



FINANCE COMMITTEE
Chaired by Council Member Moore
Members: Moore, Hudson, Ewing, and Jones
April 26, 2018 – 8:00 A.M.
City Manager's Conference Room

MINUTES

Present: Chairman Britt Moore, and Committee Members Wesley Hudson, Jason Ewing [arrived at 8:32 a.m.], and Victor Jones [departed the meeting at 9:43 a.m.]

Staff Present:

Eric Olmedo, Budget & Administrative Director; Sandra Keeney, Deputy City Clerk, and Lisa Vierling, City Clerk

Others Present:

Debbie Lumpkins, Executive Director, High Point Arts Council
Mark Harris, Chairman, High Point Arts Council
David McCoy, Chairman, High Point Arts Council Fundraising
Steve Ilderton, Upcoming Chairman, High Point Arts Council

No News Media present.

Note: The following handouts were distributed and will be incorporated as a permanent part of these proceedings.

- ✓ City of High Point Outside Agency Funding Requests FY 2018-2019
- ✓ Outside Agency Funding Requests- 10-Year Analysis

Chairman Moore called the meeting to order at 8:00 a.m. He asked Eric Olmedo to provide an overview of the history regarding funding for non-profit agencies. Mr. Olmedo explained that for the past five to six years, the city has conducted an application process for non-profits requesting funding from the city, which is available on the city's website. Applications are accepted for a six to seven-week period. After the applications are all in, staff's role is to review the applications to ensure they are complete. They also review the required audits that are submitted as part of the application process and verify that each agency does have a non-profit status. He further

explained that in the case where an audit might be cost prohibitive for the non-profit agency, they do allow them to submit a board adopted financial plan. He advised that in the past, Council has dedicated 1/3 cent on the tax rate for these funding requests, which equates to about \$330,000 that is included in the proposed budget.

Chairman Moore emphasized to those present that this is a work session of the Finance Committee to discuss the applications received to help the Finance Committee with making a recommendation to the City Council regarding funding for the agencies. He advised his personal desire and hope is to see the funding for these non-profit agencies reverse itself and that the need will be met better than it has been thus far. He pointed out twenty-four requests were received this year in excess of \$850,000.

Committee Member Jones felt they need to touch as many citizens in High Point as possible, and discouraged focusing on one percentage or another. He suggested they canvass as many as possible and fund things that will improve the quality of life for those currently living in High Point. Committee Member Hudson felt the funding should align with the three strategic goals that have been established by the City Council.

Chairman Moore recognized those present at the meeting representing the High Point Arts Council and provided them an opportunity to speak.

Mark Harris, Dean of the High Point GTCC campus and Chair of the High Point Arts Council Board, advised that arts are an essential part of the city and they serve over 25,000 people. He reminded the Committee that prior to them acquiring Centennial Station, they were actually housed by the City of High Point. He pointed out that at one point the Art's Council budget was in excess of \$188,000, but since then their budget has been decreasing. The Arts Council is requesting \$125,00, which is the funding level they were at in 2009.

David McCoy shared that he has been working with the Arts Council for the past 35 years and felt it was a good public-private partnership. He explained that their donors do like partnership with the City of High Point and would like to have buy in from the city to make the quality of life in the city better. He stressed the important role that the arts play in the community.

Committee Member Ewing mentioned their cash flow statement. He questioned the \$33,000 reduction in donor giving in 2017 versus 2016. Debbie Lumpkins, Executive Director for the High Point Arts Council attributed the reduction to their capital campaign that was going on at the time and explained that sometimes a capital campaign does conflict with the fund drives. She advised that it has really been challenging for the Arts Council and noted when they moved into the building five years ago, they have operated without any additional staffing. She stressed how critical the arts are for the overall well-being of the city, both economically and for the quality of life.

Committee Member Ewing pointed out that a lot of successful Arts Councils in the United States have major supporters and asked Ms. Lumpkins to identify their top three corporate sponsors. Ms. Lumpkins replied Piedmont Natural Gas, High Point University, Polo Ralph Lauren, BB&T, and Duke Energy.

Committee Member Ewing advised the biggest heartburn for him is the corporate sponsorships and funding. He felt that arts do have a place and are necessary in the community, but questioned why the Arts Council does not consider the city a corporate sponsor. He pointed out there is no mention of any sponsors on the Arts Council's website. Ms. Lumpkins thanked him for pointing that out and offered assurances that they would change the website very quickly.

Mr. Harris felt their fundraising efforts have been difficult due to the city's catalyst project and he mentioned that the City of Greensboro purchased the building that their Arts Council is in.

It was noted that the Arts Council pays \$29,000 a year in principal on the building and about \$20,000 a year in interest.

Committee Member Hudson asked once the spending is reduced when the mortgage is paid off, if the Arts Council accepts the fact that the contribution from the city would more than likely decrease. Chairman Moore asked which initiative would help the Arts Council more, the "brick and mortar" or the operational funding. Ms. Lumpkins commented when they ventured into acquiring Centennial Station, it was with the city's blessing.

Following the discussion regarding the Arts Council's funding, the Arts Council representatives departed the meeting.

The Committee then discussed the applications and funding requests received.

Additional suggestions were:

- ✓ *The possibility of the city offering support to agencies for repair/maintenance of their vehicles by offering a contract with the city's Fleet Services.*
- ✓ *Possibility of leveraging the Arts Council to house TAG to free up space at the Theatre.*
- ✓ *Possibility of the city acquiring the Rowing Club and putting it under the Parks & Recreation Department. Mr. Olmedo agreed to reach out to Lee Tillery, Director of Parks & Recreation to further discuss.*

It was determined that additional information/clarification was needed for the Southwest Renewal Foundation request, as well as the YWCA request. Chairman Moore agreed to reach out to Dorothy Darr with the Southwest Renewal Foundation and Committee Member Ewing agreed to contact Heidi Majors with the YWCA.

The Finance Committee suggested using the following amounts as placeholders with the assumption the amounts more than likely would change.

Agency Name	FY 2018 Requested	FY 2018 Approved	FY 2019 Requested	FY 2019 Committee Recommended
High Point Arts Council	125,000	100,000	125,000	100,000
Macedonia	26,000	16,000	21,000	16,000
Open Door Ministries	25,000	20,000	30,000	20,000
Pink Cares of Piedmont	10,000	5,000	10,000	5,000
Triad Food Pantry	20,000	20,000	20,000	15,000
Southwest Renewal Foundation	30,000	12,500	25,000	12,500
Theatre Arts Gallery	31,000	31,000	31,000	31,000
West End Ministries	35,000	25,000	35,000	25,000
YWCA of High Point	100,000	25,000	150,000	75,000
YMCA of High Point	50,000	25,000	20,000	20,000
Elite Performance Sports NC	20,000	5,000	10,000	5,000
Helping Hands High Point, Inc.	25,000	20,000	25,000	20,000
High Point Rowing	50,000	5,000	46,500	5,000
Operation Xcel	20,000		20,000	
United Way of Greater High Point			12,500	
Mental Health Associates	50,000		50,000	50,000
Housing Consultants Group	100,000		50,000	
The Community Writing Center			11,120	
The M.I.N.D. Group			32,600	
D-Up Basketball Fundamentals			11,250	
Salvation Army			50,000	
Emmanuel Senior Enrichment Ctr.	22,500		8,271	8,500
Go Far			3,985	
Welfare Reform			52,000	
Subtotal	\$739,500	\$309,500	\$850,226	\$408,000

The meeting adjourned at 10:21 a.m.

Respectfully Submitted,

Lisa B. Vierling, MMC
City Clerk

Britt Moore, Chairman