

MINUTES OF THE VERNAL CITY COUNCIL SPECIAL MEETING HELD
JUNE 28, 2021 at 5:30 p.m. in the Vernal City Conference room, 374 East Main,
Vernal, Utah 84078.

PRESENT: Councilmembers Nicholas Porter, Dave Everett, Travis Allan, and Bert Clark and Mayor Doug Hammond. Councilmember Ted Munford was excused.

WELCOME: Mayor Doug Hammond welcomed everyone to the meeting.

ACKNOWLEDGEMENT AND APPROVAL OF SPECIAL MEETING: *Councilmember Bert Clark moved to acknowledge and approve this special meeting. Councilmember Dave Everett seconded the motion. The motion passed with Councilmembers Clark, Everett, Porter and Allan voting in favor.*

PUBLIC HEARING: FY 2021 BUDGET REOPENER ORDINANCE NO 2021-09: Mike Davis, Vernal City Finance Director, explained that the purpose of this meeting is to balance out the budget for the year. A brief summary was given to the elected officials showing the revenue and expenses. He noted that sales tax is higher than projected and the expenses are down around \$500,000. The initial projection for this budget expected to supplement around \$480,000 from the unexpended funds, however, now funds will need to be moved into a capital project fund so the City does not go over the 35% threshold that is allowed. If the final budget numbers end up below the 35% a transfer to a capital project fund will not be necessary. Mr. Davis reported that Quinn Bennion is recommending the funds be placed in the downtown revitalization fund. The current downtown budget has the planning grants in that fund. Councilmember Bert Clark stated he would like to see the City put the funds into chip and seal work. Mike Davis responded that the upcoming budget includes chip and seal projects. Councilmember Travis Allan stated it will be good to have seed money for any CIB loans. He agreed these funds could be placed in the downtown fund and then moved if necessary. Mayor Doug Hammond opened the public hearing. There being no public comments, the hearing was closed.

Councilmember Bert Clark moved to placed \$500,000 into the downtown revitalization fund and approve the FY2021 budget reopener #2, Ordinance 2021-09. Councilmember Travis Allan seconded the motion. The motion passed with the following roll call vote:

Councilmember Allanaye;
Councilmember Everettaye;
Councilmember Porteraye;
Councilmember Clark..... aye.

ACCEPTANCE OF CERTIFIED TAX RATE: Mike Davis explained that the County Clerk has forwarded the certified tax rate that gives the City the same amount of property tax as last year. However, the discussion at the last meeting was to adopt a new rate to cover the \$20,000 homeless tax imposed by the State. If the higher rate is approved, it will require the City to hold a Truth-in-taxation public hearing and notifying the residents why the higher tax is being imposed. Councilmember Bert Clark clarified that the tax rate being proposed is the .000692 rate. Mike Davis answered yes, that would be the new rate. Councilmember Travis Allan

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stated that this increase is only to filter down the tax that is being imposed on the City to pay for homelessness. He asked if this was sales tax. Mike Davis stated it is property tax. Councilmember Travis Allan asked if the City could increase the sales tax. Mike Davis stated that is not allowed. *Councilmember Travis Allan moved to accept the new proposed tax rate, Ordinance No 2021-12 and hold a truth-in-taxation hearing. Councilmember Dave Everett seconded the motion. The motion passed with the following roll call vote:*

Councilmember Allanaye;
Councilmember Everettaye;
Councilmember Porter nay;
Councilmember Clark..... aye.

ADJOURN: There being no further business; *Councilmember Bert Clark moved to adjourn. Councilmember Nick Porter seconded the motion. The motion passed with a unanimous vote and the meeting was declared adjourned.*

Mayor Doug Hammond

ATTEST:

Roxanne Behunin, Deputy Recorder

(S E A L)