

PERRY CITY WORK SESSION
PERRY CITY OFFICES
March 26, 2020

6:00 PM

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

CITY STAFF PRESENT: Shanna Johnson, Chief Deputy Recorder; Robert Barnhill, City Planner

OTHERS PRESENT: Nelson Phillips

ITEM 1: Welcome to Order and Welcome

Mayor Jeppsen welcomed everyone and called the meeting to order.

ITEM 2: 2021 Budget Planning

Shanna Johnson sent an adobe file to the Council that showed the budget including where revenues are at currently, actuals, unearned and projections. She informed the Council that she had made a few changes to that budget and reviewed the changes with the Council. She changed the street and transportation grants to reflect more of what is expected to be completed. Due to Covid-19 virus and the closing of some businesses, Shanna feels that the sales tax projections for next year previously shown on the budget may need to be adjusted. Shanna asked the Council to give their opinions on how they feel they should proceed with the budget planning regarding revenues. Council Member Montgomery stated that they should plan for worst case scenario and plan conservatively.

Shanna discussed trends and balances with the Council and some of her concerns. She used the recession from 2008 for an example of what may happen, to project where numbers could possibly be with the Covid-19 pandemic. Council Member Wright asked where the numbers would be if it was only a 10% loss compared with the 20% loss she used as the example. Council Member Tueller brought up unemployment and how that might affect it. Council Member Ostler suggested we could keep the budget as originally planned and see how it plays out in the next few months before it is passed in June. Shanna showed the council the current sales Tax trend with a 5.59% sales tax increase for the next two months and then dropping it 20% thereafter. Shanna discussed that she would develop a project list showing new projects and expenses from each department. She also stated that relief packages from the government will be distributed to the cities but that they will be managed by the state, it will be cost related and may not cover all losses in revenue.

Shanna explained the remainder of the budget and discussed the numbers, fees, revenue, interest, and funds. Council Member Ostler suggested being conservative with the interest. Shanna talked about transfers and the impact fees on projects that are still pending. She also stated that the parks equipment fund could be put on hold if needed. She discussed 2% growth on water, sewer, and garbage and the budget for the Wastewater Treatment Plant. Shanna stated that some water impact fees would be spent on the 1200 West expansion project and sewer infrastructure would

come from the sewer plant fund balance. City Planner Bob Barnhill said that the bids came in for that project today and that they would be awarding the bid and starting that project right away with the sewer and water. He stated that surface improvements and storm drain will start in a couple of months.

Council Member Ostler wanted to address whether the City looks at the number of connections for utility revenue. Shanna explained that the City does look at what was collected and what the growth may be and number of connections. She advised the utility department sometimes having discrepancies and how the City looks at what is collected to ensure they are budgeting appropriately.

Council Member Wright inquired about the bond with Division of Water Quality being changed from a 20 to 25-year loan that Council Member Ostler had suggested previously in the last City Council meeting. Shanna explained that the City has reached out to John Mackey with the Division of Environmental Quality about receiving a lower rate. He had informed her that the loans they had been giving out recently have been at 1.5% which is half of the 3% we are at now. He informed her of some of the process it would take to apply for the lower rate, and she was waiting to hear back for more information from him.

Council Member Watkins suggested that if people get more and more homebound with the closures from the Corona Virus, that we try and have more of a reach out from social media and connecting Perry more with some contests or fun things to help people feel connected and bring the community together.

Shanna shared the rough draft plan for budget meetings through June and informed the Council that the budget hearing will be June 11th.

ADJOURNMENT

The Mayor thanked Shanna for her presentation and suggested bringing the work session to a close. Council Member Tueller made a motion to adjourn the work session. All were in favor.

The meeting adjourned at 6:51 p.m.

Susan Obray, City Recorder

Kevin Jeppsen, Mayor

Shanna Johnson, Chief Deputy Recorder