services agency donation allocation; and in FY1996-97, a separate line item for the Senior Center was approved as part of the budget process for \$10,000 and has continued since, noting in FY2013-14, \$22,500; FY2014-15, \$30,000; and FY2015-16, \$35,000 was approved as part of the budget process. Downey referenced slides listing examples of some of the current contributions departments make, including a wide variety of community-related events during the year involving paid fire and police personnel as well as other City personnel and providing equipment at events; Aquatic Center donates passes for fundraisers annually; Parks and Recreations donates bark chips and delivery; Light and Power gives cash contributions annually to FG Uncorked, Corn Roast and Light Parade and does other non-cash contributions, i.e., hanging banners, holiday lighting and decorations, and provides paid staff and equipment at events; and Public Works donates surplus fire hydrants to not-for-profits, which included paid staff time to paint the hydrants, and provides paid staff and equipment at events. Downey noted the Senior Center

contribution excludes building maintenance, because the facility is city-owned property. In conclusion of the above-noted staff report, Downey and VanderZanden advised staff is seeking guidance from Council, if Council wants to establish a policy for in-kind donations and/or contributions of dollars and if so, should the policy be for “all” not-for-profit organizations.

Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to whether the City should establish a policy and funding criteria for allocating and/or contributing revenue or in-kind donations to not-for-profit organizations. Downey and VanderZanden addressed various Council concerns, inquiries, and scenarios posed by Council pertaining to other cities having larger budgets; types of in-kind donations, i.e., goods and services given by the City for community-related events and having no process to quantifying direct costs to the City; budget source for funding and whether to consider a funding cap and funding criteria based on funding requests pertaining to the City’s vision and goals and overall financial strength of not-for-profit organizations; process for making decisions when requests are made and budget allocation of taxpayers’ dollars to support not-for-profit organizations and other fundraising activities, such as requests to purchase tables at fundraising events, noting currently, there are no budgeted funds allocated to provide for these types of cash contributions. In response to various Council inquiries pertaining to the Senior Center and its operations and the City’s obligation to support the Senior Center, because it is city-owned property, Downey pointed out the Community Development Block Grant (CDBG) contains a binding deed agreement that requires the senior center to operate as a “senior center” for a period of 10-years after being awarded any CDBG grant funding; otherwise, all monies awarded for improvements would need to be repaid by the City, because the City owns the facility. In addition, when Downey posed the question whether there was Council consensus for purchasing tables at fundraising events, noting this is routinely requested, to which the majority of the Council (four) did not support these types of cash contributions and expressed that these types of requests should be out-of-pocket, personal expenses by the attendees. In response to Council inquiries pertaining to policies other cities currently have, VanderZanden and Downey advised staff has made no inquiries to other cities, noting this work session is to determine if there is Council consensus to proceed with establishing a policy for allocating and/or contributing revenue to not-for-profit organizations prior to this year’s budget process getting underway. In conclusion of the above-noted Council discussion, Council collectively voiced consensus to ask staff to gather information from other cities, if other cities have established policies, obtaining a few samples of the policies, and scheduling a follow-up work session at a later date.

Council took no formal action nor made any formal decisions during the above-noted work session.

3. **ADJOURNMENT:**

Mayor Truax adjourned the regular meeting at 6:54 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder