

PERRY CITY COUNCIL  
TRUTH IN TAXATION MEETING  
PERRY CITY OFFICES  
August 12, 2021

7:01 PM

OFFICIALS PRESENT: Mayor Kevin Jeppsen presided and conducted the meeting. Council Member Nathan Tueller, Council Member Blake Ostler, Council Member Toby Wright, Council Member Andrew Watkins and Council Member Esther Montgomery.

OFFICIALS ABSENT: None

CITY STAFF PRESENT: Robert Barnhill, City Administrator  
Shanna Johnson, City Recorder  
Scott Hancey, Chief of Police  
Bill Morris, City Attorney

OTHERS PRESENT: Michael Wood, Kimberly Durrans, Dave Durrans, Dave Walker, Scott Nelson, Tom Kotter, Mel Hurst, Ashley Young, Box Elder News, Joe Hillam, Bob Zalenski, Melanie Barnhill

**ITEM 1: CALL TO ORDER**

Mayor Jeppsen called the electronic City Council meeting to order.

**ITEM 2: PRESENTATION – PROPERTY TAX FOR 2021 TAX YEAR/ FISCAL YEAR 2022**

Shanna Johnson presented the property tax proposal to the Public and Council. She informed them they are proposing to not accepting the certified tax rate but planning to maintain the tax rate (which provides additional property tax revenue). She explained that last year, Perry City implemented a general policy to consider maintaining the tax rate of 0.002175 each budget year going forward (look at the tax rate each year in a way to take in account new property value). A capital projects and needs analysis was completed during FY2021 and over \$12 million in projects were identified, with short-term projects equaling \$2,094,602. The City did maintain the tax rate of 0.002175 that was set in FY2020, which helped generate \$73,754 in new tax revenue. These funds are projected to cover the short term projects over a 4 year period, along with other money saved and funds available. This leaves \$10 million in projects that still need funding.

Ms. Johnson discussed the projects that are part of the \$12 million projects including:

- A new city building – 74% (long term project)
- Streets 11%
- Parks 2%
- First Responders \$21,000
- Police 3%
- Public Works 1%
- Current city facility 1%
- Cemetery 8%

Ms. Johnson reviewed how \$419,304 (using \$73,754 from the new tax revenue) was used to fund those projects last year including:

- 42 % Streets

- 30% Parks
- 26% Police
- 2% First Responders

She also explained how the \$896,143 in project funding (which includes \$206,903 in new property tax revenue) is projected to be applied in the coming Fiscal Year 2022 including:

- 44% Streets (phased out sidewalk repair plan, street signs, crack seal and road maintenance)
- 13% Public Works (new bob tail, open stall shed, yard improvements)
- 22% Parks (playground equipment at Mountain View park)
- 9% Police (department building improvements, and bullet proof vests) 12% Building improvements (addressing health and safety issues, interior and exterior improvements to the current city building))

The new property tax gained in the prior year and proposed this current fiscal year will cover \$1.3 million of the projects outlined in the \$12 million projects. Ms. Johnson explained that the average home would see an increase of \$67.44 per year, resulting in increased street service life, improved sidewalks and signage, improved trails and parks, more efficient public safety, improved equipment, improved facilities with a focus on health and safety, and funding for future projects including cemetery and a new city building.

The Mayor opened the public hearing.

### **ITEM 3: PUBLIC HEARING**

#### **A. Public Hearing**

Michael Wood said he loves that there are plans to maintain and improve things and feels that is important. He said that this last year has been difficult for a lot of people and is concerned about timing. Property valuation has gone up 15.1% with another 17.3% being proposed. He said that is 32%, a huge jump over what they have been bringing in. He said we are the 4<sup>th</sup> highest tax rate in the County. The Box Elder School district also wants a 3% increase this year, as well as the Council passing a 30% increase on the water rate this month. This is hitting everyone all in one year and he is concerned about burdening citizens. He would like to see a more detailed plan and feels that not too much money should be put into the old building if we need to be saving for a new building. Overall, he thinks the percentage on the increases are huge and should maybe be smaller.

Scott Nelson discussed the prices of homes in Perry and said it is a wonderful place to live. He said it takes money to run a town and he supports a new city building. He wants \$2,000 for the Perry City 4<sup>th</sup> of July celebrations, he would also like money for the fair next year, as well as parking at the park. He also supports a city cemetery.

Dave Walker questioned the certified tax rate versus keeping the tax rate the same. Ms. Johnson explained that with the certified tax rate, the city would receive tax revenue based on whatever your home value was last year, your bill would be the same and the City would not get any increase on the value. If the city maintains the tax rate set in the prior year –the City is taking advantage of the inflation to your home price and would see an increase in tax revenue. Mr. Walker then asked if budget cuts were looked at to increase revenue for other projects. He said he is glad that Perry City has a plan for projects and is forward thinking. After discussing concerns with other citizens, he said that people are worried about street maintenance, signs, and parks. He said he feels that a low priority would be a new city building.

Dave Durrans stated that he does not support a cemetery. He agrees with what Mr. Wood says. He also said he does not think we need a \$9 million building, an \$8 million dollar building might be just as good.

Council Member Tueller wanted to give public comment as a citizen and not a Council member. He explained the budget process including budget sessions and discussed the amount of time that is spent on the budget. He expressed appreciation for the detail from this administration where there have been issues with fiscal responsibility previous to this. He appreciates people reaching out to the council and getting feedback from citizens. He wants to make sure that the future is bright and that we are prepared for our future.

Ms. Johnson read an online comment from Bob Zalenski. He does not support the tax rate increase and said that we need to focus on the effects of a tax increase to those on fixed incomes.

Mayor Jeppsen closed the public hearing.

**ITEM 4: ADJOURNMENT**

The meeting adjourned at 7:36 p.m.

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Shanna Johnson, City Recorder

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Kevin Jeppsen, Mayor

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Tyra Bischoff, Deputy Recorder