



AMERICAN FORK CITY COUNCIL
FEBRUARY 19 AND 20, 2026
BUDGET WORKSHOP MINUTES

Members Present:

Bradley J. Frost	Mayor
Staci Carroll	Council Member
Ryan Hunter	Council Member
Tim Holley	Council Member
Ernie John	Council Member
Clark Taylor	Council Member

Staff Present:

David Bunker	City Administrator
Camden Bird	Assistant City Administrator
Terilyn Lurker	City Recorder
Derric Rykert	Community Services Director
Patrick O'Brien	Development Services Director
Anna Montoya	Finance Director
Aaron Brems	Fire Chief
George Schade	IT Director
Cameron Paul	Police Chief
Sam Kelly	Public Works Director

The American Fork City Council met in a budget workshop on Thursday, February 19, 2026, at 4:30 p.m. and on Friday, February 20, 2026, at 8:10 a.m. at Fox Hollow Golf Course, 1400 North 200 East.

Thursday, February 19, 2026 at 4:30 p.m.

David Bunker welcomed everyone to the meeting and expressed his appreciation for all they did. He noted the objective of the workshop was to receive directions from the city council for the FY2027 strategic goals and vision. He explained they would be reviewing fiscal year 2026 for today's discussion and would then focus on fiscal year 2027 on Friday.

Mayor Frost thanked everyone for being there, indicating they could stay later if they needed further discussion. He did not want them to feel rushed. Mayor Frost commented that they have many things going on, and they are all juggling big tasks, but they can accomplish this together.

Mayor Frost offered an invocation to start the workshop.

COMMUNITY SURVEY

Mr. Bird went over the community survey. He noted there were 864 responses, which is 2% of the population and 8% of households. There were 21 questions and it took about 7 minutes to complete. The residents feel the Quality of Life is still good/excellent. While the overall score did go down from last year, they are still in the 3 range. As in years past, the age of respondents was like previous years. Nearly 50% of the respondents live in North American Fork, but the southwest area is growing. Mr. Bird stated that younger people care more about affordability and entertainment, middle aged care more about work, and older people care more about family and safety. They all had in common caring about family, safety, and community. Capital project preferences include a new Fitness Center, more Parks and Recreation space, a third Fire Station, and accessibility to FrontRunner.

Mr. Bird explained one question was how well informed they felt and 41% felt they were very informed and 40% felt they were somewhat informed. About 65% of residents responded they have interacted with a city employee in the last year, with over 80% saying the interaction was very professional and 75% said the employee was very responsive. He pointed out most of the interactions were with parks, recreation, fitness, and the library.

Mr. Bird then went over the specific questions on the Fitness Center. In 2022, they asked how often they use the Fitness Center and if they should upgrade and/or expand the Fitness Center and 72% felt the city should upgrade/expand. In 2024, the Fitness was the top 3rd issue in American Fork, and the top priority was new Fitness Center. This year, the question was if the city should put on the next ballot a bond for the fitness center, to which 58% responded in the affirmative.

When asked how the city could improve the communication with its residents and businesses, there were several things that were mentioned such as social media, Facebook, the city website, emails, newsletters, and media. Some of the things they wanted more communication on were what the council was discussing and what was approved. Another question was what Steel Days events they enjoyed, which included the car show, quilt show, carnival, burnout, etc. When asked what events they would like to see more of, and some responses were farmers markets, free events, and concerts.

There was a brief discussion on the comments. Mr. Bunker stated the two topics seen more than anything else were roads and density.

FY 2026 STRATEGIC GOALS UPDATE

Mr. Bird went over the strategic goals.

Fiber

The Private Public Partnership began last year with agreements with CentraCom and Strata. CentraCom and Strata are in discussions about how they are working together. Strata has indicated they are not in a position to move forward now, and when CentraCom was approached they indicated they are ready to move forward and are willing to partner with the city and prioritize which areas to move forward with first. The city wants the residents to have

connectivity so they can do their jobs and their schoolwork. Mr. Bunker pointed out there were many comments on Fiber in the survey responses.

Facilities Master Plan

Public Works. They had identified the projects to work on. They are starting the design for the Public Works facility; the target date for going out to bid for architectural services in March. After they get the architect selected, construction can begin.

Fitness Center. The feasibility study was done and surveys have been done. They need inventory issues and needs. Next steps would be to go to a public vote and then bonding, followed by design and construction.

Fire Station

They completed an evaluation on needs and scope. If approved, it will go to a public vote, bonding, design, and construction. They have leased the property from UDOT and they can now get into the home and hope to be in the home in May. They will be working with UDOT to trade property.

Police and Courts. The design has been completed, and the bid has been out for construction.

Economic Development

They have moved economic development in-house, where they have a team put together. They are looking at public private partnerships to execute the main street master plans. With development in the TOD, they feel it will be hard to get retail but not density. They want reductions in parking and in commercial requirements. However, the need was commercial.

Roads

Continued maintenance plan throughout the city. There were several roads that were needed for connectivity, and those required either annexation or right-of-way acquisition.

FY 2026 CIP STATUS UPDATE

It was noted the FY 2026 CIP discussion would be held on Friday.

FY 2026 BUDGET STATUS UPDATE

Revenues

Ms. Montoya went over the general fund revenues. She pointed out the city had a big bump in November; it has been unpredictable but is up by 8.4%. The property tax was decreased, mainly due to the issue with Utah County and their mistake; they will get that money made up next year. Other taxes, including energy and telecom taxes, have increased. License and permits are down significantly. Overall, they are flat with the revenues. They are on target for their use in the budget.

Ms. Montoya went over the revenues by type. Sales tax was the largest percentage. That was hard to predict, but they are happy there is an increase. She went over the property tax rate history. Ms. Montoya pointed out there have only been two property tax increases in the last 20 years, but the revenue has increased because of the growth.

Expenditures

Ms. Montoya went over the expenditures. Personnel was the largest expense in the general fund; however, citywide the largest was capital expenditures. She went over the expenditures by department, pointing out public safety was approximately 54% of the expenditures. She compared the general fund expenditures according to type. Personnel increased, but operations and transfers decreased. The expenditure increase was about 1.5%.

PARC Tax Funds

Ms. Montoya stated that as of today, they have had a little over \$14 million in revenue since 2015. They have approximately \$1.58 million for this year.

The Fitness Center

They are currently not covering the expenses. Any capital improvement projects will be covered by the general fund.

Culinary and PI Water Funds

They are seeing an increase in revenue. They have completed the PI meter installation but are now looking at auditing the data. They are looking forward to the TOD well and Boley Well projects.

Sewer and Storm Drain Funds

Ms. Montoya stated there is an expected storm drain increase this year, which they will discuss the in an upcoming work session.

Property Tax – Truth in Taxation

Ms. Montoya went over Truth in Taxation. It was noted that the council had previously discussed pegging the rate. The council would need to discuss that in the budget workshop, along with transportation utility fees (TUF) and other options for fees. It was noted that many citizens have asked about a dedicated fund for transportation such as a TUF. The direction the council would like to go had been to peg the rate but that has not been done yet.

Ms. Montoya explained the property tax distribution, to which American Fork gets approximately \$376 per household per year. The rest of the property taxes go to other entities. Alpine School District has a Truth in Taxation public hearing on August 1st. Ms. Montoya pointed out there are many bills involving property tax being discussed at the state legislature.

Ms. Montoya went over some tax rate scenarios with a 1%, 2%, and 5% increase. Every 1% would give them about \$73K extra. She then went over the current milestones, which could change based on the legislative session. It was noted that there are specific steps that entities must take to increase their property tax.

The Thursday budget workshop ended at 5:50 p.m.

FRIDAY, FEBRUARY 20, 2026 AT 8:15 AM

Mr. Bunker welcomed everyone to the meeting at 8:15 a.m. He noted they skipped over the FY 2026 Capital Improvement Projects Updates and would address that now.

FY 2026 CAPITAL IMPROVEMENT PROJECTS (CIP) UPDATE

Ms. Montoya explained most CIPs are public works projects such as road and water lines, with most of the funding source the RDA funds.

Ms. Montoya went over the project status for each area.

Community service projects

The Boat Harbor Improvements are complete, as are the rotary park field lights and dugouts and the playgrounds at Hindley, Monarch, and the pavilion at Robinson Park. Still in process is the design for the 620 South Park.

Roads

The completed projects include the Infrastructure Improvement Plan for 100 West, Caveman Boulevard Traffic signal installation, the right-of-way for the 200 South 300 West roundabout has been acquired, and Automall Drive Connection. The projects still in progress are the 700 North right-of-way acquisition, the Lakeshore Drive right-of-way, the 1100 South 500 East roundabout, and the 1500 South 860 East signal and widening project.

Mr. Bunker explained they are close to an agreement with Mr. Bingham on the 700 North property.

FY 2027 BUDGET OUTLOOK

Ms. Montoya stated they are still working on the budget. As in the past, there are more needs than funds, and they need to get the direction of the council in the direction they would like to go.

Ms. Montoya went over the general fund history, noting the fund balance is at the 35% maximum allowed. Any excess funds are moved over to other funds such as capital improvement projects. The sales tax and permit revenue growth has slowed, and she noted they look at that closely. The sales tax is most of the revenue brought in. Ms. Montoya pointed out they do estimate the sales tax conservatively and typically budget the amount from the year before. She noted the landscape of the way sales tax is collected has changed, as it is now point of sale. Most of the general fund expenditure is personnel costs, followed by operating expenses, and transfers for capital expenditures. By department, Public Safety has the highest percentage of the general fund. The department revenues, such as ambulance and permits, offset some increases. It was noted that if one department's share increases, then another department decreases.

Ms. Montoya went over the Fitness Center Revenues and Expenditures. They average about a 36% subsidy every year, with all the capital expenditures subsidized by the general fund. The fees charged by the fitness center do increase slightly each year.

Ms. Montoya stated they have a balanced budget. While preparing the budget, they are conservative with the estimates and start with a zero-based budget. There are factors that go into

the budget. Things they take into consideration are strategic goals, the historical data, inflation, legislation, personnel, master plan and impact fee updates, property tax, and utility adjustments that are planned. They will bring the proposed budget to the city council at work sessions in the next few months to discuss each budget.

Mr. Bunker expressed his appreciation for Ms. Montoya for all her work. The bond rating for the city has improved, which means they will get a better interest rate on bonds. The council also expressed their appreciation for Ms. Montoya.

Mayor Frost explained that the state legislature wants to increase the water fees, so there may be increases to all municipalities and special service districts. This will then impact all the citizens throughout the state. As the funds are put into a state fund for reallocation, there are no guarantees the city will see any of those funds.

BONDS AND DEBT CAPACITY

Ms. Montoya explained there are four outstanding bonds: (1) 2018 sales tax revenue for the Art Dye/Cemetery projects, (2) the 2020 GO Bonds for Fire Station 52, (3) 2022 CRA Tax Increment for 200 South, and (4) the 2026 leases revenue bonds for the Public Works Facility. There are three bonds for the enterprise funds: (1) 2015 GO Bonds for irrigation system, (2) 2016 GO Bonds for irrigation, and (3) 2020 Water Revenue Bond for the 36" waterline improvements.

With the debt capacity, Ms. Montoya went over what the current bonds are for the city and the remaining availability. The types of bonds include GO (General Purpose), GO Bonds (Utility), Water Revenue bonds, and sales tax revenue. American Fork City had a lot of debt capacity, but they do not have to use the entire capacity, nor do they want to use it all. They only bond for absolute needs.

PROJECT DISCUSSION COMMUNITY SERVICES

Fitness Center Remodel, Expansion, Rebuild.

Derric Rykert stated they have an opportunity to increase the quality of life for the residents of the city. In 2022, they had VCBO study the current fitness center, the trends, and the needs for the citizens. He wanted to provide the council the best information for them to decide on the direction they are to go.

He had three options: Must do, Better, and Best. The current facility is tired, and they needed to do a facelift along with a 20,000 square foot addition to the existing facility. The addition would include a community space that could be rented and where meetings could be held; they could also move the senior center up to that location. There would be partitions which could be moved to create larger areas if needed. Mr. Rykert stated the locker room needed to be updated and changed so they are family friendly/gender neutral. This would have an impact.

It was noted the estimates provided are current, but they needed to make sure the comparables are accurate amounts.

The better option would include a 90,000 square foot construction and improvement to the existing pools. The best option would be 120,000 square foot construction and existing pool improvements; they would keep the existing pool but include an indoor pool where the existing building is.

Mr. Rykert commented that the question was no longer whether improvements are needed but what level of facility the community wants for the future. It was felt they needed to do more than just a facelift, and that the citizens needed to decide. Some considerations they needed to look at were what they needed to do for the improvements, as well as who would be utilizing the fitness center and where the participants would be coming from. It was pointed out that south of town had several private pools for the different developments.

They briefly touched upon the timelines for putting the bonding on the ballot. Information given to the residents needs to be clear about what the city is asking. The sequencing of the projects is important.

Lakeview Park @ 620 South

Mr. Rykert stated they would like to move forward with designing and building a park. The amenities would include a walking trail, restroom, pavilion, large grass space, large playground, pickleball/ and padel courts, dog park, and parking lot. The current projection for costs is \$3-\$4 million. The Park Impact fees could be used as a part of the funding source.

30 Acre Park, Linear Park & Trail Connection, Slough Trail

Mr. Rykert stated there are many comments from citizens about the slough trail. An estimated cost would be \$600,000-\$700,000 to construct. The trail could connect Monarch Park to the south.

Mr. Rykert stated they do have a plan for the south side of town so they can connect the park areas.

Cemetery Niche and Cremation Expansion

Mr. Rykert stated the cemetery staff and cemetery committee are talking about future expansion. They have talked about cremation niches, as cremations are becoming more common. It was felt that if this was constructed, it would be used. They do have some funding allocated in the cemetery expansion fund and could add 10-15 years of capacity at the cemetery.

PUBLIC WORKS OUTLOOK FY 2027

Lakeshore Drive

Sam Kelly stated there is a proposed alignment that would connect Lakeshore Drive to 1500 South. They are working with the church to obtain one last component of the road. The original alignment had shifted to keep the road out of wetlands and would allow construction to begin sooner. This was a proposed three-lane major collector that will be a little over a mile in length. The initial phase would only include 26 feet of asphalt for an estimated cost of \$3.1 million. The reason for only 26 feet is that TSSD will be installing new sewer lines, so construction of the full cross section would wait.

200 South Road

Mr. Kelly went over the interim 200 South Roadway Improvements cross section. The estimated cost was \$24,700,000 in 2022; that cost has most likely increased. It was pointed out they needed to finish Lakeshore Drive prior to this construction.

Mr. Kelly then showed the full build and noted there would be a remaining cost of \$8 million for that.

2026 Roadway Plan

Mr. Kelly went over the roadway treatments for the past 5 years. Most of the treatments are for maintaining the asphalt. For 2026, they are planning chip seal, asphalt overlay, micro surface, HA5, slurry, and crack seal. The total cost for the 2026 plan is \$2.7 million.

It was felt that the creation of interactive maps would help the citizens know what has been done for the roads. The city is aware of roads that need to be improved, but they need to look at replacing utility lines when they do this.

Pony Express Parkway

There are two phases to this project. Phase 1 of this project includes MAG funding in the amount of \$14.9 million. For Phase 2, the MAG funding would be \$17.97 million and would connect 700 West to 500 East and 1500 South. The funding was usually 4-5 years out, so they are looking at 2030 or 2031.

700 West

This is another request that will go to MAG to connect Pony Express Parkway to 200 South. This road is a TOD major arterial roadway. This would require the acquisition of additional right-of-way, and the estimated cost is \$5,050,000.

Dixie Well

There are two parcels currently owned by the city. One parcel would be utilized for the pump house, and the other as staging for construction and then sold as a residential building lot. The cost is an estimated \$5,650,000. Mr. Kelly pointed out the location of the proposed site plans; one option shows the pump house in the southern portion of the lot and the other toward the northern portion. If they utilize the northern portion, they could potentially develop the southern portion as a park that would connect to the adjacent HOA park. It was felt the structure needed to blend in with the neighborhood. While it is under construction, there will be noise created and complaints will be made. The drilling will take approximately 2 weeks to complete and will happen 24 hours a day. They will need to communicate the project and potential issues to the residents in the area.

There was a break followed by an activity from 10:30 to 11:15 am.

PROJECT DISCUSSION CONTINUED

The participants then discussed additional projects they would like to address.

Fiber. The city needed to determine what was happening with this project. It was noted that CentraCom is looking forward to moving this project forward. The council would need to discuss the fiber project and how to best utilize the materials the city has already purchased after staff have been able to meet with CentraCom. There are many moving parts to this, including what will happen to the materials purchased and whether this will be an open network. The downside to having multiple telecoms installing fiber throughout the city is that there would be multiple companies cutting into the road.

Station 53. The council will need to look at bonding options and when to bond. It was thought to go to a vote for the Station 53 bond in 2028, after they vote on a bond for the Fitness Center this year. The design of the new station could begin in 2027. There are other bonding options such as a sales tax bond or lease revenue bond. The timing of when to go to a vote for bonding was discussed; the farther out this is, the higher the cost will be. Another consideration is the staffing needs for this station. The city can also hold off on building the new Station 53 and utilize the temporary structure to ease into the cost. There was a brief discussion on the personnel needs of the fire department.

Utility Rates. The storm water fees had been reviewed and studied several years ago. The study showed there needed to be another \$2 increase this year, but that has been delayed. This will be discussed at an upcoming work session, but there was a need to increase that fee to cover the storm water needs. The North Pointe fees will be increasing as well, which will then increase the cost to the citizens on their garbage bill. Additionally, there will be a TSSD increase next January. The pressurized irrigation rates will also need to be addressed, as do the culinary water rates. There are regular increases to both utilities over the five years.

Transportation Utility Fee. This needed further discussion. This funding brought in from this fee would be on top of what is already funded.

Staffing Needs/Compensation. They need to keep staffing in mind when they look toward the future. There are additional needs for public safety and public safety.

Legal Services. The city needs to look at bringing legal services in house, as the needs of the city would require someone in house. They need to take into consideration the staffing that would be required such as the attorneys and paralegals as well as where to house them. The legal services contracts will be increasing, so the cost may be better utilized in house.

Downtown Revitalization. This also needs to be kept on the radar.

I-15 Flyover. The city will work with MAG on a study for this project.

100 East Improvements. The city does need to increase the size of 100 East south of the freeway, so this will need to stay on their radar.

1100 South Roundabout. This would be CRA funded and was currently in the works.

Communications/Public Relations. This could assist with different projects to get the word out and could solve a lot of problems. They could assist with communication on bonds as well as construction projects. Without proper communication, problems occur.

Code Re-write. This was currently in process.

Truth in Taxation. They talked yesterday about the revenue generated from 1% in rate increase. A discussion is needed about whether to approve small tax increases every year, or a tax increase on top of the fee increases they will be seeing from the city and other entities.

Economic Development. A committee has been put together to discuss economic development and bringing businesses to American Fork.

There was a break from 1:17 p.m. to 1:24 p.m.

STRATEGIC VISION AND GOALS

The council and staff discussed the priority of the projects listed above and the estimated cost for those projects. There were a few items the city did not have a choice about such as the increase in TSSD fees or North Pointe Solid Waste fees.

The high priority items included:

- Fitness Center – improvement that can be made without bonding (\$3-\$5 million), specifically bathroom remodel.
- Lakeview Park improvements
- Slough Trail improvements
- Cemetery Niche and Expansion
- Lakeshore Drive
- Pony Express project – this would be a multi-year project.
- 700 West project – this would be a multi-year project.
- Dixie Well
- Fiber – meeting with CentraCom about next steps
- Station 53 – temporary housing, with designing and bonding in 2027
- Utility Rates – this includes pass-through fees for TSSD and North Point
- Staffing Needs – fire and police personnel
- In-house legal counsel
- Public Relations
- I-15 Flyover – MAG funded study.
- 1100 South Roundabout
- Code re-write/Land Use Maps/General Plan
- Truth in Taxation – the city will look at truth in taxation this year.
- Economic Development

Priorities that need to be on the radar include:

- 200 South construction
- Transportation Utility Fee

- Downtown
- 100 East improvements

Mr. Bunker thanked everyone for their participation. He noted staff will look at what they have talked about and bring a plan back to the council.

ADJOURN

The budget workshop adjourned at 2:32 p.m.



Terilyn Lurker, City Recorder