

Council Budget Overview



Council Budget Role

The Council Considers...

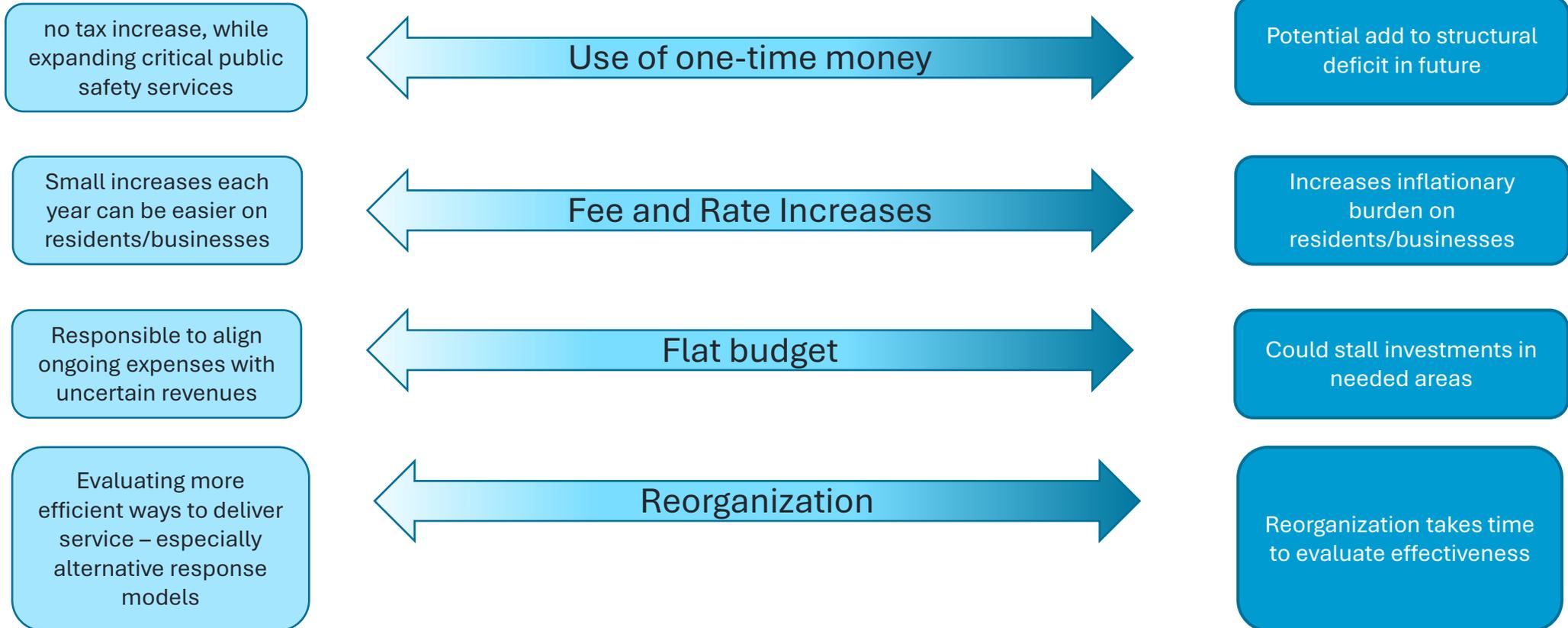
- **previously discussed policy goals** or priorities identified by elected officials and the public,
- the extent to which the proposed budget **addresses community needs and service levels**,
- How decisions made this year may create a **budget impact in future years**,
- **potential unintended consequences** that may result from budget and policy decisions,
- how these decisions align with the role of City government and whether there are duplications with the role of other governmental entities, to ensure an **efficient and transparent use of taxpayer dollars**

Legislative Branch Perspective

The proposed budget...

- Focuses on maintaining current service levels, in every area except for **public safety and the Clean City Team and Westside investment**.
- This proposed budget **uses slightly more one time money** than was used to balance the budget last year (just over \$46 million, when adding up all one-time sources, compared to \$44 million. It does use less general fund balance. It **maintains a 13% fund balance in** the City's healthy savings account. This avoids a property tax increase this year, but may ensure one is needed next year, unless other cuts or adjustments are made.
- Recognizes the impact of **rapid inflation on salary & benefits, contracts, supplies and materials expense, and on the revenue side by increasing fees based on the Consumer Price Index (CPI).**

Policy Balancing



FUNDING TYPES

One-Time

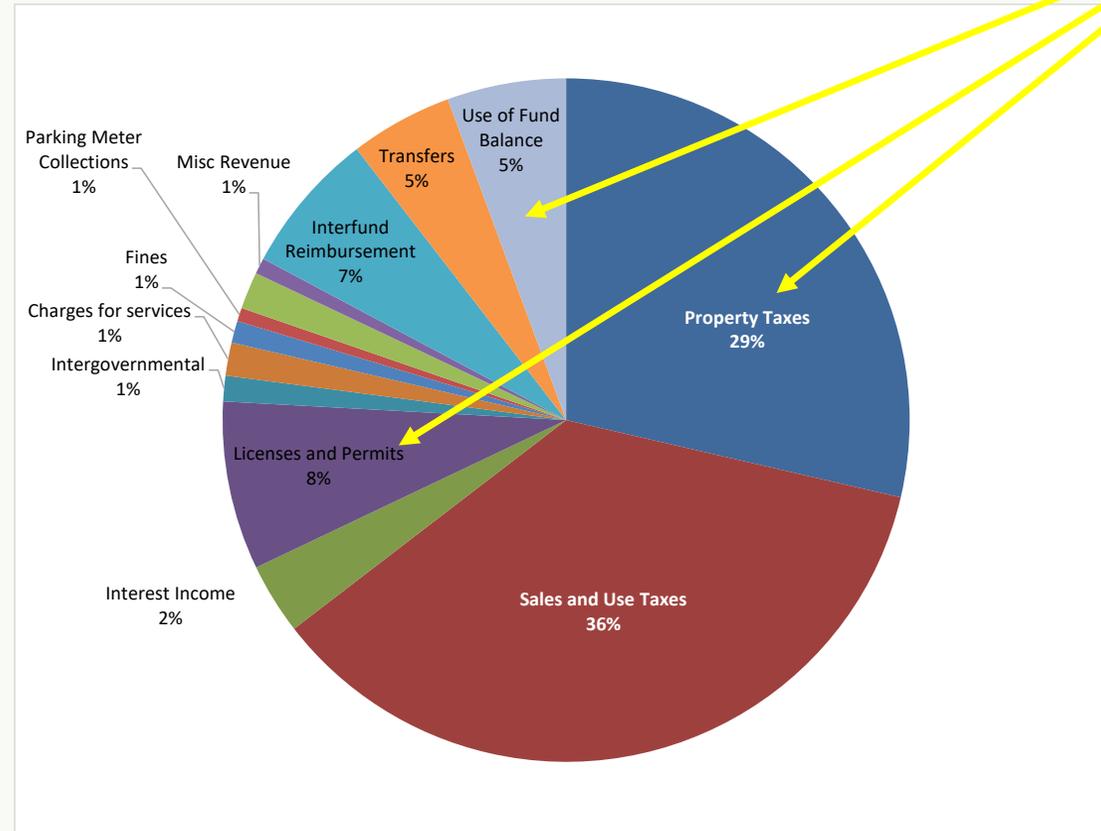
- Generated from grants, property sales, fund transfers, or city savings (fund balance).
- Ideally used for expenses like equipment, construction, art installations, or studies.

Ongoing

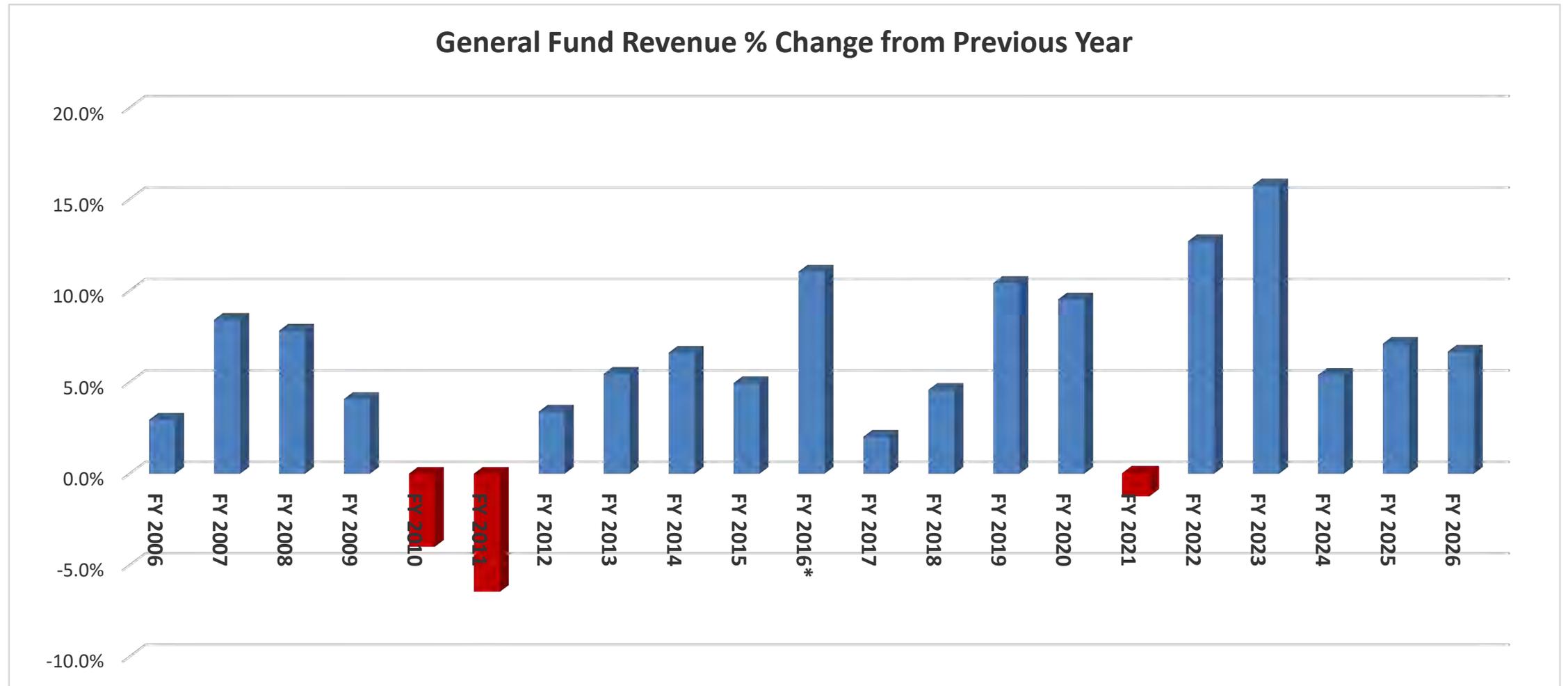
- Generated from sales tax, property tax, or license/permit fees.
- Funds ongoing needs like staff and maintenance of City roads, parks, and buildings.

Using one-time funds for ongoing expenses is NOT sound policy. Federal funding post-covid, the City has used significant one-time funds that are not available in the future.

Revenue sources the City can control



Revenue Trends

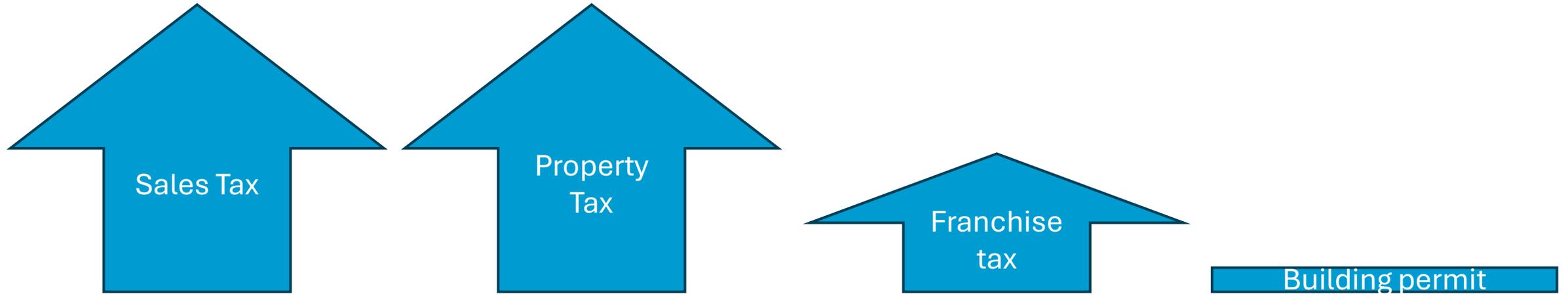


SALES TAX RATE

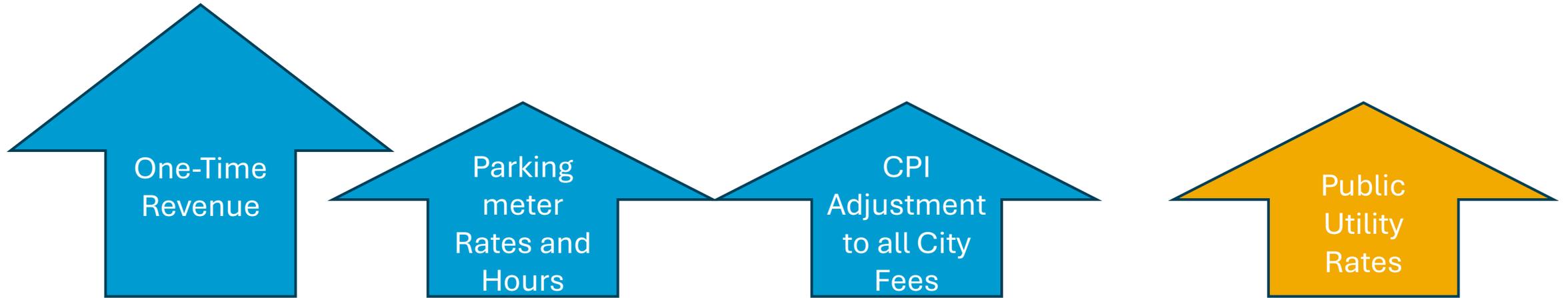
Entity	Rate
State	4.85%
City	2.00%
Base	1.00%
Funding our Future enacted 2018	0.50%
Capital City Revitalization Tax enacted 2024	0.50%
County	1.05%
Base	0.25%
Transportation option	0.25%
Additional transportation option enacted 2018	0.25%
Additional transportation option (uses include SECC) enacted Feb 2025 - Effective July 1 - not yet effective	0.20%
Zoo, Arts, and Parks reauthorized by voters in 2024	0.10%
Utah Transit Authority	0.80%
Base	0.30%
Additional Mass transit	0.25%
Transportation Infrastructure	0.25%
Total	8.70%

** Rates as of July 2025*

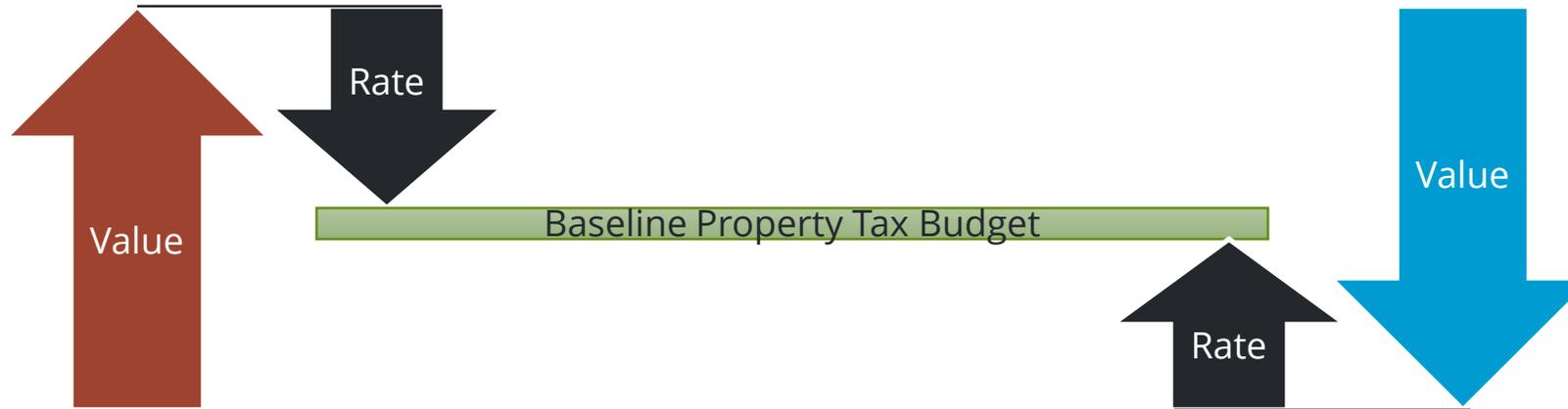
Revenue – Economic Conditions



Revenue – Policy Choices

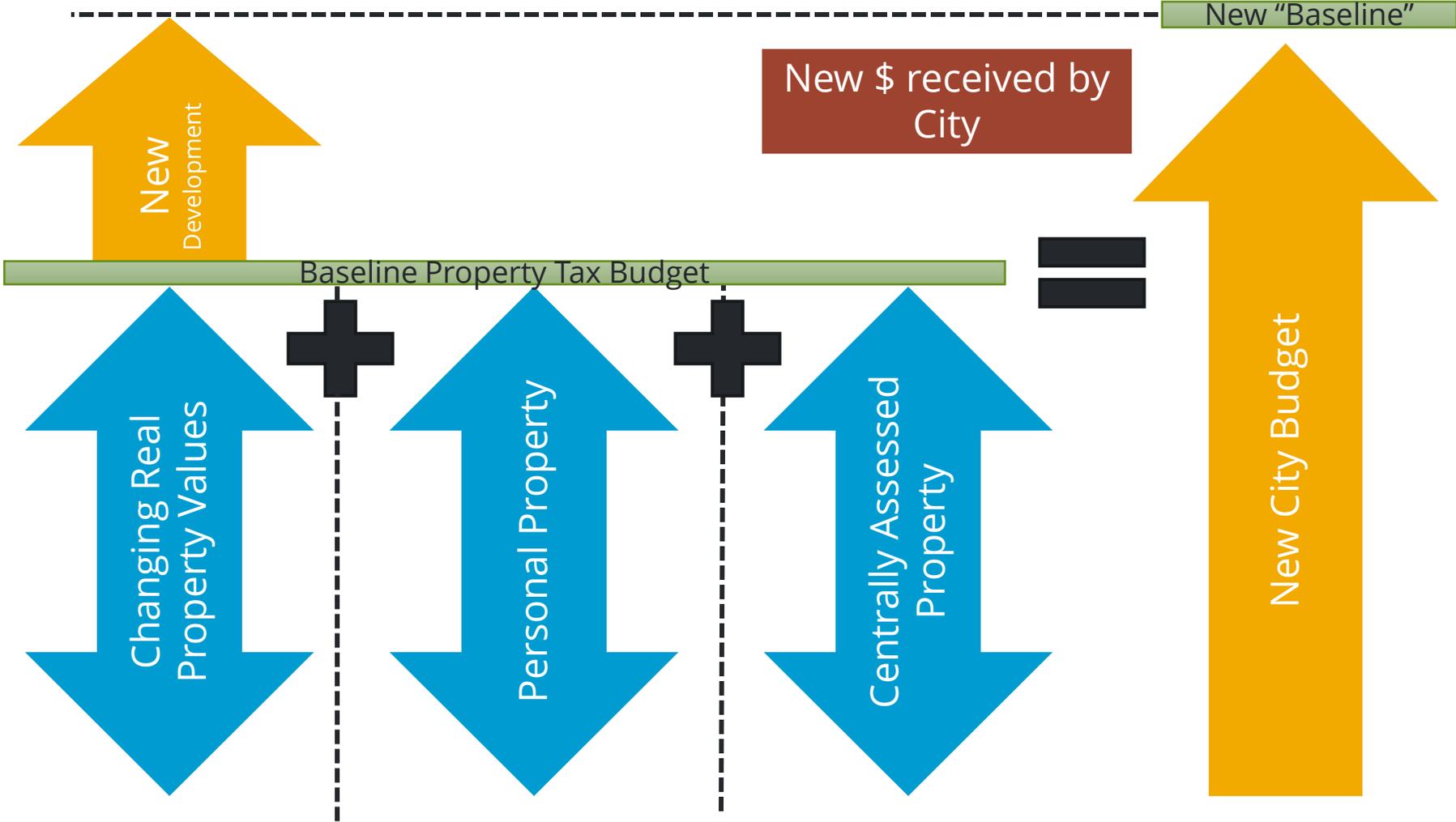


TRUTH IN TAXATION



- Holds the amount of property taxes that an entity receives constant, **regardless of changes in property value.**
- Unless the Council chooses to increase taxes to receive more revenue. This requires a “Truth in Taxation” public hearing & notice.
- One exception – “New Growth” authorized by the County & State

NEW GROWTH FORMULA



One-time Revenue

Use of Fund Balance	
Recapture REP Funding	\$ 1,290,439
Fund Balance	\$ 27,392,780
Transfer from Other one-time sources	
Capital Improvement Fund	
CIP - Dormant capital projects recapture	\$ 2,286,000
CIP - Refund from Earthquake repair (insurance coverage)	\$ 4,700,000
Debt Service Fund (North Temple Viaduct CRA)	\$ 5,000,000
E911 Dispatch Fund Balance	\$ 5,000,000
Transportation Fund (allocated to pothole repair)	\$ 300,000
Housing & Loan Fund (allocated to Youth and Family Summer Programming)	\$ 200,000
Total	\$ 46,169,219

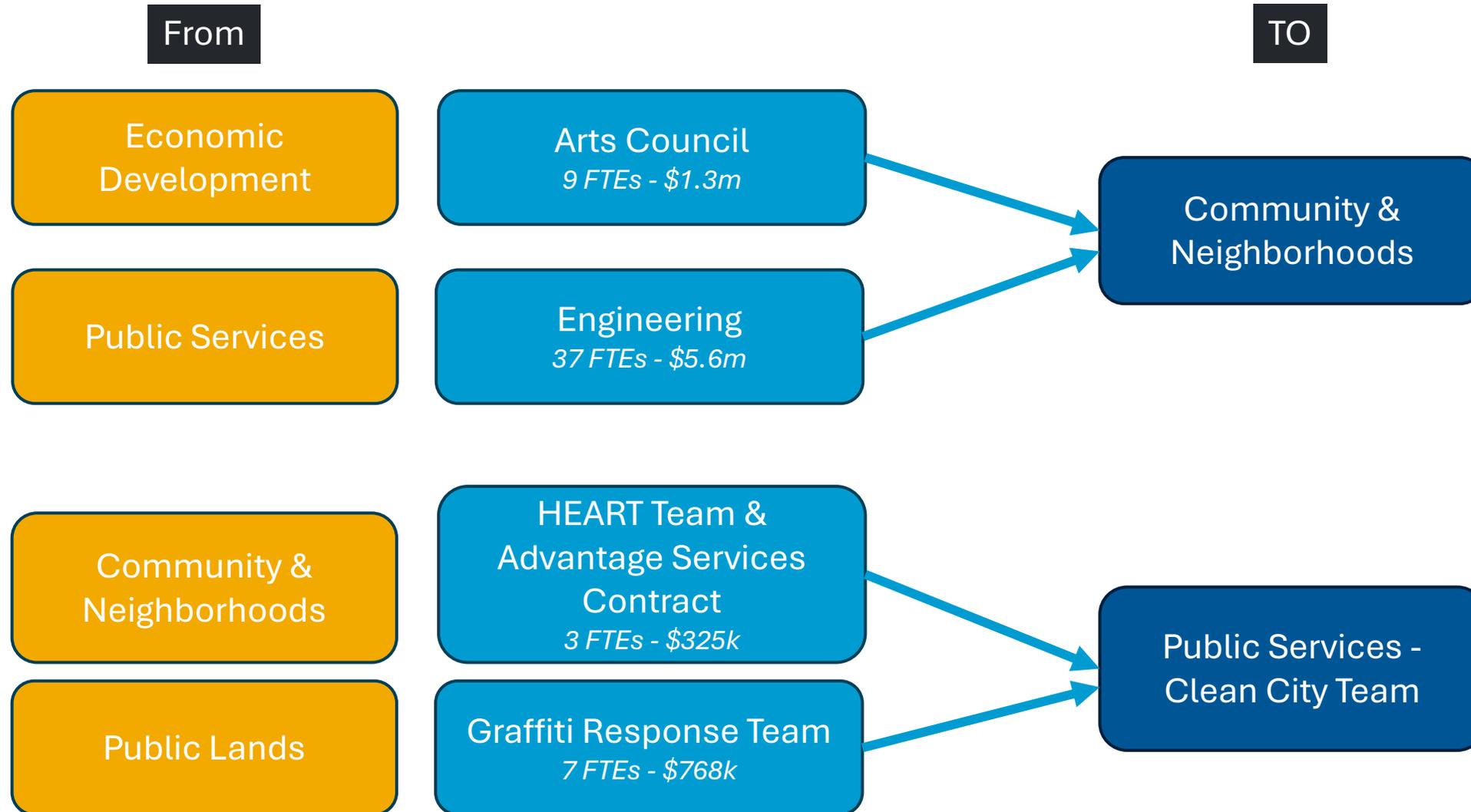
Rate/Fee Proposals

	<i>% increase</i>	\$ increase for average
Public Utilities		
Water	15%	\$ 72.25
Sewer	7%	\$ 29.76
Stormwater	5%	\$ 5.04
Streetlighting	15%	\$ 12.36
Refuse <i>(90 gallon multifamily)</i>	10%	\$ 3.42
Total Annual		\$ 122.83
GO Bond -		
<i>\$35m Parks Bond 2nd Issuance</i>		\$ increase
<i>\$572,000 Residential</i>		\$ 19.70
<i>\$1m Commercial</i>		\$ 63.00

Inflation-related Expenses

FY 26 Inflation Line Items	
Police	
Inflation - operating supplies	\$ 277,160
Public Lands	
Seasonal staff pay increases	\$ 304,547
Public Utilities increases	\$ 950,091
Operational inflationary	\$ 94,184
Contractual Increases	\$ 177,429
Public Services	
hourly increases	\$ 57,060
Advantages services increase	\$ 750,000
Contractual Increases	\$ 632,664
Non-Departmental	
Sorenson Center Contract	\$ 121,200
Animal Services Contract and Urban V	\$ 560,073
Sugar House Park Authority	\$ 51,173
IMS: Contractual Increases	\$ 460,829
IMS: Software Contractual Increases	\$ 841,567
IMS: Inflationary Increases	\$ 148,828
Body camera software	\$ 143,280
Westside on-demand Ride service	\$ 124,193
Legal Defenders	\$ 68,993
Total Inflation-related budget increases	\$ 5,763,271

Organizational Adjustments



Maintenance of Existing Assets

Department	
Public Lands	Sycamore Tree Study - \$150,000 Property maintenance - \$478,579 (for additional land added to inventory) Overnight park security - \$515,000 (for east and west side parks)
Public Services	Fire Station yard maintenance - \$11,850 Additional Street maintenance (potholes) - \$300,000 Clean City Team – 5 additional FTEs, operating costs – Graffiti Team and HEART
Non-Departmental	CIP – Facilities Capital Replacement - \$350,000 CIP -Parks Capital Replacement - \$250,000 CIP – Public Lands transfer to CIP for maintenance - \$683,152 CIP – Street Lighting on Jordan River Golf – Rose Park Infrastructure renewal

Maintenance of Existing Assets - CIP

Project	Funding Amount
Street Reconstruction 2026	\$4,390,676
Public Way Concrete	\$ 750,000
Liberty Lake Dredging and Aeration System Replacement	\$1,000,000
Irrigation system replacement (Sustainability and Maintenance)	\$1,017,515
Bridge Preservation Program	\$1,000,000
Sugar House Park – Critical Infrastructure cost share (\$102k impact fees)	\$ 1,107,117
Facilities – replacement/renewal	\$ 1,980,868
Traffic signal replacements/upgrades (\$400k impact fees)	\$4,000,000
Street Overlays 2026	\$3,500,000
1200 East Re-pavement	\$ 303,000
Sport Court Repair/Replacement	\$ 630,000
Playground Replacement	\$385,000
Riverside Basketball Court Repair/renovation (\$450,500 impact fees)	\$ 530,000
Rose Park Lane Trail Improvements	\$ 680,000
Total	\$ 21,274,176

Westside Investment

Westside-Focused Investment		
	Amount	Department
Rebuilding Rose Park Lane Trail	\$ 680,000	CIP #48
Preserve and repair Fisher Mansion	\$ 400,000	CIP #62
Concord Street to Alzheimer's Jordan River Improvements	\$ 480,000	CIP #50
Rose Park Golf Course Infrastructure	\$ 500,000	Non-Departmental (\$2m total since FY 23)
On Demand Ride Services - inflationary	\$ 124,193	Non-Departmental
<i>Public Safety Plan Related:</i>		
Crime Monitoring & Response Technology	\$ 554,675	PD
North Temple Right of Way Services Team (2 FTEs, vehicles, operation)	\$ 400,000	Public Services
Enhanced Street Lighting	\$ 300,000	Non-Departmental (transfer to CIP)
Overnight Park Security	\$ 257,500	Public Lands
Total	\$ 3,696,368	

Other Priority Areas

Housing

\$8 million

Employee Support

4% Cola (non-rep)
5-7.5% Fire
8.75% PD
Liability Coverage

Transit/Transportation

CIP – first/last mile

Continued:

- UTA on demand
- Frequent routes

Public Safety Plan

-\$3.9 million total

Street Safety

- Vision Zero - \$2.3m
- Sidewalk/Bike Gaps - \$1.5m
- Livable Streets - \$2m
- HAWK Signals - \$500k
- 600 East Byway - \$800k

Ballpark Area Investment

\$2.5 million (\$1.7m CRA)