



**BUSINESS OF THE CITY COUNCIL  
CITY OF MERCER ISLAND**

**AB 6337  
September 19, 2023  
Regular Business**

**AGENDA BILL INFORMATION**

<b>TITLE:</b>	AB 6337: MIYFS Foundation Funding Acceptance Agreement	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Authorize the City Manager to sign the Four-Year Funding Acceptance Agreement with the Mercer Island Youth and Family Services Foundation.	

<b>DEPARTMENT:</b>	Youth and Family Services
<b>STAFF:</b>	Ali Spietz, Chief of Administration Derek Franklin, YFS Administrator
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	<ol style="list-style-type: none"> <li>1. 2023-01 Funding Acceptance Agreement between the City of Mercer Island and the Mercer Island Youth and Family Services Foundation</li> <li>2. YFS Foundation Cooperation Agreement</li> </ol>
<b>CITY COUNCIL PRIORITY:</b>	4. Focus efforts and actions to be an environmentally and fiscally sustainable, connected, and diverse community.

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

**EXECUTIVE SUMMARY**

The purpose of this agenda bill is to authorize the City Manager to sign a four-year Funding Acceptance Agreement with the Mercer Island Youth and Family Services Foundation (Foundation) (see Exhibit 1).

- The City and the Foundation signed a Cooperative Agreement in June 2022, the first formal agreement established between the two entities to memorialize over three decades of partnership work for the benefit of youth and families on Mercer Island (see Exhibit 2).
- In 2022, the Foundation pledged an additional \$215,000 to support the Youth and Family Services Department (YFS). This amount was in addition to the \$300,000 annual donation they had pledged for fiscal year 2022 (see [AB 6106](#)).
- The additional donation received in 2022 was used to support the addition of a second Mental Health Counselor position at the Middle School.
- The Foundation would like to continue supporting the YFS Department at a higher level by increasing the annual donation to \$515,000. This funding commitment is further described in the Four-Year Funding Acceptance Agreement attached as Exhibit 1.

## BACKGROUND

For over three decades, the MIYFS Foundation has provided funding for the Youth and Family Services (YFS) Department to support community, human services, and prevention programs. The generosity of the Foundation's donors has allowed YFS programming to grow with the needs of the community.

In 2020, the Foundation established an ongoing commitment of \$300,000 each year to support YFS. This ongoing revenue was added to the City's budget in 2020 and will continue to be included in future budgets as a stable revenue source for the YFS Department.

In 2022, the Foundation made an additional one-time donation of \$215,000 to the City to fund YFS programs and services through the end of 2022. A portion of this funding was used to fund the second Mental Health Counselor position at the Middle School through the end of the 2023.

In 2022, the City and the Foundation entered into a Cooperative Agreement (see Exhibit 2) to formalize the terms, procedures, and general understanding of the relationship between the two entities. This agreement serves as the "parent agreement" for the entities. Section 5.5 of the agreement states:

*"The Foundation shall use its best efforts to create an environment conducive to fostering levels of private support for the mission and priorities of the YFS Department and, in consultation with the City Manager (or designee), is responsible for planning and executing comprehensive fundraising programs in support of the YFS Department's mission. These programs include annual giving, major gifts, planned gifts, special projects, and campaigns as appropriate."*

The City and the Foundation also agreed in 2022 to formalize the process for donation acceptance through the development of Funding Acceptance Agreements. For any donations pledged to the City by the Foundation, a Funding Acceptance Agreement will be approved by both entities, memorializing the amount, uses, and terms of the donation. The City also requested that Funding Acceptance Agreements be established on four-year cycles, which provides revenue stability and predictability for the YFS Department.

## ISSUE/DISCUSSION

The Foundation would like to continue supporting the YFS Department at a higher level by increasing the annual donation to \$515,000, effective in 2023. At the Foundation's Board Retreat on September 9, 2023, the Board unanimously voted to support the increased annual amount and approved the Four-Year Funding Acceptance Agreement (see Exhibit 1). These funds will be used to:

- Continue funding the second Mental Health Counselor position at the Middle School, extending the position through June 2026.
- Support rental assistance and food security programs through the Emergency Assistance Program.
- Provide general YFS budget support for Community-Based and School-Based programs.

In addition to approving the Funding Acceptance Agreement, the City Council will need to authorize the expenditure of \$100,000 in 2024 to continue fund the second Mental Health Counselor position at the Middle School. The funding for this position will be incorporated into the 2025-2026 budget.

## **NEXT STEPS**

Upon approve of the Funding Acceptance Agreement with the YFS Foundation, the additional revenue will be included in the next budget amending ordinance. In addition, the increased donation amount will be reflected in the 2025-2026 biennial budget.

## **RECOMMENDED ACTION**

1. Accept the increased annual donation of \$515,000 from the Mercer Island Youth and Family Services Foundation for 2023 through 2026 and authorize the City Manager to sign the Funding Acceptance Agreement memorializing the donation, substantially as set forth in Exhibit 1 to AB 6337.
2. Appropriate \$100,000 in 2024 to continue funding the second Mental Health Counselor position at the Middle School.