

**DUBLIN CITY COUNCIL
FINANCE COMMITTEE
Monday, June 30, 2025 - 4:30 p.m.
5555 Perimeter Drive
Council Chamber**

Meeting Minutes

Mr. Keeler called the Finance Committee meeting of June 30, 2025 to order at 4:30 p.m.

Committee members present: Mr. Keeler (Chair), Vice Mayor Alutto and Mr. Reiner.

Staff members present: Ms. O'Callaghan, Mr. Rubino, Ms. Weisenauer, Ms. Nardecchia. Ms. Hoffman and Ms. Murray were present virtually.

APPROVAL OF MINUTES

Mr. Keeler moved to approve the minutes of the October 22, 2024 Finance Committee meeting.

Vice Mayor Alutto seconded the motion.

Vote on the motion: Vice Mayor Alutto, yes; Mr. Keeler, yes; Mr. Reiner, yes.

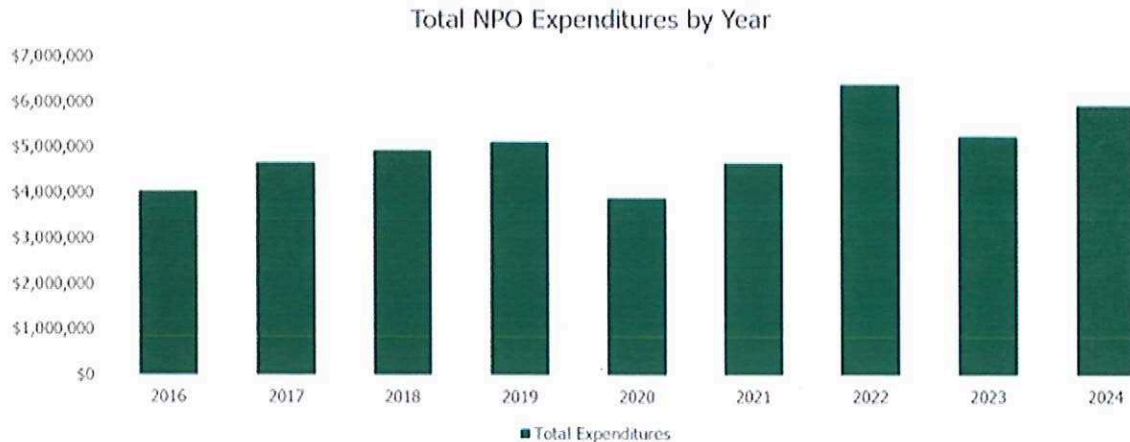
Nonprofit Organization Contribution Requests

Ms. O'Callaghan thanked Matt Rubino, the new Chief Financial Officer, for coming to this meeting because his official start date is not until July 14, 2025. She introduced the nonprofit organization contribution request topic and stated that during the global pandemic, there were federal American Rescue Plan Act (ARPA) funds available. Council supported awarding some of those funds to several nonprofits in the community. The payments were spread over a few years, but as those payments have come to an end, staff has seen an uptick in requests from nonprofits for contributions. She stated that as those requests have been received, staff attempted to associate the request with a process in order to vet each request. In many cases, there is an existing process that could be associated. In other cases, there is not a process. Staff would like to discuss whether another process should be developed to accommodate these types of requests. Ms. O'Callaghan stated that the request can range anywhere from a more significant request of \$100,000 to a request to sponsor a table at a fundraiser or contributing goods for a silent auction. There are varying types of requests routinely received. In preparation for the discussion, staff compiled an inventory of all payments and expenditures made to nonprofit organizations and an attempt was made to categorize those expenditures.

Ms. Nardecchia stated that the question for this discussion is to consider the following:
What is the City of Dublin's policy and procedure when responding to requests from Nonprofit Organizations (NPOs) for financial donations?

She stated that this is not a discussion to determine who gets what dollar amount, rather it is about defining a process that should be used when these requests for donations are made. She stated that to prepare for the discussion, staff compiled an

overview of current reality examples and categories of requests and benchmarked other local government practices. The current reality of total NPO expenditures by year is as follows:



Ms. Nardecchia noted that the increase in 2022 was the ARPA funding that the City Manager mentioned in her introduction. In 2023 and 2024, the bed tax revenue resumed pre-pandemic levels, so the percentage payouts followed suit.

Ms. Nardecchia shared the categories of NPO contributions. Staff defined five different categories as follows:

- Hotel/Motel Tax which was established to improve the quality of life for Dublin's residents, corporate citizens and visitors. These funds are meant to encourage overnight stays and are designated for project and events that enhance visitor appeal.
- Event Partners refers to the NPO offering service to City events in exchange for a portion of the sales or an agreed upon amount of funds generated at the event. "Sharing o' the Green" is an example of this type of request.
- Fees for Contractual Service is when the City contracts with numerous NPOs to provide services that the City does not administer; examples include: Ohio Wildlife Center and Syntero.
- Economic Development category refers to the relationship mechanisms with organizations such as JASCO, One Columbus, etc., and may also include incentives.
- Professional Organizations refers to those organizations that are required in many cases for professional certifications and includes memberships to organizations for best practice professional development. Examples in this category include the American Red Cross, GFOA, Ohio Mayor's Alliance, etc.

Ms. Nardecchia stated other payments to NPOs that do not fall into one of the other categories was discovered as well. Examples of these requests include Dublin City Schools' annual cooperative agreement.

Ms. Nardecchia shared the 2024 totals for each of the five categories mentioned.

Hotel Motel Tax	Event Partners	Fees for Service	Economic Development	Professional Organizations
<ul style="list-style-type: none"> • 2024 total • \$2,639,997 • Funding Source: Hotel Motel Tax 	<ul style="list-style-type: none"> • 2024 Total • \$240,253 • Funding Source: Hotel Motel Tax 	<ul style="list-style-type: none"> • 2024 Total • \$628,362 • Funding Source: General Fund 	<ul style="list-style-type: none"> • 2024 Total • \$536,145 • Funding Source: General Fund 	<ul style="list-style-type: none"> • 2024 Total • \$110,128 • Funding Source: General Fund

In response to Mr. Reiner's question about the other payments to NPOs that do not fall in one of the above categories, Ms. O'Callaghan stated that the Catholic Church contribution was relating to a land acquisition for the roundabout for Mount Carmel. The City needed land for public improvements as part of the Mount Carmel project. Regarding benchmarking other cities, Ms. Nardecchia stated that the practices are widely varied:

- Westerville distributes a total of \$250,000 per year. These contributions are done through discretionary funds, but they use a three-person resident committee to make recommendations to Council.
- The City of Mason caps contributions at \$50,000 per year and most contributions are tied to a service agreement for the City.
- Worthington has a robust community grant program for larger requests that are non-competitive in nature and decided upon by their City Council. A smaller community grant program is used as a competitive process which allocates \$42,000 and is decided by City Council.
- Hilliard has a new process that has been implemented this past year for a community grants program with a budget of \$200,000. Awards are at the discretion of their City Council.
- Upper Arlington grants up to \$5,000 per year within their operating budget and every expenditure is authorized by the City Manager.
- The City of Columbus has a sophisticated "Elevate" program which allocates \$10 million per year. Each council member has a discretionary fund of \$100,000 to use for nonprofits as well.

To summarize the benchmarking, Ms. Nardecchia stated that there are different methods used like whether the program is at the discretion of the City Council, the City Manager or a citizen committee. In most cases, they are highly competitive and have an application process with reporting mechanisms.

In response to Vice Mayor Alutto's question regarding the funding sources for these programs in other cities, Ms. Nardecchia stated that it is mostly from the general fund and not bed tax because other cities do not have a large number of hotels.

Ms. O'Callaghan stated that the type of requests that are being considered are, for example, the food pantry, One Dublin, the Historical Society, and those may or may not

be appropriate for the hotel/motel tax fund. She added that these requests come in a number of different ways - through the Clerk's Office, through the City Manager's Office, or through other staff.

Mr. Keeler stated that he struggles with examples like the membership to JASCO because he does not view that as a charitable purpose, it is more economic development related. He stated that the focus in this conversation are the requests that are being received to be supported in an ongoing fashion like the City does for Visit Dublin Ohio and the Dublin Arts Council. The City is giving about \$4.5 million to nonprofit organizations. He stated he feels good about that. He agreed that there should be a process for vetting these requests for the support of the larger ongoing community operations like the food pantry, One Dublin and the historical society.

Ms. Nardecchia provided the following options for the Committee to consider as they begin discussions:

1. Educating applicants and referring them to alternative funding sources where appropriate;
2. Establishing a "Resilient Community" budget line within the City's Operating Budget for nonprofit support;
3. Creating a Resilient Community Fund in partnership with a local foundation to manage contributions and distributions; or
4. Pursuing a combination of these approaches to provide flexibility while maintaining fiscal responsibility.

Ms. O'Callaghan added that if a budget line item were to be created, it could fluctuate each year and be a topic of discussion. The third option would be similar to the arrangement that the City has with the Dublin Arts Council in that they are required to regrant 5% of those funds. Ms. Nardecchia stated that there are well over 1,000 nonprofit organizations registered with the IRS within Dublin's zip code.

Mr. Keeler stated that the thousand nonprofits that are within Dublin do not necessarily serve Dublin residents and even if they do serve Dublin, they may also serve residents of California. He reiterated that the three big organizations for Dublin are One Dublin, the food pantry, and the historical society. He expressed support for option four which is a combination of the other three options. He stated that there is money in Dublin and the community needs a cause to rally around. He added that these organizations are struggling for operating budget dollars. To the extent that the City is involved, he suggested that a rubric or application to help identify those that would meet certain qualifications or criteria. He stated he was more concerned about the bed tax funds. He stated he can see value in work that Visit Dublin Ohio and the Dublin Arts Council does, but he stated the question is what is the relative budget and what is the relative return on investment (ROI) from a hotel stay standpoint. He stated that the City can take a more active role and create an application and identify what the costs and benefits would be or we can align them with other organizations that just need a call to action.

Vice Mayor Alutto agreed with Mr. Keeler that a combination of the options may work best. She stated the City should be educating applicants and referring them to alternative funding. She noted that there are several layers to consider such as determining an intake process which includes separating the items that are paid services and contractual items. In addition to an intake process, a rubric should be identified for

this as well, just as was done for bed tax grants. She added that the bed tax grants should be used to benefit Dublin residents. There are several components to this which include a warm and resilient community as well as economic development. She expressed appreciation for staff bringing the issue forward and stated that it will take several steps to get to a resolution. She added that it will be important to put guardrails in place while being reliable and fair. She stated that while she may struggle with relinquishing control to a foundation or other organization to administer, it is good to keep in mind as an option.

Mr. Reiner agreed that educating those seeking donations is important. He noted that another important consideration is what organizations are doing to raise money for themselves. Having a system that considers these issues and weighs them in a kind of merit system would be helpful. Understanding self-funding is an important conversation. The City has created some good mechanisms to help residents with important projects in the community such as Beautify Your Neighborhood grants. He agreed that some combination of the options will be helpful in defining a process. Vice Mayor Alutto agreed with Mr. Reiner's comments and stated that there is an obligation to prove that the money is being used as it was intended to be used. She added that she likes the Beautify Your Neighborhood grant program because of the matching requirement.

Ms. Nardecchia summarized the discussion as the Committee's desire to develop a rubric, best practices, and referral and education resources. She noted that the City does gather the nonprofit organizations on occasion to see how things are going for them. She suggested bringing the group together to have a conversation focused on strengthening self-funding and grant-seeking capabilities. Ms. O'Callaghan stated that the first thing she heard was a willingness to identify some funding. She reiterated the importance of having a public process so there is an opportunity for everyone to participate. Vice Mayor Alutto agreed and stated that networking could be helpful to those organizations that need the assistance of a grant writer or other skill sets that they do not have access to otherwise. Ms. Nardecchia noted some upcoming opportunities to bring the nonprofits together. Mr. Reiner agreed with Vice Mayor Alutto that it should be to the benefit of Dublin residents and contributing to the quality of life in Dublin.

Mr. Keeler stated that it would benefit organizations with similar or the same causes to come together to combine funding efforts. Ms. Nardecchia stated that in metropolitan areas they are doing that, but it has not really come to the suburban areas yet. Ms. Nardecchia stated that staff will take this feedback and propose a process or structure and bring it back to the Committee.

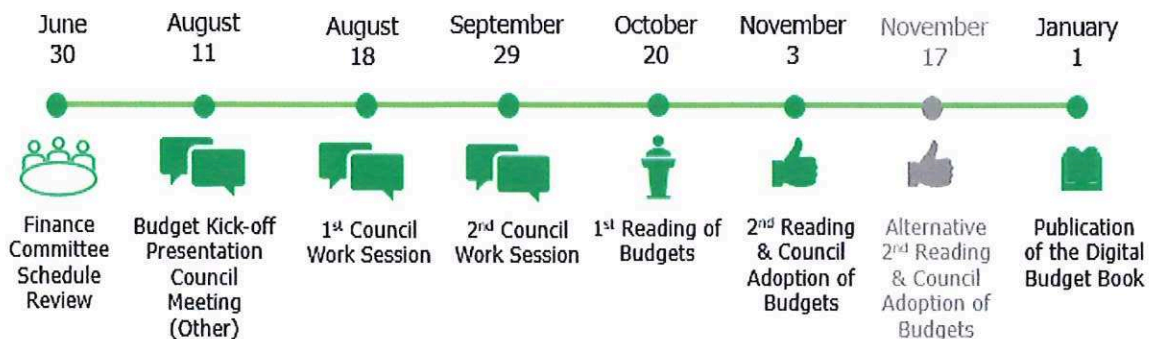
2026 Operating and 2026-2030 Capital Improvements Plan (CIP) Budget Proposed Schedule

Ms. O'Callaghan stated that the annual budget development process has historically consisted of two separate and sequential processes that begin for staff in March, which is very shortly after the budget for the year begins. It is an extended process that begins early. Each year that process has evolved and staff adjusts the process and timing in terms of the number and timing of work sessions as it relates to the first reading of the budget ordinance. Other years, budget discussions were held at the

committee level and division and department directors presented to committees to facilitate more question/answer sessions. There have been times that staff has had to add work sessions depending upon the significance of the investments that the City will be making, such as Bridge Park infrastructure investments. She stated that each City has a different budget process. Some cities run a concurrent budget process that is more integrated. Staff believes there are benefits to this type of process and that is what they would like Committee feedback on. Mr. Rubino stated that the ideas being generated are coming from Finance staff and he wanted to give them credit for coming up with some ideas for an approach to budget development. Mr. Rubino reviewed the historical budget processes showing the Operating and CIP budgets have been reviewed and approved separately. There are separate work sessions and timelines associated with these processes. The challenges of two separate processes can be aligning operating resources with capital investments, the process has been hard for residents interested in these topics to follow and initiating the CIP process so early in the year can create more uncertain forecasting. Mr. Reiner expressed concern for the staff and the work time it takes to work through these budget processes. Vice Mayor Alutto stated that running these separate processes feels disjointed.

Mr. Rubino explained the proposed process of Operating and CIP budgets being reviewed and approved jointly. He stated that in addition to the alignment opportunities of priorities between budgets and more transparency for the public, this proposed process is recommended by the GFOA. Mr. Rubino shared two options of what an integrated schedule could look like for the 2026-2030 CIP and 2025 Operating budget. In response to Mr. Reiner's question regarding what Mr. Rubino's preference was between the two options. Mr. Rubino responded that he prefers Option 1 because it allows a little more leeway at the end of the process in the event it is needed.

The Committee consensus was support for option 1 of the schedules as shown below:



Ms. O'Callaghan stated that the process is not usually discussed with Council however this is a significant departure from the current process, so she recommended reporting on this change at the next Council meeting (7/1).

There being no further business to come before the Committee, the meeting adjourned at 5:27 p.m.



Chair, Finance Committee



Clerk of Council