Pleasant Grove City
Special City Council Meeting Minutes
Tuesday, June 16, 2026
5:00 PM

Mayor:	Eric Jensen
Council Members:	Dianna Anderson Cyd LeMone Dustin Phillips Steve Rogers Todd Williams
Staff Present:	Scott Darrington, City Administrator Sierra Pierson, Assistant to the City Administrator Christine Petersen, City Attorney Neal Winterton, Public Works Director Wendy Thorpe, City Recorder Denise Roy, Finance Director
Excused:	Megan Zollinger, Recreation Director Drew Engemann, Fire Chief Sheri Britsch, Library and Arts Director Keldon Brown, Police Chief Daniel Cardenas, Community Development Director Neal Winterton, Public Works Director

The City Council and Staff met in the Community Room, 108 South 100 East, Pleasant Grove, Utah.

6:00 PM SPECIAL CITY COUNCIL MEETING

1) CALL TO ORDER

Mayor Eric Jensen called the meeting to order at 5:01 PM and welcomed those present.

2) ACTION ITEMS READY FOR VOTE

A. To Consider for Adoption Resolution (2026-030) Adopting a Proposed Certified Tax Rate for the 2026/2027 Fiscal Year. The Proposed Tax Rate includes a Proposed Property Tax Rate Increase in order to Fund Public Safety Personnel. A Final Property Tax Rate will not be Established until after the Truth in Taxation Process. *Presenter: Director Roy*

City Administrator, Scott Darrington, reported that by law, the City is required to adopt a certified tax rate prior to June 22, 2026. Utah County had supplied a tax rate that assumed no increase. If the

City Council was willing to consider a tax increase, the resolution indicating the proposed rate should be adopted. The Council was not voting to enact the tax increase as that can only be done after the August 11, 2026, Truth in Taxation public hearing.

Over the past few months, the City Council and Staff had worked off of a number that would generate $683,088 in new revenue to fund three new firefighters, two police officers, a reserve police officer, and employee retention efforts. The proposed 16.35% increase would result in an average per-home increase of $4.23 per month. Staff had previously indicated that the amount would be $4.16, but it increased by $0.07 based on the final certified tax rate.

In preparation for the meeting, Administrator Darrington and Finance Director, Denise Roy, worked to find ways to reduce the number. An agreement was reached for Alpine School District to pay the same amount for high school and junior high school resource officers, which would save the City $40,714 in General Fund expenditures. A new hotel was also scheduled to open within a few weeks rather than in the fall as originally anticipated. The hotel would generate General Fund revenue in the form of Transient Room Tax ("TRT"). TRT revenue is typically not built into the budget until one year's worth of revenue data is available. However, because there was an existing hotel in the City, $30,000 in revenue was added to the budget based on the Hyatt House's actual transient room taxes.

Council Member Phillips asked about first-year revenue for the Hyatt House. Council Member Williams indicated that the new hotel will be significantly larger. Council Member Phillips cautioned against overestimating the revenue. Although TRT will likely grow over time, it is possible that the hotels will trade customers and revenues will be lower in the first year. Administrator Darrington stated that that was why Staff typically prefers to wait one year before adding revenue from new businesses to the budget, but they did not believe $30,000 was overly aggressive.

At over $10 million per year, sales tax is the City's largest revenue source. Even a 1% variation can have a large effect on the budget. Receipts from the past two months have exceeded estimates. The current-year estimated revenue was $10,602,509, and Staff was confident that the actual revenue would be $109,841 over budget. The combined result was a reduced tax burden required to fund the firefighter and police officer positions.

Administrator Darrington presented three options to the City Council:

- Option 1: Adopt the certified tax rate provided by the county.
- Option 2: Build the three revenue sources outlined above into the General Fund budget. This would lower the proposed tax increase on an average home valued at $601,623 to $2.96 per month or 11.45%.
- Option 3: An additional $112,000 had been moved from the Capital Fund to the General Fund for expenses related to contracts with an expiration date. It is not ideal to pay for these expenses from the Capital Fund, but they could be moved back to further reduce the tax burden to $2.26 per month or 8.75%.

Council Member Rogers asked how the proposals compared to prior-year effective tax rates. Administrator Darrington reported that when he first began working at Pleasant Grove in 2010, the rate was over 0.002. The proposed rate was 0.001020.

In response to a comment from Council Member Phillips, Administrator Darrington clarified that the City does not benefit from increased property values, but residents benefit from the associated decreased property tax rate. Every year that the City's tax rate is not adjusted for inflation, its purchasing power falls behind. The property tax increase adopted four years previously resulted in only a minor increase in revenue.

Council Member Rogers stated that no member of the Council wanted the highest rate possible, but he wanted to ensure that the tax increase was sufficient. It was helpful to disclose to the public what the tax rate actually means. He did not understand the certified tax rate and its impact on the City until he was elected. If the proposed increase was adopted, it would increase the rate by 0.000938, but that would still be one of the lowest rates in the City's history. Administrator Darrington confirmed that it would be the second-lowest rate, as FY2025-2026 was the lowest rate.

Council Member Williams questioned whether the rate or the budget mattered more. Council Member Rogers stated that he believed the rate mattered. If income tax functioned the same way as property taxes, the rate would decrease every year as your income increased. Instead of 5% state income taxes, for example, it would decrease to 4.5%, then 4%, etc. Council Member Williams noted that it was different because the rate goes down, but the valuation goes up. The percentage may be lower, but the dollar amount is the same.

Council Member Phillips stated that he believes it makes sense to pay more. A conservative estimate of the average inflation rate over Administrator Darrington's 20 years with the City was 2%, but there had only been one property tax adjustment in that time period. Wage inflation had been very high since COVID-19, and the budget was 75% wages. The current budget could not meet the City's needs.

Council Member Williams stated that the City needs public safety staff. He and his staff had spent hours reviewing the budget, and he believed there was money available. There was an approximately $300,000 deficit, but there would be left over monies from the current fiscal year. Given the pending tax and utility rate increases, he did not believe it was fair to further tax residents until the impact of those increases was known.

Council Member LeMone stated that the City does not have the resources or ability to teach residents about the tax rate. They care about their bills increasing and do not care about the tax rate. It is the City Council's job to do what they can to minimize the increase. She spoke with three other cities about partnering their fire departments. They did not conduct yearlong studies or hire consultants. Instead, they spoke with neighboring cities and compiled a spreadsheet and were able to determine a base amount within a few hours.

In response to a question from Mayor Jensen, Council Member LeMone stated she spoke with Orem Fire Chief, Mark Sanderson; Lindon Mayor, Carolyn Lundberg; and Cedar Hills City Council Member, Kelly Smith. Her concern was that it did not matter how many firefighters were hired because the City cannot pay them enough to keep them. She was trying to find a solution that would allow the City to retain its employees and take advantage of economies of scale; partnering for fire services was a reasonable solution. Other communities that cannot afford to retain employees partner in order to be able to keep them.

Council Member LeMone agreed with Council Member Williams that more money could be found. She was in favor of a slight increase to keep up with wages and inflation but could not support a double-digit increase without first reviewing each line item. She requested that information be obtained on the cost savings of partnering for fire services to allow the City to provide a high level of service and not have to call other departments.

Mayor Jensen reminded the Council to use the proper channels of communication. Other cities were experiencing the same issues as Pleasant Grove. There were ongoing issues with retention and wages, especially in Utah County. A unified fire department would increase costs, not decrease them. They may determine that six or nine new firefighters are needed instead of three and create a special services district to fund them.

Director Roy reported that if the City Council chose Option 1, the certified tax rate would be on par with 2020. The graph of historic rates was reviewed. Administrator Darrington explained that the last tax increase occurred in 2022, which was a high growth year. The rate was 0.00096 in 2025 and 0.00103 in 2024. If the Council adopted Option 2, the rate would be 0.001020. The originally proposed 16.35% increase would have resulted in a rate of 0.00145, in line with the 2023 rate.

Mayor Jensen asked Administrator Darrington to explain the process and how the City can guarantee that the additional revenue would be used to fund public safety positions. Administrator Darrington clarified that General Fund revenue can be repurposed by the City Council at any time. Typically, revenue used for employee wages will continue to be used to fund those positions. There was a need for additional staff in the City's Police and Fire Departments, and the six new positions would cost $683,088.

Council Member Williams stated that the City had not used its current budget for those departments. Administrator Darrington agreed that there was a surplus in the current year but pointed out that it must continue to be available next year and the year after. Mayor Jensen indicated that the departments underspent in the current year because they were understaffed, and one-time monies cannot be used to pay for ongoing costs. Council Member Williams argued that the budgeted monies were not spent, and up to six police officers would have to be hired to meet the proposed budget.

Administrator Darrington cautioned against assuming that expenditures will remain static. Two years ago, the City spent 99.5% of its Police Department budget. In the current year, due to positions staying open or new hires being brought in at a lower wage, the department underspent on both its wage and training budgets. Department heads do not go on a shopping spree on June 25 to ensure that their entire budget is spent and avoid conversations about why the money was not spent. If FY2026-2027 expenses were commensurate with FY2024-2025 and the City hedged on the $400,000 underspend from the current year, the department would then be $400,000 short. The $400,000 was one-time money that was not guaranteed to be available in future years.

Council Member Williams stated that the Police Department budget was $5.936 million, and only $3.9 million had been spent through March 31. Expenses were at 66% of budget 75% through the year. He estimated that the Police Department would end the year $1 million under budget, and those monies would either be used for one-time expenses or rolled into other areas. The full budget was not spent and he could not vote for a tax increase to raise it.

Council Member Phillips pointed out that Council Member Williams was assuming that the Police Department would continue to operate at 70% staffing. They were below budget because they were below their staffing target. The goal was to hire enough police officers to be at 100% capacity for 2025 as well as the additional employees needed going forward. Council Member Williams argued that the discussion on hiring three additional police officers should be had in the next fiscal year. Council Member Phillips disagreed. The need was already assessed, and it was not prudent to hire fewer police officers than needed. The City Council needed to be prepared to spend the necessary monies to protect the community as it exists today. The City's reserve funds were not where they needed to be, and a portion of the one-time monies could be used to address those issues.

Administrator Darrington stated that the Council can increase taxes only once per year, and not enacting an increase could force the City to use reserve funds to cover those expenses. Council Member Williams stated that he believed the City was too conservative in its budget estimations, and it was not the time to entertain a tax increase. He agreed that police officers were needed, but he believed there was $300,000 available in the budget to pay for them.

Council Member Rogers stated that Council Member Williams' position was legitimate. However, if all the required police officers were hired and an additional $380,000 was needed to fully fund the positions, what would be cut? If taxes were not increased and the City wanted to fully staff its Police and Fire Departments, the only way to fund the positions would be to cut others. He had seen the effects of not allocating sufficient funds, and he did not want to put the City at risk by requiring the Police and Fire Departments to run with short staff. If a Council Member was comfortable using part-time employees to fill positions or being short on some shifts, that was okay.

Council Member Rogers had seen the departmental workloads and what other cities were doing to shore up public safety. Orem was asking for a 7.2% tax increase, and Cedar Hills was asking for 20%. Highland needed 53.18% for their dedicated library levy. Saratoga Springs was requesting a 54% increase, and Eagle Mountain needed 245%. He believed the proposed increase was warranted to protect the City's public safety, retain employees, and ensure that the departments have the budget needed to run at full capacity. The Council needed to evaluate what was necessary to meet the City's long-term needs, not what it could get away with for one year. A percentage of citizens are opposed to raising taxes for any reason, but the majority of residents trusted the City Council to make that call if necessary.

He appreciated Council Member Williams' stance, but Staff had responded to the pressure from Council to come back with lower numbers than originally proposed. He knew what they were trying to accomplish, and he wanted to ensure that public safety had what it needed to be fully staffed. Running two part-time firefighters on every shift was not acceptable. If the City joined with Orem or other communities, they would not be allowed to fill so many shifts with part-time employees. To staff the City's station, they would need to hire three to five additional employees.

Council Member LeMone stated that numbers were needed to determine what it would mean to partner with other cities. Council Member Rogers indicated that he was willing to have that conversation, but it would not address the current issue, and every city Pleasant Grove could potentially partner with was doing a property tax increase. In response to a question from Council

Member LeMone, Mayor Jensen stated that other cities were having the same issues as Pleasant Grove and were having to increase taxes in order to survive.

Administrator Darrington reported that the City hired a consultant to conduct a one-question survey via email and cell phone. Several Council Members indicated that they did not receive the survey. Mayor Jensen stated that he did not receive the Everbridge survey until he re-entered his information. Administrator Darrington reported that they used every resource available to produce a statistically significant result. There were 590 respondents, which the consultant indicated was statistically significant. After 300 responses, the number who would definitely support or probably support only fluctuated between 61% and 63%. The other options were probably opposed and definitely opposed. Administrator Darrington believed that the survey was more helpful politically than administratively.

Administrator Darrington reviewed the available options:

- Option 1: Adopt the certified tax rate provided by the county with no tax increase.
- Option 2: Add approximately $204,000 in revenue from the school resource officer reimbursement and anticipated TRT and sales taxes into the General Fund budget. This option would increase property taxes on an average home valued at $601,623 by $2.96 per month or 11.45%.
- Option 3: An additional $112,000 had been moved from the Capital Fund to the General Fund for expenses related to contracts with an expiration date. If moved back to the Capital Fund, the tax increase would be $2.26 per month or 8.75%.

Mayor Jensen stated that the City Council must educate and listen to citizens. He was glad Council Member Rogers suggested the survey. He has spoken with neighbors who were both in favor of and against the proposed increase, and it was a political issue. He appreciated the City Council for reviewing and discussing the options. Administrator Darrington stated that if property tax increases were the default, Staff would recommend them yearly to keep up with inflation. Some cities had taken that approach.

Council Member Andersen appreciated all the comments and hard work. In her 12 years on the Council, she had been comfortable with the City's conservative budgeting style. She trusted Staff and was very mindful of their sacrifice. They do not want increases and try not to recommend them. There was a point where the secondary was near bankruptcy, and she had watched the effects of running too lean. It is very difficult for citizens to be good employers. They want the best employee, but they do not want to pay him.

She understood Council Member LeMone's frustration. However, she had reviewed minutes and notes from meetings held eight years previously in which she presented the pros and cons of why she wanted local control of public safety, and nothing had changed. She was not interested in giving her City's public safety to someone else. In business, she would never go to a vendor and ask them to tell her what they want to charge, and she would also never go to mayors and councils for numbers because mayors and councils do not know very much. She will not let someone else tell her how many employees she needs or how much she can pay them. That is the Council's discussion for the City. If the Council cannot make the right decision, there is something wrong with them because they were hired to make decisions for Pleasant Grove 50 years in the future.

Council Member Andersen is very proud of how lean the City runs and how great its employees are. After the directors and chiefs made their presentations in February, she did not doubt that more public safety staff was needed and no other departments should be cut.

Mayor Jensen asked for guidance on how a motion should be worded. Director Roy explained that the chosen property tax rate should be included in the motion.

Council Member Rogers stated that it was a step-by-step process. The next step was to adopt a rate, but there would be opportunities to engage with the public over the next two months until a final determinative vote was made at the Truth in Taxation hearing in August. He had spoken with Administrator Darrington extensively about the issue and appreciated him taking the time to do so. He believed that Option 3, with a proposed 8.75% increase, was most appropriate. It was on the lower end of all the cities that were considering property tax increases, and the Council could reevaluate next year. The increase would provide the necessary funds to fully staff public safety and ensure retention. The amount was fiscally responsible and conservative, and it represented hard work by Staff to get the increase under 10%.

Council Member Phillips stated that he did not have a long-term history on the City Council like other members. He was open to seeing information on combining fire departments. He did not believe that was the right decision but had not seen a big-picture presentation that would help him come to a firm decision. Council Member LeMone referenced economies of scale as a major point. By definition, economies of scale means reducing costs, and a couple of spreadsheets was not enough due diligence to determine whether the City should move forward with that plan. It was not an option to consider for the upcoming budget year. With proper timing and research, he was interested in learning more, but local control was a priority for him.

Council Member Phillips appreciated Council Member Andersen's comments on trust. He had attended a few Library Board meetings, and they shared at a recent meeting that they furnished the library with used furniture during the last remodel. They did not purchase the best and most beautiful, expensive furniture. Instead, they furnished a newly renovated facility with used furniture. That is the kind of representation he had seen repeatedly from all departments. They have a deep respect for the taxes that are collected from citizens of Pleasant Grove and use those funds to the best of their ability. He had received emails from people stating that spending was out of control, and he believed that statement was irresponsible. He had spoken with department heads to better understand what they go through to respect the money they are entrusted with, including Administrator Darrington and Director Roy. He appreciated and supported their efforts, philosophy, and commitment to planning for the long-term.

Council Member Williams remarked that when the Council first began discussing a tax increase, he said a swear word in his head. Nobody wants a tax increase. He took the time to dig, and Staff worked to help him see the process from the City's perspective. He supported Staff and public safety, as well as the hiring of additional fire and police officers. The ability to hire appropriate first responders is critical, and the City cannot fall behind others. It was hard to balance that with fiscal responsibility. He asked hard questions, and Staff responded and found some monies. The City does not spend $1 that did not come from someone else, and he takes the Council's fiduciary responsibility seriously. He appreciated Staff's patience and the opportunity to consider a reduced rate and believed that the proposed 8.75% or 0.001020 increase was an appropriate amount to discuss with residents during the Truth in Taxation hearing and determine if they agreed.

Council Member Andersen stated that she loves the process because it is what she signed up for. If you compare expenses by citizen, Pleasant Grove is one of the leanest cities in Utah. She was very proud that the City's conservative budget was able to absorb an additional $7,000 in fuel charges for one department in a single month, as well as skyrocketing cost-of-living and construction materials price increases.

Council Member LeMone stated that it was frustrating to see Council Member Williams get his questions answered and Council Member Rogers get a survey conducted at a cost of thousands of dollars while she was shut down and dismissed when asking for numbers regarding a partnership. She was trying to find solutions like everyone else. She did not want to be told that she could not reach out to another city's mayor, council member, or chief to do her job and gather information to make decisions on behalf of the residents she represents. She has every right to gather that information because no one else was doing so. She was trying to do what is best for the community and its first responders. She did not obtain numbers; she asked about a partnership, which was no different than asking questions of developers or residents.

Mayor Jensen clarified that he did not tell her not to speak with those officials. However, discussions need to occur in open meetings. If a Council Member speaks with the fire chief of another city, they need to ensure that the chief has obtained permission from his city council and mayor to provide that information. Otherwise, they can be put in a situation where they are unsure of what is happening. Council Member LeMone was free to speak with them, but he cautioned that the city council member, chief, or mayor could be put in a predicament, as everything needs to be openly and transparently discussed during a public meeting.

Council Member LeMone stated that a Pleasant Grove City Council Member contacted Sheriff Smith to "tattle" on her, which was inappropriate. The Council should be professional and gather information. She did not want to be dismissed.

Mayor Jensen asked each Council Member if they were interested in Council Member LeMone's suggestion to combine with other City's fire stations in a special service district, or contract with another City for fire services. Council Member Andersen said no, as her position had not changed. Council Member Phillips stated that the City does not have the time, so in this context his answer was no. Council Member Rogers did not consider it to be appropriate at this time. However, if a Council Member requested information and there was a way to obtain it, the process to gather that information should begin. Council Member Williams stated that the Fire and Police Departments are run very well and very lean, and he did not believe the conversation was necessary for the current budget year. The City could potentially lose service capabilities, but it did not hurt to ask the question, and it was within Council Member LeMone's rights to ask for that discussion.

ACTION: Council Member Williams moved to APPROVE Resolution 2026-030 Adopting a Proposed Certified Tax Rate of 0.001020 for the 2026/2027 Fiscal Year. The Proposed Tax Rate includes a Proposed Property Tax Rate Increase in Order to Fund Public Safety Personnel. A Final Property Tax Rate Will Not be Established Until After the Truth in Taxation Process. Council

Member Anderson seconded the motion. The motion carried unanimously with Council Members Andersen, LeMone, Phillips, Rogers, and Williams voting “Yes.”

Mayor Jensen stated that the Council would move forward with citizen input and discussion. The initial rate would have increased property taxes on the average home by $4.23 per month or 16.35%. The approved option represented an increase of $2.26 per month or 8.75%.

3) PROPERTY TAX IMPACT STATEMENT
The Council may discuss (without public comment) and may approve the following item:

A. Presentation from a Budget Officer or Executive Officer of a Property Tax Impact Statement for the Fiscal Year beginning July 1, 2026, and Ending June 30, 2027, as a Separate Document from Other Budget Documents. *Presenter: Director Roy*

Director Roy read the following:

Proposed Property Tax Impact Schedule
Tentative Budget July 1, 2026 - June 30, 2027

Pleasant Grove City will consider an increase to its property tax rates from .0009380 to .001020 to generate an additional $365,667. The following information is intended to provide decision-makers and the public with an explanation of how the City's operations would be affected if the proposed property tax increase is adopted.

Pleasant Grove City's Current Property Tax Rate: 0.000938
Pleasant Grove City's Current Property Tax Revenue: $4,178,247
Proposed Revenue with Tax Change: $4,543,914
New Property Tax Revenue to Pleasant Grove City: $365,667
Estimated Increase to Pleasant Grove City's Property Tax Revenue: 8.75%
Estimated Annual Increase to a primary residence of $601,623: $27.16
Estimated Annual Increase to a commercial property valued at $601,623: $49.38

Affected Department: Police

- Proposed Budget: $6,443,047
- Budget without Tax Change: $6289,380
- Budget Change: $153,667
- Impact of Tax Increase: The Police Department will hire one new police officer, and provide funding for reserve and retention.

Affected Department: Fire

- Proposed Budget: $3,616,747
- Budget without Tax Change: $3,404,747
- Budget Change: $212,000

- Impact of Tax Increase: The Fire Department will hire two new fire fighters and provide funding for outfitting.

Total General Fund Change: $365,667

Mayor Jensen thanked the City Council for the open discussion.

4) <u>ADJOURN</u>

MOTION: At 6:19 p.m., Council Member Rogers moved to ADJOURN. Council Member Williams seconded the motion. The motion carried unanimously with Council Members Andersen, LeMone, Phillips, Rogers, and Williams voting "Yes."

The City Council Minutes of June 16, 2026, were approved by the City Council on August 4, 2026.

Wendy Thorpe

Wendy Thorpe, CMC
City Recorder
(Exhibits are in the City Council Minutes binders in the Recorder's office.)