



DISCRETIONARY FUND COMMITTEE  
MEETING MINUTES, JANUARY 9, 2024, AT 12:00 PM  
HELD VIA TELECONFERENCE AND AT  
FAIRBANKS CITY COUNCIL CHAMBERS  
800 CUSHMAN STREET, FAIRBANKS, ALASKA



The Discretionary Fund Committee convened at 12:02 p.m. on the above date to conduct a Wrap-up Meeting at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska and via teleconference with Council Member **Lonny Marney (Seat F)** presiding and with the following members in attendance:

Members Present: Thomas Alexander, Seat B  
Samantha Kirstein, Seat C  
Traci Gatewood, Seat D  
Rachael Kvapil, Seat E (remotely)

Members Absent: Karen Blackburn, Seat A

Also Present: Diana Hebel, Deputy Clerk I  
Margarita Bell, Chief Financial Officer  
Sarah Fuerst, Grants Administrator

#### **APPROVAL OF MEETING MINUTES**

a) Approval of Meeting Minutes – December 13, 2023

**Ms. Gatewood**, seconded by **Mr. Alexander**, moved to APPROVE the meeting minutes.

There being no objection, the minutes were APPROVED.

#### **NEW BUSINESS**

a) Allocation of Funds Over Requested Amount

**Chair Marney** asked Ms. Bell to start off the discussion. Ms. Bell stated she believes the amount allocated to an organization should be no more than the amount requested, because a member could possibly allocate above the requested amount to influence the award amount. All members agreed.

**Mr. Alexander** reflected on what had happened this year with a couple of organizations receiving more than what they requested and indicated that was fine for smaller organizations. He stated, however, that it would have been helpful to consider the issue earlier.

**Chair Marney** asked Ms. Bell what would be done with the extra money. Ms. Bell explained that if the Committee awards funds based on the requested amount, then they should never encounter that situation.

b) Review of Discretionary Fund Grant Application and Committee Process

**Ms. Gatewood** asked for clarification as to what the process includes. Ms. Bell indicated that the process includes things like the application and timing. She referenced the handout titled, "Discretionary Fund Committee Policies and Procedures."

**Ms. Gatewood** explained that part of the application overview says that any organization, public or private, or any person may submit a discretionary grant application and proposal. She wondered whether that statement was too broad for a small pot of money. She also asked for history on why the Committee asks the applicants to make presentations. She pointed out that application question number 9, "Briefly describe the history and goals of the applicant" should be clarified and that number 10, "Demonstrate how the funds will promote or enhance tourism, and/or contribute to economic growth in the city of Fairbanks" could be rewritten to include check boxes for "promote," "enhance," and "contribute," and to ask for a description of how the applicant plans to carry that out. **Ms. Gatewood** then asked why the Committee asks to see proof of use of the logo. She also questioned whether it would be too much to require an audit of smaller organizations. She suggested adding to the last sentence above the signature line that the signer acknowledges that an incomplete application will not be considered for grant funds.

**Chair Marney** clarified, regarding the requirement for an audit, that it would pertain only to applicants who are awarded \$100,000–\$500,000.

**Ms. Kirstein** read an article on market trends for 2024 for non-profit businesses, indicating that fundraising will not be easy in 2024. She stated that because of the trends and people may be relying too much on the City's funds, she would like to discourage people from requesting more than they need. She stated she proposed that the request amounts be set between \$0–10,000 and \$10,000–\$25,000, with the latter requiring more description and explanation, and to cap it off at \$25,000. Regarding the sections addressed by Ms. Gatewood, **Ms. Kirstein** stated that the application is straight forward. She stated that before an applicant signs the application, they must look at the checklist and the logo is on the checklist.

**Ms. Kvapil** stated that as someone who used to write grants, she is in favor of applicants acknowledging use of the logo. She stated that it is not difficult for a recipient to track how their activities benefit Fairbanks, and it would be fair to ask for that information. She shared that one of the things stated during the presentations that altered her scoring was when an applicant was asked how they came up with the amount they requested and they replied that they determined they were only getting a percentage of their request, so they inflated their request to try to get a larger amount.

**Chair Marney** stated he believes the use of the logo is important, and the City should be getting that recognition. He pointed out that, of the applications that were rejected, five were rushing to get their applications in at the last minute. He added that one of the last-minute applicants was at the City Clerk's Office at 5 p.m. on the last day. He shared that for the last two years, the City has held a question-and-answer session to try to help organizations with their applications, but it appears it has not been successful as there are still a number of denials and only two people attended the session.

**Mr. Alexander** agreed that use of the logo is important and should remain part of the application process. He indicated that an audit would be too much for smaller organizations. He stated that the Committee needs to stick to the application process and pointed out that others have worked hard to comply with the process and have tried to do things right.

Ms. Bell addressed some of the questions the Committee asked previously. She stated that if the Committee would like to change who may apply for the grant, it can make a recommendation to the City Council for a change to the Fairbanks General Code (FGC). Regarding the annual report, she stated that it is due in the Finance Office by October 31. In regard to the logo, Ms. Bell said she was around at the time the use of the logo was added as an application requirement and that it came about because there were organizations receiving



funds but not recognizing the funding source. In response to the issue of requiring an audit, she shared that the City Council is considering which monetary threshold would be appropriate to require an audit but that most of the agencies that apply would likely be below that level. She added that the FGC requires the submittal of employees' salary. She explained that the requirement for an explanation of income in excess of 10% was added because there were agencies reporting high miscellaneous income without explaining what it was. Ms. Bell stated, in response to the recommendation to cap the grant award amount, that there may come a time when a new project or an organization warrants a higher award than \$25,000.

**Ms. Kirstein** asked that the Committee focus more on the checklist.

**Ms. Gatewood** explained that her stance has changed in regard to the logo and that she can see that there is value in the presentation meeting. She stated the only thing she feels that can be done to help applicants is to make sure the application and checklist is as clear as possible.

**Chair Marney** added that Ms. Bell has an open-door policy up to the application deadline if any applicants need clarification or have questions. He asked Ms. Bell about not being able to find use of the logo by Fairbanks Economic Development Corporation (FEDC) and Explore Fairbanks. Ms. Bell explained that those organizations receive direct funding, so they do not have the same requirement to use the logo; she added that they do recognize the City.

**Chair Marney** asked the Committee if FEDC and Explore Fairbanks should be required to use the Discretionary Fund logo.

**Mr. Alexander** pointed out that if the logo is required, it should be required for everyone. The Committee agreed, and **Chair Marney** decided to take the recommendation to require use of the logo by FEDC and Explore Fairbanks to the City Council.

**Ms. Gatewood** stated that she disagrees with capping the request amount, because a bigger entity with a larger impact on the economic development of Fairbanks may then be limited when seeking funds to match their needs. She further indicated there is a need to be concise and direct on what is asked on the application. She suggested that question 10 be reworded to include checkboxes where the applicant would be asked to check all that apply, then explain how they will accomplish the items checked.

After some discussion regarding whether some organizations are trying to find other funding sources, **Ms. Gatewood** suggested that if the number of sponsors or degree of sponsorship is important, perhaps it could be asked on the application.

**Ms. Kvpil** reminded the Committee that some funding sources come with limitations on what funds may be used for, and the application would have to have room for explanations.

**Chair Marney** reminded the Committee that one of the goals is to simplify the application.

Ms. Bell indicated that the changes as discussed can be implemented. **Chair Marney** asked if all agreed, and the members indicated in the affirmative with a nod. Ms. Bell said that she can work with the Clerk's Office to make the changes to the application based on the Committee's conversation, and the changes could be presented at another meeting.

The Committee verified the changes would include:

- Question 9 – Briefly describe the history and goals of the organization or what is the mission statement of the organization.
- Question 10 – The funds will be used to: (Check all that apply)  Promote,  Enhance,  Contribute, to economic growth – “Describe how you will accomplish this below.”
- Add a statement before the signature line acknowledging that an incomplete application will result in being ineligible for grant funding.

### **NEXT MEETING**

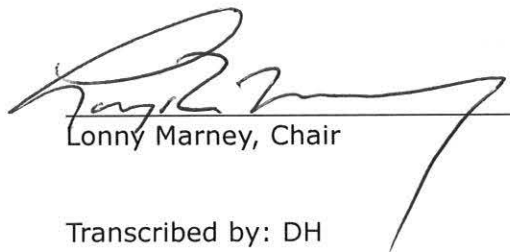
**Chair Marney** asked about setting a November meeting date. Clerk Hebel explained that the Clerk’s Office would send a Doodle Poll when the meeting time is closer.

Ms. Bell stated that another meeting may be needed to confirm the application changes.

**Chair Marney** stated that Clerk Hebel would send out a Doodle Poll for a February meeting to review and approve the application changes.

### **ADJOURNMENT**

The meeting was declared ADJOURNED at 1:13 p.m.

  
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Lonny Marney, Chair

  
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Diana Hebel, Deputy City Clerk I

Transcribed by: DH