

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51

**City of Philomath**  
**Finance & Administration Committee**  
**MINUTES**  
**May 4, 2020**

**1. ROLL CALL**

**1.1 Call to Order** – Chair Low called the meeting to order at 4:00 p.m. Due to the state of emergency because of the COVID-19 virus pandemic, members of the Committee attended by videoconference. The public was also provided with log-in instructions to listen and observe the meeting electronically. Staff attended from the City Hall Council Chambers, 980 Applegate Street, Philomath, and provided limited seating for the public in compliance with Oregon Governor Executive Order 20-12 and Oregon public meeting laws.

Present:

Chair David Low (via videoconference)  
Councilor Chas Jones (via videoconference)  
Councilor Matthew Lehman (via videoconference)

Staff:

City Manager Chris Workman  
Finance Director Joan Swanson  
City Recorder Ruth Post (via videoconference)

**2. APPROVAL OF MINUTES**

**2.1 Minutes of March 24, 2020**

**MOTION:** Councilor Jones moved, Councilor Lehman second, to approve the minutes of March 24, 2020, as presented. Motion APPROVED 3-0 (Yes: Jones, Lehman and Low; No: None).

**3. NEW BUSINESS**

**3.1 Social service agency supplemental FY2019-20 requests due to COVID-19**

– Chair Low summarized the recent history of discussions at the Council level about impacts of the COVID-19 pandemic on local social service agencies and the City's current process for providing annual assistance to the local agencies. He described a potential process to make a special contribution to social service agencies out of the current FY2019-20 budget General Fund contingency line and the outreach he made to each of the agencies to determine current impacts on their programs.

Councilor Low declared a potential conflict of interest due to his position as Treasurer on the Philomath Community Services (PCS) Board of Directors. He also declared that his son-in-law is the Executive Director of Philomath Youth Activities Club (PYAC) where they may have potential layoffs. Councilor Lehman declared a potential conflict of interest due to his wife's paid position at Strengthening Rural Families (SRF). Mr. Workman verified that the two members of the Committee could participate in the general discussion at this meeting because no specific dollar amounts were being considered for award to the individual organizations. He noted that Chair Low is a volunteer on a volunteer Board at PCS and would not have a direct conflict of interest at the Council level.

1 Ms. Swanson reviewed the use of funds in the contingency line item and the process for  
2 the Council to transfer funds from the contingency line item by Resolution to be used in  
3 another budget line. Ms. Swanson reviewed the current funds in the contingency line  
4 and the likely need for a transfer of \$6,000 from contingency to cover recording fee  
5 expenses that have been considerably higher than was budgeted.  
6

7 Ms. Swanson reviewed the status of the City Council department budget, including  
8 budget line items that had funds budgeted but will not be expended, such as the salary  
9 survey that was conducted in-house and grant funds that were not received. There was  
10 discussion about the the City Council department budget and options available for  
11 providing additional social service funds.  
12

13 Councilor Low summarized the need to maintain fiduciary responsibility but the need to  
14 also acknowledge the services the social service agencies provide to the community.  
15

16 Ms. Swanson reviewed the requests that were received from the following agencies: We  
17 Care, Strengthening Rural Families, Vina Moses FISH Program, PYAC, and ABC  
18 House. She noted that conversations have been held with PCS although a request  
19 hadn't been received from them and that Meals on Wheels stated they were not in any  
20 need at this time. She also summarized additional requests received from organizations  
21 not normally funded through the social service agency program: Maxtivity and the  
22 Philomath Chamber. There was additional discussion about the differences between the  
23 the Chamber, Maxtivity and the other social service agencies.  
24

25 Ms. Swanson reviewed the Council's social service contribution policy and differences  
26 between that policy and the current situation. Councilor Low expressed concerns about  
27 setting any precedence in the usual social service funding program. Mr. Workman  
28 suggested the Committee direct their discussion to whether to recommend to the  
29 Council funding in general and what a total dollar amount recommendation would be.  
30

31 Councilor Jones suggested developing a more universal application process for the  
32 social service agency funding program with a more public notification process and  
33 application form. Ms. Swanson described efforts to capture agencies that provide a  
34 broad level of service to the community and the inclusion of new agencies as they  
35 become identified. There was discussion about methods of conducting the program and  
36 identification of agencies serving the community. Councilor Jones advocated for a  
37 transparent process. Mr. Workman described the expanded number of requests that a  
38 public announcement could attract and more intense qualification and scoring process  
39 that would be required, including completely denying some requests. There was  
40 discussion by the Committee about modifying the program application process.  
41

42 Mr. Workman described potential expanded public outreach that could be conducted at  
43 the staff level. Ms. Swanson reviewed the status of the program for the current funding  
44 cycle in the FY2020-21 budget, noting that letters had already been issued to the  
45 identified social service agencies. There was discussion about the Committee convening  
46 again to review program submission recommendations from staff and maintaining focus  
47 on benefits to Philomath citizens. There was discussion about requirements for non-  
48 profit status. Staff was directed to schedule a Committee meeting to present application  
49 recommendations.  
50

1 There was discussion about the inclusion in this funding recommendation the requests  
2 from the Chamber and Maxtivity and the type of services they provide to the community.  
3 There was discussion about the membership and sponsorship reductions being  
4 anticipated by the Chamber. There was discussion about managing any additional  
5 requests received prior to the Council reviewing the requests and separation of requests  
6 between social service agencies and other types of organizations. There was discussion  
7 about providing support to the business community via the Chamber rather than to  
8 individual businesses. There was discussion about establishing a maximum dollar  
9 amount recommendation and minimizing the impact on next year's budget. There was  
10 discussion whether to separate the Chamber from the social service agency group. Ms.  
11 Swanson reviewed the process used to thoroughly evaluate the current year's budget  
12 and calculate an accurate cash carry-forward amount in building the next budget. There  
13 was discussion about avoiding impact on the FY2020-21 budget.

14  
15 There was discussion about stipulating a separate recommendation for the Council to  
16 consider the Chamber and Maxtivity requests. There was discussion about other  
17 organizations in the community that are doing good work during the pandemic but didn't  
18 necessarily know about the Committee's meeting and whether to solicit additional  
19 requests or not.

20  
21 There was discussion about precedent to be considered if the City receives additional  
22 requests for funding from other groups or individuals. There was discussion about  
23 defining essential needs and services provided by the organizations and whether the  
24 Maxtivity request rises to that level at this time. There was discussion about whether the  
25 Committee should include Maxtivity in any funding recommendation forwarded to the  
26 Council.

27  
28 **MOTION:** Chair Low moved, Councilor Lehman second, the Committee recommend to  
29 the City Council allocation of \$10,000 from the FY2019-20 General Fund to be divided  
30 by Strengthening Rural Families, We Care, Vina Moses, and ABC House. MOTION  
31 Approved 2-1 (Yes: Low and Lehman; No: Jones).

32  
33 Councilor Jones restated his advocacy for a lump sum without stipulation of specific  
34 organizations.

35  
36 **MOTION:** Chair Low moved, Councilor Lehman second, the Finance Committee  
37 recommend to the City Council \$1,000 to be considered for the Chamber of Commerce  
38 and further moved to acknowledge receipt of an application from Mativity but not forward  
39 an affirmative funding recommendation to the Council for Maxtivity. Motion APPROVED  
40 2-1 (Yes: Low and Lehman; No: Jones).

41  
42 Councilor Jones stated appreciation for mentioning that the Maxtivity request was  
43 received but advocated that Maxtivity should also be forwarded to the Council for  
44 consideration.

45  
46 Ms. Swanson explained that she would be submitting this to the Council as a resolution  
47 from contingency funds. Mr. Workman agreed that use of contingency funds is the most  
48 transparent action and provides for better long-term tracking.

49  
50 **3.2 Transient Lodging Tax (TLT) request from Philomath Frolic & Rodeo**  
51 **Association** – Chair Low noted Frolic's funding request was referred from the City

1 Council to the Committee for review. Ms. Swanson reviewed the potential establishment  
2 of a TLT by the City and the statutory requirement of 70% to be allocated to tourism  
3 activities and 30% that can be budgeted unrestricted. She reviewed the \$5,000 received  
4 in the FY2019-20 year from Benton County's current TLT. She explained the Benton  
5 County funds were not anticipated when the budget was adopted and were not allocated  
6 for expenditure. She further explained the process if the Committee wants to make a  
7 recommendation to distribute some of those funds in the current year to local  
8 organizations that promote tourism activities and the impact on cash carry-over to the  
9 FY2020-21 budget. She noted that the Frolic submitted a request for a portion of the  
10 funds but the opportunity to receive funding had not be promoted to any other  
11 organizations such as the Chamber.  
12

13 Mr. Workman described the actions that resulted in Benton County sharing equal \$5,000  
14 allocations with Philomath, Monroe and Adair Village. There was discussion about  
15 potential requests from the Chamber now and in the future. Mr. Workman described a  
16 mapping project the Chamber has wanted to move forward with but has lacked funding  
17 for. Mr. Workman summarized the City's options for use of the dollars from Benton  
18 County and the improvements the Frolic would like to put the dollars towards.  
19

20 Mr. Workman reviewed the Strategic Plan goals and objectives related to tourism and a  
21 TLT. Councilor Jones recommended taking the time to review the Strategic Plan,  
22 focusing the dollars on tourism activities, rather than responding to a specific ask at this  
23 time. Chair Low supported Councilor Jones' position.  
24

25 Mr. Workman described potential uses by the City for spending the funds related to  
26 tourism and the impact that a City implemented TLT could have on those. He suggested  
27 the addition of a tourism line item to the FY2020-21 budget. Ms. Swanson explained the  
28 need for any new budget allocation to have a corresponding expense reduction. She  
29 emphasized that there are a lot of needs in the community and importance of managing  
30 City funds in alignment with the mission statement. There was additional discussion  
31 about impacts to the current and next year's budgets.  
32

33 There was consensus by the Committee that the funds received for tourism use should  
34 be used for tourism, even if they weren't anticipated. No money should be given this  
35 year, but a new line item should be created in next year's budget so all the money  
36 received this year and next year can be appropriately allocated for tourism purposes.  
37

38 **3.3 Next Meeting** – The Committee set their next meeting for May 19, 2020 at 4:00 p.m.  
39

#### 40 **4. ADJOURNMENT**

41 **4.1 Adjournment** – Seeing no further business, Chair Low adjourned the meeting at  
42 6:18 p.m.  
43

44 Minutes recorded by Ruth Post, MMC, City Recorder