

**GRANDVIEW CITY COUNCIL  
SPECIAL MEETING MINUTES – BUDGET  
OCTOBER 14, 2019**

**1. CALL TO ORDER**

Mayor Gloria Mendoza called the special meeting to order at 6:00 p.m. in the Council Chambers at City Hall.

Present were: Mayor Mendoza and Councilmembers Gay Brewer, David Diaz, Mike Everett, Diana Jennings, Bill Moore, Javier Rodriguez and Joan Souders.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Treasurer Matt Cordray, Library Director Elizabeth Jahnke, Parks & Recreation Director Gretchen Chronis, Fire Chief Pat Mason and City Clerk Anita Palacios.

**2. 2019 PRELIMINARY BUDGET**

City Treasurer Cordray continued the presentation of the 2019 preliminary budget, as follows:

**2020 Expenditure Estimates – Current Expense Fund**

Library Services

2019 Budget \$308,360

2020 Estimate \$322,165

Notable Changes in 2020 –

- Retirement of Assistant Librarian at the end of January. Replacement to be hired in December 2019 for two months training. Overall decrease in salaries after buyout.
- Federal funding decreased for the on-line periodical database and for the OCLC bibliographic database and e-books/e-audio subscription which increased City costs.
- YVC continues to contribute to cost for the OCLC bibliographic database.
- Depend on Friends of Grandview Library to pay for four newspaper subscriptions.
- Revenue was not consistent year to year.

Senior Citizen Services

2019 Budget \$13,300

2020 Estimate \$14,035

Notable Changes in 2020 – None

Recreation Services

2019 Budget \$139,200

2020 Estimate \$140,950

Notable Changes in 2020 – None

Aquatics Services

2019 Budget \$131,185

2020 Estimate \$154,200

Notable Changes in 2020 –

- Increase of \$10,000 in professional services for concrete deck restoration.

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- An additional \$60,000 (for a total of \$120,000) earmarked for a future Swim Pool Splash Pad within the Capital Improvement Fund.

Museum

2019 Budget \$29,465

2020 Estimate \$31,575

Notable Changes in 2020 – None

Community Center

2019 Budget \$57,100

2020 Estimate \$52,500

Notable Changes in 2020 – None

Fire Administration Services

2019 Budget \$172,990

2020 Estimate \$173,400

Notable Changes in 2020 – Salaries and associated line items were slightly increased to reflect possible changes by the City Council as well as expected insurance cost increases.

Fire Suppression Services

2019 Budget \$429,685

2020 Estimate \$328,710

Notable Changes in 2020 –

- Salaries and associated line items were slightly increased to reflect possible changes by the City Council as well as expected insurance cost increases.
- Slight increase in “Volunteer Compensation” to reflect increase in call volume. This Line Item was split between Fire Suppression (40%) and EMS (60%).
- Anticipated increase of \$1.23 per call dispatch fees as reflected in “Communications.” Dispatch fees were split between Fire Suppression (25%) and EMS (75%).
- Increase of \$5,000 to “Repairs and Maintenance” to cover anticipated higher maintenance costs.

Emergency Medical Services Fund

2019 Budget \$283,475

2020 Estimate \$334,160

Notable Changes in 2020 –

- Salaries and associated line items were slightly increased to reflect possible changes by the City Council as well as expected insurance cost increases.
- Slight increase in “Volunteer Compensation” to reflect increase in call volume. This Line Item was split between Fire Suppression (40%) and EMS (60%).
- Increase to “Machinery & Equipment” to cover costs of replacing five defibrillators.
- Increase to “Ambulance Service” to cover the cost of the new Sunnyside ILA for Sunnyside Fire Department to provide ambulance service.
- Anticipated increase of \$1.23 per call dispatch fees as reflected in “Communications.” Dispatch fees were split between Fire Suppression (25%) and EMS (75%).

**2020 Revenue Estimates – Emergency Medical Services Fund**

2019 Budget \$399,405

2020 Estimate \$311,020

Fire Chief Mason distributed a memo to the Council regarding the implementation of an ambulance utility. He explained that in March of 2018, the City was approached by the primary ambulance provider, Prosser Hospital Ambulance, concerning the fact that the ambulance service was losing money. This led to the City evaluating ambulance services and entering into an Interlocal Agreement with the City of Sunnyside and Sunnyside Fire Department to provide ambulance services to Grandview.

To start the services, the decision was made to pay the cost out of the Emergency Medical Services (EMS) Fund. This was not a sustainable funding source. Paying for the service out of the EMS Fund would exhaust the fund completely before the end of 2020. The City would need to secure an alternative funding source in the immediate future.

The Interlocal Agreement with Sunnyside Fire Department to provide ambulance services to Grandview would cost \$368,439 per year. Because there were benefits to Sunnyside to expand their services and other funding sources, the cost of ambulance services to Grandview was set at \$163,439 per year for 2020. The cost would increase per year due to an increase in cost of living, goods and services, etc. There was also the possibility that ambulance/medical funding would decrease in the future by government agencies such as Medicare and Medicaid. It was imperative that the Council understand that the day could come when the City would be required to pay the entire \$368,439 cost per year.

There were two options, he was currently aware of to secure funding to sustain quality medical services in the City. The first option would be to fund the ambulance service from the Current Expense Fund. The problem with this option was the Current Expense Fund had a limited revenue source, and the City was already struggling to stretch that fund to cover everything it was required to provide funding for. The second option was to create by Council authority an ambulance utility based on utility users in the City. This option was created by the Washington State Legislature and addressed in RCW 35.21.766. This option would allow the City to set and collect rates and charges in an amount sufficient to regulate, operate and maintain an ambulance utility. Ambulance utility costs may include costs for dispatch, labor, training of personnel, equipment, patient care supplies, maintenance of equipment, etc. Costs cannot include capital cost for the construction, major renovation, or major repair of the physical plant.

He was working on compiling data and information for the creation of an ambulance utility in the City based on water consumption for presentation at a future C.O.W. meeting. It was his intention that Council work with him to initiate the ambulance utility as soon as possible in order to avoid any future financial difficulties as it applies to providing quality medical service to the citizens of the City of Grandview.

The next preliminary budget meeting would be held on Monday, October 28, 2019 at 6:00 p.m.

### **3. ADJOURNMENT**

The special meeting adjourned at 7:35 p.m.

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Mayor Gloria Mendoza

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Anita Palacios, City Clerk