

By Tim Linscott

Managing Editor

Grant City Council member Bob Tatum feels that raising rates for services like electricity is a 'back door tax' and suggested at the Aug. 27 council meeting an alternative: raising property taxes.

"Then people know it is going toward system maintenance," Tatum told his fellow council members.

After hearing from Terry Galloway, an accountant retained by the City of Grant, there may be a compromise to allow rates to be adjusted for inflation but also put funds away for future projects.

The local tax levy could be dropping as the local valuation increased by \$1.4 million (three percent). Last year the levy was at 45 cents (per \$100 valuation) and this year it could be dropping to 43.75 cents. In 2011-2012 the levy rate was 45.52.

Tatum suggested keeping the levy at 45 cents instead of raising electrical rates.

The council approved, 4-0, the measure to keep the levy at 45.52 (the 2011-2012 levy rate).

Dana Harris, Grant city administrator, explained that the levy of 45.52 cents will equal \$212,000, approximately \$8,000 more than last year's levy.

City briefs

Other notes from the Grant City Council meeting on Aug. 27 included:

* The water tower is back up and running. Dana Harris, Grant City Administrator, explained that the water tower passed all tests and is back online.

"We are back to normal," Harris said.

* The well bid at the golf course was again tabled. Council members tabled dealing with the measure until after the budget was done. It will be addressed again at the final meeting in September.