

**WORK SESSION OF THE
BRIGHAM CITY COUNCIL
May 29, 2025
6:00 p.m.**

PRESENT:	D.J Bott Dave Jeffries Matt Jensen Ryan Smith Robin Troxell	Mayor Councilmember Councilmember Councilmember Councilmember – <i>arrived at 6:04</i>
ABSENT:	Dave Hipp	Councilmember
ALSO PRESENT:	Tom Cooper Tom Kotter Jeremie Poppleton Tyler Pugsley Kristina Rasmussen Chad Reyes	Power Director – <i>on Zoom</i> Finance Director Battalion Chief Assistant City Administrator City Recorder Fire Chief

Opening Remarks

At 6:00 PM Mayor Bott called the meeting to order with acknowledgment that Councilmember Troxell would be arriving late. Mayor Bott and Mayor Pro Tem Smith thanked attendees for their participation, emphasizing the importance of the discussions ahead. The session would focus on a potential property tax increase, the rationale for it, and various funding options for inflation-related increases in city fleet costs.

Discussion: New Building Inspector Position and Perry City Partnership

Tom Kotter presented an update on a proposed partnership between Brigham City and Perry City involving building inspection services. Staff from both cities had engaged in preliminary conversations to share the cost of a new building inspector, which Brigham City needs independently due to increased demand.

Kotter clarified that this was not an added luxury but a necessary hire for Brigham City, regardless of Perry's involvement. The city's current building inspector had expressed the need for support, and staff had already begun preparing a qualified internal candidate (currently a Public Works Inspector) for promotion.

Perry City offered to contribute 45% of the inspector's fully burdened salary, amounting to about \$61,000 of the \$135,000 total cost. Their estimated usage based on past hours represented about 25% of an FTE, but they were offering to cover 45%, which would benefit Brigham financially.

Kotter explained how Brigham could fund its portion by increasing building permit revenue projections in the upcoming budget. There would be no fee increase proposed at this time. The projected growth in permits and valuation would cover the additional \$74,250 Brigham would owe, and fees could be adjusted later if needed.

Councilmember Jeffries inquired whether there would be an average increase to individual permit costs. Kotter responded that no fee increases were proposed right now, and anticipated construction activity would cover the increased expenses.

Mayor Bott emphasized the city's long-range planning, noting that the Chief Building Official was asked two years ago to provide notice in advance of needing a second inspector, which had already happened. Several council members agreed that the proactive internal training and the partnership with Perry made this a cost-effective and timely move.

Fleet Fund Inflation Adjustment & Property Tax Proposal

Mr. Kotter then introduced the main topic: how to cover the additional \$405,000 in fleet lease expenses due to a 2% inflation adjustment not previously accounted for.

He walked the council through a detailed financial model and forecasted the impact on the general fund. Three primary funding approaches were considered:

1. A 10.3% property tax increase to fund the entire amount through property tax.
2. A 5.15% property tax increase, with the remaining funds covered by increasing the forecasted revenue from sales tax.
3. A similar 5.3% increase paired with raising the utility fund transfer from 12% to 12.5%.

Mr. Kotter emphasized the reliability of property tax as a revenue source and its immunity to economic swings, unlike sales tax. Still, he acknowledged the political and economic sensitivity of property tax increases.

Several council members expressed concerns about raising taxes year after year. Councilmember Jeffries asked what the city would do next year—whether another department would prompt another increase.

Mayor Bott explained that long-term needs like new facilities and public safety would likely require further action in the future, but that smaller, consistent increases could help the city avoid a sudden, drastic spike like the 100% increase experienced during the fire station expansion years ago.

Revenue Forecasts: Sales Tax and Ambulance Fees

Tom Kotter proposed increasing sales tax projections modestly (2–3%) for FY 2026, which would generate enough to cover part of the \$405,000 fleet adjustment. Historically, Brigham City has budgeted conservatively and often exceeded sales tax forecasts.

Ambulance revenue was also discussed. A new state law would improve how municipalities can bill for EMS services. Although the exact impact was not yet known, Kotter and the fire department anticipated a positive effect. He proposed splitting the non-tax portion of the funding between increased sales tax projections and ambulance revenue.

Councilmember Jensen supported this balanced approach, noting that even a modest 2% increase in sales tax revenue would be enough to close the gap. Other council members agreed this felt conservative and realistic.

Councilmember Smith asked what would happen if the sales tax projections weren't met. Kotter explained that the city would dip into its general fund balance if that happened—but he was confident that the numbers were achievable, if not too cautious.

Discussion of Utility Transfer Increase

The idea of increasing the utility transfer rate from 12% to 12.5% was brought up, which would generate about \$158,000. However, Councilmembers Jensen and others pushed back on this. They expressed concern about robbing from capital improvement budgets and using internal transfers as a workaround, rather than real revenue growth.

Kotter agreed and pointed out that taking more from the utility fund would mean cutting capital projects in that department. Several potential cuts were listed, but there was no consensus to pursue this route further.

Police Vehicle Fleet Rotation

Police Chief Reyes answered questions about the proposed purchase of eight new F-150s for the department. The police fleet includes 32 vehicles, and the plan is to rotate one-fourth of the fleet annually to maintain vehicle reliability and resale value.

Reyes explained the department's shift from Ford Interceptors to F-150s, noting the trucks' higher resale value and greater versatility. While Interceptors are often sold for \$1,000–\$5,000 after 4–6 years of heavy use, F-150s retain value better—reselling around \$30,000 if sold after four years.

Councilmembers seemed satisfied with the explanation, noting that the up-front costs were higher but the lifecycle costs were significantly lower. The fleet rotation strategy, now in its third year, was praised for long-term planning.

Library Fund Consolidation

Kotter presented a policy change involving the city's library fund. Historically, the library was funded through a dedicated property tax levy that restricted spending to the library fund. The new plan was to roll the library's tax rate into the general fund, eliminating the separate fund designation.

The motivation behind this change was to provide the library equal access to city resources and allow for broader capital planning. The library's current fund balance would remain restricted to library use, but future funding would be more integrated into the general city budget. Councilmembers asked clarifying questions but generally supported the shift.

Tentative Budget Planning and Timeline

The Council discussed setting a proposed property tax increase at 5.15% for the tentative budget, to be officially adopted at the June 5 meeting. The public hearing (Truth in Taxation) would take place on August 7, at which time the Council could lower the tax increase if updated figures (such as final new growth numbers from the County) supported that.

Kotter reiterated that the city can decrease the rate in August but cannot raise it beyond what is published in the June tentative budget. Some members floated the idea of noticing a 7.5% increase now just to leave more flexibility, but most agreed the 5.15% was a reasonable starting point.

Additional Budget Adjustments and Clarifications

Kotter confirmed the following in the tentative budget draft:

- Utility PPAC (Power Purchase Adjustment Clause) would drop to \$0, due to a strong rate stabilization fund.
- The city would follow Mr. Berg's recommendations on the electric utility study
- Recycling fees (blue cans) would increase to \$9.50/month as per contractual obligations.
- Three new FTEs included: IT technician, fire marshal, and building inspector.
- No major structural changes unless directed by Council.

Mayor Pro Tem Smith adjourned the meeting at 7:33 PM.

The undersigned duly appointed Recorder for Brigham City Corporation hereby certifies that the foregoing is a true, accurate and complete record of the May 29, 2025 City Council Work Session.

Dated this 6th day of June, 2025.

Kristina Rasmussen

Kristina Rasmussen, City Recorder

** These meeting minutes were generated with the assistance of artificial intelligence and have been reviewed, edited and approved by Brigham City Staff.