

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

CITY STAFF PRESENT: Robert Barnhill, City Administrator  
Shanna Johnson, Chief Deputy Recorder  
Scott Hancey, Chief of Police  
Tyler Wagstaff, Public Works Director  
Bill Morris, City Attorney

OTHERS PRESENT: Melanie Barnhill, Bill Morris, Chuck Palmer (Christensen, Palmer & Ambrose), Mark Mackley, David Rogers (Davis & Bott), Espen Tueller, Nelson Phillips, and Jan Kerr

**ITEM 1: CALL TO ORDER**

Mayor Jeppsen called the electronic City Council meeting to order. The Mayor read the statement from the CDC and Utah Department of Health regarding electronic meetings: The CDC and Utah Department of Health have declared a national and state pandemic for COVID-19 where social distancing and other requirements are in place to prevent the spread of this infectious disease.

**ITEM 2: PROCEDURAL ISSUES**

**A. Conflict of Interest Declaration**

None.

**ITEM 3: PRESENTATIONS**

**A. Fiscal Year 2020 Financial Statement and Audit Report**

David Rogers, from Davis and Bott, presented the Fiscal Year 2020 Financial Statement. He discussed a few of the highlights for the year, clarifying that it was mostly before the Covid-19 pandemic. He discussed that the City's net position increased \$846,996 from the prior year and that the long-term debt decreased 9.5%. He noted that impact fees were up in the utility and sewer funds. He also did a comparison of the profit and loss with the prior year. Taxes are up due to the UTA mass transit tax and sales tax were up in general as well. He discussed other revenues, which reflected a 206% increase due to a gain on the land exchange between the city, SITLA and the Department of Natural Resources. He reviewed the debt service fund, and community development. He noted that Revenues on business activities are going up as well. Overall, the 2019 net income was \$927,000 and this year was \$846,000. He said that even though it went down a little, Perry City is still healthy financially.

Council Member Ostler questioned the statement of activities, wanting clarification on the sewer impact fees and if these should be listed as operating grants and contributions. Mr. Rogers said that it should have been listed under capital grants and contributions instead of under operating grants.

Chuck Palmer from Palmer, Christensen, and Ambrose presented the Fiscal Year 2020 Audit Report. He discussed the audit opinion report on the financial statements, minus the flood district. He said everything went smoothly with the audit and the staff was easy to work with. He discussed the internal controls and that there was no concern there. State compliance with the State Laws had one small finding with cash management; he indicated report that has to be

filed at the end of the year and every 6 months with the Utah Money Management Council was filed with the book balance on June 30, 2020 and needs to reflect the bank balance. Mr. Palmer said it is not a big deal but needs to be corrected by using the bank statement for that report. He explained doing the audit electronically was different this year but that it went well.

Council Member Ostler asked for clarification on why the flood district did not have to be included in the audit this year. Mr. Palmer explained that they only took the financial statement information this year and in the past they were doing all of the work on the books for the flood district. He also stated that the flood district is not required to have the audit because they are so small they have different requirements and that they do a report internally that is uploaded to the State Auditor's office. Mayor Jeppsen asked if the flood district is a separate agency, and if that is why they decided to make the switch to a different auditor. Shanna Johnson explained that they are a separate agency, but because Perry City selects the board, they are required to be listed on the City's financial statement as a component unit. She explained that the flood board switched accounting firms and it is under David Rogers (with Davis & Bott) now and he files year-end reporting for them separately.

#### **ITEM 4: ACTION ITEMS**

##### **A. Approval of Warrants**

The Council reviewed the warrants. Council Member Wright asked about a building permit deposit that was returned for \$2,500.00. Ms. Johnson explained that the building permits have been changed from \$500.00 to \$2,500.00. She said that the number changed about six months ago; the deposit is used to ensure sidewalks and improvements are completed and that once those improvements are verified complete, the deposit is returned to the owner/builder. Mayor Jeppsen added that the reason they are showing up on the warrants now is because they are over the \$2,000.00 threshold and Ms. Johnson verified that is the case.

**MOTION:** Council Member Wright made a motion to approve the warrants. Council Member Watkins seconded the motion.

**ROLL CALL:** Council Member Montgomery, Yes    Council Member Tueller, Yes  
Council Member Wright, Yes                      Council Member Watkins, Yes  
Council Member Ostler, Yes

**Motion Approved.** 5 Yes, 0 No.

##### **B. Motion Accepting the Fiscal Year 2020 Financial Statement and Audit Report**

Mayor Jeppsen acknowledged the Fiscal Year 2020 Financial Statement and Audit Report as presented. No motion needed.

##### **C. Ordinance 20-S Amending the Multi-Family Dwelling and Apartment Density Map**

Robert Barnhill discussed the density map and explained that any part of the density map can be amended or none at all. The two areas of interest are located near 1000 West and the other at Hargis Hill, as discussed in the last council meeting. Both areas are hoping to get the number of units allowed to 44. Mr. Barnhill discussed both areas in more detail explaining what is currently allowed.

Council Member Montgomery said she is still leaning toward increasing the capacity for the developments in those areas. Council Member Tueller discussed the properties specified and other areas in the City. He said his inclination would be to approve 36-38 units with some single-family homes that would be spread throughout to buffer the areas. Council Member Ostler said that these specific requests are secondary to what he thinks are some regulations

that need to be revisited. He explained further that if a regulation has to keep being revisited, that it may need to be looked at more closely to make sure that things are in the right place and honed in a bit. He added that may involve approving these specific requests or it may not. He said that there may not be the regulations in place to help carry out the general plan and that multi-family dwellings need to be met with offsetting green space. Council Member Watkins expressed that the grid system was put in place to keep the multi-family housing spread out and not necessarily a specific number per grid. He said he is not as concerned about the number of units allowed so much as making them blend with the design standards and agricultural feel. He feels more lenient because there is a big picture in place and that maybe they do need to look at the grid system again. Council Member Ostler added wanting to look at the risks to the City of allowing more multi-family dwelling if there are any. Council Member Wright said that he is not sure the number actually matters but that it is more about the general plan and what the future will look like. He feels that the number changes will be required, but he would like to have the codes and standards firmly in place for what will be best for Perry City.

Mayor Jeppsen asked if stringent standards for parking requirements are in place for multi-family dwelling and wanted to know legally how long the City has to respond. Mr. Barnhill said that there are clear parking requirements in place. He added that these code amendments are requests that are brought to the Planning Commission and City Council, and that they are voluntary. The City is not obligated to take any action on the requests if they don't want to. Mr. Barnhill said that there are limiting factors like setbacks, height limits, open space and parking requirements that have to be met. The developers can then see what they can fit in after meeting those requirements, so it is self-regulating. Bill Morris said that when the grid system was made, there was logic put into the number picked and listed in each of the squares due to their location.

The Council discussed having this be a topic they discuss further in the Council retreat. Bill Morris asked if there was an eminent pending application on this or if it was brought by staff. Mr. Barnhill said that there have been no applications submitted. He added that the property near the 1000 W district did have some other things tied in with the Orchard Hills development that was approved (but the plat has not been signed) they are waiting on this decision, and this may affect the plat of the neighbor, but it is not a pending application. Mr. Morris wanted to clarify that no one would have an argument that the City would be required to act on this item because inaction tonight would affect an active application and could give rise to a cause of action of detrimental reliance. Mr. Barnhill stated that he did not believe so. Mayor Jeppsen wanted to clarify that if no formal application had been made then this item did not need to be tabled. Mr. Barnhill said that no action would need to be made.

**D. Ordinance 20-V Amending Title 15 Regarding Design Standard**

Mr. Barnhill explained that Planning Commission wanted to create some design standards for multi-family developments, which was done. Planning Commission then felt that it should apply to commercial developments that may come in by Walmart or Pointe Perry as well. He explained the code and the recommendation to change the title to apply to all commercial developments under applicability. He explained the language that would change and that it would open it to elsewhere in the City, not just along Highway 89 or multi-family.

Council Member Wright stated that he feels it is good to make minor changes that make things better and clearer. Council Member Ostler agreed with Council Member Wright. Council Member Watkins wanted to clarify where the standards would apply and the wording stating

throughout the City. Mr. Barnhill said it would make it apply anywhere in the City. Council Member Montgomery reviewed the width of the sidewalks (at the end of the document) stating south of 3000 on Hwy 89 has a minimum of 8 feet width of sidewalk (residential area) and north of 3000 (commercial area) is asking for 6 feet width of sidewalk. She wondered if that was excessive or if the requirements should be switched. Mr. Barnhill explained that part of that area may be used as a trail. The Council discussed the development that was approved recently before the design standards were put in place and that UDOT did not require sidewalk to be put in. The Council discussed working with UDOT in the future to put some design standards in place with them. They also discussed leaving the sidewalks as outlined.

**MOTION:** Council Member Wright made a motion to approve Ordinance 20-V Amending Title 15 Regarding Design Standards as it has been outlined. Council Member Tueller seconded the motion.

**ROLL CALL:** Council Member Montgomery, Yes                      Council Member Tueller, Yes  
                    Council Member Wright, Yes                                      Council Member Watkins, Yes  
                    Council Member Ostler, Yes

**Motion Approved.** 5 Yes, 0 No.

#### **ITEM 5: DISCUSSION ITEMS**

##### **A. Fiscal Year 2021 Budget Update**

Shanna Johnson gave a presentation on the budget for Fiscal Year 2021 through December 2020. (See presentation) She showed a comparison from last year to this year and discussed that in detail. Overall 55% more has been collected in revenue compared to the prior year. She discussed the grant from the CARES act being included in the Intergovernmental area and said that is why the percentage is showing so much higher. Council Member Ostler said that his takeaway from the normal operations that are recurring is they are up and that is positive. She also discussed in the utility fund, garbage sales are up and explained that this was due to a discovery when changing garbage companies. There were multiple residents with second cans that were not being charged for them. She added that although the sales are up for the second cans, the City will also see a higher charge from the garbage company along with that. On sewer, the rate is up from the prior year but that is due to the sewer rate increase. She discussed that in terms of expenditures the general fund has only spent 39.9% and discussed the other departments in detail. She noted the 900 West project is complete and also that Mass Transit has been separated from Community Development into its own line item. Ms. Johnson said that sales tax shows 15.33% higher than last year at this time. She said that in terms of the budget she feels that the City is doing well.

Council Member Ostler asked how the water discussion will continue. Mayor Jeppsen said that in his opinion the two biggest items that will be discussed at the retreat will be the water study and the density map.

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

##### **A. Approval of Consent Items**

- December 10, 2020 City Council Work Session Minutes
- December 10, 2020 City Council Meeting Minutes
- December 17, 2020 City Council Meeting Minutes

Council Member Ostler pointed out that on the December 17<sup>th</sup> meeting item 3A, the motion was made by Council Member Wright and then it shows he abstained. It was Council Member Watkins that abstained. Ms. Johnson stated that the change will be corrected.

**MOTION:** Council Member Wright made a motion to accept all of the meeting minutes with the amended change. Council Member Ostler seconded the motion.

**Motion Approved, All Council Members were in favor.**

**B. Mayor's Reports**

Mayor Jeppsen informed the Council that the first responders and police had the opportunity to receive the Covid-19 vaccine and that starting next week; residents over 70 years old will be eligible to receive it. He discussed meeting with the manager of the Bear River migratory bird refuge to discuss the safety of the operation of the gun range during hunting season. They said they no longer have safety concerns under the current conditions. He discussed moving forward with some of the corridor acquisitions and made some headway on the civic area.

**C. Council Reports**

Council Member Watkins discussed wanting to discuss water, multi-family dwelling/density map, future of a cemetery in Perry, as well as streets and volunteerism at the Council retreat. February 13<sup>th</sup> is the date of the Council retreat.

**D. Staff Comments**

Shanna noted that the gun range tripled their revenue from 16k to 51k in the 2020 season.

**E. Planning Commission Report**

Commissioner Kerr said at the last Planning Commission meeting they looked at the sign ordinance and made a few changes before it comes to City Council. She also discussed parking regulations being reviewed and that the Commission approved the Cherry Ridge subdivision amendment and another one for the Loveless/Carr subdivision.

**ITEM 7: EXECUTIVE SESSION**

None.

**ITEM 8: ADJOURNMENT**

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

**Motion Approved. All Council Members were in favor.**

The meeting adjourned at 8:58 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

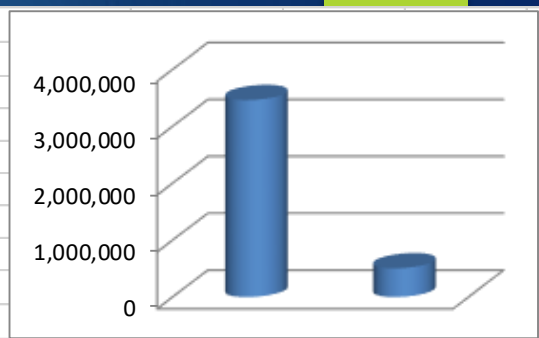


# Budget Update

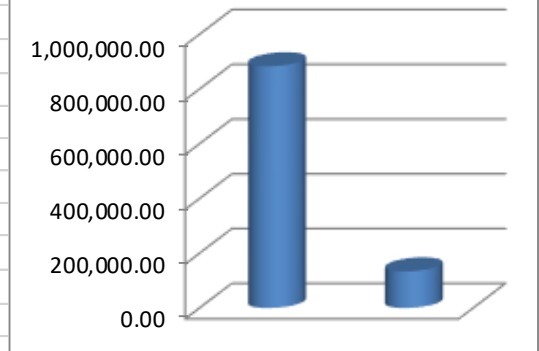
FY2021 – AUG 2020

# Revenues

General Fund				
Department	Budget	Actual	Unearned	%
TAXES	2,320,807.68	355,921.78	1,964,885.90	15%
LICENSES & PERMITS	134,060.00	47,649.31	86,410.69	36%
INTERGOVERNMENTAL REVENUE	587,195.00	77,462.37	509,732.63	13%
CHARGES FOR SERVICE	110,050.00	11,955.90	98,094.10	11%
MISCELLANEOUS REVENUE	46,000.00	11,920.51	34,079.49	26%
CONTRIBUTIONS OR TRANSFERS	95,550.00		95,550.00	0%
Beginning FB to be Appropriated	169,617.00		169,617.00	0%*
<b>Total</b>	<b>3,463,280</b>	<b>504,909.87</b>	<b>2,958,369.81</b>	<b>15%</b>



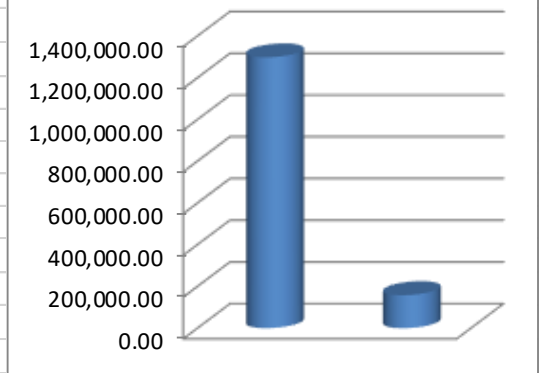
Utility Fund - Operations				
Department	Budget	Actual	Unearned	%
WATER SALES	385,572.00	66,673.76	318,898.24	17%
GARBAGE SALES	278,821.00	47,825.93	230,995.07	17%
STORM DRAIN FEE	79,757.00	13,201.06	66,555.94	17%
Interest	22,300.00	3,100.00	19,200.00	14%
Water Connection Fee	8,378.00	3,050.00	5,328.00	36%
Trans from Fund Balance	108,410.19		108,410.19	0%*
<b>Total</b>	<b>883,238.19</b>	<b>133,850.75</b>	<b>749,387.44</b>	<b>15%</b>



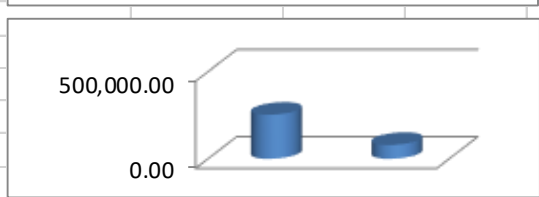
FY20 Year End Adjustments still need to take place

17% of The Fiscal Year Has Elapsed

Sewer Fund - Operations				
Department	Budget	Actual	Unearned	%
SEWER SALES	967,912.00	155,943.03	811,968.97	16%
WWTP Reimburesment (From Willard)	137,647.77	-	137,647.77	0%
Debt Reserve Reimbursement	153,000.00	-	-	0%
INTEREST	38,900.00	2,078.42	36,821.58	5%
Sewer Connection Fees	676.00	200.00	476.00	30%
<b>Total</b>	<b>1,298,135.77</b>	<b>158,221.45</b>	<b>986,914.32</b>	<b>12%</b>



Utility Fund - Non-Operations				
Department	Budget	Actual	Unearned	%
WATER IMPACT FEE	75,567.00	25,750.00	49,817.00	34%
STORM SEWER IMPACT	34,738.00	11,556.00	23,182.00	33%
SEWER IMPACT FEE	141,750.00	42,000.00	99,750.00	30%
NON OPERATING - WATER REV.	1,226.00	450.00	776.00	37%
<b>Total</b>	<b>253,281.00</b>	<b>79,756.00</b>	<b>173,525.00</b>	<b>31%</b>



# Expenditures

General Fund				
Department	Budget	Actual	Unexpended	Pct. Used
Administration	773,305.51	\$113,026.91	\$660,278.60	14.6%
Parks	117,858.58	\$17,402.14	\$100,456.44	14.8%
Police	901,994.14	\$135,865.01	\$766,129.13	15.1%
Gun Range	30,208.13	\$3,599.60	\$26,608.53	11.9%
Animal Control	300.00	\$0.00	\$300.00	0.0%
First Responders	34,634.00	\$2,625.90	\$32,008.10	7.6%
Fire	30,261.00	\$22,770.12	\$7,490.88	75.2%
Community Development minus mass transit	153,214.68	\$23,128.36	\$130,086.32	15.1%
Judicial	22,750.00	\$3,750.00	\$19,000.00	16.5%
Streets	802,254.44	\$136,630.87	\$665,623.57	17.0%
Mass Transit	445,012.00	\$109,136.75	\$335,875.25	24.5%
SID Payment	119,159.00		\$119,159.00	0.0%
Transfer to Parks Equip	32,329.00		\$32,329.00	0.0%
<b>Total</b>	<b>3,463,280</b>	<b>\$567,935.67</b>	<b>\$2,895,344.82</b>	<b>16.4%</b>

17% of The Fiscal Year Has Elapsed

<b>Note:</b>				
FY20 Year End Adjustments still need to take place				

Utility Fund				
Department	Budget	Actual	Unexpended	Pct. Used
Garbage	237,700.00	\$19,760.34	\$217,939.66	8.3%
Water	556,284.06	\$115,385.31	\$440,898.75	20.7%
Storm Drains	89,254.13	\$9,886.63	\$79,367.50	11.1%
<b>Total</b>	<b>883,238.19</b>	<b>\$145,032.28</b>	<b>\$738,205.91</b>	<b>16.4%</b>

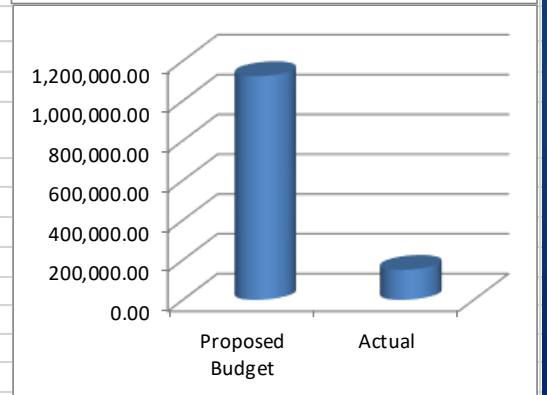
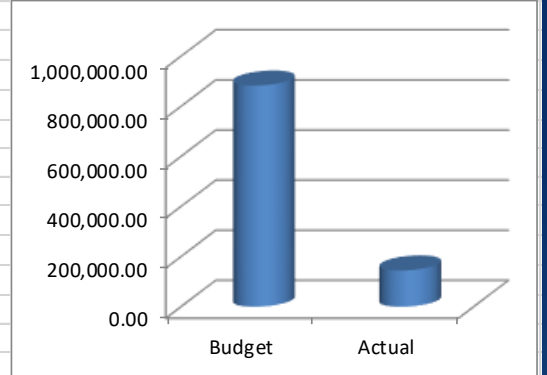
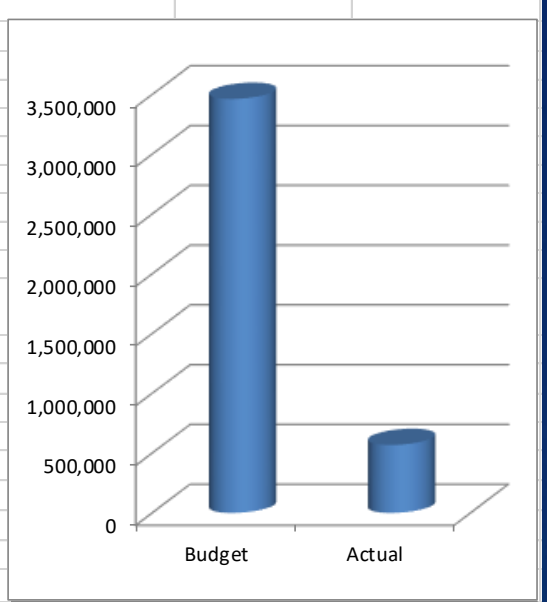
17% of The Fiscal Year Has Elapsed

<b>Note:</b>				
FY20 Year End Adjustments still need to take place				

Sewer Fund				
Department	Proposed Budget	Actual	Unexpended	Pct. Used
Sewer Collections	197,208.49	\$25,821.03	\$171,387.46	13.1%
WWTP	926,153.38	\$124,793.96	\$801,359.42	13.5%
<b>Total</b>	<b>1,123,361.87</b>	<b>\$150,614.99</b>	<b>\$972,746.88</b>	<b>13.4%</b>

17% of The Fiscal Year Has Elapsed

<b>Note:</b>				
FY20 Year End Adjustments still need to take place				

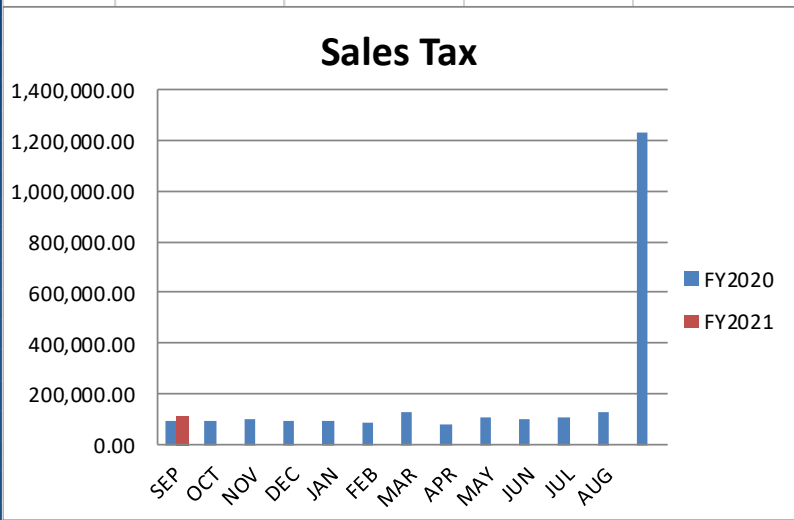




Sales Tax				
	FY2019	FY2020	FY2021	FY20 vs FY21 Better/-Worse
SEP	86,034.19	95,096.07	112,414.90	18.21%
OCT	90,987.96	96,188.23		
NOV	89,098.42	101,694.39		
DEC	82,366.96	92,202.73		
JAN	86,538.19	96,675.99		
FEB	105,208.70	88,595.52		
MAR	77,911.32	130,748.18		
APR	77,482.78	80,839.56		
MAY	92,527.44	109,388.21		
JUN	84,396.29	102,684.28		
JUL	98,872.13	108,124.26		
AUG	103,057.47	125,147.78		
<b>Total</b>	<b>\$1,074,481.85</b>	<b>\$ 1,227,385.20</b>		
	6.19%	14.23%		
	B/(W)	152,903.35		

Mass Transit Tax					
	FY2018	FY2019	FY2020	FY2021	FY19 vs FY20 Better/-Worse
SEP	\$ 33,144.41	\$ 33,403.83	\$ 39,895.75	\$ 50,115.07	25.62%
OCT	\$ 36,672.25	\$ 39,862.47	\$ 41,787.44		
NOV	\$ 36,204.38	\$ 34,941.33	\$ 42,005.13		
DEC	\$ 30,669.32	\$ 34,682.93	\$ 38,708.88		
JAN	\$ 36,577.53	\$ 39,596.66	\$ 42,958.37		
FEB	\$ 49,471.27	\$ 46,939.77	\$ 34,374.62		
MAR	\$ 28,230.23	\$ 32,869.70	\$ 61,646.26		
APR	\$ 28,725.61	\$ 30,412.07	\$ 33,256.42		
MAY	\$ 37,318.30	\$ 37,409.40	\$ 44,813.21		
JUN	\$ 31,278.17	\$ 36,648.00	\$ 48,035.15		
JUL	\$ 39,148.38	\$ 45,768.51	\$ 50,893.22		
AUG	\$ 44,607.74	\$ 44,885.54	\$ 58,243.53		
<b>Total</b>	<b>\$ 432,047.59</b>	<b>\$ 457,420.21</b>	<b>\$ 536,617.98</b>		
	3.70%	5.87%	17.31%		

FY19 Compare	FY20 YTD
\$ 39,895.75	\$ 50,115.07
	25.62%
Trend	\$ 601,380.84
Planned	\$ 445,011.57
Better/(Worse)	\$ 156,369.27
Better than PY	\$ 64,762.86



FY20 Compare	FY21
\$ 95,096.07	\$ 112,414.90
	18.21%
Trend	\$ 1,348,978.80
Planned	\$ 1,015,504.03
Better/(Worse)	\$ 333,474.77
Better than PY	\$ 121,593.60