CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
August 27, 2026

NOTE: The referenced report and presentation documents for each discussion may be viewed at orem.gov/meetings under "City Council Presentations"

6:00 P.M. TRUTH IN TAXATION - COUNCIL CHAMBERS

CONDUCTING	Mayor Karen McCandless
ELECTED OFFICIALS	Karen McCandless, Crystal Muhlestein, Jeff Lambson, Jenn Gale, LaNae Millett, Chris Killpack, Quinn Mecham
APPOINTED STAFF	Brenn Bybee, City Manager; Ryan Clark, Assistant City Manager; Keri Rugg, Deputy City Manager; Steve Earl, City Attorney; Chris Tschirki, Public Works Executive Director; Brandon Nelson, Chief Finance Officer; Marc Sanderson, Fire Chief; BJ Robinson, Police Chief; Gary McGinn, Community Development Executive Director; Peter Wolfley, Community Services Executive Director, PIO; Teresa McKitrick, City Recorder

CALL TO ORDER

INVOCATION / INSPIRATIONAL THOUGHT – Tristan Peck
PLEDGE OF ALLEGIANCE / FLAG CEREMONY – Trulan Peck

SCHEDULED ITEMS

ORDINANCE - PUBLIC HEARING - Adopting an increase to the property tax rate; approving and adopting a final budget for fiscal year 2026-2027 including levying a property tax sufficient to increase ongoing property tax revenues by $450,000 per year, adopting the dedication of the general operations portion of the City of Orem's property tax levy to the public safety special revenue fund, adopting compensation programs, adopting the fees and charges schedule, adopting the franchise tax, municipal energy sales and use tax, telecommunications license tax, transient room tax and E-911 rates *Presenter: Brandon C. Nelson, CPA, Chief Financial Officer, Jennica Jones, Strategies and Innovations Director, and BJ Robinson, Police Chief*

During a formal Truth in Taxation public hearing, the Orem City Council evaluated an ordinance to adopt the final fiscal year 2026–2027 budget, which includes a proposed property tax rate increase designed to generate $450,000 in additional ongoing annual revenue. Mayor Karen McCandless opened the session by outlining the required statutory procedures and hybrid meeting structure, explaining that public comments would be taken in alternating three-minute blocks from both in-person attendees and virtual participants joining via a live Zoom link. To ensure a structured flow, Mayor McCandless clarified that council members and staff would note all public feedback, address every question collectively after closing the public hearing, and then proceed to council deliberations and a final vote. She emphasized that while property tax adjustments often draw varied opinions, the council's goal was to ensure a transparent, respectful environment for all residents participating in person or watching online.

Mr. Nelson presented a comprehensive timeline of the budget process, highlighting that initial discussions began during an April work session, followed by the tentative budget presentation on May 12 and the posting of an interactive property tax estimator calculator on the city website in July. Mr. Nelson detailed that Orem's property tax levy accounts for approximately 14% of a resident's total overall property tax bill, with the remaining 86% distributed to Utah County, local school districts, and special service districts. Under the proposed ordinance, the city's certified tax rate increases from 0.000590 to 0.000631, representing a 7.01% increase in Orem's municipal property tax revenue. For an average primary residence in Orem valued at $520,000, the tax adjustment is calculated using Utah's 45% primary residential exemption, while commercial properties are assessed at full value without the exemption. In response to a clarifying question from Councilmember Gale, Mr. Nelson confirmed that the city has not adjusted its municipal property tax rate since 2019.

The presentation concluded with a clear breakdown of the designated expenditures, with Mr. Nelson confirming that 100% of the $450,000 in new property tax revenue will be legally dedicated to the city's Public Safety Special Revenue Fund. Specifically, these funds will directly cover the salaries, specialized equipment, outfits, and patrol vehicles required to hire two additional full-time Orem police officers.

Ms. Jones presented a detailed breakdown of public safety operational data and comparative municipal metrics to support the rationale for the proposed property tax increase. She highlighted significant cost escalations in the police department's fixed operational expenses, noting that the purchase price of an un-upfitted patrol vehicle nearly doubled over a ten-year period from roughly $37,000 in 2016 to nearly $70,000 in 2026. Fuel costs rose by 40% (a $100,000 increase) between fiscal years 2021 and 2025, alongside price increases for uniforms and firearms. Departmental overtime reached nearly 18,000 total hours in fiscal year 2026, with historical shifts in overtime partly driven by the city merging its in-house dispatch with Metro Dispatch in fiscal year 2023.

Comparative regional data demonstrated that Orem maintains very lean public safety operations relative to peer cities. Orem employs 2.2 combined police and fire full-time equivalents (FTEs) per 1,000 residents, below the comparative city average of 2.5. When factoring in Orem's large commuter and retail footprint—driven by institutions like Utah Valley University—Orem's public safety staffing drops to 1.8 FTEs per 1,000 daytime residents, the lowest among all benchmarked cities. Regarding sworn law enforcement, Orem employs 105 sworn police officers (1.1 per 1,000 residents). While Orem's total officer headcount is 19% higher than the peer city average of 88, its residential population is 30% larger and its daytime population is 42% larger than those same benchmark municipalities.

Financially, Orem spends $344 per resident on its combined police and fire budget compared to the regional benchmark average of $427, and collects $84 in general municipal property tax revenue per resident, the lowest among comparative cities. In response to a clarification from Mayor McCandless, Ms. Jones noted that the $84 metric represents total municipal property tax collections (including commercial sources) divided by the residential population. Councilmember Mecham calculated that generating $450,000 in new tax revenue across Orem's approximately 100,000 residents adds roughly $5 per resident, bringing the collection metric to about $89 while comfortably preserving Orem's standing as having the lowest municipal property tax revenue per resident and public safety budget per resident among comparable cities. The session concluded with Councilmember Millett confirming that staff would remain available for follow-up questions after the public comment portion of the meeting.

Chief Robinson explained that while metrics like call volume and response times have remained steady, the demand on the department is driven by the growing complexity of cases—such as domestic violence, sexual assault, and mental health crises—which require extensive investigation and documentation. To maintain basic service levels, the department has been forced to dismantle proactive units like traffic enforcement, community policing, and mental health teams. The chief highlighted severe operational strains caused by turnover and onboarding lags: the department averages 13 hires per year, but new recruits require 4 to 12 months of academy and field training before they can count toward minimum shift staffing. To manage these coverage gaps, the department instituted a mandatory "force-out" policy requiring officers to work extended or early shifts of up to 16 to 18 hours. Furthermore, federal grant funds that previously funded seven positions since 2020 have expired, making local tax funding necessary to stabilize the budget. Chief Robinson cautioned that while officers continue to deliver high-quality service, the staff is exhausted, and further operational cuts would severely compromise officer well-being and community safety.

During the council Q&A, Councilmember Muhlestein noted that the department logged 18,000 overtime hours over the past year—the equivalent of nine full-time officers—and asked what staffing level would truly resolve the issue. Chief Robinson answered that 13 additional officers would match their annual turnover rate, but hiring that many at once would overwhelm the field training program. In response to questions from Councilmembers Millett, Lamson, Mecham, and Gale, the chief elaborated on the burnout caused by forced call-outs, explaining that officers frequently work short-staffed and face immense emotional strain, which also impacts their families. He recalled how major incidents, such as last September's murder investigation at UVU, nearly forced mandatory 12-hour shifts across the entire force and demonstrated the need for dedicated overtime coverage at public community events. Mayor McCandless and the council members expressed strong appreciation for the officers' sacrifice and professionalism while acknowledging the heavy toll the current staffing shortages place on the department.

Mr. Nelson clarified the mechanisms behind the proposed Public Safety Special Revenue Fund. State law mandates the creation of a separate fund whenever property tax dollars are dedicated specifically to public safety. This structural change will appear as a dedicated line item on residents' tax notices. Out of an overall public safety budget of $38.4 million to $40 million, the increased property tax will generate approximately $8.1 million, covering about 20% of the budget. Additional revenue from ambulance fees, municipal inspection fees, and dispatch contracts with neighboring jurisdictions (Lindon and Vineyard) will contribute to the cost, while the remaining $25 million will be transferred quarterly from general fund revenues such as sales and franchise taxes. Following these explanations, Mayor McCandless established a three-minute limit per speaker and formally opened the public hearing portion of the meeting to both in-person attendees and remote Zoom participants.

Public Hearing open at 7:01 PM

Mike Preston expressed strong support for local first responders but firmly opposed the proposed property tax increase, noting his taxes have jumped 67% since 2017 and threaten to price retirees on fixed incomes out of their homes. Invoking Founding Father principles on property rights, he urged the council to find alternative funding sources and explicitly withheld his consent for any tax hike.

Judy Cox supported hiring additional officers but strongly urged the council to vote no on the tax increase, claiming the city manufactured a "false shortfall" to justify the hike. She criticized the creation of the Public Safety Special Revenue Fund as a "financial shell game" that locks future tax growth into one department while starving others, arguing the $450,000 cost should instead be absorbed using existing general funds.

Kathy Young opposed the property tax hike, noting the previous council navigated historic inflation without raising taxes by cutting costs and securing grants. Questioning what budget cuts the current council even attempted, she warned that raising taxes is the easy way out and argued that establishing a dedicated fund replaces disciplined budget management with continuous, formulaic tax increases.

Cissy Rasmussen spoke in support of the property tax increase, calling it a small, fiscally responsible last resort. Citing Chief Robinson's presentation, she argued that past cost-cutting options have been exhausted against inflation and rising case complexity, urging the council to support the "boots-on-the-ground" needs of first responders and their families.

Marian Baxter spoke in favor of the tax proposal, praising the city's long-standing tradition of high-quality public safety and accessible government. Commending the council's thoughtful deliberations and transparent budgeting process, Ms. Baxter expressed confidence that local tax dollars are well-managed and urged support for stabilizing the city's public safety needs.

Lori Thoman opposed the tax hike, arguing that commuters heading to Provo account for much of Orem's traffic and should help bear the cost. Approaching retirement, she expressed that she simply cannot afford continually rising expenses. (statement read by staff)

Brandon Wolf opposed the tax hike, arguing that the city should cut spending like everyday citizens rather than raising taxes. He also questioned the need for more officers given the city's investment in license plate reader cameras, suggesting those automated systems be removed to save money instead. (statement read by staff)

Jake Shimanek written statement not read into record due to vulgar language.

Chuck Barrus strongly supported both the tax hike and the Public Safety Special Revenue Fund, calling the cost negligible—equating it to "a Happy Meal a year." Drawing on his career as a school administrator protected by police during bomb threats, he argued that public safety needs dedicated funding rather than competing for leftover general funds.

Michelle Sorenson supported the tax increase, noting financial advisors recommend diversifying city revenue to stably fund public safety. She argued that adding officers incrementally handles rising event traffic while preventing severe understaffing, concluding the small hike addresses a legitimate, well-explained need amidst ongoing inflation.

Sara Bateman expressed strong support for the tax increase, thanking city officials and staff for providing incredible value to her family over the years. Moved by Chief Robinson's presentation on officer burnout, she pledged to strengthen neighborhood support while encouraging the council to address the thoughtful concerns raised by opposing residents.

Brendan Beebe questioned the need for the tax hike, asking the council for specific data to justify the increase. Citing dropping call volumes, declining offense rates since 2021, and Orem's higher officer-per-capita ratio compared to nearby cities like Lehi, he requested clarification on civilian staffing cuts, past officer retention, and when detailed departmental metrics would be released.

Kathy Minster opposed the tax hike, arguing that paired with earlier impact fee increases, it breaks campaign promises to keep housing affordable for local families and renters. Expressing gratitude for first responders during a past personal loss, she nonetheless warned that creating a dedicated public safety fund sets a precedent for continuous tax increases that incrementally price residents out of Orem.

Elaine Wilding urged the council to vote no, arguing that while police staffing needs are real, altering the property tax structure creates an automatic pathway for future tax hikes. She insisted council members were elected to do the hard work of line-by-line budgeting and trade-offs rather than establishing a system that treats taxpayers like an ongoing revenue source.

Karen Wignall opposed the tax hike, warning that rising expenses threaten to price fixed-income seniors out of their homes. Expressing gratitude for police officers, she questioned whether UVU helps offset campus security costs, argued that flat per-resident tax estimates disproportionately burden single-occupant households, and urged the council to manage funds equitably within the general fund rather than triggering continuous future tax requests.

Evan Thacker agreed that additional police officers are indisputably needed, but expressed concern that property tax increases unfairly burden fixed-income retirees with rising home values. Noting that he would willingly pay ten times his share, he suggested creating a voluntary donation option so financially stable residents can contribute extra to offset the cost for those who cannot afford it.

Ruth opposed the property tax increase, arguing that the city should instead reallocate existing budget funds—such as cutting park upgrades—to cover public safety needs. (statement read by staff)

Milo Ott opposed the property tax hike, arguing that the $450,000 request is just two-tenths of 1% of the city's $212 million budget and a matter of prioritization, not a funding crisis. Pointing out that public safety already benefits from growing revenues, he urged the city to fund the officers within existing resources by delaying non-essential capital items like park upgrades.

Alisa Adams strongly supported the tax increase, arguing that public safety funding shouldn't be negotiable. She warned that failing to adequately fund the department risks turning Orem into a temporary training ground for other agencies, and insisted all residents should invest in community safety regardless of personal circumstances.

Zach Adams supported the tax increase, noting that dedicated taxing districts provide crucial stability for public safety. He urged the council to approve the hike and adjust funding annually for inflation to ensure Orem retains top-quality officers.

Valerie Juarez opposed the proposal, arguing it uses first responders as a political shield for tax increases. Noting that property taxes cover only 19% of the public safety budget while 56% depends on general fund transfers, she warned the fund will always fall short and trigger recurring hikes, advocating instead for transparent annual budgeting.

Dave Young urged the council to rescind the new special revenue fund, asserting that finding $450,000 for two officers within a $177 million budget is easily done without restructuring taxes. Citing his own administration's ability to upgrade infrastructure and public safety without tax hikes, Mr. Young warned that dedicated funds create an automatic, annual justification for tax increases under a popular label, and advocated for funding first responders transparently through the general fund.

Hans Berkler opposed using property taxes for police funding, arguing that public safety should be prioritized first out of existing revenues even if amenity budgets are reduced. Pointing out that inflation already boosts sales tax revenue, he warned that property tax hikes further strain fixed-income seniors and young buyers, urging the council to reallocate existing funds or consider a sales tax adjustment instead.

Hans Anderson opposed the tax hike, recalling how he previously led a citizen petition that defeated a major tax increase and saved residents over $50 million. Citing Fitch and S&P ratings showing Orem holds over $33 million in unrestricted reserves, Mr. Anderson urged the council to use these existing savings for the $450,000 public safety request rather than raising taxes.

Public Hearing closed at 8:08 PM

In response to resident concerns, Councilmember Lambson, City Manager Bybee, and Mr. Nelson clarified that Orem receives only 14% of a resident's total property tax bill, with the rest going to Utah County and the school district. Mr. Bybee explained that under Utah law, property tax revenue on existing homes remains flat even as market values surge because the certified tax rate automatically drops to compensate; thus, the city faces a continuous loss of purchasing power to inflation unless a formal rate adjustment is approved. Mr. Nelson added that Orem is legally unable to raise its sales or franchise taxes because it already levies the maximum rates allowed by state law. With sales tax revenue stagnating—growing just 0.3% in 2023 and dropping 1% in 2024—property tax remains the city's only statutory mechanism to address rising operational costs. Addressing claims about a $33 million reserve, Mr. Nelson explained that after accounting for committed purchase orders and capital projects, the actual available fund balance is roughly $14 million, or about 20% of the operating budget. He defended keeping a 10% to 15% buffer above the state-mandated 5% floor, pointing to the 2008 recession when reserves fell to 6% and noting the necessity of immediate cash flow during emergencies before federal reimbursements arrive.

Addressing police department data and operations, Chief Robinson explained that annual service calls average around 60,000, but severe staffing shortages have forced the department to pull officers from community-oriented programs to cover mandatory patrol shifts. As a result, civilian staff conducting mental health follow-ups now must pull active officers off the road for safety, and planned community outreach initiatives—such as the Citizens' Academy and elementary school reading programs—have been canceled. Defending the proposal to create a Public Safety Special Revenue Fund, Councilmember Mecham, Chief Sanderson, and Police Chief Robinson emphasized that dedicating property tax revenue directly to public safety establishes a stable baseline for essential services that shields operations from sales tax volatility. Chief Sanderson reassured residents that creating this dedicated accounting fund does not insulate first responders from fiscal accountability, promising that police and fire departments will still make necessary budget cuts alongside the rest of the city during broader economic downturns.

Councilmember Gale raised two primary questions from the public hearing: whether the city has truly exhausted internal budget cuts and whether public safety could be funded through alternative sources rather than a property tax hike. In response, City Manager Bybee highlighted active grant pursuits, including applications for $1.1 million for firefighter breathing gear, $1.3 million for additional firefighters, $1 million for wastewater infrastructure, and $1.5 million in county trail funding, while noting that competitive public safety grants are increasingly limited.

Addressing municipal efficiency, Assistant City Manager Rugg recalled that under former Mayor Young's administration, Orem commissioned a comprehensive third-party efficiency study by MGT, which confirmed the city was already operating leaner than peer municipalities.

Ms. Rugg emphasized that every position vacancy is thoroughly evaluated before refilling, pointing to a recent decision to absorb a vacant risk manager role into an internal committee rather than hire a replacement. Chief Robinson added that operating efficiently and doing "more with less" is a shared standard across all city departments, not just law enforcement.

Mr. Nelson addressed suggestions to fund ongoing officer salaries by reallocating money from parks, libraries, or reserve balances. He cautioned that using one-time surplus funds or capital project dollars to cover permanent personnel expenses violates fundamental budgeting principles and creates long-term structural deficits. Reassuring the council that staff continuously balance diverse community needs against strict fiscal constraints, Mr. Nelson reiterated that with sales tax revenues stagnating, property tax remains one of the few legal mechanisms left to reliably sustain recurring operational costs.

Following up on resident comments, Councilmembers Muhlestein and Millett questioned city leadership about the mechanics of the Public Safety Special Revenue Fund and Orem's sales tax trajectory. Responding to claims that creating a dedicated fund manufactures a "false shortfall," Mr. Nelson clarified that overall budgeting remains unchanged whether accounts are evaluated separately or together. He explained that city leadership reviews all municipal needs side-by-side, determining the final transfer amount to the public safety fund only after evaluating the entire city budget. The fund's primary purpose is to provide clear accounting visibility for public safety revenues and expenditures rather than serving as an automatic trigger for tax hikes or budget backfills.

Turning to sales tax trends, Councilmember Millett inquired about revenue patterns, recalling post-COVID surges. Mr. Nelson detailed that after substantial spikes in FY 2021 (18%) and FY 2022 (13.5%), growth slowed dramatically—dropping to 0.3% in FY 2023, contracting in FY 2024, and showing modest recoveries in FY 2025 (3.1%) and FY 2026 (2.3%). Because actual FY 2026 growth fell short of the projected 3%, Orem must now hit a 4% growth rate in FY 2027 to meet its long-term budget target. Mr. Nelson attributed this cooling to shifts in consumer spending away from high-yield categories—such as lumber, building materials, and auto sales—toward basic necessities. While acknowledging exciting local developments like new restaurant openings and retail remodels, Mr. Nelson cautioned that even popular single stores barely shift Orem's $33 million sales tax base. He emphasized that sales tax forecasting incorporates independent economic tracking reports and factors in commercial expansion in neighboring cities like Saratoga Springs, which can draw consumer dollars away from Orem.

Addressing questions from Councilmembers Lambson and Killpack regarding the financial and operational impact of Utah Valley University (UVU), city leadership detailed the university's relationship with municipal services. Chief Robinson explained that while UVU maintains its own campus police force, Orem Police provides essential mutual aid for high-priority incidents—such as the major multi-agency response required on September 10, 2025—which Orem absorbs internally. While UVU reimburses officer overtime for pre-planned special events, Chief Robinson emphasized that the massive influx of students, staff, and commuter traffic from both UVU and neighboring communities like Vineyard naturally increases overall service demands across the city.

Chief Sanderson added that because UVU lacks its own fire department, Orem Fire handles all emergency calls generated on campus and staffs university events. Although UVU reimburses basic labor costs so event coverage remains cost-neutral, the arrangement generates no net profit or dedicated revenue stream for general fire operations despite the increased call volume. City Manager Bybee and Mr. Nelson clarified that UVU provides no direct tax revenue to Orem; rather, its primary economic benefit arrives indirectly through sales taxes generated at campus dining venues, nearby retail centers, and local restaurants supported by the university's workforce and student body.

Opening the council's deliberative session, Councilmember Mecham commended the public, staff, and council for a rich, transparent, and civil dialogue, calling it one of the best policy discussions of the year. Reflecting on what he learned during his first year on the council, Mecham praised Orem's long history of fiscal discipline and expressed pride in maintaining one of the lowest municipal tax burdens in the state, while delivering high-value public services, including top-tier public safety, libraries, and parks.

However, Mr. Mecham highlighted structural financial vulnerabilities that concern him moving forward, particularly the city's heavy reliance on fluctuating sales tax revenues and the eroding impact of inflation against declining property tax rates. He voiced support for establishing the Public Safety Special Revenue Fund to guarantee fiscal stability for fire and police operations, stating that first responders have earned the council's trust. Acknowledging concerns raised about fixed-income and low-income residents, Mr. Mecham emphasized the importance of directing vulnerable taxpayers to existing county and state relief mechanisms—such as the Circuit Breaker program and tax deferral options—to mitigate financial hardship. He recognized that the proposal represents a complex policy choice on which reasonable people can disagree, thanking residents on both sides for their thoughtful contributions.

Councilmember Gale echoed Councilmember Mecham's sentiments, pointing to a city chart comparing Orem to 18 similar-sized and neighboring Utah municipalities to highlight that, even with the proposed property tax increase, Orem maintains the lowest overall municipal tax burden among them. Reaffirming that funding public safety is local government's most fundamental duty, Ms. Gale agreed with former Mayor Young that finding $450,000 in a large budget is technically easy, but argued that doing so through temporary savings, one-time capital funds, or volatile revenues is fundamentally fiscally irresponsible.

Ms. Gale warned against leaving future councils and residents vulnerable during the next economic downturn due to an over-reliance on fluctuating sales taxes. She asserted that true fiscal responsibility requires making difficult, proactive decisions today to place essential police and fire services on a permanent, stable financial foundation, concluding that failing to make this tax adjustment now would be a disservice to the community's long-term stability.

Councilmember Muhlestein expressed deep conflict over the public hearing process and the duty of representative government. She emphasized that representation requires balancing public feedback with the trust residents place in council members to conduct thorough research and make informed decisions. Ms. Muhlestein voiced frustration that despite having the proposal on the docket since May, a massive influx of public emails and opposition comments arrived at the "11th hour," raising critical questions that the council did not have adequate time to fully vet or address for the community.

Observing that public testimony heavily favored opponents—with approximately 16 or 17 speakers against the proposal compared to 7 in favor—Muhlestein noted that the council found itself in a "no-win situation," criticized both for the tax structure and for the requested $450,000 amount being deemed either too large or trivially small. Reaffirming her 100% support for police and fire personnel as the backbone of Orem, she concluded that the city had failed to clearly communicate why this specific property tax increase was necessary. Consequently, Ms. Muhlestein advocated for pausing the proposal, thoroughly answering the public's lingering questions, and revisiting the issue at a later time.

Councilmember Killpack thanked residents for their insightful input and echoed previous appreciation for the public dialogue, agreeing with Councilmember Muhlestein on the importance of representative government and listening to community feedback. Addressing concerns regarding residents on fixed incomes or facing financial hardship, Mr. Killpack noted that he researched existing assistance avenues—identifying four or five relief programs for which qualifying residents are eligible—and emphasized that the city must make these resources easily accessible in public forums.

Despite recognizing the varying community perspectives, Mr. Killpack reaffirmed his commitment to first responders, concluding that establishing a stable, long-term financial base for public safety is superior to relying on short-term dollars. Respecting all expressed opinions while acknowledging disagreement on the mechanism, he indicated his support for securing long-term financial stabilization for Orem's police and fire operations.

Councilmember Lambson spoke at length to detail his support for the property tax increase, framing the decision as a necessary measure to protect public safety services. Recalling his experience running for office in 2019, Lambson highlighted how Orem was actively losing experienced officers to neighboring cities due to heavy workloads and uncompetitive pay. He pointed out that training a single officer cost roughly $100,000 at the time, making the loss of veteran experience and institutional knowledge far more costly to the city than investing in competitive wages. Expressing deep gratitude for first responders, Mr. Lambson emphasized the severe mental health toll, post-traumatic stress, and physical risks they endure, arguing that the city must provide them and their families with comprehensive mental health resources, top-tier equipment, and continuous training.

Mr. Lambson also introduced the concept of "preventative presence," describing how visible police patrols at schools, parks, and city events deter crime and build strong community relationships. Addressing his personal principles, Mr. Lambson noted that as a fiscal conservative who inherently opposes tax hikes and bloated government, voting for this increase was the harder, yet more responsible choice. He warned against repeating past mistakes where delayed funding forced severe budget cuts, stressing that establishing a dedicated property tax baseline creates a reliable financial floor. This baseline, he argued, guarantees that essential fire and police operations will remain fully functional even during economic downturns or sharp drops in sales tax revenue.

Councilmember Millett expressed strong appreciation for first responders while outlining her opposition to funding the two proposed police officers via a property tax increase. Reaffirming her personal connection to law enforcement family members, Ms. Millett emphasized her unwavering support for Orem's police officers and firefighters, pointing to the city's recent efforts to rehabilitate department culture, restore competitive standing, and supply essential equipment, mental health resources, and facilities. However, acknowledging emotional testimony from fixed-income seniors and struggling families, she noted that compounding external price hikes—including rising auto insurance, utility costs, county taxes, and school bonds—are outside the council's control, making it imperative for the city to exercise strict restraint over the local property tax rate.

Ms. Millett argued that the council should allow its broader, multi-pronged economic plan time to mature before raising taxes on residents. Pointing to the recent hiring of a dedicated Economic Development Director tasked with revitalizing sales tax corridors like State Street, as well as ongoing efforts to secure external grants and regional partnerships, she urged the city to exhaust these revenue-generating avenues first. Rejecting the idea that public safety and taxpayer protection are competing values, Ms. Millett maintained that finding $450,000—a tiny fraction (0.25%) of Orem's $177 million total budget—is easily achievable by reprioritizing existing revenues, delaying park upgrades, or postponing vehicle replacements. She urged the council to approve and hire the two officers immediately using general fund reallocations, insisting that law enforcement's primary hurdle is broader recruitment and cultural support rather than a localized city funding shortfall.

Mayor McCandless closed the council's deliberation by framing the decision around long-term municipal sustainability and fiscal stewardship. Drawing on her past professional work with low-income families, Ms. McCandless acknowledged the real impacts of housing costs and tax adjustments on Orem's most vulnerable residents, stressing that managing public funds is a sacred responsibility. Reflecting on her previous tenure on the city council during the 2008 Great Recession—when sales tax revenues plummeted and emergency reserve balances fell dangerously low—she warned against over-relying on sales tax, noting that neighboring commercial growth in cities like Vineyard and Provo makes Orem's sales tax base increasingly unpredictable.

Mayor McCandless maintained that property tax represents the city's most stable revenue mechanism under state law, making it the appropriate tool to fund essential law enforcement and emergency services. She argued that establishing a dedicated Public Safety Special Revenue Fund creates a permanent, secure financial foundation for first responders rather than leaving core public safety operations vulnerable to economic swings. While acknowledging resident concerns that creating a dedicated fund might make future tax hikes easier, Ms. McCandless pledged strict council oversight. She concluded that while finding $450,000 in the current operating budget is technically possible through temporary reallocations, doing so undermines the city's long-term financial stability, thus reaffirming her full support for both the dedicated fund and the proposed $450,000 property tax increase.

Mr. Mecham moved to approve by ordinance, an increase to the property tax rate; approve and adopt the final budget for fiscal year 2026-2027 including the levy of a property tax sufficient to increase ongoing property tax revenues by $450,000 per year, adopt the dedication of the general operations portion of the City of Orem's property tax levy to the public safety special revenue fund, adopt compensation programs, adopt the fees and charges schedule, adopt the franchise tax, municipal energy sales and use tax, telecommunications license tax, transient room tax and E-911 rates, se**conded** by Mr.Killpack. Those voting yes: Karen McCandless, Chris Killpack, Jeff Lambson, Jenn Gale, and Quinn Mecham. Those voting no: LaNae Millett and Crystal Muhlestein. The motion **passed.**

City Manager publicly recommitted city staff to delivering the highest possible value and service to Orem residents regardless of the outcome. Mr. Bybee shared a personal observation: after recently moving to Orem, he discovered that his own property tax bill dropped by more than half per square foot compared to his previous residence. He cited this as a real-world reflection of Orem's low tax rate and high municipal value, assuring both the council and the public that city staff will continue working diligently to maintain that standard of fiscal efficiency.

ADJOURN

Ms. Gale moved to adjourn, **seconded** by Mr. Killpack. Those voting yes: Karen McCandless, Chris Killpack, Crystal Muhlestein, Jeff Lambson, Jenn Gale, LaNae Millett and Quinn Mecham. The motion **passed.**

(These minutes were created with the help of AI)

PASSED and APPROVED on this 8th day of Septembr 2026.

Karen McCandless

Karen McCandless, Mayor

IN GOD WE TRUST OREM FAMILY CITY USA EST. 1919

ATTEST:

Teresa McKitrick, City Recorder

COUNCIL MEMBERS	AYE	NAY	ABSTAIN	ABSENT
Mayor Karen McCandless	☑	☐	☐	☐
Chris Killpack	☑	☐	☐	☐
Crystal Muhlestein	☑	☐	☐	☐
Jeff Lambson	☑	☐	☐	☐
Jenn Gale	☑	☐	☐	☐
LaNae Millett	☑	☐	☐	☐
Quinn Mecham	☑	☐	☐	☐