

**GRANDVIEW CITY COUNCIL
SPECIAL MEETING MINUTES – BUDGET
DECEMBER 4, 2012**

1. CALL TO ORDER

Mayor Norm Childress called the special meeting to order at 5:30 p.m. in the Council Chambers at City Hall.

Present were: Mayor Childress and Councilmembers Pam Horner, Diana Jennings, Bill Moore, Jesse Palacios, Javier Rodriguez and Joan Souders. Excused from the meeting was Councilmember Mike Bren.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Treasurer John Myers, Parks & Recreation Director Mike Carpenter, Assistant Public Works Director Santos Trevino and City Clerk Anita Palacios.

2. 2013 PRELIMINARY BUDGET

Items under consideration included:

A. Utility Tax Increase for Electricity, Natural Gas, Telephone and Cable TV

- Election Date – February 12, 2013
- Resolution Due to Yakima County – December 28, 2012
- Required a 60% voter approval to pass
- What percent does the Council want to recommend?
- What does the Council want to fund? (i.e., Public Safety to include police, fire and animal control; Recreation Services to include seniors, youth and pool)
- What term or would it be ongoing?
- If approved, collection would begin end of July 2013
- Estimated revenue – 1% = \$150,000; 1.5% = \$225,000; 2% = \$300,000

Council concurred with calling for a special election to allow an increase in the utility tax rate 1.5% for electricity, natural gas, telephone and cable television to fund public safety and recreation services with no term and instructed staff to prepare a resolution for the next Council meeting for consideration.

B. Grandview Parks & Recreation Service Area Levy

- The Grandview Parks & Recreation Service Area shared the same boundary with the Grandview School District
- Levy a property tax
- Required a 60% voter approval to pass
- If approved, collection would begin in 2014
- Estimated revenue - \$185,760

No action.

C. Real Estate Excise Tax (REET) – Second Quarter Percent

- Council approval
- If approved, collection would begin in 2013

- Funds to be used for capital improvements
- Estimated revenue – \$20,000-\$25,000

Council concurred with levying the real estate excise tax second quarter percent and instructed staff to prepare an ordinance for the next Council meeting for consideration.

D. Allocation of Funds from Sale of Former Library Building on Division (\$250,000)

- \$100,000 to General Fund
- \$100,000 to Capital Improvement Fund
- \$50,000 to Street Fund for operating capital (grants)

Council concurred with the allocation of funds as presented.

E. Regionalize Library Services

- Required a 60% voter approval to pass
- The City would still be obligated to pay the debt service
- Partnership with YVCC would dissolve
- The levy would relieve the City of the financial burden to fund library personnel
- The taxpayer would continue to pay for library services through the County

Council did not concur with regionalizing library services.

F. Closure of the Municipal Pool

- Potential savings of \$41,000 per year

Council did not concur with the closure of the municipal pool.

3. ADJOURNMENT

The study session adjourned at 7:50 p.m.

Mayor Norm Childress

Anita Palacios, City Clerk