

Fiscal Year 2024 Tentative Budget

May 2, 2023



General Fund Revenue Projections

- **Sales Tax Revenue**
 - This revenue source is inherently volatile and dependent on the economy.
 - Uncertainty of the economy is leading us to budget conservatively on sales tax revenue.
 - About 20% of sales tax is earmarked to fund one-time projects instead of operations this way we can still operate if there is a downturn in the economy.
- **Development Revenue**
 - There has been a downturn in the number of residential permits issued.
- **Interest Earnings**
 - Due to the Fed Rate increases earnings on our cash is up about 10x from one year ago.
 - This increase is still not enough to offset a large decrease in sales tax.
- **Property Tax Revenue**
 - This revenue source is guaranteed to be as high as the previous plus any new growth. This makes it easy to rely on this source of revenue.



Property Tax Rate

- There is no proposed increase to the property tax rate.
- If property values increase the rate will fall to a level that generates the same amount of revenue for the city as the previous year.
- Additional revenue will be generated by undeveloped properties that are developed.



Proposed Utility Rate Increases

- Drinking Water Base Rate
 - Increasing from \$10 per month to \$11.50.
- Sewer Base Rate
 - Increasing from \$24.54 per month to \$26.72.
- Power Base Rate
 - Increasing from \$20.49 per month to \$21.50.
- Garbage Bin Rate
 - Increasing from \$13.35 per month to \$13.50.
- Recycle Bin Rate
 - Increasing from \$6.85 per month to \$8.00.
- **Total Impact on the Average Home**
 - **Increasing by \$xx per month.**



New Benefited Positions

Engineering

- Convert PT Seasonal & Half FT Bluestaker to Full Time Bluestaker

Fire & EMS

- Three Full Time Battalion Chiefs

Parks

- Add one additional Parks Supervisor
- Add one additional Parks Lead Worker

Water

- Add a Cross Connection Control Coordinator



Bond Issuances

- To address much-needed infrastructure maintenance projects in our Water and Streets & Storm Drain divisions, we have proposed several bond packages in this budget.
- Over the past few years, we have had to delay some replacement projects due to unforeseen priorities, such as the North industrial waterline, roundabouts, and the Spanish Fork Parkway.
- However, these proposed bond packages will enable us to make essential replacements in both street and water infrastructure. For example, we plan to install a new water main near the Spanish Oaks Golf Course. With these bond packages, we can ensure the long-term sustainability and safety of our city's infrastructure for our community.



Capital Projects: New Sewer Treatment Plant

- We have received over \$10M in grants.
- Mapleton will own 20% of plant and pay for 20%.
- There is a need to issue additional debt to pay for construction.
- Debt to construct the plant will be paid for from user fees and impact fees.
- Estimated completion to be in Summer of 2025.



Capital Projects: Malcolm Springs 5M Gallon Tank

- To address the issue of aging water tanks, we have undertaken a project to replace the failing 2 million and 1 million gallon tanks.
- We expect the project to be completed by late 2024.
- The demolition of the 1 million gallon tank is scheduled for May 2023, and construction of the new tank will commence shortly thereafter, with materials already on site.
- The new tank, with a capacity of 5 million gallons, will be located just southeast of the storage units between highways 89 and 6, on land currently owned by the City. Once completed in spring 2024, this modern water storage facility will ensure reliable access and pressure to our drinking water system for years to come.



Capital Projects: Recreation and Senior Center

- Plans to issue debt in FY 2024 and begin construction.
- Debt to construct the building will be paid for from a combination of:
 - Sales Tax
 - Property Tax
 - RAP Tax
 - Parks Impact Fees
 - Other Sources
- Property tax rate was raised last year. Not this year.
- Estimated completion in 2025.



Design above is for illustrative purposes only.



Capital Projects: Abbey Court Park Playground Replacement

- The parks playground replacement plan will replace one parks playground every year.
- Playgrounds generally have a life expectancy of 15 or 20 years.
- These replacements are funded by the Recreation, Arts, & Parks (RAP) tax.



Budget Next Steps

- Tonight - Council approves the Tentative Budget
 - Serves as the beginning budget for the council and public to review
- Month of May - Council reviews the budget
- June 7 - FY 2023 Budget Public Hearing
- June 21 - FY 2023 Budget Approved

OR

- August 2 - Truth in Taxation Hearing and FY 2023 Budget Approval

Redevelopment Agency Fiscal Year 2024 Tentative Budget

May 2, 2023



Redevelopment Agency (RDA) Budget

- Agency exists to provide funding sources to redevelop distressed or underutilized properties.
- There are multiple different RDA project areas.
- There



RDA Budget for North Industrial Project Area

- FY 2024 budget calls for



RDA Budget for Sierra Bonita Project Area

- FY 2024 budget calls for



RDA Budget for Krona Project Area

- FY 2024 budget calls for



Local Building Authority Fiscal Year 2024 Tentative Budget

May 2, 2023



Local Building Authority Fund

- This fund accounts for city buildings that are built with the building serving as the collateral on the debt.
- Both the construction and debt payments show up in this fund.

Account Title	6/30/2020	6/30/2021	6/30/2022	3/31/2023	6/30/2023	6/30/2023		6/30/2024	
	FY2020	FY2021	FY2022	FY2023	FY2023	FY2023	FY2023	FY2024	FY2024
	Prior 3	Prior 2	Prior 1	Current YR	Rev 2 - Feb	Rev 3	Difference	Tentative	Difference
LBA - (Special Revenue Fund)	Actuals	Actuals	Actuals	Actuals	Budget	Budget		Budget	
ADVERTISING	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TRAVEL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SUPPLIES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PROFESSIONAL AND TECHNICAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
ACCOUNTING AND AUDITING	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
LEGAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
OTHER SERVICES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
INSURANCE	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAPITAL - PROJECTS	\$ 0	\$ 0	\$ 0	\$ 300	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAP- LIBRARY HALL	\$ 0	\$ 1,452,872	\$ 9,834,423	\$ 7,316,007	\$ 10,104,071	\$ 10,104,071	\$ 0	\$ 0	-\$ 10,104,071
CAP-NEW SFCN BUILDING	\$ 0	\$ 0	\$ 0	\$ 2,737,619	\$ 8,000,000	\$ 8,000,000	\$ 0	\$ 3,869,941	-\$ 4,130,059
LBA PRINCIPAL	\$ 0	\$ 0	\$ 880,000	\$ 1,307,000	\$ 1,105,000	\$ 1,307,000	\$ 202,000	\$ 1,244,000	\$ 139,000
LBA INTEREST	\$ 0	\$ 0	\$ 315,540	\$ 631,943	\$ 595,000	\$ 628,000	\$ 33,000	\$ 692,000	\$ 97,000
BOND ISSUE COST	\$ 0	\$ 119,426	\$ 96,944	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL EXPENSES	\$ 0	\$ 1,572,298	\$ 11,126,907	\$ 11,992,869	\$ 19,804,071	\$ 20,039,071	\$ 235,000	\$ 5,805,941	-\$ 13,998,130

PROPERTY TAX INCREMENT	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TAX INCREMENT - PRIOR YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
LEASE REV. FROM SECITY	\$ 0	\$ 0	\$ 1,200,000	\$ 1,456,414	\$ 1,941,885	\$ 1,941,885	\$ 0	\$ 1,941,885	\$ 0
INTEREST INCOME	\$ 0	\$ 0	\$ 70,358	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
INTEREST ON LIBRARY BOND	\$ 0	\$ 0	\$ 0	\$ 173,577	\$ 150,000	\$ 150,000	\$ 0	\$ 0	-\$ 150,000
INTEREST ON SFCN BOND	\$ 0	\$ 0	\$ 0	\$ 271,921	\$ 200,000	\$ 200,000	\$ 0	\$ 30,000	-\$ 170,000
MISC. INCOME	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BOND PROCEEDS	\$ 0	\$ 20,120,000	\$ 12,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
(INCREASE)DECREASE IN FUND BAL	\$ 0	-\$ 19,327,702	-\$ 2,143,451	\$ 10,090,957	\$ 17,452,186	\$ 17,687,186	\$ 235,000	\$ 3,834,056	-\$ 13,618,130
TRANSFER (TO)FROM GENERAL FUND	\$ 0	\$ 780,000	\$ 0	\$ 0	\$ 60,000	\$ 60,000	\$ 0	\$ 0	-\$ 60,000
TOTAL REVENUES	\$ 0	\$ 1,572,298	\$ 11,126,907	\$ 11,992,869	\$ 19,804,071	\$ 20,039,071	\$ 235,000	\$ 5,805,941	-\$ 13,998,130

Capital Projects: New SFCN Building

- Debt was issued in May of 2022 to construct building.
- SFCN user fees will pay off the debt. No tax money used.
- Located at 657 West Center, kitty corner to new SF High School.
- Construction will continue into FY 2024.
- Estimated completion to be in the Spring of 2024.

