



City Council Meeting

August 13th, 2025

City Council Chambers, 38 West Center

6 P.M. Mayor Nay opened the meeting.

Roll Call:

Donald Childs, Mike Wanner, Shawn, Stella Hill, Robert Andersen, Lori Nay

Invocation/Inspirational Thought:

Given by Councilor Wanner

Pledge of Allegiance:

Led by Mayor Nay

6:04 P.M. Councilor Crane

Mayor Nay addressed the public and provided an overview of the budgeting process the Council has undertaken over the past several months, including the submission of figures to the County for the Truth in Taxation process. She reviewed the necessary projects planned for the current fiscal year, which have contributed to the need for a proposed tax increase. She also discussed the budget for the upcoming fiscal year and outlined the major capital projects.

Mayor Nay addressed employee compensation, stating that the City is proposing a 2% cost-of-living adjustment (COLA) for all employees.

Leann Karen asked why the state's transparency website shows higher financial figures than what had been presented. The Council explained that the transparency website includes employee benefits and clarified that the current public hearing was focused solely on employee wages.

City Administrator Dennis Marker then addressed the public, explaining the internal budget transfers that are planned. Mayor Nay followed up with additional details about the Truth in Taxation process. Mr. Marker also reviewed the breakdown of property tax percentages collected by various entities.

Several members of the public expressed frustration, feeling that the discussion was too focused on Sanpete County as a whole and that the City might be trying to obscure the impact of the proposed tax increase by referencing broader county trends.

Councilor Mike Wanner spoke to the public about the upcoming NICA race and emphasized the importance of using tax dollars to improve the parking lot to support the event. He noted the race's growth potential and the positive economic impact it could have on the City.

Jeff Kaplan asked what percentage of sales tax revenue is returned to Gunnison City. Dennis Marker responded by sharing the amount received last year and the projected amount for the upcoming year.

Public Hearings

Salaried Employees' Wages in FY 2025-2026 Budget:

6:59 P.M Councilor Crane made the motion to open the public hearing for Salaried Employees' Wages in FY 2025-2026 Budget; Councilor Andersen seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

Public Comment:

Carlton Jensen addressed the Council, noting that the meeting coincided with back-to-school night, which made it difficult for some residents to attend. He shared information about the average household income in the City and expressed concern that some City employees may be overpaid.

Leann Karen thanked the Council for keeping their own wages relatively low. She expressed the opinion that wage increases should be performance-based and did not support cost-of-living adjustments.

Kim Pickett also addressed the Council, sharing concerns about overall value. He stated that he does not believe the City is getting the best "bang for the buck" and emphasized that if employees are receiving raises, there should be a corresponding increase in performance.

7:05 P.M. Councilor Crane made the motion to close public hearing for Salaried Employees' Wages in FY 2025-2026 Budget; Councilor Wanner seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

FY 2025-2026 Budget Fund Transfers:

Crane Councilor made the motion to open the public hearing for FY 2025-2025 Budget Fund Transfers; Councilor Andersen seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

Public Comment:

Steve Carter addressed the Council and expressed concern about the transfer of funds from the Sewer Fund to the General Fund. He stated that if those transfers had not occurred, there might not be a need for additional funding for sewer capital projects.

Jeff Kaplan shared his frustration with the increase in the maintenance fee over the past year, calling it unacceptable. The Council responded by explaining the need to build savings for future infrastructure needs.

Kim Pickett voiced concern that budget increases often seem to fund "wants" rather than essential "needs."

Lilburn Deskins asked for clarification on the City's fund transfers and questioned why some City services or amenities do not generate enough revenue to cover their own costs. He wondered whether some recreational facilities are worth maintaining if they are underused.

Doreen Stamper also addressed the Council, stating that she is concerned about the practice of transferring funds to the General Fund.

Leann Karen spoke about the significant increase in utility bills and expressed a feeling that the City is not being fully transparent about its financial decisions.

Jay Clayton voiced frustration that sidewalks had not been installed in front of his home. He mentioned that **Mike Wanner** told him other trails and sidewalks in the city were funded through grants. Mayor Nay explained that the City allocates money annually for such projects, but they proceed only as funding becomes available.

Paul Childs expressed appreciation for the informational letter sent to residents. He asked whether a grant had fallen through or if the City had started projects without secured funding. Mayor Nay clarified that no projects begin until funding is in place and that the City is currently building reserves in lesser amounts until the necessary funds are available.

7:27 P.M. Councilor Crane made the motion to close the public hearing for FY 2025-2025 Budget Fund Transfers; Councilor Andersen seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

FY 2025-2026 Truth in Taxation Hearing:

7:27 P.M. Councilor Wanner made the motion to open the public hearing for FY 2025-2025 Truth in Taxation Hearing; Councilor Childs seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

Public Comment:

Justin Pickett expressed frustration over what he felt was poor communication and inaccurate numbers related to the proposed tax increase.

Mike Wanner responded, stating that he had not anticipated the Truth in Taxation increase would be as significant, given the number of projects under consideration.

Dennis Marker explained that when the submission deadline to the County arrived, the City had to move forward with the percentage that was calculated at that time.

Joann Taylor emphasized that the City has already used all its financial reserves and wanted to ensure the public understood the seriousness of the current financial situation.

Carlton Jensen noted that the Council still has the authority to approve the proposed 78% rate increase, but he voiced strong opposition to any tax hike. He outlined the various taxes citizens already pay and stated that no increase should be approved without a clearly justified reason.

7:37 P.M. Councilor Crane made the motion to close the public hearing for FY 2025-2025 Final Budget; Councilor Andersen seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

FY 2025-2026 Final Budget:

7:38 P.M. Councilor Wanner made the motion to open the public hearing for FY 2025-2025 Final Budget; Councilor Andersen seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

Public Comment:

Steve Carter raised a question about the irrigation pond expansion and asked if the pond is currently full. **Councilor Andersen** responded that while the City owns water rights to Peacock Springs, the current pond cannot store the full supply, resulting in excess water flowing into Nine Mile Reservoir.

Carlton Jensen spoke about the steady increases in his utility bills since moving to the area. He mentioned that he also works in government and understands the transparency of public wages. However, he believes the City needs to slow down its spending. He questioned the value of the NICA race, expressing doubt that it generates enough revenue for local businesses to justify the associated expenditures.

Jay Clayton asked whether the irrigation project involves adding a second pond or expanding the current one. **Mayor Nay** clarified that the plan is to expand the existing pond.

Councilor Wanner made the motion to close the public hearing for FY 2025-2025 Truth in Taxation; Councilor Andersen seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

Adjournment:

Councilor Crane made the motion to adjourn; Councilor Wanner seconded the motion.

Roll Call:

Childs: Yes, Wanner: Yes, Crane: Yes, Hill: Yes, Andersen: Yes

A handwritten signature in blue ink that reads "Lori Nay". The signature is written in a cursive style and is positioned above a horizontal line.

Lori Nay, Mayor

Approval Date: August 20th, 2025

Attest:

A handwritten signature in blue ink that reads "Valerie Andersen". The signature is written in a cursive style and is positioned above a horizontal line.

Valerie Andersen, City Recorder