

Fiscal Year 2027 Tentative Budget

May 5, 2026



FY 2027 Budget Timeline

- January - Staff presented needs and priorities to council and received feedback.
- February-April - Budget Development
- Tonight - The Tentative Budget is presented
 - Serves as the beginning budget for the council and public to review
- Month of May - Council reviews the budget
 - The budget will be available at spanishfork.gov
- June 2nd - FY 2027 Budget Public Hearing
- June 16th - FY 2027 Budget Approved



FY 2027 Budget by Fund

EXPENSES BY FUND	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	Difference
	Actuals	Actuals	Actuals	Budget	Budget	
Total Personnel	22,422,870	25,155,821	29,105,249	34,023,341	37,068,780	3,045,439
Total Operation	13,218,643	13,484,692	14,098,467	16,709,154	16,878,705	169,551
Total Capital	1,212,152	353,181	238,171	16,000	48,000	32,000
Total General Fund	36,853,665	38,993,694	43,441,887	50,748,495	53,995,485	3,246,990
Total Personnel	11,535,136	12,351,686	13,498,161	14,473,584	14,874,955	401,371
Total Operation	48,235,401	50,505,907	53,210,079	59,325,094	57,648,968	(1,676,126)
Total Capital	62,041,741	80,994,439	58,691,319	44,228,512	34,570,263	(9,658,249)
Total Debt	5,557,117	6,162,627	8,918,707	10,389,648	10,763,340	373,692
Total Enterprise Funds	127,369,395	150,014,659	134,318,266	128,416,838	117,857,526	(10,559,312)
Land Acq. & Cap. Buildings	3,567,229	4,037,043	2,262,530	2,436,000	10,337,000	7,901,000
Golf Course Projects	168,884	0	379,692	110,000	40,000	(70,000)
Verk Industrial Park	0	5,968,333	24,168,985	33,099,166	14,556,678	(18,542,488)
River Reclamation & Trails	1,068	3,439	0	2,550,000	190,000	(2,360,000)
Fire Station Construction	0	0	29,570	4,750,000	0	(4,750,000)
Rec. Center Construction	1,130,702	29,586,250	32,842,107	15,906,073	0	(15,906,073)
Parks Projects	2,923,642	1,740,484	909,387	2,131,714	2,552,000	420,286
FitCity Center CIP	0	0	0	0	0	0
Total Capital Project Funds	7,791,525	41,335,549	60,592,271	60,982,953	27,675,678	(33,307,275)
Debt - General Government	1,889,285	2,250,120	5,558,986	6,823,854	5,452,925	(1,370,929)
Fire Retirement Fund	39,442	43,318	125,437	52,000	52,000	0
Special Revenue Fund - RAP	453,791	1,401,136	1,099,787	635,000	280,200	(354,800)
Special Revenue Fund - LBA	14,983,944	10,823,884	1,962,526	1,982,140	25,032,882	23,050,742
Special Revenue Fund - RDA	461,854	984,631	504,957	592,700	765,900	173,200
Special Revenue Fund - TUF						
Total Miscellaneous Funds	17,828,316	15,503,089	9,251,693	10,085,694	31,583,907	21,498,213
All Funds Expenses	189,842,901	245,846,991	247,604,117	250,233,980	231,112,596	(19,121,384)

← Sewer Plant construction is complete.

← FitCity Center construction is complete.

← Two LBA buildings are proposed.

←



Noteworthy General Fund Items

- **No property tax increase being proposed.**
- Rec Center (**FitCity Center**) opened in December.
 - Fiscal Year 2027 will be the first full fiscal year of operations.
- Sales Tax revenue growth is around 4-6%. Okay, but not great.
 - Up from 0% growth two years ago. Historically around 8%.
- The golf course continues to increase its profit margin.
- FY2027 includes the final debt payment on the justice center.
- We continue to set aside 20% of sales tax for capital projects.



General Fund Expenses by Category

SUMMARY OF GENERAL FUND EXPENSES	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	Difference
	BY CATEGORY	Actuals	Actuals	Actuals	Budget	Budget
Salaries and Wages (full-time)	12,149,898	13,829,156	16,561,090	18,053,439	19,883,945	1,830,506
Salaries and Wages (part-time)	3,127,141	3,396,980	2,981,698	5,401,905	5,419,208	17,303
Employee Benefits	6,832,769	7,466,582	8,976,564	9,941,487	11,012,026	1,070,539
Overtime	313,062	463,103	585,897	626,510	753,600	127,090
Personnel	22,422,870	25,155,821	29,105,249	34,023,341	37,068,780	3,045,439
Professional Development	445,208	493,312	579,978	629,818	709,630	79,812
Supplies	1,902,889	1,906,646	1,808,516	2,558,952	2,531,177	(27,775)
Equipment Maintenance	140,650	150,159	190,368	180,450	281,930	101,480
Motor Pool Maintenance	739,769	784,545	738,737	801,100	798,600	(2,500)
Fuel & Utilities	1,213,244	1,315,649	1,363,144	2,307,910	2,460,785	152,875
Buildings & Ground Maint	1,176,415	1,084,929	881,604	999,988	1,198,530	198,542
Data Processing	398,067	372,883	404,277	450,050	487,088	37,038
Professional and Technical	2,158,201	2,129,432	2,292,522	2,699,393	2,459,629	(239,764)
Other Services	687,393	777,306	819,017	1,274,839	1,185,494	(89,345)
Risk Management	351,657	481,903	486,925	641,610	651,037	9,427
Vehicle Lease from Motor Pool	2,210,693	2,151,103	2,610,251	2,187,469	2,170,730	(16,739)
FoL, Fiesta Days, & Miss SF Pageants	954,457	996,825	1,083,128	1,137,575	1,104,075	(33,500)
Local Building Authority Debt	840,000	840,000	840,000	840,000	840,000	0
Operations	13,218,643	13,484,692	14,098,467	16,709,154	16,878,705	169,551
Capital - Buildings & Land	1,205,521	0	0	0	0	0
Capital - Equipment	0	179,525	81,904	4,000	4,000	0
Capital - Projects	6,631	173,656	156,267	12,000	44,000	32,000
Capital	1,212,152	353,181	238,171	16,000	48,000	32,000
GENERAL FUND EXPENSES	36,853,665	38,993,694	43,441,887	50,748,495	53,995,485	3,246,990

Includes cost of raises and new positions added.

.1% increase



General Fund Expenses by Division

SUMMARY OF GENERAL FUND EXPENSES	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	Difference
	Actuals	Actuals	Actuals	Budget	Budget	
BY DIVISION						
ADMIN & GEN GOVERNMENT	1,865,675	2,160,805	2,050,536	2,383,125	2,753,717	370,592
SENIOR CENTER	322,246	330,632	325,906	0	0	0
INFORMATION SERVICES	727,046	874,234	926,013	855,923	956,077	100,154
FINANCE	813,757	1,012,517	981,112	969,933	1,009,853	39,920
LEGAL	744,237	798,049	885,277	940,691	988,297	47,606
PLANNING	715,378	664,386	673,557	997,401	779,900	(217,501)
ENGINEERING	3,213,558	3,233,550	3,652,471	3,968,955	4,120,995	152,040
BUILDING INSPECTION	1,165,414	1,224,060	1,273,802	1,332,818	1,356,094	23,276
POLICE	8,066,844	8,437,556	9,463,484	9,779,090	10,564,655	785,565
FIRE & EMS	5,092,068	5,797,092	7,700,341	8,478,781	9,158,333	679,552
EMERGENCY PREPAREDNESS	190,646	192,571	178,110	185,281	201,163	15,882
FACILITIES	988,055	1,131,992	1,050,617	1,057,433	1,145,678	88,245
JUSTICE CENTER	228,654	195,219	255,923	251,246	307,975	56,729
PARKS	3,538,180	4,080,949	4,559,656	4,470,202	4,998,239	528,037
CEMETERY	516,289	583,120	616,130	666,659	712,784	46,125
LIBRARY	2,208,383	2,389,163	2,601,320	2,701,971	2,897,649	195,678
FAIRGROUNDS	1,934,732	982,290	829,423	821,449	862,882	41,433
RECREATION	1,429,958	1,571,145	1,640,196	1,637,383	1,689,012	51,629
CONCESSIONS	130,106	154,050	159,848	152,096	160,013	7,917
ARTS COUNCIL	286,347	279,337	286,526	295,115	281,362	(13,753)
SPECIAL EVENTS	1,276,880	1,352,876	1,477,787	1,585,439	1,574,401	(11,038)
FITCITY REC & COMMUNITY CENTER	0	0	252,375	5,390,939	5,411,331	20,392
GOLF	1,399,212	1,548,101	1,601,477	1,826,565	2,065,075	238,510
TOTAL EXPENSES	36,853,665	38,993,694	43,441,887	50,748,495	53,995,485	3,246,990

Communications crew has moved from SFCN to Admin.

Growth is almost entirely from new positions added and the cost of raises.



General Fund Revenues



GENERAL FUND REVENUES	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	Difference
BY CATEGORY	Actuals	Actuals	Actuals	Budget	Budget	
SALES TAX	13,487,649	13,941,992	14,394,612	14,976,000	16,275,000	1,299,000
INTERFUND SERVICES PROVIDED	5,827,007	5,697,916	6,196,519	6,752,283	7,516,563	764,280
PROPERTY TAX	5,344,759	5,741,119	5,885,342	6,073,250	6,342,746	269,496
FITCITY REC & COMMUNITY CENTER	54,439	82,585	95,991	5,349,623	5,394,823	45,200
FIRE & EMS REVENUE	2,409,038	2,873,842	3,368,171	3,832,500	4,444,500	612,000
COMMUNITY DEVELOPMENT REVENUE	3,418,223	3,454,808	3,120,844	3,294,500	3,473,000	178,500
GOLF	1,656,694	2,337,958	2,651,934	2,707,000	3,322,000	615,000
ENERGY SALES TAX	3,023,094	2,903,871	2,808,890	3,142,500	3,125,000	(17,500)
ARTS COUNCIL & SPECIAL EVENTS	1,444,981	1,573,111	1,663,213	1,697,275	1,676,750	(20,525)
POLICE & LEGAL REVENUE	746,753	950,269	951,829	1,071,329	1,290,318	218,989
PUBLIC SAFETY IMPACT FEES	802,861	1,030,860	1,523,906	1,000,000	1,000,000	0
RECREATION PROGRAMS & SERVICES	877,459	854,992	875,661	914,000	968,000	54,000
INTEREST EARNINGS	918,238	1,049,004	1,369,314	1,100,000	945,000	(155,000)
FAIRGROUNDS	456,046	609,512	540,127	539,000	410,500	(128,500)
CEMETERY	366,991	396,296	296,609	360,000	403,000	43,000
MISC. TAXES	391,012	378,039	348,790	335,000	344,500	9,500
RENTALS	175,632	210,206	227,852	237,500	267,500	30,000
MISCELLANEOUS	235,705	286,758	231,938	285,500	227,500	(58,000)
GRANTS	5,187,011	132,112	107,779	441,885	208,400	(233,485)
LIBRARY	44,826	66,580	72,233	71,600	80,920	9,320
GENERAL FUND REVENUES	46,868,418	44,571,830	46,731,554	54,180,745	57,716,021	3,535,276



General Fund Transfers & Change in Fund Balance



DIVIDEND TRANSFER FROM ENT. FUNDS	1,975,000	2,019,998	2,368,025	2,343,025	2,497,171	154,146
(TO)/FROM CAPITAL PROJECT FUNDS	(10,989,929)	(5,562,114)	(3,580,000)	(2,876,585)	(3,527,985)	(651,400)
(TO)/FROM DEBT SERVICE	(413,186)	(413,186)	(1,963,000)	(3,205,193)	(1,824,000)	1,381,193
(TO)/FROM REDEVELOPMENT AGENCY	(448,657)	(148,291)	(123,634)	(298,320)	(315,000)	(16,680)
(TO)/FROM LOCAL BUILDING AUTHORITY	(60,000)	0	0	0	0	0
(TO)/FROM AIRPORT FUND	(105,000)	(95,000)	0	0	111,000	111,000
LOAN TO AIRPORT FUND	0	0	0	(500,000)	0	500,000
(TO)/FROM STREETS & STORM DRAIN	(1,258,750)	0	0	(475,000)	(475,000)	0
NET TRANSFERS IN/(OUT)	(11,300,522)	(4,198,593)	(3,298,609)	(5,012,073)	(3,533,814)	1,478,259

GENERAL FUND EXPENSES	36,853,665	38,993,694	43,441,887	50,748,495	53,995,485	3,246,990
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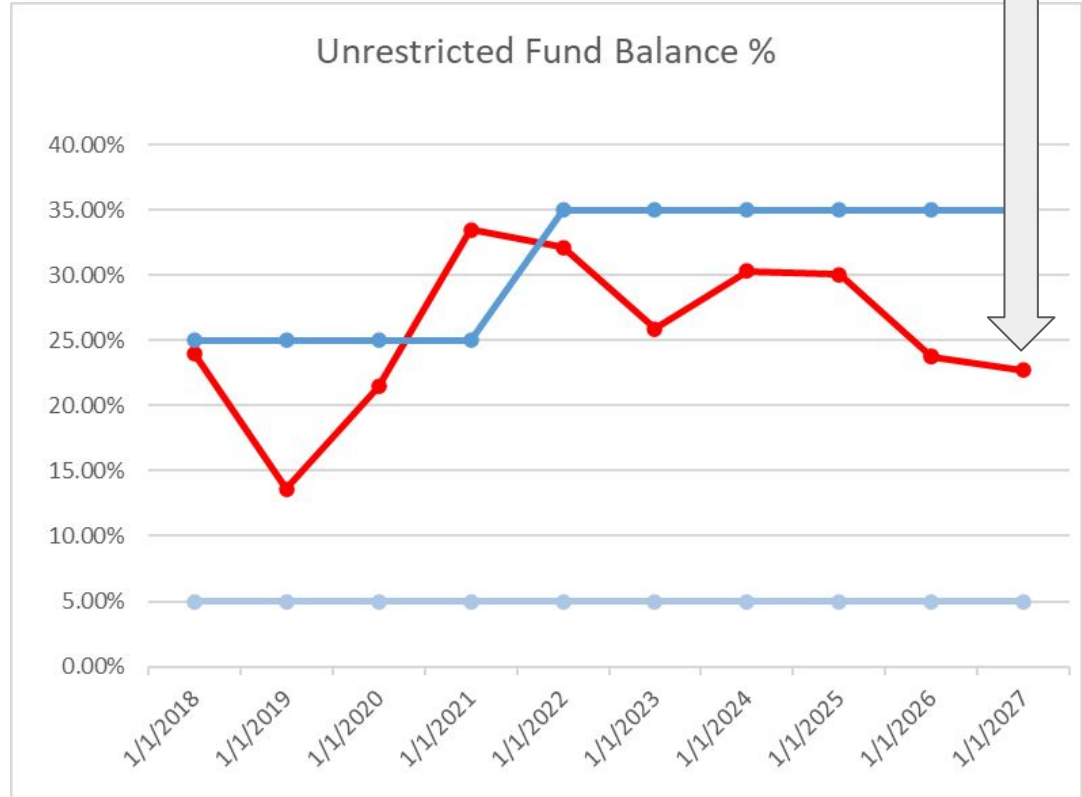
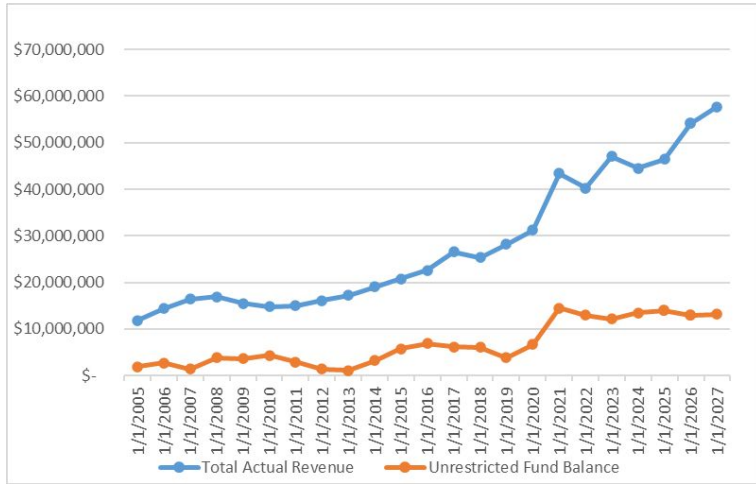
INCREASE/(DECREASE) IN FUND BALANCE	(1,285,769)	1,379,543	(8,942)	(1,579,823)	186,722	1,766,545
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Money coming into the fund is 187k greater than money going out.

Reserves in the General Fund

Projected ending balance for FY 2027 is \$13.1 million.

State law requires the unrestricted general fund reserves divided by revenue to stay between 5-35%.



Capital Projects: Willie Barn Rebuild @ the Fairgrounds

- The new facility will attract additional events.
- Construction will begin in August and completion is planned for spring of 2027.
- Cost of construction is budgeted for \$11.2 million.
- Utah County is paying for half of the cost.



Capital Projects: River Trail Bridge Connection

- The city received a grant from the state for \$13 million.
- This will build a vehicle bridge and connect the the Spanish Fork trail system with the Mapleton trail system.
- Ties the city trail into the regional Bonneville Shoreline Trail system.
- Will cross under highway 6.
- This will be a multi-year project.



New Full-Time Positions

General Fund

Fire & EMS

- Adding 3 Captains
 - 1 Per Shift

Police

- Adding 2 Patrol Officers
- Adding 1 Detective

Library

- Converting 1 PT position to FT

Engineering

- Adding 1 Project Manager (Start in Jan)

Parks

- Adding 1 Parks Lead Worker

Enterprise Funds

Public Works - Power & Light

- New Lineman Apprentice
- New Power & Light Inspector



Enterprise Funds Expenses

ENTERPRISE FUNDS EXPENSES	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	Difference
BY DIVISION	Actuals	Actuals	Actuals	Budget	Budget	
WATER	15,496,641	15,331,684	11,372,905	15,124,486	12,911,624	(2,212,862)
WASTEWATER	37,793,194	55,896,194	49,995,092	26,246,293	17,287,360	(8,958,933)
POWER & LIGHT	34,414,664	33,121,842	37,314,958	43,959,592	39,780,284	(4,179,308)
AIRPORT	1,215,612	4,636,262	1,523,375	1,673,841	7,212,308	5,538,467
SOLID WASTE	3,279,103	3,354,455	3,591,810	3,692,866	3,893,224	200,358
STREETS & STORM DRAIN	18,525,878	18,473,605	14,313,074	20,456,795	19,058,134	(1,398,661)
GUN CLUB	290,523	548,709	393,013	484,922	414,989	(69,933)
BROADBAND	9,939,020	10,337,570	9,009,284	10,405,830	11,083,150	677,320
MOTOR POOL	6,414,760	8,314,338	6,804,755	6,372,213	6,216,453	(155,760)
TOTAL EXPENSES	127,369,395	150,014,659	134,318,266	128,416,838	117,857,526	(10,559,312)



Proposed Utility Rate Increases

Service	Avg. Usage	Current Avg. Bill	FY27 Avg. Bill	Difference
Water	5,720 Gallons	\$19.74	\$20.34	\$0.59
Pressurized Irrigation	10,940 Gallons	\$22.82	\$23.51	\$0.69
Sewer	4,870 Gallons	\$48.96	\$48.96	\$0.00
Power	794 kWh	\$82.32	\$84.79	\$2.47
Garbage	1 Can	\$13.50	\$13.50	\$0.00
Recycle	1 Can	\$8.00	\$8.00	\$0.00
Storm	Per Household	\$12.62	\$12.62	\$0.00
Transportation Utility Fee	Per Household	\$0.00	\$2.50	\$2.50
Total		\$207.96	\$214.21	\$6.25

The total impact of all utility rate increases amount to a 3% increase on the average residential bill.



New Special Revenue Fund for a Transportation Utility Fee

Transportation Utility Fee Fund	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	Difference
	Actuals	Actuals	Actuals	Budget	Budget	
ROAD REPAIR & MAINTENANCE					600,000	600,000
						0
						0
						0
						0
						0
						0
						0
TOTAL EXPENSES	0	0	0	0	600,000	600,000
TRANSPORTATION UTILITY FEE					600,000	600,000
						0
						0
TOTAL REVENUES	0	0	0	0	600,000	600,000
NET INCREASE/(DECREASE)	0	0	0	0	0	0

State law requires this fee to be accounted for in it's own fund.

We are currently spending \$1.9 million on road repair & maintenance out of the Streets & Storm Drain fund. This will allow us to move \$600k of expenses from that fund to here.



Proposed SFCN Residential Internet Rates

Current Monthly Rates

- \$45 for 300 Mbps
- \$75 for 1 Gbps
- \$275 for 10 Gbps
- \$10 for 2 routers and @Home Wifi Service
 - Each Additional Router is \$5

Proposed Monthly Rates

- Senior Rate \$35 for 300 Mbps*
- \$45 for 300 Mbps
- \$50 for 500 Mbps*
- \$75 for 1 Gbps*
- \$90 for 2 Gbps*
- \$275 for 10 Gbps*
- * Includes @Home Wifi Service w/ 1 Router
 - Each Additional Router is \$5



Other Noteworthy Fee Schedule Changes

- Contracted Private Security use of Police Officers
 - Going from \$100 to \$120 per hour
 - Local universities are frequent users for large events
- Increases to Non-Resident Library cards
- Recreation program inflationary increases
- Airport building ground lease
 - Moving from 45 cents to 67 cents per square foot
- Proposes a Wings & Wheels \$10 parking fee

Redevelopment Agency Fiscal Year 2027 Tentative Budget

May 5, 2026



Redevelopment Agency (RDA) Budget



- Agency exists to provide funding sources to redevelop distressed or underutilized properties.
- There are multiple different RDA project areas.



RDA - Project Areas Budget Summary

Summary - Redevelopment Agency Fund	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	Difference
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	
BY DIVISION	Actuals	Actuals	Actuals	Budget	Budget	
North Industrial	17,000	21,486	1,993,136	0	205,300	205,300
Not In Use	0	0	0	0	0	0
Sierra Bonita	114,876	161,377	76,768	320,000	275,000	(45,000)
Krona	290,412	0	244,732	268,400	280,000	11,600
RDA - Housing	0	46	51	0	500	500
RDA - Admin	39,566	801,722	3,066	4,300	5,100	800
TOTAL EXPENSES	\$ 461,854	\$ 984,631	\$ 2,317,753	\$ 592,700	\$ 765,900	\$ 173,200

- The North Industrial project area is located near the airport.
 - Final expenses in FY27 for contracted work done by a developer.
- Sierra Bonita is name of the RDA area for the Young Living expansion.
 - This RDA expires in FY27.
- Krona is the name of the Canyon Creek RDA area.
 - This year we made payment 2 of 10 in incentives to Target.

Local Building Authority Fiscal Year 2027 Tentative Budget

May 5, 2026



Local Building Authority Fund

- This fund accounts for city buildings that are built with the building serving as the collateral on the debt.
- The city makes lease payments to the the LBA and this covers the LBA debt payments.
- There are currently two debts the LBA is paying on:
 - Library Hall
 - New SFCN Building
- We propose to issue debt in FY 2027 for the construction of:
 - Fire Station 61 Rebuild
 - PW Building

Local Building Authority Fund	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	
	FY2023	FY2024	FY2025	FY2026	FY2027	
	Prior 3	Prior 2	Prior 1	Rev 1	Tentative	Difference
	Actuals	Actuals	Actuals	Budget	Budget	
PROFESSIONAL AND TECHNICAL	0	0	0	0		0
ACCOUNTING AND AUDITING	0	0	0	0		0
LEGAL	0	0	0	0		0
OTHER SERVICES	0	0	0	0		0
INSURANCE	0	0	0	0		0
CAPITAL - PROJECTS	0	0	0	0		0
CAP- LIBRARY HALL	8,551,525	1,440,167	0	0		0
CAP-NEW SFCN BUILDING	4,493,476	7,445,146	22,525	0		0
CAP-PW BUILDING					7,000,000	7,000,000
CAP-FIRE STATION 61 REBUILD					16,000,000	16,000,000
LBA PRINCIPAL	1,307,000	1,244,000	1,262,000	1,326,000	1,397,000	71,000
LBA INTEREST	631,943	694,571	678,001	656,140	635,882	(20,258)
BOND ISSUANCE COST	0	0	0	0		0
TOTAL EXPENSES	14,983,944	10,823,884	1,962,526	1,982,140	25,032,882	23,050,742

Capital Projects: Fire Station 61 Rebuild

- Estimated opening late fall 2027.
- Will be constructed out of the Local Building Authority Fund.
- Debt will be repaid with a combination of public safety impact fees and capital project funding sources.



Capital Projects: Proposed Public Works Building

- This budget has a public works building proposed.
- This project has not yet been approved by the council.
- The Architect and CMGC are working on preliminary drawings and cost estimates.
- Debt will be paid by impact fees and utility revenues.

