



City of Valdez

212 Chenega Ave.
Valdez, AK 99686

Meeting Agenda

City Council

Tuesday, July 7, 2026

6:00 PM

Council Chambers

Work Session - CSO Budget Process

WORK SESSION AGENDA - 6:00 pm

Transcribed minutes are not taken for Work Sessions. Audio is available upon request.

1. [Work Session: CSO Budget Process and Parameters Discussion](#)



Legislation Text

File #: 26-0278, **Version:** 1

ITEM TITLE:

Work Session: CSO Budget Process and Parameters Discussion

SUBMITTED BY: By Request of City Council

FISCAL NOTES:

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

RECOMMENDATION:

n/a

SUMMARY STATEMENT:

During 2026 strategic planning sessions council members requested a work session to review Community Service Organization (CSO) grants wholistically.

The CSO Subcommittee met in June to have a preliminary conversation about the 2027 program (notes attached) and this work session will bring items from that discussion to the full City Council for review.

The goal of this work session is to reach consensus on parameters for the 2027 CSO program.

CSO Grant Program – notes for 2027 discussion

Current Parameters/requirements:

- Not more than 2% of COV operating budget
- No funding for programs already provided by City
- Not more than 50% of CSO entity program budget, except with narrative about hardship/necessity
- Funding may not contribute to applicant's savings – grant funds are expected to be expended
- CSOs are required to submit bi-annual progress reports
- Required: audited financial statements if request is over 100k
- Required: Certificate of insurance naming City as additional insured
- Required: IRS Non-profit designation letter
- Required: Submittal of financial statements & proof of bank account balances

Staff recommended 'menu' of potential additional requirements

- Current proof of tax-exempt status from IRS website
- Statement of conflict of interest
- More formal reporting of actual expenditures to accompany existing bi-annual progress reports

Website <https://www.valdezak.gov/899/Community-Service-Organizations-Grant-Pr>

Notes from 6/23/26 CSO Subcommittee meeting:

- -Subcommittee wants to adopt our 3 new recommendations
 - For the expanded financial reporting: either add to semi-annual progress reports or maybe just 1 annual report.
 - Financial software P&L reports, line item details, possibly receipts for specific purchases or over \$ thresholds.
- No consensus on ratcheting down CSO Program overall budget cap. Currently at 2%, some wanted 1 or 1.5%. Per Casey, the highest we have hit in last 10 years was 1.24% (CSO grant program only)
- Possibly add new question: Is your request greater than the prior year request? If yes, why?
- Possibly add language along the lines of: if you don't receive the funding at the level you requested, what does that mean for your program & services. What are service level implications? Can you exist? Can you run the program/ etc.

- Someone suggested to not disburse funds until PY financial report has been submitted. (BR internal note - That would be very hard to administer & would involve fundamental change in how CSOs are paid/encumbered, etc on a yearly basis)