

PERRY CITY WORK SESSION
PERRY CITY OFFICES
December 05, 2023

6:30 PM

OFFICIALS PRESENT: Mayor Kevin Jeppsen presided and conducted the meeting. Council Member Blake Ostler, Council Member Nathan Tueller, Council Member Dave Walker, Council Member Toby Wright, and Council Member Young

OFFICIALS ABSENT:

CITY STAFF PRESENT: Shanna Johnson, City Recorder
Bill Morris, City Attorney

OTHERS PRESENT: None

ITEM 1: Welcome to Order and Welcome

Mayor Jeppsen welcomed everyone and called the meeting to order.

ITEM 2: Sales Tax Initiatives

Council Member Ostler explained the local sales tax repeal which pertained to the Utah Code §59-12-2213 (a tax to get the Front Runner services in Perry City). The voters repealed the tax, and our proposed Ordinance 23-P notifies the Utah State Tax Commission to stop collecting it. He said the city needs to submit all the required paperwork by December 31, 2023, to have it stop being collected effective April 1, 2024. He mentioned that this tax change will be reflected in most of the purchases (from businesses) in Perry City. He and Ms. Johnson briefly discussed what was needed to have all the paperwork done by the end of the month. He showed and explained a chart he got from the Utah State Tax Commission website and that he modified for a visual to help for clarity. (See slides) He said this tax came about because Perry was annexed as part of a transit district and the tax goes to Utah Transit Authority (UTA).

He continued with Utah Code §59-12-2213 and §59-12-2215 and said his intent on Ordinance 23-Q and Ordinance 23-R was to create a way to solve a problem. He pointed out the biggest complaint from our residents was the conditions of our roads. He then noted that money (was the reason for the lack of infrastructure improvements). After highlighting a few statistics of residents using the roads and the money collected for our roads he proposed and tax plan to help the situation. He said the proposed changes were to repeal 2213 (Ordinance 23-Q) and adopted 2215 (Ordinance 23-R) which will create a net zero tax change to the people. He explained that the 2213 came from the Perry point-of-sale transactions and goes directly to UTA. The Ordinance that approved it stated that it was for public transportation use where 2215 comes from the same source but the code allowed the tax to go to Perry City for transportation. He showed the uses and benefits of the proceeds of this proposed Perry City tax. (See slides)

To put things in perspective, Council Member Tueller broke down the funds in proportion to the amount of people using either for public transit or driving on the roads. He said that was why they were looking at this (tax change). Council Member Wright commented that UTA was collecting three

separate taxes from Perry and even with the repeal of one of the taxes they will still be collecting taxes from Perry. Council Member Ostler went into greater depth of what Council Member Wright said and showed part of the UTA Agreement then gave his thoughts of fund use. (See slides) He said his point was to orient the council members to know where it was all coming from. He reminded the council members that roads are subsidized by the General Fund and by having the proceeds of this tax change go to the Road Fund those General Funds may be opened for other uses.

ADJOURNMENT

Mayor Jeppsen closed the work session.

The meeting adjourned at 6:57 p.m.

Shanna Johnson, City Recorder

Kevin Jeppsen, Mayor

Anita Nicholas, Deputy Recorder