

Non-profit Ad Hoc Committee Meeting Minutes March 9, 2023

The committee worked to edit and clean up the following draft of the committee report:

Members present: Council Chair Bell, Councilor Dunn, Councilor DeChant, Councilor Johnson, Juli Millitt

DRAFT WORK

Background

The need for a non-profit giving policy was identified after the 2022 budget process. Local non-profits had been submitting requests for funding to the city and the city would decide whether to include those requests in the city budget. Concerns were raised that there was not a clear policy whether the city should include this funding in the budget and, if so, what the criteria should be.

The ad hoc non-profit giving subcommittee met three times: one planning meeting on January 6, and two meetings that were public and on the city calendar – February 2 and February 16.

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Goal & Process

The committee recognizes the importance of having a policy or procedure set to clarify whether the city council would solicit or consider requests from local non-profit groups for funding. And, if so, what the criteria would be.

We reviewed policies and practices from a number of other similarly sized cities, including Brewer, Scarborough, Rockland, and our larger neighbors Brunswick and Portland. We discovered that many of our Maine neighbors do not have specific policies or simply do not fund non-profits.

We next examined the City of Bath's budgets for the past few years. We learned that there are a number of quasi-city, quasi-non-profit organizations that have developed their own line items. These include the Patten Free Library, Bath Area Seniors, the Bath Municipal Band, Tsugaru Sister City Program, and the Midcoast Youth Center. There is a distinct line item (#129) for council contributions that has been used for non-profits. During the last decade, that line item for non-profits has included grants to the following organizations: the Bath Area Food Bank, New Hope for Women, and KELT/Good Food for Bath. Grant amount have varied from \$500 to New Hope for Women on the low end up to \$3,000 for the Food Bank at the high end.

Recommendation

After lengthy discussion, we would like to:

1. propose eliminating – or keeping dormant – the line item for council contributions.
2. Second, we recommend that city council grant outside assistance to non-profits with special projects as the need arises. These needs may include widespread/regional disaster recovery. Other support for special projects from non-profit organizations may, from time-to-time, be considered in the form of budgeted funding and/or support via grants and aid sought on behalf of or provided by other city departments. Any such funding provided under any circumstances is done so at the sole discretion of City Council.

Rationale

Two major caveats to this policy:

This is based on a number of factors that include, but are not limited to the following:

- This will NOT impact funding to the Bath Area Food Bank. There has been an almoner fund that has been an underutilized part of the city budget for years. We believe that any request that comes from the Bath Area Food Bank will simply shift to that fund because it is used for food-insecure households.

Are there any other exceptions we are making? Are we “grandfathering” other groups we have been giving to? If they are quasi-municipal (PFL...)

Almoner fund groups? I think this needs explanation beyond it just resides in this part of the budget

- The amount of city council/employee time versus the amount of money involved (total of \$4,750 in 2022) – there was a belief that if we would be funding non-profits, there should be a subcommittee created to assess and review the funding requests and organizations; and
- An effort to maintain city funding for projects and organizations are part of the city

Open for discussion.