PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
April 10, 2025 7:00 PM

OFFICIALS PRESENT:	Mayor Kevin Jeppsen, Council Member Nathan Tueller (online), Council Member Toby Wright, Council Member Ashley Young, Council Member Dave Walker, and Council Member Blake Ostler
OFFICIALS ABSENT:	None
CITY STAFF PRESENT:	City Recorder/Financial Director Shanna Johnson and Chief of Police Scott Hancey
OTHERS PRESENT:	Nelson Phillips (BENJ) Serena Cummings
ON-LINE:	None

ITEM 1: CALL TO ORDER
Mayor Jeppsen welcomed everyone and called the City Council meeting to order.

ITEM 2: PROCEDURAL ISSUES

A. **Conflict of Interest Declaration**

None

ITEM 3: PRESENTATION

A. **Fiscal Year 2025-2026 Tentative Budget**

Financial Director Shanna Johnson presented an overview of the tentative budget for fiscal year 2025-2026. She stated that copies of the tentative budget were available at city hall and online at the city's website.

Ms. Johnson reported that the general fund budget was planned at $5,858,165, which represented a 0.5% increase from the prior year. She noted that while there were operational increases, some completed projects and one-time expenses from the previous year were not included in this budget. Ms. Johnson highlighted a planned $1 million allocation for street road repair, which increased the budget line item by $314,300. She also mentioned capital projects, including $236,681 of general funds and $314,000 of grant funds being allocated for a landscaping project at City Hall, pending Council approval.
Other capital projects mentioned included contributions to 1200 West ($42,500), parks equipment ($35,000), first responder equipment ($5,000), gun range improvements ($50,000), and public works facility improvements ($50,000).

Council Member Walker inquired about the scope of the landscaping project. Council Member Tueller provided details, explaining it would be a complete overhaul including new retaining walls, a courtyard area, a pergola, new planter beds, sprinkling system, lighting, benches, and sidewalks. Council Member Walker also inquired about the improvements planned for the Public Works Facility. Ms. Johnson replied with details including plans to resurface the outside and inside, replace carpets, paint and possibly redesign the inside.

Ms. Johnson then presented an overview of the enterprise funds, which included the water fund, storm drain fund, garbage fund, sewer fund, and fleet lease fund. She provided operational expense projections for each fund (see presentation slides) and noted some planned increases and decreases. For revenues, Ms. Johnson reported a balanced budget for the general fund at $5,858,166, which included using $487,633 in unrestricted fund balance. She noted there was no tax increase included in the proposed budget.

Ms. Johnson also presented revenue projections for the general fund and the funds pertaining to sewer, water, storm drain and garbage (see slides). She discussed potential rate increases for the water and storm drain funds to address operational losses. Ideas to implement the rate increase were a proposed additional rate increase of $3.41on top of the yearly 3% increase, or to drop the base allowance from 10,000 gallons to 5,000 gallons and the additional rate increase of $2.57.

The council discussed the proposed increases and the justification for the increases.

ITEM 4: ACTION ITEMS

A. Motion Accepting Receipt of the Fiscal Year 2025-2026 Tentative Budget

MOTION: Council Member Walker made a motion to accept receipt of the Fiscal Year 2025-2026 Tentative Budget. Council Member Wright seconded the motion.

ROLL CALL: Council Member Walker, Yes
Council Member Ostler, Yes
Council Member Wright, Yes
Council Member Tueller, Yes
Council Member Young, Yes

Motion Approved. 5 Yes, 0 No

ITEM 5: Discussion Items

A. FY2025-2026 Budget Proposals

Ms. Johnson presented the compensation plan for fiscal year 2026. She explained the tools used for compensation are market-based increases, based on surveys, performance increases, and cost of living adjustments. Ms. Johnson reported that the proposed budget included a 2.8% cost of living increase based on the Consumer Price Index.

She then shared a request from the police department for additional pay increases beyond the city's regular plan. Chief Scott Hancey provided justification for the request, presenting data on caseloads per officer compared to other agencies in the county. The council discussed the proposal and its potential impact on the budget.

Ms. Johnson also addressed Utah Retirement Systems (URS) and how they are starting to charge the Tier 2 Hybrid Employees (non-public safety) a percentage of their retirement to keep the fund healthy. With employers only being allowed to pay 10 percent, this would take that money out of the employees' paychecks. She proposed that the City reduce the Tier 2 matchup benefit percent to 0.97 percent, and increase employees pay by 0.11%, which would cover the cost that URS will charge employees and keep the money in the employees' paychecks.

Chief Hancey then presented his department's budget proposal, which included requests for new desktop computers, increases in Internet Crimes Against Children (ICAC) investigation funding, and other operational expenses.

B. Health Benefits Outlook

Ms. Johnson presented an overview of the health benefits for city employees. She reported a 6.3% increase in the cost of the STAR plan (high-deductible plan with HSA) and a 2.6% increase in dental insurance premiums. Ms. Johnson noted that the city's contribution to health insurance premiums was slightly below the average for the area but was offset by contributions to health savings accounts.

ITEM 6: MINUTES & COUNCIL/MAYOR REPORTS (INCLUDING COUNCIL ASSIGNMENTS)

A. Approval of Consent Items

- March 27, 2025, City Council Meeting Minutes

MOTION: Council Member Wright made a motion to approve the consent items. Council Member Walker seconded.

All Council Members were in favor.
Motion Approved.

B. Mayor's Report

Mayor Jeppsen reported on a recent Box Elder County Mayors' Meeting where animal control concerns and fire protection were discussed. He mentioned ongoing discussions about finding solutions for animal control services and negotiations regarding fire protection services with a neighboring city.

C. Council Reports

Council Member Young reported on the upcoming Annual Easter Egg Hunt scheduled for April 19th at 10 AM at the soccer park. She mentioned that the Perry City Youth Council would be stuffing eggs on Thursday and requested candy donations.

Council Member Walker provided an update on the Mountain View Bike Park Project. He reported that grant applications had been submitted and that they were in the process of requesting proposals from contractors for the park's construction.

Council Member Tueller reported that the sewer board was preparing to conduct interviews for a new wastewater treatment plant manager.

D. Staff Comments

Ms. Johnson mentioned that a Fourth of July committee meeting would be scheduled soon and requested the Council's help in finding a parade chairman.

E. Planning Commission Report

None

ITEM 7: CLOSED SESSION

Not needed.

ITEM 8: ADJOURNMENT

MOTION: Council Member Walker made a motion to adjourn the meeting.

Motion Approved. All Council Members were in favor.

The meeting adjourned at 8:43 p.m.

Kevin Jeppsen, Mayor

Shanna Johnson, City Recorder

Misty Moesser, Deputy Recorder