



Herriman City Safety Enforcement Area Agenda

Wednesday, May 27, 2026

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a meeting in the City Council Chambers, located at
5355 WEST HERRIMAN MAIN STREET, HERRIMAN, UTAH

1. **Call to Order - 7:00 p.m. (or as soon as possible thereafter)**
2. **Discussion and Action Items**
 - 2.1. Budget Officer intent to state that the fiscal year 2027 tentative budget for the Herriman City Safety Enforcement Area (HCSEA) includes a proposed property tax increase – Kyle Maurer, Director of Finance and Administrative Services
 - 2.2. Budget Officer statement that the fiscal year 2027 tentative budget for the Herriman City Safety Enforcement Area (HCSEA) includes a proposed property tax rate increase – Kyle Maurer, Director of Finance and Administrative Services
 - 2.3. Discussion on Herriman Police Department (HPD) interim funding and employee compensation timing – Kyle Maurer, Director of Finance and Administrative Services
3. **Public Hearing**
 - 3.1. Public hearing to receive public comment on the tentative fiscal year 2027 and 2028 Herriman City Safety Enforcement Area (HCSEA) budgets – Kyle Maurer, Director of Finance and Administrative Services

4. Adjournment

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. Request assistance by contacting Herriman City at (801) 446-5323 or info@herriman.org and provide at least 48 hours advance notice of the meeting.

ELECTRONIC PARTICIPATION: Members may participate electronically via telephone, Skype, or other electronic means during this meeting.

I, Jackie Nostrom, certify the foregoing agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body, at the principal office of the public body, on the Utah State Public Notice website www.utah.gov/pmn/index.html and on Herriman City's website at www.herriman.org

Posted and Dated this [enter posted date]

Jackie Nostrom, City Recorder



DATE: May 17, 2026

TO: The Board of Trustees

FROM: Kyle Maurer, Director of Finance and Administrative Services

SUBJECT: Budget Officer intent to state that the fiscal year 2027 tentative budget for the Herriman City Safety Enforcement Area (HCSEA) includes a proposed property tax increase

RECOMMENDATION:

N/A

ISSUE BEFORE THE BOARD:

N/A

ALIGNMENT WITH STRATEGIC PLAN:

LV 7 – Ensure fiscal sustainability within all City functions

BACKGROUND/SUMMARY:

During the 2026 Utah Legislative Session, House Bill 236 (Truth in Taxation Amendments) was enacted, making several changes to Utah Code § 59-2-919 and 59-2-924, which govern notice, disclosure, and public hearing requirements when a tentative budget includes a proposed property tax rate increase.

DISCUSSION:

Due to new Truth in Taxation requirements set forth during the 2026 Utah Legislative session, statute now requires that the Budget Officer must state whether the tentative budget includes a proposed property tax rate increase and present the associated property tax impact schedule. In addition, the meeting agenda must include a separate item notifying the public that the budget officer intends to make this statement. This agenda item is included to comply with Utah Code § 59-2-919(3)(a)(ii) by providing notice of the Budget Officer's intent to state that the tentative budget includes a proposed property tax rate increase, thereby ensuring transparency and public awareness consistent with Truth in Taxation Requirements.

ALTERNATIVES:

N/A

FISCAL IMPACT:

ATTACHMENTS:



DATE: May 17, 2026

TO: The Board of Trustees

FROM: Kyle Maurer, Director of Finance and Administrative Services

SUBJECT: Budget Officer statement that the fiscal year 2027 tentative budget for the Herriman City Safety Enforcement Area (HCSEA) includes a proposed property tax rate increase

RECOMMENDATION:

N/A

ISSUE BEFORE THE BOARD:

N/A

ALIGNMENT WITH STRATEGIC PLAN:

LV 7 – Ensure fiscal sustainability within all City functions

BACKGROUND/SUMMARY:

Due to changes made during the 2026 Utah Legislative Session, it is now required for an entity's Budget Officer to make a statement that the tentative budget includes a tax increase if a tax increase is being proposed.

DISCUSSION:

During the 2026 Utah Legislative Session, HB 236 – Truth-in-Taxation Amendments was enacted, making several changes to Utah Code §§ 59-2-919 and 59-2-924, which govern notice, disclosure, and public hearing requirements when a tentative budget includes a proposed property tax rate increase. These provisions are intended to promote transparency and ensure the public is provided clear information regarding the potential impacts of a proposed tax rate prior to final budget and tax rate adoption. This agenda item is included to comply with Utah Code § 59-2-919(4)(a)(i) by providing notice and an official statement by the Budget Officer that the tentative budget includes a proposed property tax rate increase.

The Budget Officer statement is as follows: “The tentative budget includes an increase in property tax revenue that exceeds the certified tax totaling \$512,970 that intends to cover inflationary costs incurred by the HCSEA. The estimated ad valorem tax increase is 5 percent. A

public hearing is scheduled for August 12, 2026, at 6:00pm sin the City of Herriman Council Chambers.”

ALTERNATIVES:

N/A

FISCAL IMPACT:

ATTACHMENTS:



DATE: May 19, 2026

TO: The Board of Trustees

FROM: Kyle Maurer, Director of Finance and Administrative Services

SUBJECT: Discussion on Herriman Police Department (HPD) interim funding and employee compensation timing

RECOMMENDATION:

N/A – This is for discussion only

ISSUE BEFORE THE BOARD:

N/A – This is for discussion only

ALIGNMENT WITH STRATEGIC PLAN:

LV 2 – Quality public safety | LV 7 – Ensure fiscal sustainability within all City functions

BACKGROUND/SUMMARY:

With the recent Utah legislature changes surrounding Truth in Taxation, staff would like to update the Board on events occurring up to the Truth in Taxation hearing on August 12, 2026, at 6:00PM and receive direction regarding interim funding to the HPD and employee compensation timing.

DISCUSSION:

With the recent Utah legislature changes surrounding Truth in Taxation, staff would like to update the Board on events occurring up to the Truth in Taxation hearing on August 12, 2026, at 6:00PM and receive direction regarding interim funding to the HPD and employee compensation timing.

ALTERNATIVES:

N/A – This is for discussion only



DATE: May 17, 2026

TO: The Board of Trustees

FROM: Kyle Maurer, Director of Finance and Administrative Services

SUBJECT: Public hearing to receive public comment on the tentative fiscal years 2027 and 2028 Herriman City Safety Enforcement Area (HCSEA) budgets.

RECOMMENDATION:

N/A – This is to receive public comment only.

ISSUE BEFORE THE BOARD:

N/A

ALIGNMENT WITH STRATEGIC PLAN:

LV 7 – Ensure fiscal sustainability within all City functions

BACKGROUND/SUMMARY:

Staff have been working on the fiscal year 2027 and 2028 budget since January 2026. The Board released its tentative budget for public inspection on May 6, 2026, and was adopted by the HCSEA Board on May 13, 2026.

The fiscal year 2027 tentative budget includes a property tax increase. Staff will present the Property Tax Impact Schedule as part of this public hearing. A separate public hearing specifically related to the proposed property tax increase is scheduled to be held on August 12, 2026, at 6:00PM.

DISCUSSION:

Staff have been working on the fiscal year 2027 and 2028 budget since January 2026. The Board released its tentative budget for public inspection on May 6, 2026, and was adopted by the HCSEA Board on May 13, 2026. The adopted tentative budget follows this staff report.

The fiscal year 2027 tentative budget includes a property tax increase. The proposed increase is \$512,970 and will increase ad valorem tax revenue by approximately 5%. Staff will present the Property Tax Impact Schedule as part of this public hearing. A separate public hearing specifically related to the proposed property tax increase is scheduled to be held on August 12, 2026, at 6:00PM.

ALTERNATIVES:

N/A

FISCAL IMPACT:

ATTACHMENTS:

Property Tax Impact Schedule
Tentative Budget

Herriman City Safety Enforcement Area

FUND DESCRIPTION

The Herriman City Safety Enforcement Area (HCSEA) was created on January 1, 2018. The HCSEA is a taxing district that was established to collect property taxes to provide law enforcement services to the City—In other words, the HCSEA contracts with the City for policing services. Although a legally separate entity, because of its close relationship to the City the HCSEA is accounted for with the City’s finances. The HCSEA Board is comprised of City of Herriman Councilmembers.

	FY2025 (Actual)	FY2026 Estimated	FY2027 CM Recommended	% Difference- FY2027 to FY2026	FY2028 CM Recommended	% Difference- FY2028 to FY2027
Revenue						
HCSEA						
Taxes	10,071,859	10,854,790	11,853,530	9%	12,888,200	9%
Miscellaneous	103,084	100,000	100,000	0%	100,000	0%
HCSEA Total	10,174,943	10,954,790	11,953,530	9%	12,988,200	9%
Revenue Total	10,174,943	10,954,790	11,953,530	9%	12,988,200	9%
Expenditures						
HCSEA						
Operating	25	1,000	1,000	0%	1,000	0%
Contribution to Fund Balance	-	362,360	561,460	55%	731,590	30%
Transfers Out	9,445,902	10,591,430	11,952,530	13%	12,987,200	9%
Transfers Out-Restricted	-	-	(561,460)	0%	(731,590)	30%
HCSEA Total	9,445,927	10,954,790	11,953,530	9%	12,988,200	9%
Expenditures Total	9,445,927	10,954,790	11,953,530	9%	12,988,200	9%

Significant Budgetary Changes

- Both the fiscal year 2027 and fiscal year 2028 proposed tax revenue assumes a tax rate increase is adopted. The amount of the increase is \$512,970 in fiscal year 2027. It is important to reference the tentative budget adopted by the Herriman City Safety Enforcement Area (HCSEA) board for full disclosure of the tax increase and compliance with Utah State Code. As part of the tentative budget adoption process, a Property Tax Impact Schedule will be shown to clearly indicate the amount of the tax increase being requested and the reasons for the increase.
- “Transfers Out-Restricted” represents “new growth” funding (property tax revenue received from new residential and commercial growth) restricted by the City Council for expenditures related to new growth. This funding is held until authorized for release by the City Council.

Herriman City Safety Enforcement Area (HCSEA) Fund Balance Calculation

Fiscal Years 2024-2028

Fund Balance	FY2024	FY2025	FY2026	FY2027	FY2028
Beginning Balance	\$ 193,397	\$ 970,994	\$ 1,768,349	\$ 1,640,506	\$ 2,206,094
Addition (Use of)	1,058,297	1,009,715	362,360	561,460	731,590
Restricted Fund Balance	(280,700)	(212,360)	(490,203)	4,128	(565,247)
Ending Balance (Available)	970,994	1,768,349	1,640,506	2,206,094	2,372,437
Inflation Not Covered by Tax Increase					
Beginning Balance	-	-	236,510	-	-
Increase Due to Inflation	-	236,510	504,450	-	-
Less: FY2026 Tax Increase	-	-	(513,535)	-	-
Net Increase Due to Inflation	-	236,510	227,425	-	-
Adjusted Ending Balance	\$ 970,994	\$ 1,531,839	\$ 1,413,081	\$ 2,206,094	\$ 2,372,437

**Proposed Property Tax Impact Schedule
Herriman City Safety Enforcement Area**

The Herriman City Safety Enforcement Area (HCSEA) will consider an increase to its property tax rate from 0.001440 to 0.001513 (estimated) to generate an additional \$512,970. The following information is intended to provide decision makers and the public with an explanation of how the Service Area's operations would be affected if the proposed property tax increase is adopted.

Herriman City Safety Enforcement Area's Current Property Tax Rate (2025 Tax Year)	0.001440
Herriman City Safety Enforcement Area's Current Property Tax Revenue (2025 Tax Year)	\$10,211,240
Proposed Revenue With Tax Change	\$10,724,210
New Property Tax Revenue to the Herriman City Safety Enforcement Area	\$ 512,970

Estimated Increase to the Herriman City Safety Enforcement Area's Property Tax Revenue	5.0%
Estimated yearly increase to a primary residence of \$640,000	\$25.70
Estimated yearly increase to a business valued at \$640,000	\$46.72

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Proposed Property Tax Impact Schedule (Continued)
Herriman City Safety Enforcement Area

Affected Department: Herriman City Safety Enforcement Area Fund

Proposed Budget: \$11,171,370

Budget Without Tax Change: \$10,658,400

Budget Change: \$512,970

Impact of Tax Increase: The City of Herriman, who the Herriman City Safety Enforcement Area contracts with for Police services, has a philosophy of segregating property tax revenue generated from new growth to be used solely for the effects of new growth (such as the need to hire new officers). Therefore, normal inflationary pressures the Police Department faces, or new initiatives, must be funded with property tax increases. The proposed increase is to cover normal inflationary pressures faced by the Department.

If the proposed tax increase is not approved, the Herriman City Safety Enforcement Area will be forced to draw on the funds segregated for new growth expenditures to fund regular police operations. The long-term effect of this approach is funds not being available when new officers are needed due to growth.