



Springville City

FY 2027 Tentative Budget

Redevelopment Agency (RDA)

▶ Revenues:

- ▶ \$110k - Property Tax
- ▶ \$5k - Interest Income

▶ Expenses:

- ▶ Project has expired; increment reverts to taxing entities
- ▶ Currently no project expenses planned or budgeted; however, recent discussions on using reserved low-income housing funds to meet state low/moderate income housing requirements
- ▶ \$115k to retained earnings/fund balance

Municipal Building Authority (MBA)

▶ Revenue:

- ▶ Lease payment from General Fund - \$424k

▶ Expenses

- ▶ Debt service on the 2008 MBA bonds - \$424k (final maturity 2031)

Proposed Property Tax Impact Schedule

Purpose: to help offset inflation-related cost increases in City operations that rely on property tax funding. **The tax increase;**

- ▶ Helps maintain existing service levels amid rising labor, fuel and contract costs
- ▶ Reduces pressure for larger one-time increases in future years
- ▶ **Current General Operations Property Tax Revenue:** \$3,180,742
- ▶ **Proposed General Operations Property Tax Revenue (est.):** \$3,277,742
- ▶ **New General Operations Property Tax Revenue:** \$97,000
- ▶ **Estimated Increase to General Operations Property Tax Revenue:** 3%
- ▶ **Estimated Annual Increase to a \$500,000 residence** \$6.36
- ▶ **Estimated Annual Increase to a \$500,000 business** \$11.57



Proposed Property Tax Impact Schedule

Affected Department(s)	Proposed Budget (\$)	Budget without Tax Change (\$)	Budget Change (\$)
Public Safety (Police, Fire, Dispatch)	\$15,308,868	\$15,262,003	\$46,865
Public Works & Streets	15,133,828	15,124,967	8,861
Community Development (Building Inspections, Planning & Zoning)	1,096,295	1,094,719	1,575
Parks, Recreation & Cultural Services (Parks, Canyon Parks, Cemetery, Clyde Recreation Center, Recreation, Senior Citizens, Art Museum, Library)	12,372,466	12,345,271	27,195
General Government (Legislative Body, Administration, Legal, Finance, Treasury)	\$4,438,326	\$4,425,822	12,504
Total			\$97,000



Utah Economic Council: Economic Report to the Governor

United States

Economic Strengths

- ▶ Consumer spending
- ▶ Productivity
- ▶ AI investment

Economic Risks

- ▶ Policy uncertainty
- ▶ Fiscal deficit and debt
- ▶ Equity market / potential AI bubble

Utah

Economic Strengths

- ▶ Diverse economy
- ▶ Consumer spending
- ▶ Young, educated workforce

Economic Risks

- ▶ High housing costs
- ▶ Slowing net migration
- ▶ National policy uncertainty



Selected Economic Indicators (U.S.)

- ▶ U.S. CPI Inflation Rate
 - ▶ 2026: 3.2%
 - ▶ 2027: 2.8%
- ▶ U.S. Unemployment Rate
 - ▶ 2026: 4.6%
 - ▶ 2027: 4.6%
- ▶ U.S. Real GDP (% Change)
 - ▶ 2026: 1.9%
 - ▶ 2027: 2.0%



Selected Economic Indicators (Utah)

- ▶ Utah Total Personal Income (% Change)

- ▶ 2026: 4.9%
- ▶ 2027: 5.0%

- ▶ Utah Population (% Change)

- ▶ 2026: 1.3%
- ▶ 2027: 1.3%

- ▶ Utah Unemployment Rate

- ▶ 2026: 3.6%
- ▶ 2027: 3.6%

- ▶ Utah Taxable Sales (% Change)

- ▶ 2026: 3.5%
- ▶ 2027: 3.4%



Budget at a Glance - Maintaining Service Levels Amid Inflation



General Fund Budget **\$35,720,000 (w/ xfrs)** - up 2.5%

Total City Budget **\$125,959,000 (w/ xfrs)** - up 6.3%



Personnel - 340.78 FTE - up 2.37 FTE (0.7%)



Includes a 3% (\$97k) property tax increase - inflation factor
Annual increase of \$6.36 on a \$500,000 home



Maintains the Enterprise Fund Transfer (6.5%)



Utility rate increases ranging from 2 to 4.6%
approx. \$6/mo. for residential (Nov.)



Transportation Utility Fee (TUF) implementation; approx.
\$4/mo. for residential (Oct.)



General Fund Revenues

- ▶ Overall, revenues up 4.2%
- ▶ \$4.9M - Property Tax (incl. 3% rate increase - \$97k)
- ▶ \$10.2M - Sales Tax (down 1.5% compared to FY26)
- ▶ \$2.8M - Energy Use Tax (down 5% compared to FY26)
- ▶ \$892k - Intergovernmental (down 12% - grant reductions)
- ▶ \$4.7M - Charges for Services (up 5% - ambulance fees and program revenue up)
- ▶ \$9M - Transfers (up 12%; reflects enterprise fund transfer rate of 6.5; Streets fund administrative transfer)



General Fund Transfers

Fund	Admin. Fee	Op. Transfer	Utilities	Total
Water	\$1,303,026	\$529,850	\$92,750	\$1,925,625
Sewer	845,952	471,396	89,906	\$1,407,255
Electric	692,276	2,357,610	721,000	\$3,770,886
Storm Water	484,011	160,565	23,285	\$667,861
Solid Waste	524,797	190,505		\$715,303
Golf	107,466			\$107,466
Streets	374,721			\$374,721
	\$4,332,249	\$3,709,926	\$926,941	\$8,969,116

Personnel

- ▶ FTE count up 2.37; mostly adjustments to PT hours
- ▶ Golf, Finance, Museum, Streets converting PT hours to FT positions
- ▶ Cost of Living Adjustment (COLA) - 2.7%
- ▶ Merit Increase - (effective in Jan. 2027) - 3.2%
- ▶ Benefit cost increases (approx. 3.3%) covered with no significant changes to benefit plans

Capital Projects

- **Total General CIP Budget: \$1.17M**
 - Fire/Rescue equipment (\$95k)
 - Parks & Canyon Parks projects (\$480k)
 - Public Art (\$180k)
- **Streets CIP: \$12.4M**
 - 2600 W (\$3.5M)
 - C Road Maintenance (\$3.9M)
 - 1200 W Center Roundabout (\$2.1k)
- **Vehicle & Equipment Replacement: \$2M**
- **Facilities Fund: \$2.3M**

PAR Projects

- ▶ FY26 PAR Funds (\$600k for Arts Park)
- ▶ FY27 PAR Funds
 - Mini Grants (\$59k)
 - Programming (\$66k)

Enterprise Funds - Rates

Utility	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	10y Avg.	3y Avg
Power	0.00%	0.00%	2.50%	0.00%	1.00%	4.00%	11.00%	0.00%	2.50%	2.00%	2.30%	1.50%
Residential Water	9.00%	0.00%	2.50%	0.00%	3.00%	10.00%	9.75%	3.50%	3.00%	4.40%	4.52%	3.63%
Commercial Water	9.00%	0.00%	2.50%	0.00%	3.00%	10.00%	9.75%	3.50%	3.00%	4.40%	4.52%	3.63%
Secondary Water	0.00%	0.00%	2.50%	0.00%	3.00%	10.00%	9.75%	3.50%	3.00%	4.40%	3.62%	3.63%
Wastewater - Industrial	1.50%	3.00%	2.50%	0.00%	5.00%	7.00%	14.50%	3.50%	3.00%	4.60%	4.46%	3.70%
Wastewater - Other	1.50%	2.00%	2.50%	0.00%	3.00%	7.00%	9.75%	3.50%	3.00%	4.60%	3.69%	3.70%
Storm Water	0.00%	2.00%	2.50%	0.00%	12.00%	7.00%	7.70%	3.50%	4.80%	4.40%	4.39%	4.23%
Solid Waste	0.00%	3.00%	2.50%	0.00%	1.40%	7.00%	6.80%	1.25%	3.00%	2.00%	2.70%	2.08%
Recycling	16.00%	0.00%	2.50%	10.00%	1.40%	7.00%	8.80%	0.00%	3.00%	3.00%	5.17%	2.00%
Average of Big 3	3.50%	0.67%	2.50%	0.00%	2.33%	7.00%	10.17%	2.33%	2.83%	3.67%	3.50%	2.94%
(Power, Water, Wastewater - Residential)												
Inflation - CPI-U (March)	2.40%	1.90%	1.50%	2.60%	8.50%	5.00%	3.50%	2.40%	3.30%		3.35%	3.07%
CPI-U West Region	3.20%	2.80%	2.50%	2.40%	8.70%	5.10%	3.60%	2.60%	3.10%		3.71%	3.10%
Social Security Increases	2.00%	2.80%	1.60%	1.30%	5.90%	8.70%	3.20%	2.50%	2.80%		3.11%	2.83%
				Inflation on Calendar years (March over March)								

Public Works

Water, Sewer, Storm Water, Streets, Solid Waste

Highlights

- Coordinated efforts across utilities
- Focus on project design and construction
- Cost of Service Analysis and Rate Design
- Transportation Utility Fee (TUF) - Budgeted, being studied/developed with planned October implementation
- Inflationary rate increases

Public Works

Water, Sewer, Storm Water, Streets, Solid Waste

Capital Projects

- Street Projects - \$12.4M
- Water
 - 1600 S UDOT Project water infrastructure (\$540k)
 - Fire flow Deficiency Corrections (\$940k)
 - Bore under I-15 to 2600W (\$520k)
- Sewer
 - Digester Rehabilitation (\$800k)
 - Valtek Pump Replacement (\$436k)
- Storm Water
 - New Development Reimbursement (\$400k)
 - 1600 S UDOT Betterments(\$360k)

Power

- Revenue up approx. 5% with system growth and rate increases of 0 - 2% (depending on rate class)
- Power Purchase Budget up 2.5% (\$550k)
- Adding analyst position; overall personnel down 16% over past two years
- Capital Projects (\$5M)
 - Additional feeder under I-15 (\$600k)
 - Center St. Substation feeders (\$500k)
 - New Development (\$500k)

Golf

- Revenues up 11%; utilization/fee increase (8% to be effective in Dec)
- Adding 1 FT Asst. Golf Professional; shifting PT hrs.
- Utilization
 - 93% High Season (May - September)
- Capital Projects
 - Ongoing cart path replacement (\$32k)
 - New Equipment (\$91k) - mini-ex, utility cart
 - Bridge and Maintenance shed replacement sinking fund contributions (\$71k)