



Clearfield City | August 1, 2025

Council Retreat



Why Did the Tax Rate Increase Even Though Property Values Went Up?

Normally: When property values increase, the tax rate decreases to maintain consistent revenue.

This Year: Both **property values** and the **certified tax rate** increased.

Possible Reasons (per Tax Commission):

- **Lower Collection Rates**

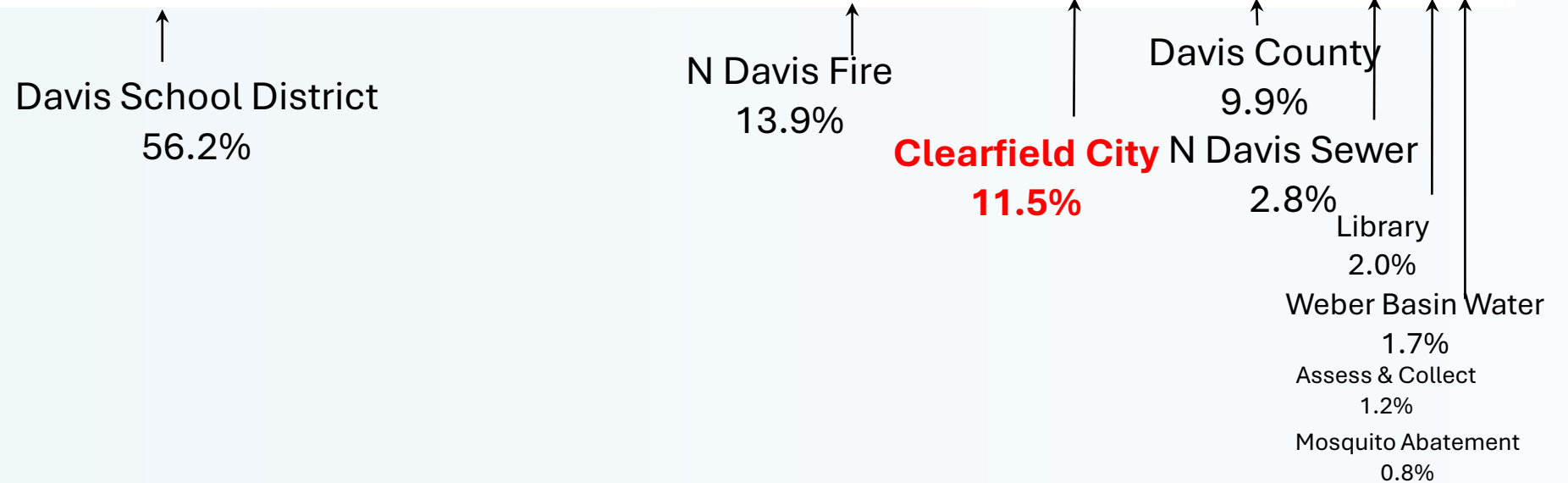
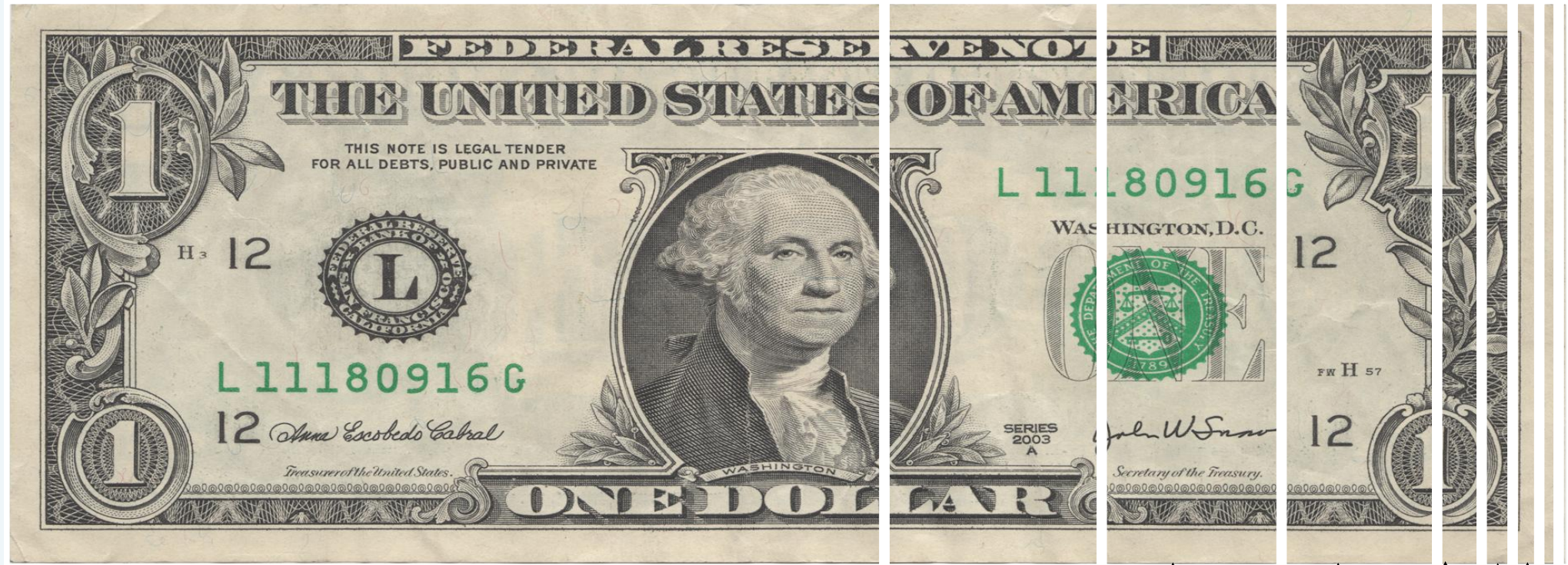
Based on a 5-year average. When fewer people pay, the rate increases to make up for the shortfall.

- **Higher BOE (Board of Equalization) Adjustments**

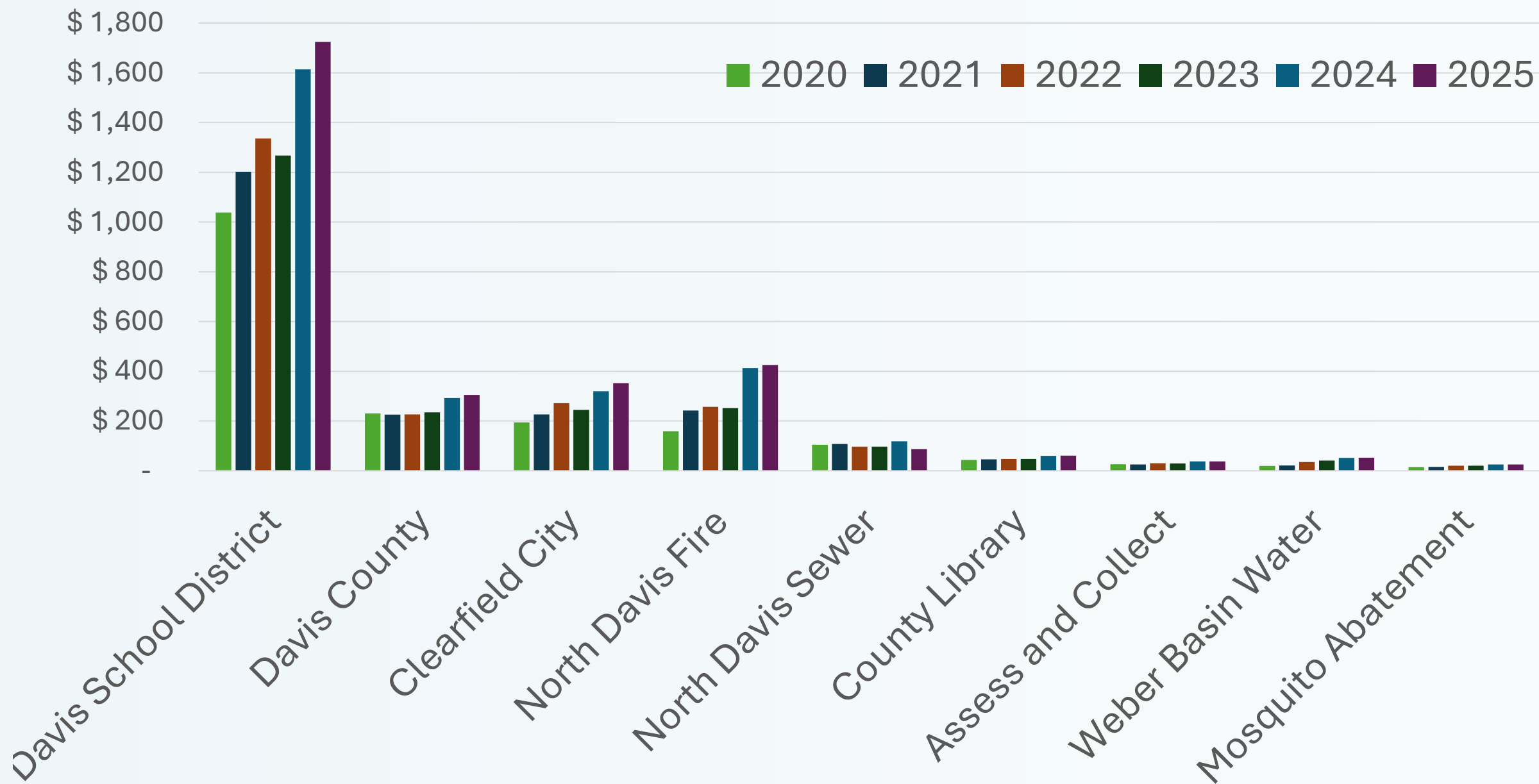
More successful appeals and tax relief reduce the taxable value, pushing rates higher to meet revenue needs.

- **Negative Reappraisal Trends**

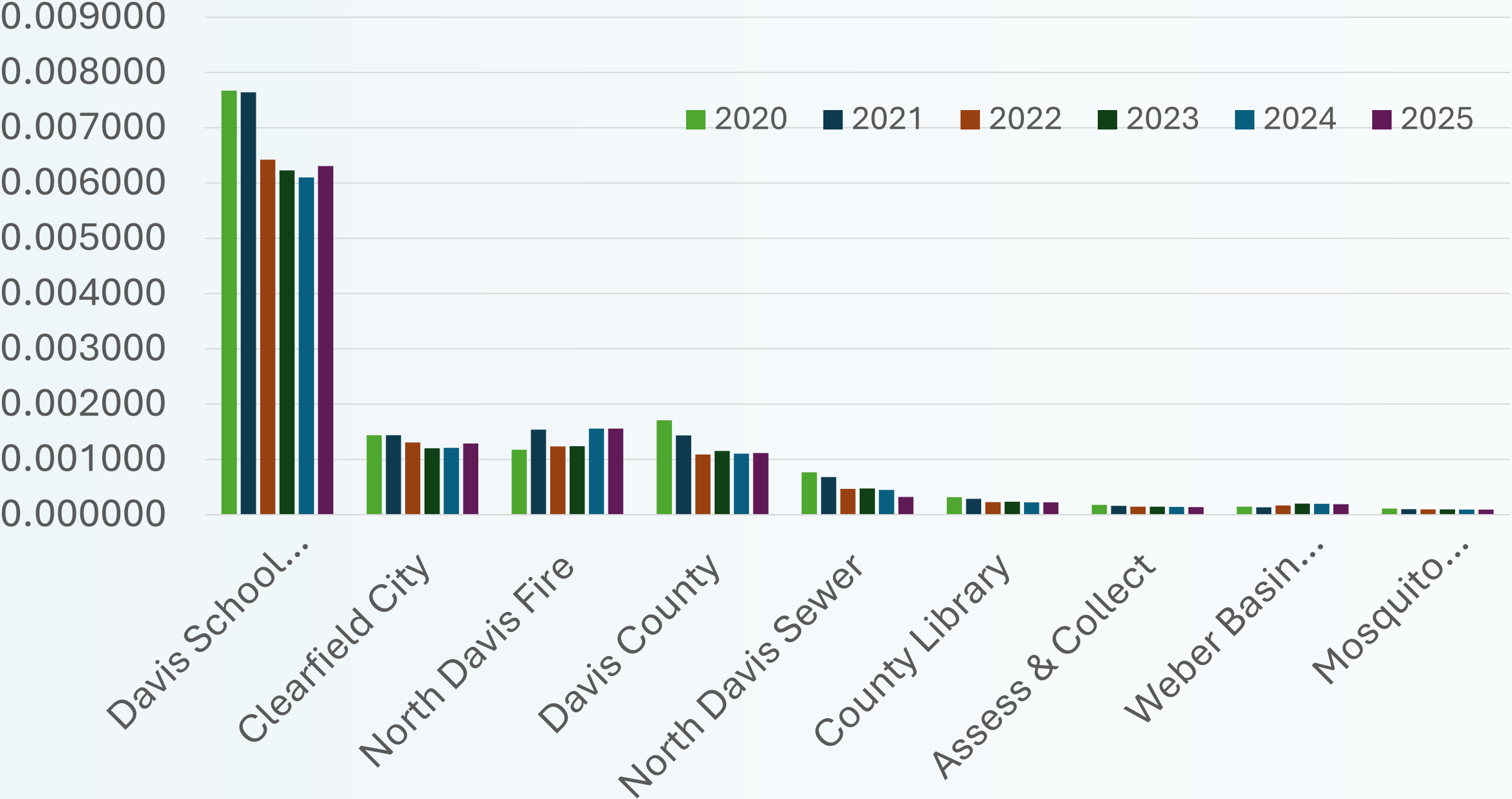
New growth occurred, but existing property values declined—causing rates to rise to preserve prior year revenue.



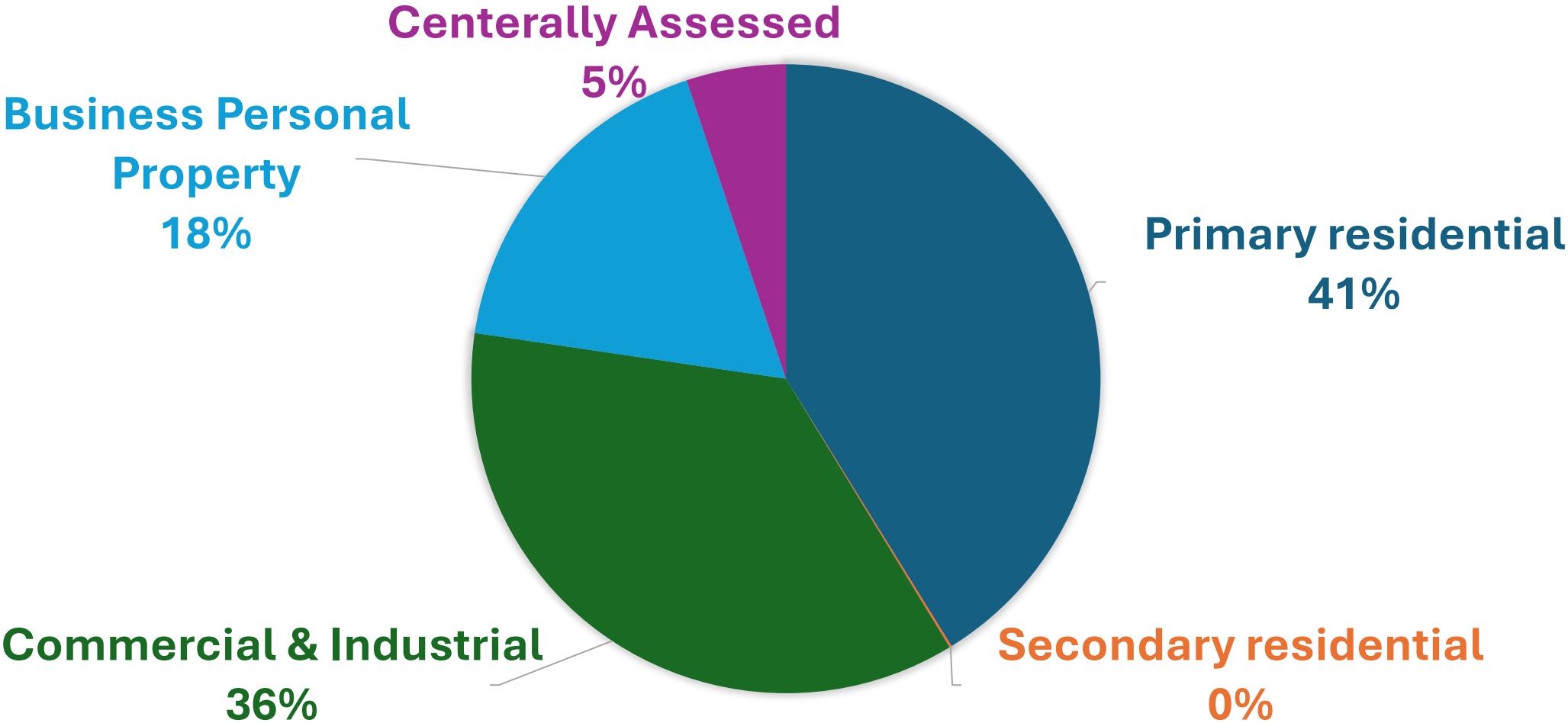
Average Clearfield Home Prop Tax \$ by Entity



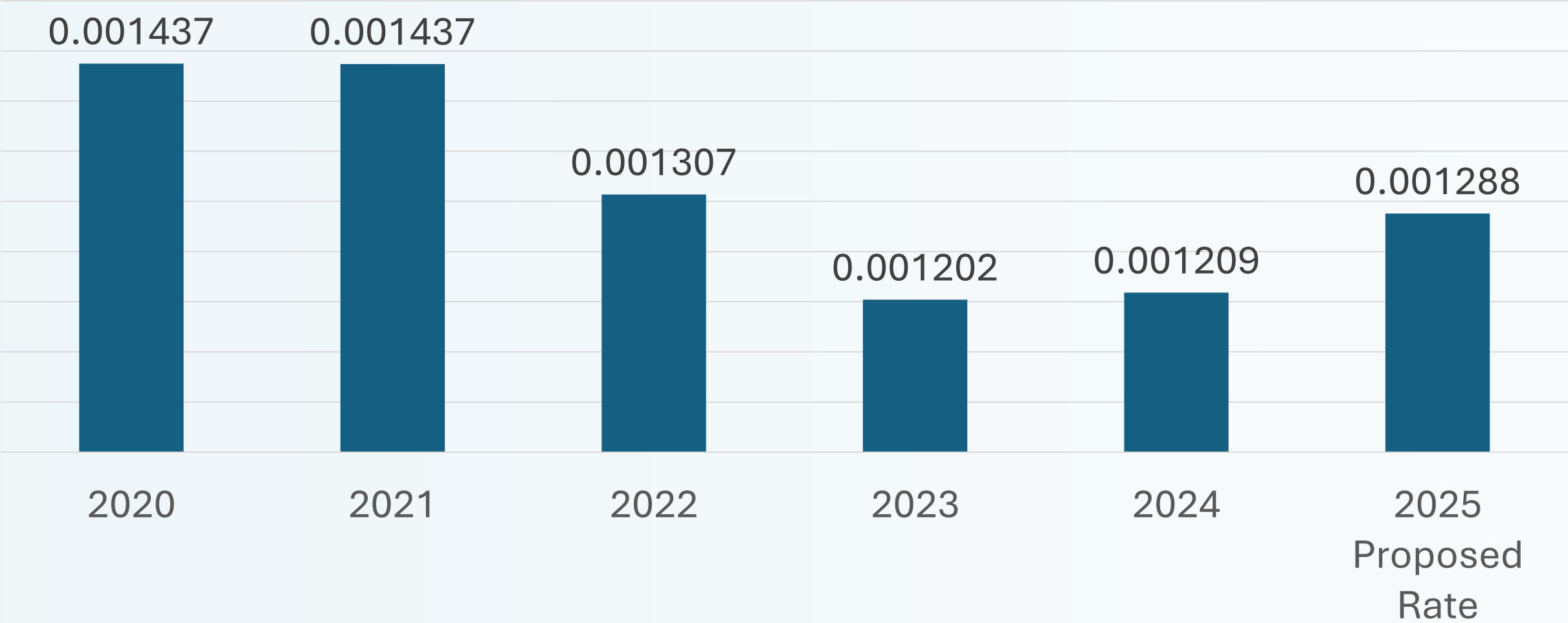
Historic Property Tax Rates by Entity



Property Tax by Source



Property Tax – Davis County Update



Property Tax – Davis County Update

- Total taxable value of the City increased 3.7%
- Average residential property value has risen from \$481,000 last year to \$497,000 this year, a 3.3% increase
- Average residential tax increase for the year will be \$19.13
- If Average home value of last year is used to compare to the average home value of this year, the increase is \$32
 - \$32 increase, \$13 is from increase average values and \$19 is from the City's added amount.
 - In the budget scenarios discussion, \$30 was the draft average increase used.

Property Tax – Davis County Update

A	B	C	D	E	G	F
			Average City Property Tax Paid	\$ increase from TNT (County Advertised)	Increase from Average Value Change	\$ increase for the average home
	Year	Average Home Value				
TNT	2020	\$246,000	\$167			
TNT	2021	\$286,000	\$226	\$49	\$10	\$59
TNT	2022	\$378,000	\$272	\$28	\$18	\$46
	2023	\$370,000	\$245	-\$27	\$0	-\$27
TNT	2024	\$481,000	\$320	\$15	\$60	\$75
TNT	2025	\$497,000	\$352	\$19	\$13	\$32
				\$84	\$88	\$153
	5 year \$ change	\$211,000	\$126			
	5 year % change	74%	56%			

Property Tax – Davis County Update

NOTICE OF PROPOSED TAX INCREASE CLEARFIELD

The CLEARFIELD is proposing to increase its property tax revenue.

The CLEARFIELD tax on a \$497,000 residence would increase from \$332.94 to \$352.07, which is \$19.13 per year.

The CLEARFIELD tax on a \$497,000 business would increase from \$605.35 to \$640.14, which is \$34.79 per year.

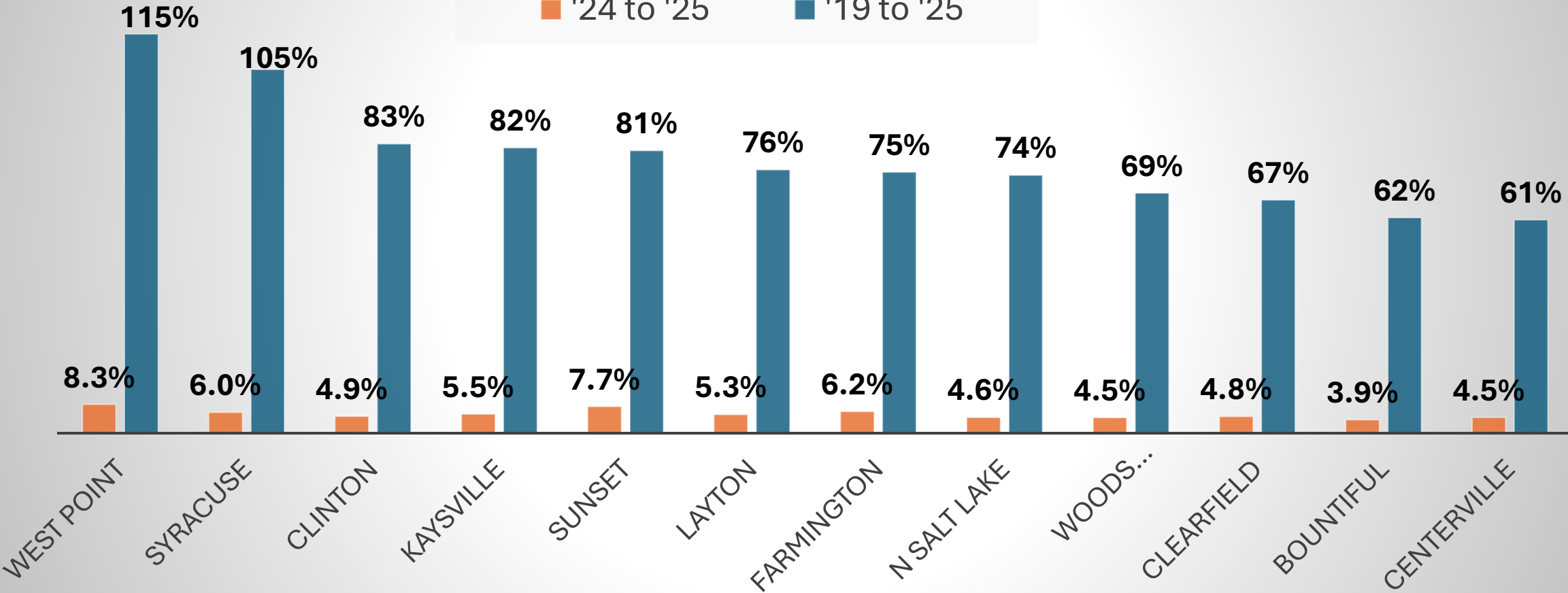
If the proposed budget is approved, CLEARFIELD would receive an additional \$195,982 in property tax revenue per year as a result of the tax increase. If the proposed budget is approved, CLEARFIELD would increase its property tax budgeted revenue by 5.66% above last year's property tax budgeted revenue excluding eligible new growth.

The CLEARFIELD invites all concerned citizens to a public hearing for the purpose of hearing comments regarding the proposed tax increase and to explain the reasons for the proposed tax increase. You have the option to attend or participate in the public hearing in person or online.

Property Tax – Davis County Update

Change in Assessed Value

■ '24 to '25 ■ '19 to '25



Major Changes FY 2026 Budget compared to FY25

- \$60k budget increase to Sales Tax collections
- \$40k increase to Energy Tax
- \$340k increased Property Tax
- \$2.43 per month rate increase Jan '26 Water, Sewer, & Storm
- \$1.00 per month rate increase Jan '26 Wasatch Integrated (landfill)
- \$2.50 per month rate increase Jul '25 North Davis Sewer District

Notable Changes FY 2026 Budget compared to FY25

- 15% of PARAT tax used for maintenance due to new amenities
- 1 new Police Lieutenant and 1 new Officer
- 1 new Mental Health Officer (grant funded)
- 1 new Parks Maintenance
- Cut 1 FT Planner
- Cut \$167k in general operations

Major Projects FY 2026 Budget

- Water, sewer, storm, solid waste projects—\$21M total (**\$3.7M** new)
- Street projects –\$4.9M total (**\$484k** new)
 - Dedicated sources of money and prior year set asides
- Street surface treatment—\$1.5M total (**\$538k** new)
- Facility projects – \$1.6M total (**\$772k** new)
 - City Hall elevator, leisure pool wall
- Park projects—\$1.2M total (**\$175k** new)
 - Canal Trail | connect 200 S to 300 N
- Delayed or cut \$3.1M of capital requests

Budget Summary – Governmental Funds

	Revenues & Transfers In	Operating Expenditures & Transfers Out	Capital Expenditures	Total Expenditures	Change in Available Cash
General Fund	\$26,216,237	\$27,414,585	\$1,240,711	\$28,654,816	\$(2,438,579)
CDRA	2,563,653	4,190,510	-	4,190,510	(1,626,857)
Capital Projects	2,454,217		7,951,100	7,951,100	(5,496,883)
Total Governmental	\$31,234,107	\$31,604,615	\$9,191,811	\$40,796,426	\$(9,562,905)

Budget Summary – Enterprise/Utility Funds

	Revenues & Transfers In	Operating Expenditures & Transfers Out	Capital Expenditures	Total Expenditures	Change in Available Cash
Water	6,924,763	5,040,262	9,233,752	14,274,014	(7,349,251)
Sewer	6,565,000	5,965,891	4,425,860	10,391,751	(3,826,751)
Storm Water	2,047,820	1,479,659	6,338,309	7,817,968	(5,770,148)
Garbage & Recycle	2,181,000	1,774,914	974,141	2,749,055	(568,055)
Total					
Enterprise	\$17,718,583	\$14,260,726	\$20,972,062	\$35,232,788	\$(17,514,205)

Measures of Security and Sustainability

Security

- Available General Fund cash, by the end of FY26, is 62 days of operating expenses, which exceeds the target of 2 months
- Available General Fund cash, by the end of FY26, is 17% of revenues

Sustainability

- The General Fund's ongoing revenue exceeds its operating expense



Clearfield City | May 13, 2025

Fiscal Year 2026 Tentative Budget