



**MINUTES
YAKIMA CITY COUNCIL
STUDY SESSION**

April 25, 2023

**City Hall -- Council Chambers - 129 N 2nd Street, Yakima, WA
5:00 p.m. meeting - conducted in person and virtually via Zoom**

1. Roll Call

Present: Mayor Janice Deccio, presiding and Councilmembers Matt Brown, Patricia Byers, Holly Cousens, Danny Herrera, and Eliana Macias (attending via Zoom)

Staff: City Manager Robert Harrison, City Attorney Sara Watkins, City Clerk Sonya Claar Tee, and City Clerk in-training Rosalinda Ibarra

Absent: Assistant Mayor Soneya Lund (excused)

2. Public comment (allow 15 minutes)

None.

3. Financial Policy Review and Alternative Revenue Options

City Manager Bob Harrison provided the foundational information regarding budget status and challenges forecasted for future budget cycles, and the expectations for how the upcoming budget discussions will be presented for Council's consideration. Mr. Harrison provided an overview of what healthy and resilient cities look like regarding budget matters.

Jennifer Ferrer-Santa Ines, Director of Finance & Budget, reviewed existing financial policies, which were last presented to Council in 2013, and noted some recommended modifications will be presented at a future meeting.

Director Ferrer-Santa Ines reported at the close of 2022, the City did not meet Council's fund balance policy to maintain 16.7% (reflects two months of operational expenditures) in the City's General Fund reserves, which provides for general government services, including public safety, parks, streets, and organizational support of internal service departments. Ms. Ferrer-Santa Ines added that the City has been operating with the 1% property tax increase year after year since voters approved Initiative 747 in 2001. Meanwhile, inflation remains high and labor contracts have negotiated cost of living increases as high as 5.5%. She stated this is no match for a 1% increase in property tax and the volatility of sales tax collections. After questions from Council members, Ms. Ferrer-Santa Ines stated the Yakima County Assessor offered to present to the City Council information on how property taxes are calculated and distributed, which will be scheduled in the future.

Ms. Ferrer-Santa Ines also reported on revenue options she provided to the Council in July 2022, but there has been no action and without additional revenue generation, the only option remaining is to reduce service levels. An overview of potential revenue options was presented for Council discussion and future consideration.

4. Adjournment

MOTION: Cousens moved and Byers seconded to adjourn to a City Council special meeting on April 27, 2023, at 11:30 a.m. at the Valley Mall - Food Court, Union Gap, WA. The motion carried by unanimous vote, Lund absent. The meeting adjourned at 6:33 p.m.

CERTIFICATION

READ AND CERTIFIED ACCURATE BY

COUNCIL MEMBER DATE

COUNCIL MEMBER DATE

ATTEST:

CITY CLERK

MAYOR

DRAFT