

**City of Enumclaw
1339 Griffin Avenue
Enumclaw, Washington 98022**

**City Council Budget Workshop
City Hall Council Chambers
October 3, 2022, 6:00pm**

1. CALL TO ORDER:

Mayor Molinaro called the meeting to order at 6:00 p.m.

Adjustments to the agenda made:

Moved Presentations to item 5 and Budget Review Presentation to item 6.

Council consensus to the agenda as adjusted.

Mayor Pro Tem Wright announced that Councilmember Sauvageau was absent.

WRIGHT MOVED TO EXCUSE COUNCILMEMBER SAUVAGEAU FROM THE MEETING. GRUNER SECONDED. MOTION CARRIED 6-0.

ATTENDANCE:

Councilmembers Chance La Fleur, Beau Chevassus (via Teams), Corrie Koopman Frazier, Anthony Wright, Bobby Martinez, Chris Gruner, and Mayor Jan Molinaro, City Administrator Chris Searcy, Finance Director Chris Anderson, City Clerk Jessica Rose, Interim Public Works Director Scott Woodbury, Parks and Recreation Director Michelle Larson (via Teams), Information Services Director Joe Nanavich and Technician Nick Fuller, and Media Services Technician Zoie Raum.

2. OPENING REMARKS ON PRELIMINARY BUDGET:

Mayor read his letter to the citizens regarding the 2023 preliminary budget. Some of the points touched upon:

- Anticipating tax revenue knowing that a recession could be on the verge of occurring.
- Keeping a moderate increase of expenses while providing a competitive environment to maintain talented staff.
- Reserves increased again this year in anticipation of an economic downturn.
- The budget will be constantly monitored, which will allow the City to adjust when necessary to maintain its financial integrity.

3. 2023 PRELIMINARY BUDGET OVERVIEW:

Searcy stated that as we are returning back to normal conditions prior to the pandemic, economic inflation became severe due to multiple factors. The City was able to maintain robust reserves and is in a solid position to accommodate these inflationary pressures. He then proceeded to give an overview of the 2023 budget highlighting the major changes. In conclusion of his overview, Searcy mentioned three issues that he would like Council to consider:

- ARPA used to fund outside agencies for the past few years and those funds will no longer be available in the coming future and will be paid through the general fund.
- Residential housing activity has been strong in the past years and developmental related revenue has helped maintain the Community Development staffing levels, but the cyclical nature of the new home construction market suggests that at some point this activity will begin to suffer.

Impacts of the Climate Commitment Act to gasoline, diesel, natural gas, and electric prices are only estimated at this point. Once auctions begin next year, the City will be monitoring its process to determine its impact.

4. PRESENTATIONS:

A. YMCA, Enumclaw Youth Center – Gary Hemminger

Hemminger stated they repainted the building, and replaced the carpet and furniture. They held an open house during the street fair and had over 350 people visit the building. Their annual backpack program was able to donate 270 backpacks filled with school supplies. They hired a new youth monitor and have counselors that are assisting teens with social anxiety. State assisted insurance can only be used at two facilities within the City to cover mental health services, which are the Youth Center and Valley Cities Behavioral Health. Unfortunately, there are not enough providers at this time to meet the demands for mental health care. If the community does not wish to support the youth center, then they may have to relocate to another City.

In response to La Fleur's questions, Hemminger stated that they have tried getting kids to the Youth Center by holding an open house, participated in the Joint Resource Day at White River, and speaking with students at the high school to introduce staff. There has been a steady decline of attendance at the youth center prior to the pandemic, starting with 50 kids a day twenty years ago to about 25 kids pre-COVID. He believes it was a shift in culture, which they tried to adapt by providing an outdoor program. The pandemic decreased attendance even further.

In a response to questions by Martinez, Hemminger stated that the Youth Center is open 5 days a week. Their summer hours were 2 p.m. – 6 p.m. and school hours are from 3:00 p.m. – 7:00 p.m. They were seeing about 15 kids per week at the beginning of summer, but it decreased to hardly any attendance towards the end of summer. They are starting to see a slight increase again with school starting back up. They have not found a good method in bringing kids into the Youth Center. They plan to continue to speak with students at the schools.

In response to questions by La Fleur, Hemminger stated that they do not have the mechanisms to do the outdoor programming, and have been focusing on the bigger demand for mental health services. They are trying to adjust to the new culture. The YMCA didn't officially state they would pull the program from the City.

In response to questions by Koopman Frazier, Hemminger stated the age limit stops at 18 or high school graduate. Counseling services are provided both via telehealth and in person. Funding is not an issue in providing in-person services for mental health, it is the lack of providers. The system in place for counseling is not working, which is why providers don't continue to stay. However, it has been recently reviewed to see what changes can be made.

In response to a question by Gruner, Hemminger stated he estimated that YMCA is spending a quarter of a million to a half million dollars within the area. He is not part of the budget process for the Enumclaw area, but YMCA is supplementing funds to run the Youth Center, that will eventually stop since it needs to be self-sustaining.

In response to a question by Martinez, Hemminger stated that any funding provided by the City will help keep a presence in the community.

In response to a question by Wright, Hemminger stated that the \$70,000 that was given in the past help kept the youth center running smoothly. They only requested \$40,000 this year, because they

were informed that was all that they can request. The \$40,000 won't cover the costs, but show that people are interested in the work they do. He is unsure as to why the Human Services Advisory Board didn't advise any funding and would have presented to them if asked. They reopened the Youth Center the beginning of this year. He doesn't believe there is much cross over with the schools since the schools have asked them to assist the state assisted students with counseling. Hemminger clarified that the money will only be used to offset staffing costs and not for mental health counseling services.

B. Plateau Kids Network – Maryn Otto and Dana Wilcox

Otto gave handouts to Council showing projected costs for 2023. She gave a quick overview of the nonprofit organization and the programs they provide. Holiday Helping Hands will now shop for parents and schedule pick-up days to help minimize the stress of having one pick-up day. She explained additional programs that started this year, which include free helmets, Safe Riders Citation, and disaster relief program that assists families who are displaced from their homes. Expected 2023 budget is \$9,500 that will be used for assistance in administrative tasks, website design, overhead costs, and the programs they provide.

Gruner thanked Otto for their hard work.

In response to a question by La Fleur, Otto stated that \$25,000 or more is what would cost to purchase all the toys needed for their program. They have been meeting with other organizations that have similar holiday programs to try to combine their efforts. Citizens can visit their website to either donate or sign up to volunteer.

Wright, Martinez, and Koopman Frazier thanked Otto and Wilcox for everything that her organization does.

5. BUDGET REVIEW PRESENTATION:

Anderson gave a PowerPoint presentation of the 2023 preliminary budget that outlined the major changes.

During the presentation, the following Council questions took place:

- In response to a question by La Fleur, Anderson stated that there is nothing planned for 2024 for ARPA funding.
- In response to questions by Wright and La Fleur, Searcy stated the pool fee increase is to keep up with the market. Larson stated that the 3% increase was part of the original 28% increase implemented in 2018/2019. A fee study is being done currently to see if any adjustments need to be made due to inflation.
- In response to a question by La Fleur, Woodbury stated that they need a year of investigation to determine if there is still a need for I&I replacements. Program is on hold for a year due to the number of capital improvement projects and funding. Searcy stated the debt service retiring in 2023 is roughly \$550,000 - \$560,000. Anderson will provide a breakdown showing at the next meeting.
- In response to questions by Wright and La Fleur, Woodbury stated that the costs for the stormwater pond at Expo are for design only. It could possibly be underground.
- In response to a question by La Fleur, Searcy stated the accessible van for Parks will have replacement contributions. Sharing the Senior van would be too much of a compromise to make it work. However, with the new van, Senior Center could schedule larger outings. The van will be a new asset.

- In response to a questions by Wright and La Fleur, Nanavich stated that the payment portal system for permit planning is not a capital project and is being reviewed by the Attorney to be completed during 2022. It was also planned in 2022 to integrate it with the GIS system, but will potentially be rolled over to 2023, which is a capital improvement project. Nanavich stated the shops gate card entry is a rollover project. IT is working with Public Works to fix the gate before completing the project.

6. COUNCIL DISCUSSION:

Council and staff discussion included the following:

- Outside Agency Funding

LA FLEUR MOVED TO REMOVE THE YMCA YOUTH CENTER \$30,000 FUNDING. GRUNER SECONDED.

Council discussion took place:

- A plan was not presented on how to increase attendance at the youth center.
- The Youth Center does good work, but need to provide something tangible.
- Accountability issues.
- Other organizations are supporting the youth.
- Funding is planned to go towards the cost of staff and won't be able to provide additional help.

MOTION CARRIES 6-0.

Council consensus to continue to provide rent free subsidy and paid utilities.

In a response to questions by Wright, Larson stated they are postponing phase 1 of the Elk Meadow Park again. There are no park replacements scheduled for 2023 since the most damaged play structures have been replaced. The play structure at the field house recently had a review of its surfacing and she is waiting for estimates to repair for the interim, replacing the surfacing, and the replacing the playground. Could possibly come forward in the next year or so.

Wright stated the \$30,000 could be used as a buffer but proposes to use \$15,000 to Rainer Foothills Wellness Foundation (RWF) and \$4,000 to Plateau Kids Network.

Council discussion followed:

- Increasing funds by \$4,000 could create cash reserves for Plateau Kids Network.
- Concerns for funding counselors where parents are not included.
- Excess funds for Plateau will be used appropriately.
- Would like to ask counselors on how kids are being counseled.
- The counselors provide free access to those who don't have insurance and they don't have requirements that are the same as school district counselors, which may allow parents to be involved. It will be confirmed with RFWF.
- Allocating the \$541,000 to the Contingency Fund.

WRIGHT MOVED TO INCREASE PLATEAU KIDS NETWORK FROM \$6,000 TO \$10,000. LA FLEUR SECONDED. MOTION CARRIES 6-0.

Council discussion followed:

- Placing the remaining ARPA funds in the contingency fund could provide future assistance to the City if a recession takes place.

- Funding could be used to continue assisting outside agencies since the funding will come from the general fund.
- Contingency fund can go up to \$900,000.
- Cancelling out the ARPA account entirely.

LA FLEUR MOVED TO TAKE \$355,000 FROM ARPA AND MOVE INTO THE CONTINGENCY FUND. WRIGHT SECONDED.

Gruner stated that it might be best to give some thought before making this motion.

LA FLEUR RECINDED HIS MOTION.

Further Council Discussion followed:

- Wright explained that the Farmers' Market used \$5,000 for SNAP, \$3,000 for POP, \$5,000 for marketing.
- Would like Green River College to bring core classes to its Enumclaw branch to make it an educational branch.
- Issues of Green River College becoming an educational center are funding and availability to teach.
- Splitting \$10,000 to support the Small Business Development Center and core classes.
- Be aware of possible material delays that may affect decision packages.

7. ADJOURNMENT:

The Mayor adjourned the workshop at 8:34 p.m.

Respectfully Submitted,

Jessica Rose
City Clerk

Date Minutes Approved: _____

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Date Minutes Approved: 10-24-22