

PROPOSED 2026 PROPERTY TAX RATE IMPACT SCHEDULE

West Point City is considering an increase to its 2026 Certified Property Tax Rate of .000711 to a Proposed Rate of .000780.

This proposed rate would generate additional revenue of approximately \$86,166.

The following information is intended to provide decision makers and the public with an explanation of how the City's operations would be affected if the proposed property tax increase is adopted.

Impact to Property Tax Revenue

Certified 2026 Property Tax Rate:	0.000711
Appx. 2026 Property Tax Revenue Generated:	\$887,878
Proposed 2026 Property Tax Rate:	0.000780
Appx. 2026 Property Tax Revenue Generated with Proposed Rate:	\$974,044
Additional 2026 Property Tax Revenue Generated:	\$86,166
Increase to 2026 Property Tax Revenue:	9.7%

Impact to Property Taxes Paid

Certified 2026 Property Tax Rate:	0.000711
Proposed 2026 Property Tax Rate:	0.000780
Estimated Annual Increase to Assessed Property Tax on a <u>Primary Residence</u> valued at \$640,000	\$24.29 (\$2.02 per month)
Estimated Annual Increase to Assessed Property Tax on a <u>Business</u> valued at \$640,000	\$44.16 (\$3.68 per month)

Impact to City Budget

Affected Budget Item: PUBLIC SAFETY – POLICE SERVICES

Approximate Cost of Services:

FY26: \$755,000	FY27: \$900,000	= FY27 Cost Increase:	+\$145,000
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FY27 Budget Allocated Funds:

<u>WITH</u> the Additional Property Tax Revenue:	\$900,000
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Shortfall of Budget:	\$0
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<u>WITHOUT</u> the Additional Property Tax Revenue:	\$813,834
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Shortfall of Budget:	(\$86,166)*
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OVERALL OPERATIONAL IMPACT

The additional proposed property tax revenue of \$86,166 would fund a significant portion of the \$145,000 cost increase for law enforcement services in West Point City.

Per the Contract with the Davis County Sheriff's Office, the City's cost for these services has increased annually via a five-year tiered fee structure to reach the full contract price.

The increase to the budget for FY2027 is appx. \$145,000, for a total budget cost of \$900,000.

****If the proposed property tax rate is not approved and the additional \$86,166 in property tax revenue is not received, the resulting budget shortfall will need to be addressed through reductions to other budgeted expenditures and/or planned capital projects.***