

FY2027 Truth in Taxation

John Vuyk
Finance Director

Draper City Council Meeting
August 12, 2026

Property Tax Impact Statement

Original Estimate

PROPERTY TAX RATE INCREASE

Statement

Draper City is considering levying a tax rate that exceeds the City's certified tax rate. The proposed tax rate is estimated to increase the current tax rate from .000936 to .001170.

The proposed tax rate increase would generate approximately \$2,696,000 of additional ad valorem tax revenue to be used to pay for operational and compensation costs.

The proposed tax rate increase would increase the City's ad valorem tax revenue by approximately 25%.

If the City proceeds with the proposed tax rate increase, the City will provide notice of and conduct a public hearing, as required by Utah Code Section 59-2-919(4)(c).

Current Draper City Property Tax Rate	0.000936
Current Draper City Property Tax Revenue	\$ 10,186,000
Proposed Draper Property Tax Rate with Tax Increase	0.001170
Proposed Draper Property Tax Revenue with Tax Increase	\$ 12,882,000
Proposed New Property Tax Revenue	\$ 2,696,000

	Monthly	Annual	%
Estimated increase to a primary residence valued at \$807,000	\$ 8.66	\$ 103.86	25.0%
Estimated increase to a business valued at \$1,000,000	\$ 19.50	\$ 234.00	25.0%

Property Tax Impact Statement

Updated with Certified Tax Rate (June 12th)

PROPERTY TAX RATE INCREASE

Statement

Draper City is considering levying a tax rate that exceeds the City's certified tax rate. The proposed tax rate is estimated to increase the current tax rate from .000902 to .001128.

The proposed tax rate increase would generate approximately \$2,696,000 of additional ad valorem tax revenue to be used to pay for operational and compensation costs.

The proposed tax rate increase would increase the City's ad valorem tax revenue by approximately 25%.

If the City proceeds with the proposed tax rate increase, the City will provide notice of and conduct a public hearing, as required by Utah Code Section 59-2-919(4)(c).

Current Draper City Property Tax Rate	0.000902
Current Draper City Property Tax Revenue	\$ 10,186,000
Proposed Draper Property Tax Rate with Tax Increase	0.001128
Proposed Draper Property Tax Revenue with Tax Increase	\$ 12,882,000
Proposed New Property Tax Revenue	\$ 2,696,000

	Monthly	Annual	%
Estimated increase to a primary residence valued at \$838,000	\$ 8.68	\$ 104.17	25.0%
Estimated increase to a business valued at \$838,000	\$ 15.78	\$ 189.38	25.0%

Proposed Property Tax Impact Schedule

OVERALL BUDGET

	Budget Without Tax Increase	Proposed Budget	Budget Change
MAYOR & COUNCIL	312,800	312,800	-
CITY MANAGER	6,670,900	6,670,900	-
HUMAN RESOURCES	717,700	717,700	-
FINANCE	1,373,400	1,373,400	-
JUSTICE COURT	822,300	822,300	-
POLICE DEPARTMENT	14,346,400	14,346,400	-
FIRE DEPARTMENT	8,123,700	8,123,700	-
PUBLIC WORKS	4,803,000	4,803,000	-
COMMUNITY DEVELOPMENT	3,428,300	3,428,300	-
PARKS & RECREATION	6,771,300	6,771,300	-
NON DEPARTMENTAL / DEBT SERVICE / TRANS	6,148,600	6,148,600	-
TOTAL EXPENSE	53,518,400	53,518,400	-
<i>DRAPER CITY FUND BALANCE</i>	<i>16,519,000</i>	<i>18,980,000</i>	<i>(2,461,000)</i>

Impact of Tax Increase - With the property tax increase Draper will reduce its reliance on fund balance to meet the ongoing operational needs of the City.



Proposed Property Tax Impact Schedule

FIRE DEPARTMENT

	Budget Without Tax Increase	Proposed Budget	Budget Change
FIRE DEPARTMENT - OVERTIME	250,000	-	(250,000)
FIRE DEPARTMENT - PERSONNEL	-	415,000	415,000
TOTAL EXPENSE	250,000	415,000	165,000

Impact of Tax Increase -The City will fund three new firefighter positions, reducing the reliance on overtime to meet minimum staffing levels and reducing firefighter fatigue.

PARKS & RECREATION

	Budget Without Tax Increase	Proposed Budget	Budget Change
PARKS - PLAYGROUND MAINTENANCE	130,000	200,000	70,000
TOTAL EXPENSE	130,000	200,000	70,000

Impact of Tax Increase -The City will have the necessary funding to continue annual playground replacements at the recommended level in order to maintain compliance with risk and insurance mandates.



Truth in Taxation (Utah County)

Draper City general operations will receive additional property tax revenue each year as a result of the proposed property tax rate increase. The additional property tax revenue would be recognized as follows:

Salt Lake County	\$ 2,455,712
Utah County	<u>\$ 122,224</u>
TOTAL	\$ 2,696,000

Additional tax revenue will be used to offset increased operational and compensation costs within the City budget.

Following this public hearing, the City will hold an additional public hearing and adopt a final budget on August 18th at 7:00 PM at Draper City Hall.

Truth in Taxation Draper City Advertisement (Utah County)

NOTICE OF PROPOSED TAX INCREASE CITY OF DRAPER

The CITY OF DRAPER is proposing to increase its property tax revenue.

The CITY OF DRAPER tax on a \$838,000 residence would increase from \$415.73 to \$519.90, which is \$104.17 per year.

The CITY OF DRAPER tax on a \$838,000 business would increase from \$755.88 to \$945.26, which is \$189.38 per year.

If the proposed budget is approved, CITY OF DRAPER would receive an additional \$122,224 in property tax revenue per year as a result of the tax increase. If the proposed budget is approved, CITY OF DRAPER would increase its property tax budgeted revenue by 22.55% above last year's property tax budgeted revenue excluding eligible new growth.

The CITY OF DRAPER invites all concerned citizens to a public hearing for the purpose of hearing comments regarding the proposed tax increase and to explain the reasons for the proposed tax increase. You have the option to attend or participate in the public hearing in person or virtually.

Date/Time: **PUBLIC HEARING**

Location: 8/12/2026 6:00 P.M.

Draper City Hall Council Chambers
1020 E. Pioneer Rd
Draper, Utah 84020

To obtain more information regarding the tax increase, citizens may contact the CITY OF DRAPER at 801-576-6318 or visit
www.draperutah.gov/city-government/budgets-and-finances/property-tax/

Instructions for virtual participation in the public hearing will be available at Join Zoom Meeting: <https://us06web.zoom.us/j/89466424795?pwd=oubQN9yJKqllVRI09t72osoTmbqzjm.1>
Meeting ID: 894 6642 4795, Passcode: 413389 no later than 24 hours before the public hearing is scheduled to begin.



Truth in Taxation (Utah County)

COUNTYWIDE ADVERTISEMENT

DRAPER CITY
FINANCE DEPARTMENT

UTAH COUNTY NOTICE OF PROPOSED TAX INCREASE

The following taxing entities are proposing to increase property tax revenue within UTAH COUNTY. Data is based on the taxing entity's average value shown below. The same value is used for both residential and commercial property. Concerned citizens are invited to attend the public hearings listed.

FOR FURTHER INFORMATION CONTACT THE INDIVIDUAL ENTITIES AT THE NUMBERS SHOWN BELOW.

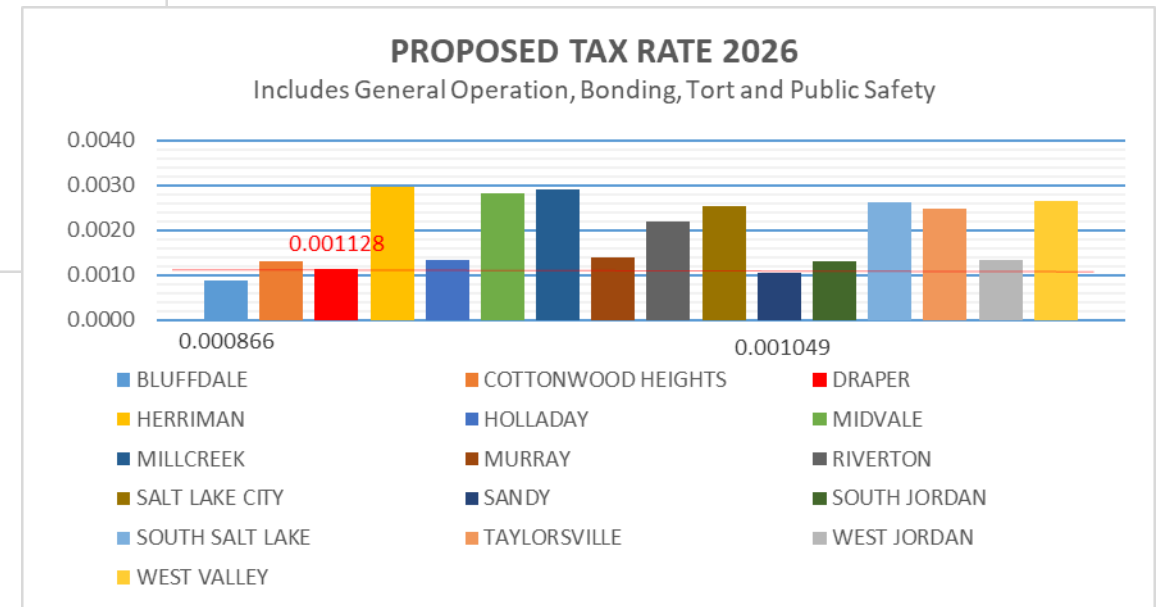
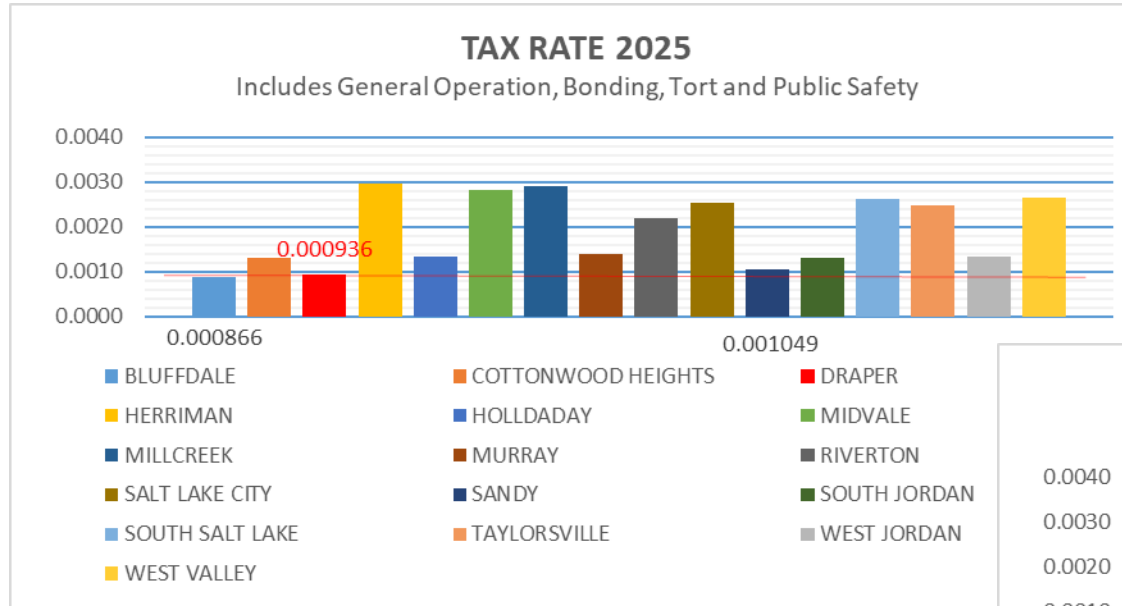
Entities Proposing a Tax Increase	Average Market Value	If approved, tax will increase		Additional Ad Valorum Tax Revenue	% Increase if Proposed Tax Increase is Approved	Date/Time	Public hearing information		
		From:	To:				Location	Phone:	
PROVO CITY SCHOOL DISTRICT	\$526,000	Residential:	\$1,216.51	\$1,249.49	\$1,306,942	7.00%	Aug 05,2026 6:00 PM	280 W 940 N Provo	801-374-4800
		Commercial:	\$2,211.83	\$2,271.79					
AMERICAN FORK CITY	\$502,000	Residential:	\$394.27	\$427.68	\$680,000	8.48%	Aug 11,2026 7:00 P.M.	31 N Church St American Fork	801-763-3000
		Commercial:	\$716.86	\$777.60					
CEDAR HILLS CITY	\$682,000	Residential:	\$276.07	\$330.09	\$150,000	19.55%	Aug 11,2026 6:00 PM	3925 W Cedar Hills Dr Cedar Hills	801-785-9668
		Commercial:	\$501.95	\$600.16					
CITY OF DRAPER	\$838,000	Residential:	\$415.73	\$519.90	\$122,224	22.55%	Aug 12,2026 6:00 P.M.	1020 E Pioneer Rd Draper	801-576-6318
		Commercial:	\$755.88	\$945.26					
EAGLE MOUNTAIN CITY	\$488,000	Residential:	\$142.25	\$456.28	\$8,742,938	220.88%	Aug 08,2026 6:00 PM	1650 Stage Coach Run Eagle Mountain	801-789-6600
		Commercial:	\$258.64	\$829.60					
SARATOGA SPRINGS CITY	\$542,000	Residential:	\$291.54	\$437.31	\$3,100,000	50.03%	Aug 11,2026 6:00 PM	319 S Saratoga Rd Saratoga Springs	801-766-9793
		Commercial:	\$530.08	\$795.11					
HIGHLAND CITY	\$1,036,000	Residential:	\$413.11	\$441.60	\$172,488	6.89%	Aug 11,2026 6:00 P.M.	5400 West Civic Center Drive Highland	801-756-5751
		Commercial:	\$751.10	\$802.90					
OREM CITY	\$520,000	Residential:	\$168.74	\$180.47	\$450,000	6.95%	Aug 27,2026 6:00 p.m.	56 N State Street Orem	801-229-7074
		Commercial:	\$306.80	\$328.12					
PLEASANT GROVE CITY	\$802,000	Residential:	\$310.57	\$337.72	\$365,667	8.72%	Aug 11,2026 6:00 p.m.	108 South 100 East Pleasant Grove	801-785-5045
		Commercial:	\$564.68	\$614.04					
SPRINGVILLE CITY	\$476,000	Residential:	\$186.40	\$191.90	\$97,000	2.97%	Aug 18,2026 7:00 P.M.	110 South Main Street Springville	801-489-2708
		Commercial:	\$338.91	\$348.91					
CENTRAL UTAH WATER CONSERVANCY	\$576,000	Residential:	\$124.82	\$126.72	\$555,517	0.71%	Aug 25,2026 6:00 P.M.	1426 E 750 N Orem, Utah 84097	801-226-7100
		Commercial:	\$226.94	\$230.40					

*Additional Ad Valorem Tax Revenue does not include amount from Judgment Levies.

**This list is for informational purposes only and should not be relied on to determine a taxpayer's property tax liability. For specific property tax liability information the taxpayer should review their "Notice of Valuation and Tax Change".

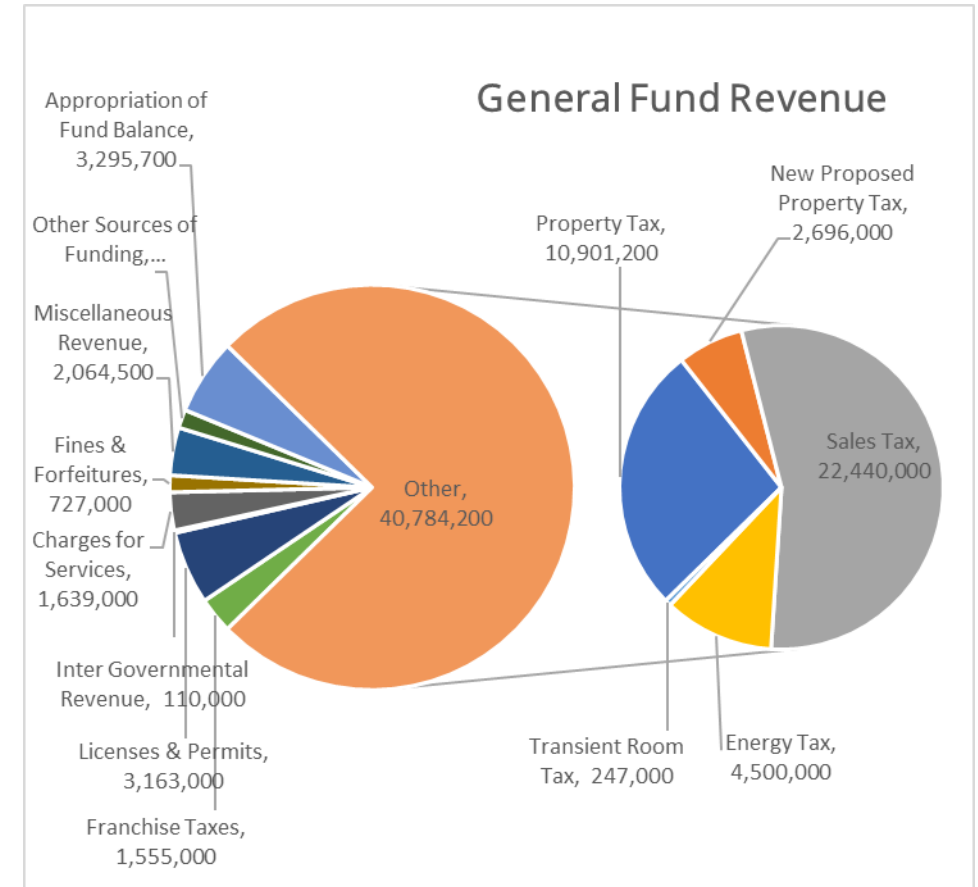


Property Tax



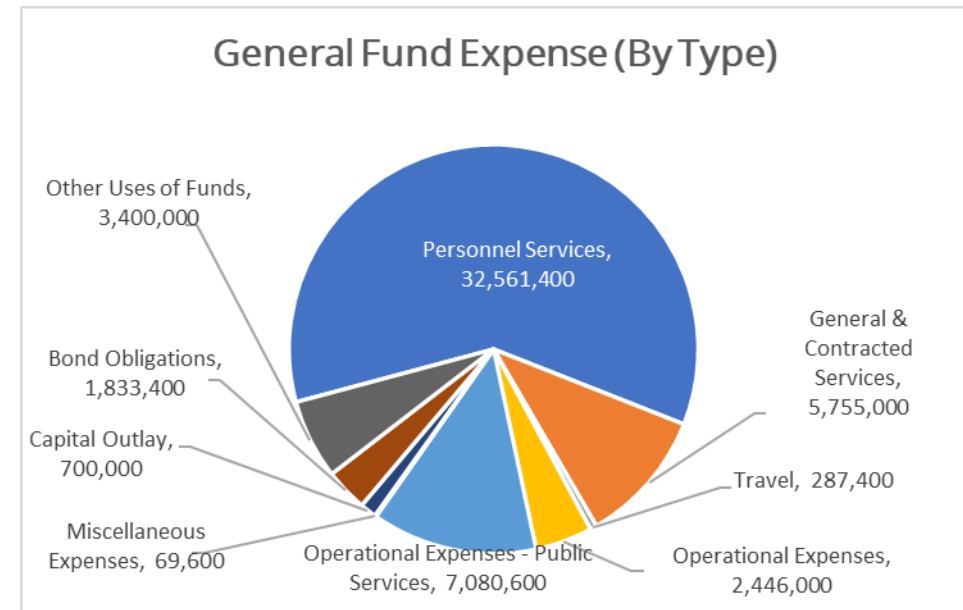
General Fund - Revenue

Revenue	FY2026	FY2027	% Change
Taxes			
Property Tax	10,783,500	10,901,200	1.1%
New Proposed Property Tax	-	2,696,000	
Sales Tax	21,500,000	22,440,000	4.4%
Energy Tax	4,500,000	4,500,000	0.0%
Transient Room Tax	230,000	247,000	7.4%
Franchise Taxes	1,410,000	1,555,000	10.3%
All Taxes	38,423,500	42,339,200	10.2%
Licenses & Permits	3,025,500	3,163,000	4.5%
Inter Governmental Revenue	790,000	110,000	-86.1%
Charges for Services	1,739,200	1,639,000	-5.8%
Fines & Forfeitures	681,000	727,000	6.8%
Miscellaneous Revenue	2,116,500	2,064,500	-2.5%
Other Sources of Funding	1,064,900	795,000	-25.3%
Appropriation of Fund Balance	4,908,300	3,295,700	-32.9%
TOTAL	52,748,900	54,133,400	2.6%



General Fund – Expense (By Type)

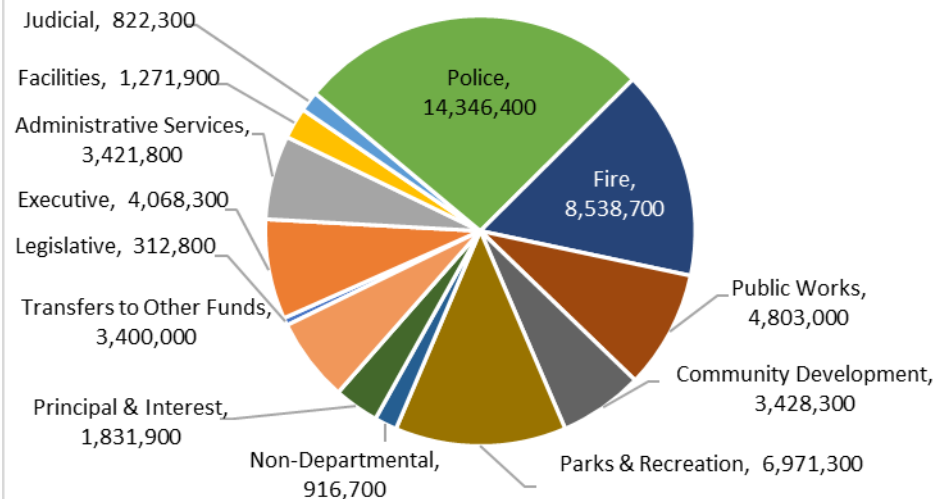
Expense (By Type)	FY2026	FY2027	% Change
Personnel Services	30,504,500	32,561,400	6.7%
General & Contracted Services	5,820,600	5,755,000	-1.1%
Travel	293,900	287,400	-2.2%
Operational Expenses	2,684,700	2,446,000	-8.9%
Operational Expenses - Public Services	7,127,600	7,080,600	-0.7%
Miscellaneous Expenses	74,600	69,600	-6.7%
Capital Outlay	886,000	700,000	-21.0%
Bond Obligations	1,957,000	1,833,400	-6.3%
Other Uses of Funds	3,400,000	3,400,000	0.0%
TOTAL	52,748,900	54,133,400	2.6%



General Fund – Expense (By Dept)



General Fund Expense (By Department)



Expense (By Department)	FY2026	FY2027	% Change
Legislative	314,900	312,800	-0.7%
Executive	4,254,900	4,068,300	-4.4%
Administrative Services	3,381,000	3,421,800	1.2%
Facilities	1,311,500	1,271,900	-3.0%
Judicial	747,900	822,300	9.9%
Police	13,562,500	14,346,400	5.8%
Fire	7,990,000	8,538,700	6.9%
Public Works	5,170,900	4,803,000	-7.1%
Community Development	3,327,900	3,428,300	3.0%
Parks & Recreation	6,304,800	6,971,300	10.6%
Non-Departmental	1,025,600	916,700	-10.6%
Principal & Interest	1,957,000	1,831,900	-6.4%
Transfers to Other Funds	3,400,000	3,400,000	0.0%
TOTAL	52,748,900	54,133,400	2.6%

Budget Adoption

May 19, 2026

- Adopted Tentative Budget
- Set a Date for formal public hearing on budget for June 2nd

June 2, 2026

- Public Hearing during City Council Meeting

June 9, 2026

- Adopted Interim Budget
- Property Tax from proposed increase was set aside in a restricted account

August 12, 2026

- Truth in Taxation
- All Parties will be allowed to speak about the proposed tax rate change

August 18, 2026

- Adoption of the Final Budget
- A Public Hearing will be held in conjunction with the final budget adoption



Questions or Comments?

Contact:

John Vuyk

john.vuyk@draperutah.gov

801-576-6318

