

**GRANDVIEW CITY COUNCIL
SPECIAL MEETING MINUTES – BUDGET
OCTOBER 7, 2019**

1. CALL TO ORDER

Mayor Pro Tem Bill Moore called the special meeting to order at 6:00 p.m. in the Council Chambers at City Hall.

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

Mayor Gloria Mendoza arrived at 6:05 p.m.

Absent from the meeting was Councilmember Gay Brewer.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Treasurer Matt Cordray and City Clerk Anita Palacios.

2. 2020 PRELIMINARY BUDGET

City Treasurer Cordray began the 2020 preliminary budget discussion by providing an overview of the budget summary. The current Ending Fund Balance (EFB) in the Current Expense was \$374,675. He explained that the EFB for each previous year was as follows:

- 2015 – EFB actual was up \$839,000
- 2016 – EFB actual was up \$809,000
- 2017 – EFB actual was up \$850,000
- 2018 – EFB actual was up \$964,000
- 2019 – EFB actual was up \$942,000

He noted that the EFB in the Current Expense usually increases by \$200,000 from September to December from the receipt of the second half of property taxes. At this time last year before all the budget meetings were held, the projected EFB was \$458,000. That was approximately \$80,000 more than this year.

He explained that all expenditures have a proposed 3% increase for non-union employee salaries to align with the 3% salary increase that were negotiated for union employees. In addition, medical rates have not been finalized as yet and there may be a decrease in medical rates.

**2020 Budget
Current Expense Revenues**

Revenue Type	Amount	
Property Taxes	\$ 1,585,000	28.50%
Sales Taxes	705,300	12.68%
Criminal Justice Tax	175,000	3.15%
City Utility Taxes	1,066,000	19.17%
Private Utility Taxes	1,020,000	18.34%
Other Taxes	2,500	0.04%

Licenses & Permits	146,000	2.62%
Intergov. Revenues	349,900	6.29%
Charges for Services	160,400	2.88%
Fines & Forfeits	167,600	3.01%
Misc. & Other Rev.	184,390	3.32%
Total Revenue	\$ 5,562,090	

2020 REVENUE ESTIMATES

Current Expense Fund

Total Beginning Cash Balance - \$1,234,640

Taxes

2019 Budget \$4,588,250

2020 Estimate \$4,553,800

Licenses and Permits

2019 Budget \$141,500

2020 Estimate \$146,000

Intergovernmental Revenues

2019 Budget \$351,100

2020 Estimate \$349,900

Charges for Goods and Services

2019 Budget \$158,600

2020 Estimate \$160,400

Fines and Penalties

2019 Budget \$170,410

2020 Estimate \$167,600

Miscellaneous Revenues

2019 Budget \$186,715

2020 Estimate \$184,390

Total Current Expense Fund Revenues

2019 Budget \$7,134,170

2020 Estimate \$6,796,730

**2020 Budget
 Current Expense Expenditures**

Department/Services	Amount	
Police Department	\$ 3,482,370	54.23%
Fire Department	502,110	7.82%
Library Services	322,165	5.02%
Parks & Recreation	563,160	8.77%
Senior Services & Community Center	66,535	1.04%
Court & Legal	438,810	6.83%
Risk Management	193,310	3.01%
Code Enforcement	84,330	1.31%
General Government	726,450	11.31%
Animal Control	38,100	0.59%
Graffiti Removal Services	4,715	0.07%
Total Expenditures	\$ 6,422,055	

**2020 EXPENDITURE ESTIMATES
Current Expense Fund**

Legislative Services - Council

2019 Budget \$56,600
 2020 Estimate \$51,830
 Notable Changes in 2020 – None

Community Support Services

2019 Budget \$28,190
 2020 Estimate \$34,020
 Notable Changes in 2020 – None

Municipal Court Services

2019 Budget \$358,095
 2020 Estimate \$384,270
 Notable Changes in 2020 – Yakima County District Court costs increased from \$194,300 in 2019 to \$211,523 in 2020 with the greatest increase in criminal-DUI filings. Each year, the City pays the County a sum equal to the City’s percentage of the County’s budget. The percentage was determined based on a 4-year running average of the total District Court cases divided by the average number of City cases. For example: if the 4-year average of the District Court cases including Grandview is 10,000 and Grandview’s portion 4-year average is 1,000 – the City pays the county 10% of the total budget for that year. In 2018, the City entered into a four-year agreement with Yakima County for probation services at a flat fee of \$70 per case. The cost to the City for probation services increased from \$3,550 in 2019 to \$4,480 in 2020. For year one (2018) and year two (2019) of the agreement, the County agreed to accept 75% of the total cost that the City would be responsible to pay. For year three (2020) and year four (2021), the City agreed to pay 100% of the total cost. The public defender agreement with the Law Firm of Beck and Phillips, PLLC was renewed in 2018 for a five-year period. The Public Defender compensation in a total fixed-fee which increased from \$78,957 in 2019 to \$82,115 in 2020. The

Special Meeting Minutes – Budget

October 7, 2019

Page 4

Public Defender Agreement reflected a caseload limit, the reimbursement of costs for investigators and experts, warranty of public defender and quarterly reporting requirements. The City also contracts with other defense attorneys in the case of public defender conflicts.

Executive Administration – Mayor & City Administrator

2019 Budget \$111,200

2020 Estimate \$114,990

Notable Changes in 2020 – None

Clerk Services – City Clerk

2019 Budget \$51,220

2020 Estimate \$53,520

Notable Changes in 2020 – None

Accounting Services – City Treasurer

2019 Budget \$114,060

2020 Estimate \$115,600

Notable Changes in 2020 – None

Risk Management Services

2019 Budget \$191,620

2020 Estimate \$193,310

Notable Changes in 2020 – The City's liability assessment with WCIA increased from \$155,388 in 2019 to \$158,797 in 2020. The assessment formula was based on two factors: worker hours multiplied by the assessment rate. The assessment rate was determined by an actuarial review of the City's last five years loss history and successful completion of WCIA's COMPACT requirements. Property, auto physical damage, boiler and machinery, and crime/fidelity rates increased approximately 5% for 2020.

Legal Services

2019 Budget \$104,590

2020 Estimate \$54,540

Notable Changes in 2020 – None

Human Resource Services

2019 Budget \$76,640

2020 Estimate \$68,000

Notable Changes in 2020 – None

General Facilities Services

2019 Budget \$30,305

2020 Estimate \$29,705

Notable Changes in 2020 – None

Planning & Community Development Services

2019 Budget \$33,260

2020 Estimate \$33,900

Notable Changes in 2020 – None

Economic Development Services

2019 Budget \$81,830

2020 Estimate \$34,920

Notable Changes in 2020 – Travel funds for annual Las Vegas Retail Show \$6,000.

The next preliminary budget meeting would be held on Monday, October 14, 2019 at 6:00 p.m.

3. ADJOURNMENT

The special meeting adjourned at 6:55 p.m.

Mayor Gloria Mendoza

Anita Palacios, City Clerk