

**HEBER CITY CORPORATION  
75 North Main Street  
Heber City, UT 84032  
Heber City Council Meeting**

**May 6, 2026**

**6:00 p.m. Budget Workshop Meeting #1**

**TIME AND ORDER OF ITEMS ARE APPROXIMATE AND MAY BE CHANGED AS TIME PERMITS**

- I. BUDGET WORKSHOP #1 - 6:00 P.M.**
  - 1. Call to Order (Heidi Franco, Mayor)
- II. 2027 FISCAL YEAR BUDGET**
  - 1. Finance Director Statement of Proposed Property Tax Increase and Presentation of the Proposed Property Tax Impact Schedule (Sara Nagel, Finance Manager)
  - 2. Fiscal Year 2027 Budget Workshop Number One (Sara Nagel, Finance Manager, Matt Brower, City Manager) (Sara Nagel, Finance Manager)
- III. PUBLIC COMMENTS: (3 min per person/20 min max)**
- IV. ADJOURNMENT:**

Ordinance 2006-05 allows Heber City Council Members to participate in meetings via telecommunications media. In accordance with the Americans with Disabilities Act, those needing special accommodations during this meeting or who are non-English speaking should contact Trina Cooke at the Heber City Offices 435.657.7886 at least eight hours prior to the meeting.

Posted on May 4, 2026, in the Heber City Municipal Building located at 75 North Main, the Heber City Website at [www.heberut.gov](http://www.heberut.gov), and on the Utah Public Notice Website at <http://pmn.utah.gov>.



# Heber City Council Staff Report

**MEETING DATE:** 5/6/2026  
**SUBJECT:** Call to Order  
**RESPONSIBLE:** Heidi Franco  
**DEPARTMENT:** Administrative  
**STRATEGIC RELEVANCE:**

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## SUMMARY

## RECOMMENDATION

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## BACKGROUND

## DISCUSSION

## FISCAL IMPACT

## CONCLUSION

## ALTERNATIVES

1. Approve as proposed
  2. Approve as amended
  3. Continue
  4. Deny
- 

## POTENTIAL MOTIONS

### Alternative 1 - Approval - Staff Recommended Option

I move to **approve** the **item** as presented, with the findings and conditions as presented in the conclusion above.

### Alternative 2 - Approve as Amended

I move to **approve** the **item** as amended, as follows.

### Alternative 3 - Continue

I move to **continue** the **item** to another meeting on [DATE], with direction to the applicant and/or Staff on information and / or changes needed to render a decision, as follows:

### Alternative 4 - Denial

I move to **deny** the **item** with the following findings.

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## ACCOUNTABILITY

**Department:** Administrative  
**Staff member:**

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## EXHIBITS

None



# Heber City Council Staff Report

**MEETING DATE:** 5/6/2026  
**SUBJECT:** Finance Director Statement of Proposed Property Tax Increase and Presentation of the Proposed Property Tax Impact Schedule  
**RESPONSIBLE:** Sara Nagel  
**DEPARTMENT:** Finance  
**STRATEGIC RELEVANCE:**

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## SUMMARY

HB 236 requires the City’s Budget Officer to formally state, prior to adoption of the tentative budget, whether the City intends to consider a property tax rate that exceeds the certified tax rate.

In compliance with this requirement, the Finance Director is presenting:

1. A formal statement of intent indicating that Heber City is considering a property tax increase, and
2. A Proposed Property Tax Impact Schedule outlining the estimated financial effects of the proposed increase on taxpayers and City operations.

The proposed increase would generate approximately \$174,000 in additional property tax revenue, representing an estimated 5.20% increase over current property tax revenues.

Resolutions acknowledging the statement of intent and adopting the proposed property tax impact schedule are found in the action items of the agenda.

## RECOMMENDATION

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## BACKGROUND

During the 2026 General Legislative Session, the Utah Legislature adopted HB 236, which modified certain requirements related to municipal budget adoption and the Truth-in-Taxation process under Utah Code §59-2-919.

HB 236 introduces an additional step earlier in the budget process. Specifically, if a municipality is considering a property tax rate that exceeds the certified tax rate, the Budget Officer must publicly state, at the time the tentative budget is presented, that the tentative budget includes a proposed property tax increase. This statement must include:

- The approximate dollar amount of additional ad valorem tax revenue to be generated;
- The purpose of the additional revenue;
- The approximate percentage increase in property tax revenue; and
- Notice that a formal Truth-in-Taxation hearing will be scheduled if the City proceeds with the proposed increase.

This requirement is intended to improve transparency by informing the public and governing body earlier in the budget process that a property tax increase is being contemplated, rather than waiting until the formal Truth-in-Taxation notice and hearing phase.

## DISCUSSION

## FISCAL IMPACT

## CONCLUSION

## ALTERNATIVES

1. Approve as proposed
2. Approve as amended
3. Continue
4. Deny

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## POTENTIAL MOTIONS

### Alternative 1 - Approval - Staff Recommended Option

I move to **approve** the **item** as presented, with the findings and conditions as presented in the conclusion above.

### Alternative 2 - Approve as Amended

I move to **approve** the **item** as amended, as follows.

### Alternative 3 - Continue

I move to **continue** the **item** to another meeting on [DATE], with direction to the applicant and/or Staff on information and / or changes needed to render a decision, as follows:

### Alternative 4 - Denial

I move to **deny** the **item** with the following findings.

## ACCOUNTABILITY

**Department:** Finance  
**Staff member:** Sara Nagel, Finance Manager

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## EXHIBITS

1. Proposed Property Tax Impact Schedule

## Proposed Property Tax Impact Schedule

**Finance Director Statement:** As part of the Fiscal Year 2027 Tentative Budget, Heber City will consider an increase to its property tax rate from 0.00077 to 0.00081 (estimated) to generate an additional \$174,000. 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. The City shall provide notice of and conduct a public hearing as required where members of the public have an opportunity to comment on the proposed increase.

Heber City's Current Property Tax Rate		0.00071
Heber City's Current Property Tax Revenue	\$	3,347,780
Proposed Revenue with Tax Change	\$	3,521,780
New Property Tax Revenue to Heber City	\$	174,000

Estimated Increase to Cameron City's Property Tax Revenue		5.20%
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Estimated annual increase to a primary residence of \$850,000	\$	18.72
Estimated annual increase to a business valued at \$850,000	\$	34.03

Affected Department	Proposed Budget	Budget without Change	Budget Change
Legislative	\$ 275,700	\$ 272,940	\$ 2,760

Affected Department	Proposed Budget	Budget without Change	Budget Change
Judicial	\$ 399,400	\$ 395,400	\$ 4,000

Affected Department	Proposed Budget	Budget without Change	Budget Change
Administrative	\$ 1,462,400	\$ 1,447,750	\$ 14,650

Affected Department	Proposed Budget	Budget without Change	Budget Change
General Gov't Buildings	\$ 353,500	\$ 349,960	\$ 3,540

Affected Department	Proposed Budget	Budget without Change	Budget Change
Attorney	\$ 127,200	\$ 125,930	\$ 1,270

Affected Department	Proposed Budget	Budget without Change	Budget Change
Human Resources	\$ 169,900	\$ 168,200	\$ 1,700

Affected Department	Proposed Budget	Budget without Change	Budget Change
Information Technology	\$ 486,300	\$ 481,430	\$ 4,870

Affected Department	Proposed Budget	Budget without Change	Budget Change
Engineering	\$ 269,500	\$ 266,800	\$ 2,700

Affected Department	Proposed Budget	Budget without Change	Budget Change
Building	\$ 1,564,600	\$ 1,548,920	\$ 15,680

Affected Department	Proposed Budget	Budget without Change	Budget Change
Planning	\$ 904,700	\$ 895,630	\$ 9,070

Affected Department	Proposed Budget	Budget without Change	Budget Change
Police	\$ 7,133,100	\$ 7,061,600	\$ 71,500

Affected Department	Proposed Budget	Budget without Change	Budget Change
Animal Control	\$ 460,700	\$ 456,080	\$ 4,620

Affected Department	Proposed Budget	Budget without Change	Budget Change
Roads	\$ 1,745,800	\$ 1,728,310	\$ 17,490

Affected Department	Proposed Budget	Budget without Change	Budget Change
Parks	\$ 1,127,500	\$ 1,116,200	\$ 11,300

Affected Department	Proposed Budget	Budget without Change	Budget Change
Cemetery	\$ 883,300	\$ 874,450	\$ 8,850

**Impact of Tax Increase:** Departments across the city are experiencing increased costs in materials, services and labor. This increase will maintain the City's most stable revenue source at a level sufficient to providing essential services.

**Total General Fund Change \$ 174,000**

HEART OF THE WASATCH BACK



# *Heber City FY 2026-2027 Annual All-Funds Budget*

Budget Workshop 1

May 6, 2026

Thank  
You!



## Special Thanks...



- Department Directors
- Department Support Staff
- Finance/HR Team
  - Sara Nagel
  - Cherie Ashe
  - Wendy Anderson
  - Lynsee Sulser
  - Laine Meyers

# Discussion Overview

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- Part 1: Budget Overview
- Part 2: Summary of Funds
- Part 3: Capital Improvement Program (CIP)
- Part 4: Initiative Reviews
  - Consultant Outsourcing
  - Court Consolidation & HL&P Building
  - CAMS
  - Transportation Utility Fee
  - Targeted Tax Relief





# Budget Overview

## Part 1

125,058	154,568	95,054
125,487	56,845	97,511
124,000	110,000	99,011
105,450	150,000	99,216
86,502	35,000	101,090
	83,000	101,684
	45,000	101,962
		102,747
		2,006

# Budget Drivers

- Council's Strategic Budget & Policy Priorities
- Zero Based Budget
- Municipal Procedures Act—Balanced Budget
- Master Plans—General Plan; Capital Facilities
- Utility Rate Analysis
- Economic Trends

# How FY27 Budget Aligns with Council Priorities

## Priority

- 1) Leadership Role in 2034 Olympics
- 2) Envision Central Heber Initiative
  - Main Street
    - a) Plaza Design & Construction
    - b) Parking
    - c) C-Street Pedestrian Alley
    - d) Infrastructure (100 W)
    - e) Identify Funding Opportunities
    - f) Property Acquisition
    - g) Downtown Business Development
    - h) Fire Station Property Improvement
    - i) County Administration Parcel
    - j) Branding & Promotion
  - Arts & Recreation District
    - a) Define Vision for Area near Railroad

## FY'27 Budget

- 1) No cost outlay expected in FY'27
- 2) Envision Central Heber Initiative
  - Main Street
    - a) \$400k Tap Tax & Park Impact Fee Funds
    - b) Professional Services in P&Z budget
    - c) Brownfield Study/UDOT Grant FY'26
    - d) \$1,904,000 Transportation Fund
    - e) No cost outlay expected in FY'27
    - f) Expect to close on fire station in July
    - g) No dedicated funding in FY'27\*
    - h) No dedicated funding in FY'27\*
    - i) No dedicated funding if FY'27\*
    - j) No dedicated funding in FY'27\*
  - Arts & Recreation District
    - a) No cost outlay expected in FY'27

\*Council decision required on CRA fund prior to determining dedicated funding levels in FY'27 budget.

# Budget Priorities Continued

## Priority

- 3) Airport Compliance-master plan
- 4) Heber Valley Arts Center
- 5) Dog in Park Policy
- 6) Dark Sky
- 7) Transportation Infrastructure
- 8) Gateway/Park/Way Finding Signs
- 9) Affordable Housing Plan
- 10) Historic Preservation
- 11) CRA (establish smaller project area for future interlocal agreements)
- 12) Targeted Tax Relief

## Budget

- 3) Runway Relocation Master Design \$1,183,510 – city match \$31,145.
- 4) No dedicated funding in FY'27
- 5) Funding included in Park budget
- 6) No dedicated funding in FY'27
- 7) \$4.6M in Transportation Tax Funding
- 8) No dedicated funding in FY'27
- 9) Investment decisions made on a project-by-project basis
- 10) No cost outlay expected in FY'27
- 11) No cost outlay expected in FY'27
- 12) No dedicated funding in FY'27-policy direction needed from council

# Fiscal Trends

Trend 1) Inflationary Pressures

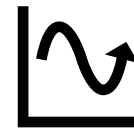
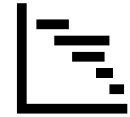
Trend 2) Decline in General Capital Funding

Trend 3) General Fund Budget has become Dependent on Revenue from Large Number of Building Permits

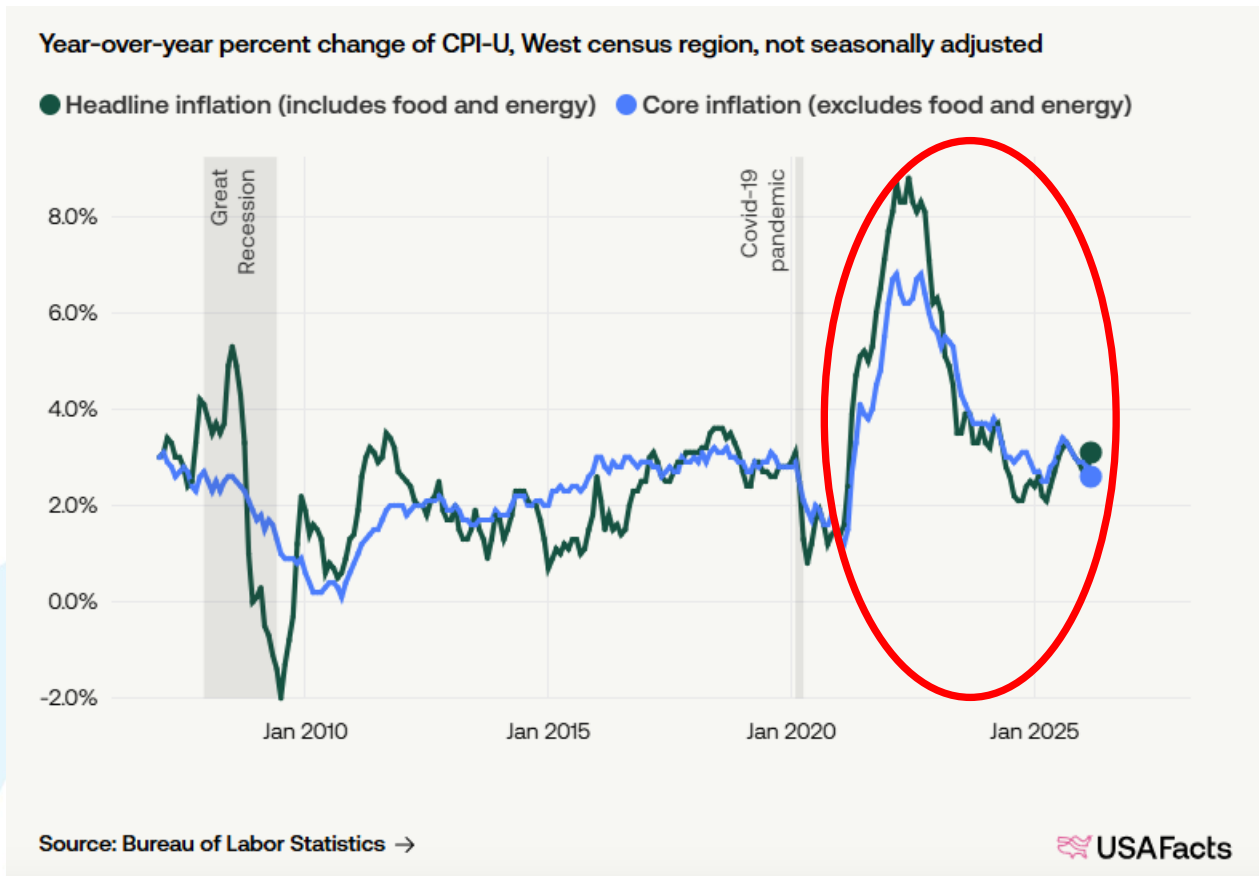
Trend 4) CRA Increment and General Fund Impacts

Trend 5) Purposeful Draw Down of Capital Fund Balances

Trend 6) Population Growth Continues



# 1) Inflationary Pressures



## Annual Inflation Rates (U.S. CPI)

The average inflation rate between 2021 and 2026 has been approximately **4.03% per year**, leading to a cumulative price increase of nearly **22%**.

Year	Annual Inflation Rate	Primary Context
2021	4.70% – 7.04%	Supply chain disruptions; surge in post-lockdown demand.
2022	6.45% – 8.00%	Russia-Ukraine war; peak energy and food prices.
2023	3.35% – 4.12%	Easing of supply chains; Federal Reserve interest rate hikes.
2024	2.89%	Continued stabilization; housing remains a major cost driver.
2025	2.68%	Core inflation moderates; service sector price pressure lingers.
2026*	3.26% (as of March)	War with Iran fuels energy price spike; gasoline up 18.9%.

*\*Current year data as of March 2026.*

# Personnel Costs



- 75% of General Fund Expenditures Dedicated to Employee Salaries & Benefits

Examples of fully burdened costs for new positions:

- Patrol Officer: \$189,032
- Public Works LEAD: \$107,451

## Material and Equipment Costs

Material costs during previous 4 years saw annual increases between 10% and 20%

## 2) Declines in General Capital Funding

**Revenues > Expenditures**

**Background**



- 1) General Fund Reserves (capped at 35% of Estimated Revenues)
- 2) Fund 42 (General Capital Items)

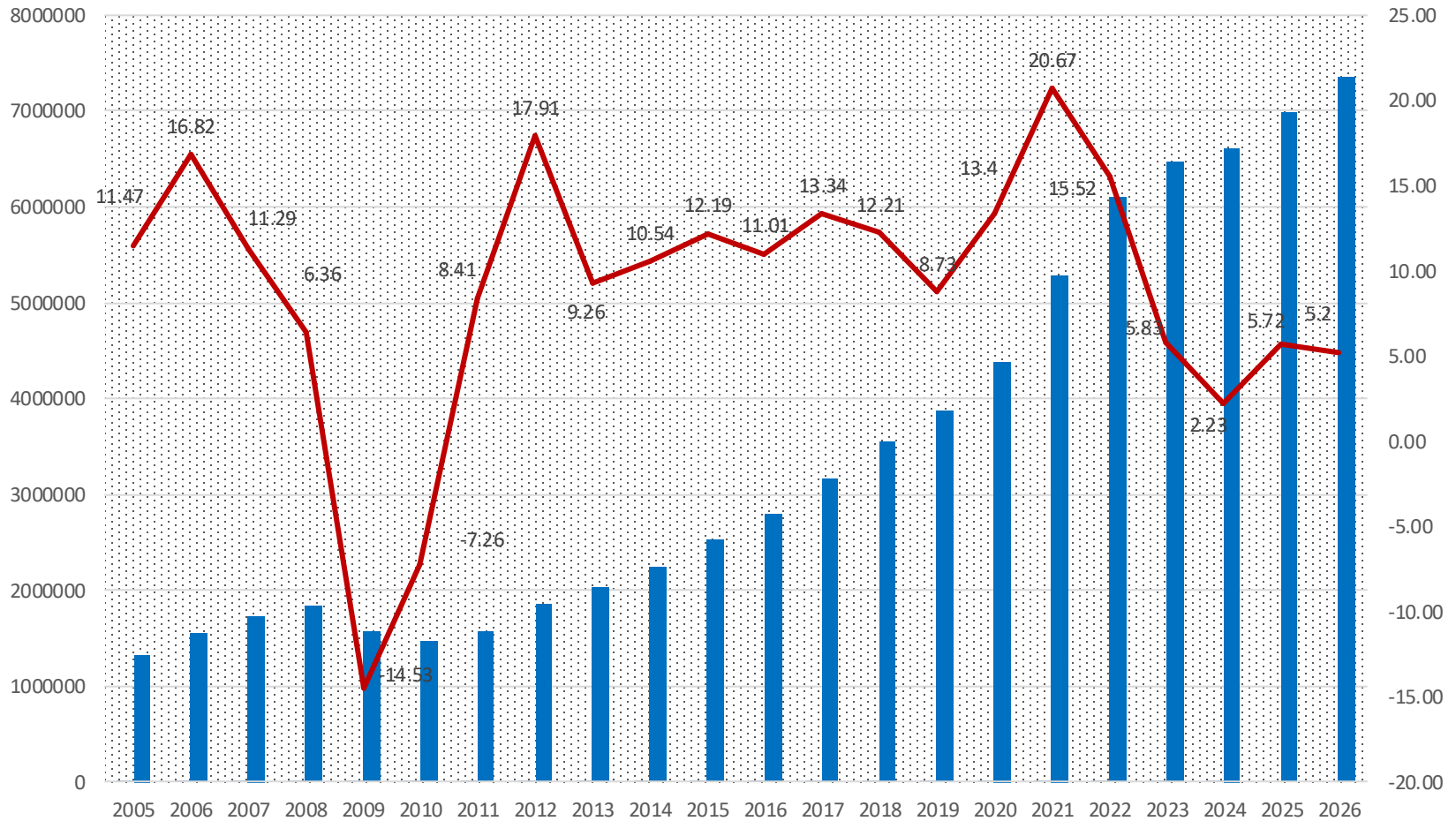
**1) Declining Sales Tax Growth Rate  
2) Salaries & Benefits Cost Increases**

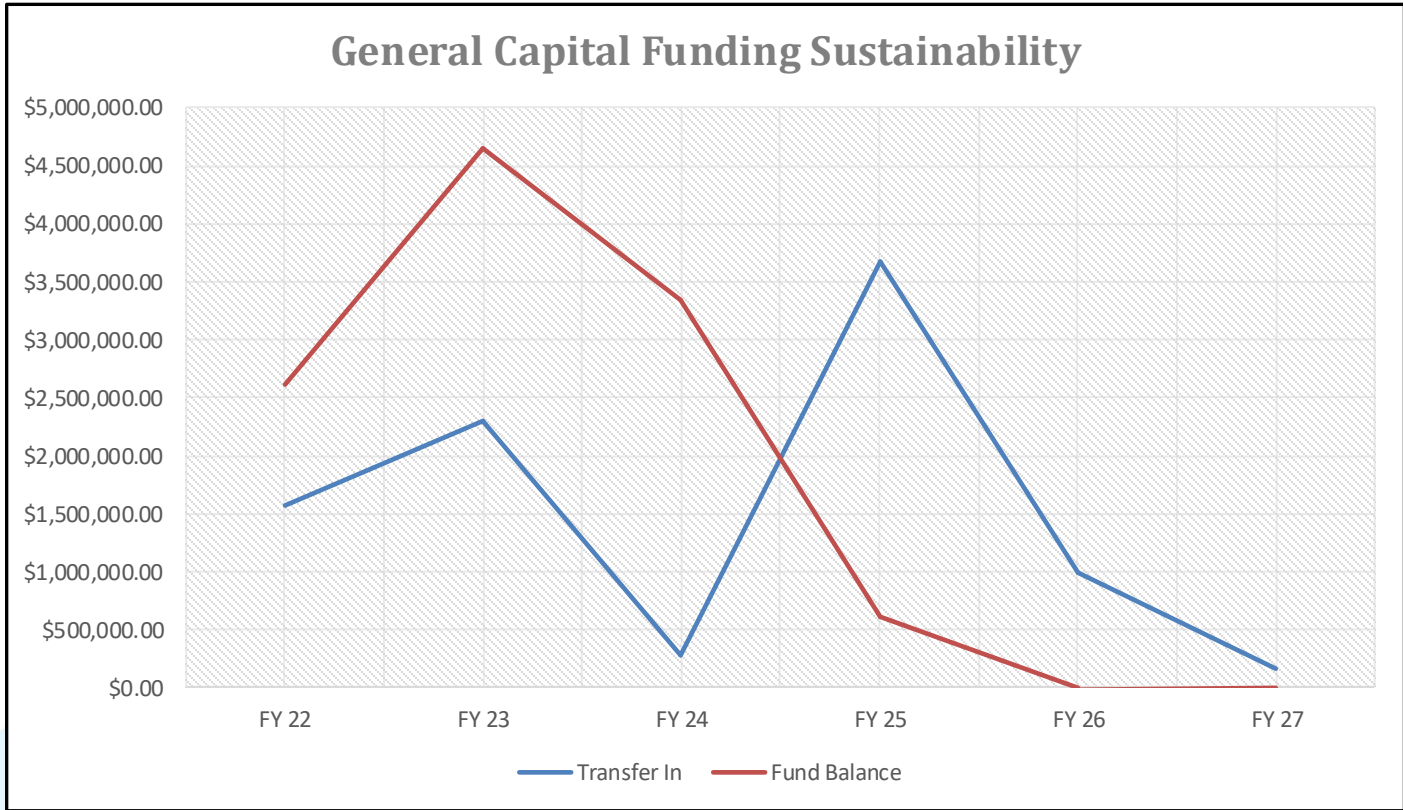
**Trend**



- 1) General Fund Reserves (capped at 35% of Estimated Revenues)
- 2) Fund 42 (General Capital Items)

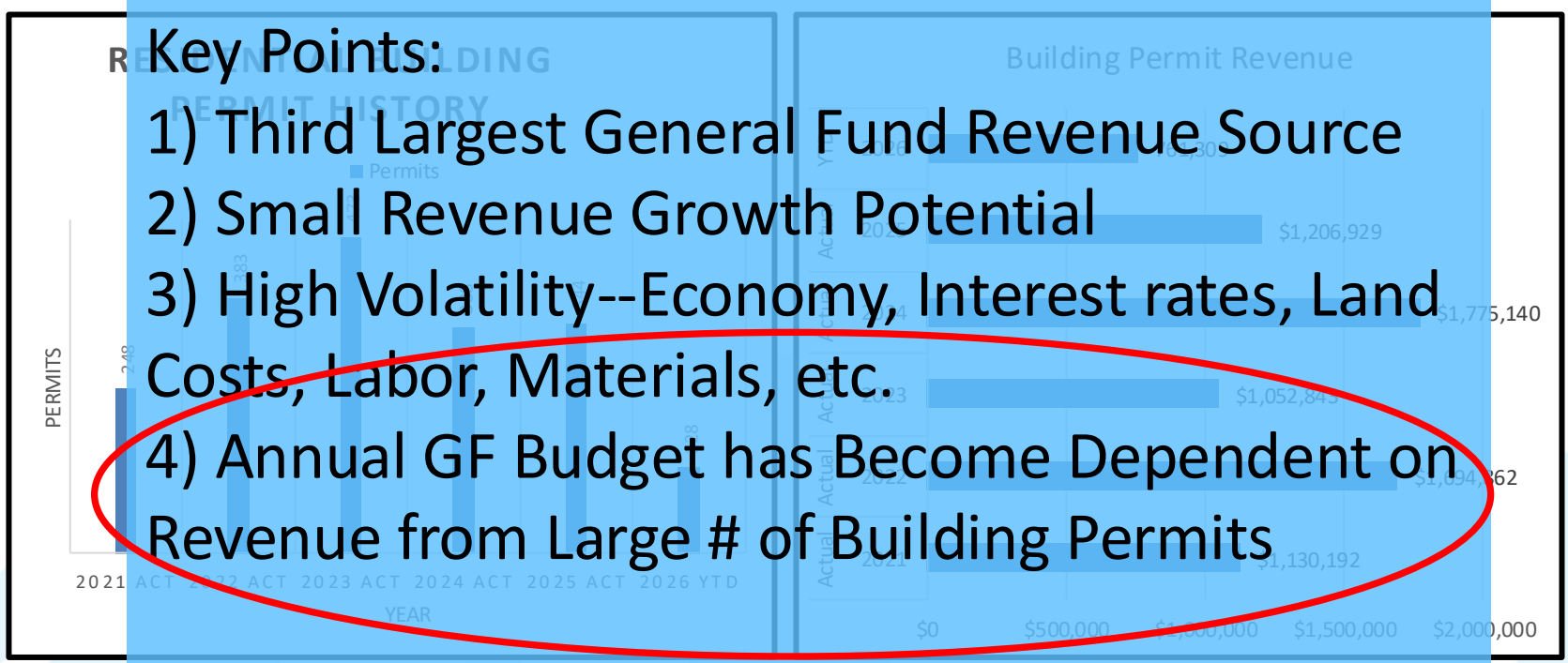
### Sales Tax Revenue Growth Actual to %





\*FY '26 & '27 Projected Numbers

### 3) General Fund Budget has become Dependent on Revenue from Large Number of Building Permits

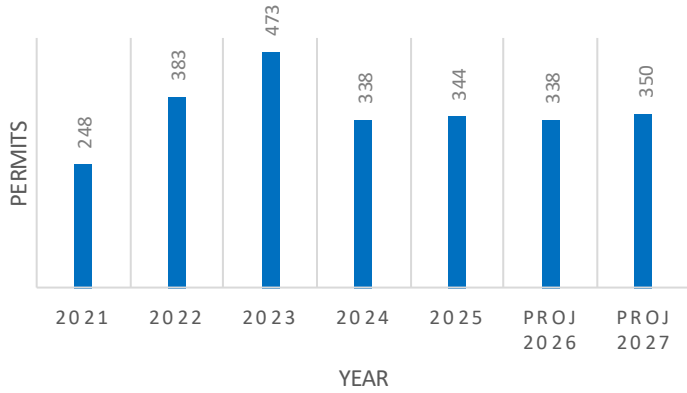


#### Key Points:

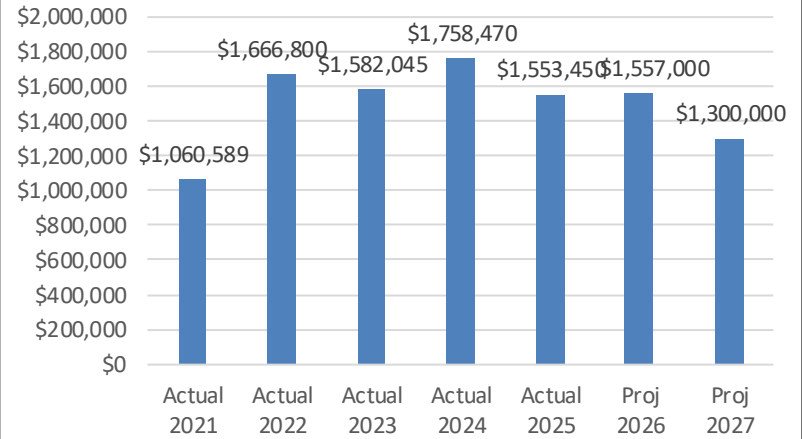
- 1) Third Largest General Fund Revenue Source
- 2) Small Revenue Growth Potential
- 3) High Volatility--Economy, Interest rates, Land Costs, Labor, Materials, etc.
- 4) Annual GF Budget has Become Dependent on Revenue from Large # of Building Permits

Note: This slide was shown at Council's annual retreat held in January

## RESIDENTIAL BUILDING PERMIT HISTORY



## Building Permit Revenue





Year	GDP Decline
48-49	-1.7
1953-54	-2.7
1957-1958	-3.7
1961	-1.6
1969-1970	-0.6
1973-1975	-3
1980-1981	-2.2
1981-1982	-2.9
1990	-1.5
2001	-0.3
2009	-4.3
COVID-19	-53.8

## History of U.S. Recessions Since Depression

- Avg. GDP Decline for past 12 recessions: 2.23%
- Average Time Between Recessions: 5.3 Years
- Avg. Length of Recessions: 11.1 Months
- Each Recession is Unique and Impacts Economic Sectors Differently

# 4) CRA Increment and General Fund Impacts

	February 2025 Actual	February 2026 Actual	Year Over Year \$ Change	Year Over Year % Change	YTD Actual	Budget	Over/(Under)	Percentage
<b>Change In Net Position Revenue:</b>								
<b>Taxes</b>								
3110 PROPERTY TAXES	70,564.09	81,105.71	10,541.62	114.94%	3,409,979.09	3,830,134.00	420,154.91	89.03%
3111 PROPERTY TAX INTEREST	605.07	657.16	52.09	108.61%	3,664.48	4,000.00	335.52	91.61%
3115 FEE IN LIEU OF TAX	9,898.46	9,137.28	(761.18)	92.31%	78,988.89	125,000.00	46,011.11	63.19%
3120 PRIOR YEARS TAXES - DELINQUENT	(4,608.65)	4,519.30	9,127.95	-98.06%	42,894.02	100,000.00	57,105.98	42.89%
3130 GENERAL SALES & USE TAXES	659,881.98	691,048.13	31,166.15	104.72%	3,781,135.87	7,260,542.00	3,479,406.13	52.08%
3140 FRANCHISE TAX	141,772.18	157,196.98	15,424.80	110.88%	821,694.44	1,506,301.00	684,606.56	54.55%
3150 TRANSIENT ROOM TAX	13,246.21	15,874.56	2,628.35	119.84%	87,095.91	150,000.00	62,904.09	58.06%
<b>Total Taxes</b>	<b>891,359.34</b>	<b>959,539.12</b>	<b>68,179.78</b>	<b>107.65%</b>	<b>8,225,452.70</b>	<b>12,975,977.00</b>	<b>4,750,524.30</b>	<b>63.39%</b>

	February 2025 Actual	February 2026 Actual	Year Over Year \$ Change	Year Over Year % Change	YTD Actual	Budget	Over/(Under)	Percentage
<b>Change In Net Position Revenue:</b>								
<b>Taxes</b>								
3110 PROPERTY TAXES	-	6,097.18	6,097.18	-	330,345.56	100,000.00	(230,345.56)	330.35%
<b>Total Taxes</b>	<b>-</b>	<b>6,097.18</b>	<b>6,097.18</b>	<b>-</b>	<b>330,345.56</b>	<b>100,000.00</b>	<b>(230,345.56)</b>	<b>330.35%</b>

# 5) Purposeful Draw Down of Capital Fund Balances

## **Completing in FY '26 Largest Multi-Year Capital Investment in City History:**

- \*Central Heber Water & Sewer Line Project (5 Years)

  - \*Pressurized Irrigation Meter Project (4 Years)

  - \*Parks Adm. and Columbarium Project (2 Years)

    - \*Main Stage (2 Years)

    - \*200 South Festival Street (2 Years)

  - \*City Wide Road Maintenance Project (1 Years)

    - \*Coyote Springs Playground (1 Years)

  - \*Heritage Farms Parkway Segment B (3 Years)

    - \*Round-a-bouts (2 years)

  - \*Valley Hills Water Tank Roof Replacement (2 Years)

    - \*Electric Generator at Hospital Well (2 Years)

  - \*Trails: West Central Heber; Heritage Farms; Cove Park (2 Years)

Fund 58: P

Fund 57: Sewer

Fund 47: Parks

Fund 46: Street

Fund 42: Genera

\$3,500,000.00

# Trend 6) Population Growth Continues

## Utah Subcounty Estimates, 2020 - 2025

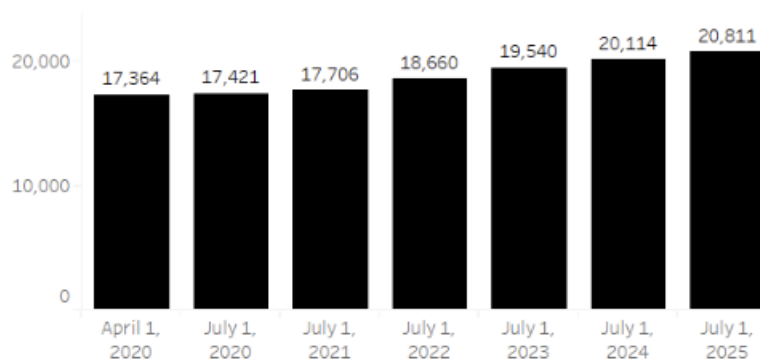


### Heber City

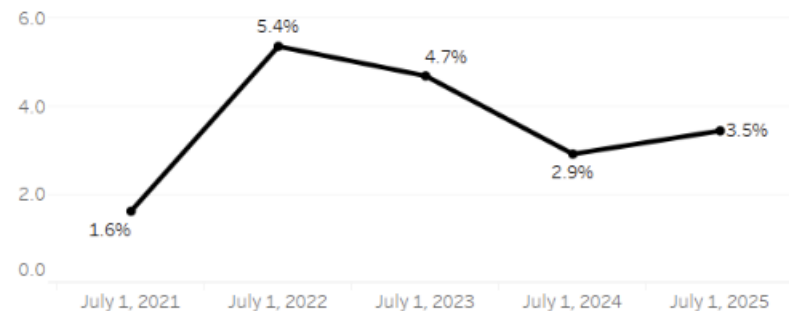
July 1, 2025 Population

**20,811**

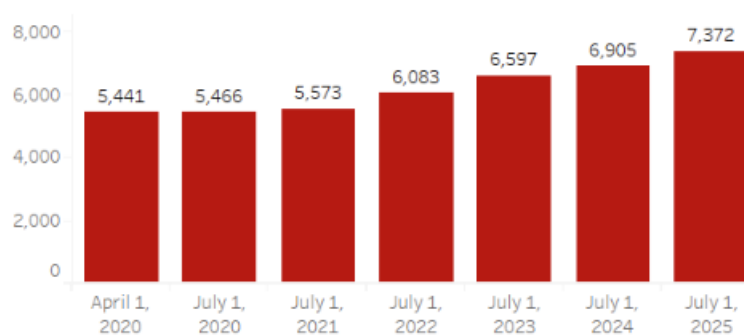
Total Population: 2020 - 2025



Annual Percent Change in Total Population: 2021 - 2025



Housing Units: 2020 - 2025



Annual Percent Change in Housing Units: 2021 - 2025



# Fiscal Trends *Recommendations...*

- Maintain General Fund Unrestricted Reserves
- Consider Leveraging Annual Property Tax Increase to Offset Inflationary Pressures
- Stay Small as We Grow Utilizing Force Multipliers
  - Technology/AI
  - Outsource
  - Partnerships (PPP)
  - Focus on Core Functions
  - Internal Processes
- Continue Assessing and Improving Operational Effectiveness
- Economic Development
  - Strengthen Local Economic Engine (Downtown)
- Impact fees updated regularly to cover the cost of infrastructure made necessary by new development

# FY '27 Budget Initiatives/Decision Points

- No more merit—transitioned to wage scale adjustments—for all employees
- Safety Incentive Program Funding
- Fire Station Acquisition—\$1,856,500 purchase cost; Close in FY'27 (July);
  - Pmt 1 of \$1.3M due to WCFD in July '26
  - Pmt 2 of \$556K due to WCFD in July '27
  - Jordanelle fee of \$1,300,000 due to Heber City on or before December 2026.
  - Jordanell fee of \$1,750,000 due to Heber City in FY 28.
- HL&P Building: No demolition cost included in FY27 budget; demo and paving costs are estimated at \$76,776.00. Pay from CRA fund.
- WAVE Buildings: Paint both buildings in FY'26 using CRA revenues. Look to lease one or both buildings in FY'27.

# FY '27 Budget Initiatives Cont.

- Park/Plaza Master Phase 2 Design: \$400k included in FY '27 budget; 50% funded in Tap Tax Fund and 50% in Parks Impact Fee Fund
- Muirfield Park Expansion Project pushed to Spring '27.
- Fee and Rate Increases Included in FY'27 Budget
  - General Fund Property Tax Increase (proposed).
  - GF Administration: Increases to certain ancillary costs.
  - Airport: Inflationary increase to lease sq. ft. rates; gate access fee; fuel flowage fee; and lease renewal fee.
  - Building: Increasing plan review fees for residential/commercial from 25%/40% respectively to cover cost of budgeted full-time equivalent and match market rates.
  - Impact Fees: Annual inflationary increases.
  - Pressurized Irrigation Fees: Will need to adopt tiered rates in FY'27.
  - Utility Fees: Sewer 0%; Water 12%; Storm Water 9%; PI 0%
  - Other inflationary increase as stated in policy.
- Park Fee from Jordanelle Ridge (“Developer Contribution”): \$1,500 for next 3,000 units commencing in March '26 = \$4.5M. 150 permits issued in '25.
- North Village Preservation Fee: \$2,500 per ERU in N. Village. \$250k budgeted. Total projected fee: \$5.5M.

# FY '27 Budget Initiatives Cont.

- Work Force Competitiveness
  - 4 new positions
  - Maintaining competitive benefits
  - Maintaining competitive pay (COLA & Merit)
  - Wage study funding

# General Budget Details & Assumptions FY '27

- **Balanced Budgets**—utilizing reserves in some funds
  - General Fund balanced using no reserves.
- **General Revenue assumptions:**
  - Soft growth in most primary revenue sources
    - Sales tax, building permits, etc.
  - Property taxes remain steady
  - CRA impacts on GF property taxes
- **Property Tax Increase included in GF Tentative Budget:** An inflationary increase of 5.2% generating \$174,085. \*5.2% is a combined rate of past 2 years from MPI—FY25 2.8% & FY26 2.4%
- **General Fund Reserve budgeted at \$5,719,004** which represents approximately 33% of estimated revenues
- **HL&P dividend payment of \$250k** not included in budget
- **Enterprise Rate Increases Included in Tentative Budget (effective August 1<sup>st</sup>):**
  - Culinary Water Fund - 12%
  - Sewer Fund – 0% (9% recommended)
  - Storm Water Fund – 8%
  - Pressurized Irrigation System – 0%
- **Building Permit and Impact Fee Projections** based on 350 residential permits & 20,000k sq. ft. of commercial space

# Proposed COLA & Merit FY'27

## City-Wide COLA

- 2.4% February '25 Mt. Plains CPI
  - Payable first full pay period in July
  - Budgeted Amount: \$245k

## Merit

- No more merit—moved to wage step increases (paid on anniversary)

# Employee Health Benefits



**Medical (PEHP)**  
**\$1,760,142**  
**Increase 6.7%**



**Dental (Mutual of Omaha)**  
**\$78,961**  
**No Increase**



**Vision (EMI)**  
**\$20,203**  
**Increase 3.89%**



**LTD (Standard)**  
**\$41,906**  
**Increase 5.68%**



**Basic Life/AD (Standard)**  
**\$9,582.84**  
**No Increase**



**Total All Plans:**  
**\$1,923,419**

# Positions– “Funded” and “Not Funded”

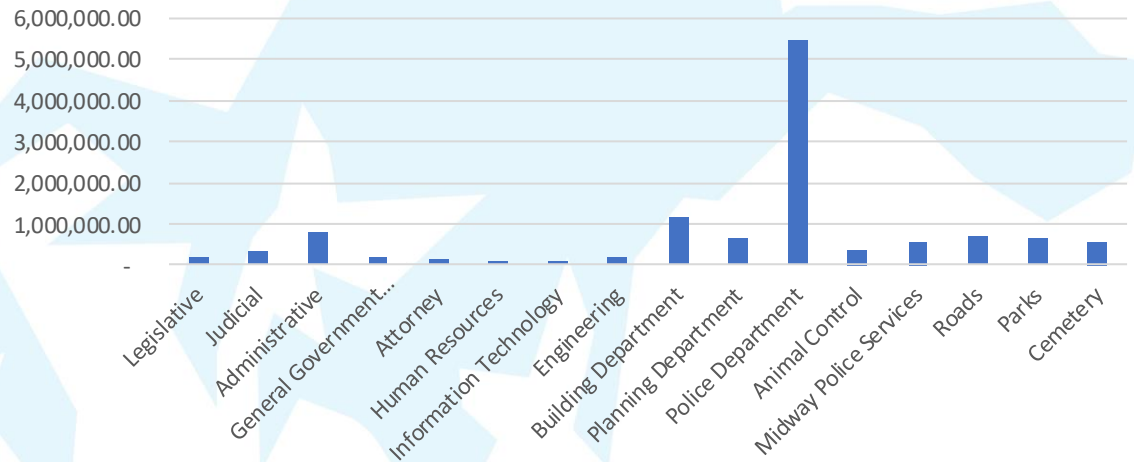
	Include	Job Title	Department	Wages (\$)	Add. Pays Total	Benefits Total	Total Compensation (\$)
Funded	<b>FT Positions</b>						
	Yes	Building Admin/Permit Technician	Building Department	\$74,505.60	\$3,531.14	\$47,479.27	\$125,516.01
	Yes	General Government Building Maintenance	General Government Buildings	\$61,360.00	\$3,856.69	\$45,221.96	\$110,438.65
	Yes	Officer	Police Department	\$33,904.00	\$3,376.69	\$44,920.00	\$82,200.69
	Yes	Utility Maintenance Operator I A	Sewer Water Fund	\$51,937.60	\$5,156.69	\$43,239.50	\$100,333.79
	<b>PT Transition to FT*</b>						
	Yes	Executive Administrative Assistant	Administrative	\$39,753.17	\$651.14	\$20,797.05	\$61,201.36
	Yes	Administrative Assistant	Airport Special Revenue Fund	\$36,458.24	\$1,131.14	\$31,017.86	\$68,607.24
				\$297,918.61	\$17,703.49	\$232,675.64	\$548,297.74
Not Funded	<b>Not Funded</b>						
	No	Cemetery/Parks Maint Worker II	Parks	\$54,516.80	\$3,856.69	\$43,561.16	\$101,934.65
	No	Animal Services Officer	Animal Control	\$47,673.60	\$10,312.59	\$43,467.17	\$101,453.36
	No	Animal Control Tec	Animal Control	\$23,732.80	\$3,508.19	\$2,649.26	\$29,890.25
	No	GIS Analyst	Culinary Water Fund	\$51,709.00	\$3,531.14	\$42,212.05	\$97,452.19
	No	Public Works Deputy Director	Culinary Water Fund	\$79,713.56	\$3,856.69	\$49,676.24	\$133,246.49
	No	Senior Planner (Planner III)	Planning Department	\$102,044.80	\$3,531.14	\$55,044.63	\$160,620.57
				\$359,390.56	\$28,596.44	\$236,610.51	\$624,597.51

\*Total Compensation reflects additional cost to bring current position to fill-time status.

# New Position History & GF Salary

New Positions									
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Police	2	2	1	4		1	2	1	13
Animal Control	1		1						2
Public Works	1		3	2	1	2	1	1	11
Parks/Cemetery		2		1					3
Engineering		1	1	1					3
Building			1			1		2	2
Planning				1					1
Airport								0.5	
Administration	1	1			1			0.5	2
<b>Total</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>37</b>

General Fund Salaries and Benefits FY2027



# Debt Portfolio

Debt	Balance
2014 Sales Tax Revenue Bond/Public Safety Bond – CIB	4,584,000
2018 Sales Tax Revenue Bond/Public Works Expansion – CIB	3,354,000
2022 Jet Truck – Zions Bank	196,000
★ 2022 Water Revenue Bond/Central Heber Project – Bank of Utah	12,683,000
★ 2022 Sewer Revenue Bond/Central Heber Project – CIB	7,859,000
★ 2022 PI Revenue Bond/Central Heber Project – CIB	3,976,000
2023 Excise Tax Revenue Bond/Road Maintenance – Webster Bank	2,653,000
★ 2023 Sewer Revenue Bond/Central Heber Project – CIB	6,984,000
2024 PI Revenue Bond/PI Meter Replacement – BWR	1,777,000
2024B PI Revenue Bond/PI Meter Replacement – BWR	1,293,000
★ 2024 Water Revenue Bond/Central Heber Project – BWR	2,919,000
★ 2024 Sewer Revenue Bond/Central Heber Project – CIB	5,786,000
2024 Interfund Loan/Cemetery Admin – Fund 48 and Fund 71	1,194,453
<b>Total Outstanding Debt</b>	<b>55,258,453</b>

○ No new debt in FY 2026

★ Central Heber Project Debt



Heber City Council  
**FY '25/'26 Policy & Budget Priorities**  
Established 1/18/25; Adopted 2/4/25

**Park Programming**

1. Execute MOU with CAMS for park programming

# Main Street Program Initiative (FY '24)

MOVING from tier 1 to tier 2

- Seed money \$30k for CAMS part-time staff
- Responsibilities
  - Annual Reports
  - Yearly Dues
  - Public Relations
  - Oversee Events to Raise Funds
  - Attend Workshops and Trainings
- Establish a Downtown Heber Main Street District and Plan





## Overview...

- 1) Heber City and Wasatch County Tourism & Economic Development Office funding for CAMS
- 2) CAMS to take lead row in park programming. Roger Brooks noted this was to lay groundwork for completion of phase 2 plaza improvements
- 3) CAMS Agreement:
  - a) \$39,900.00 to program 50 annual events, including HMOM
    - 1) Revenue came from eliminated position
  - b) Historic District—moving from tier 1 to tier 2
  - c) CAMS eventually to program 250 annual events
    - a) Economic development
    - b) Revitalize downtown
    - c) Spur private investment



# Summary of Funds

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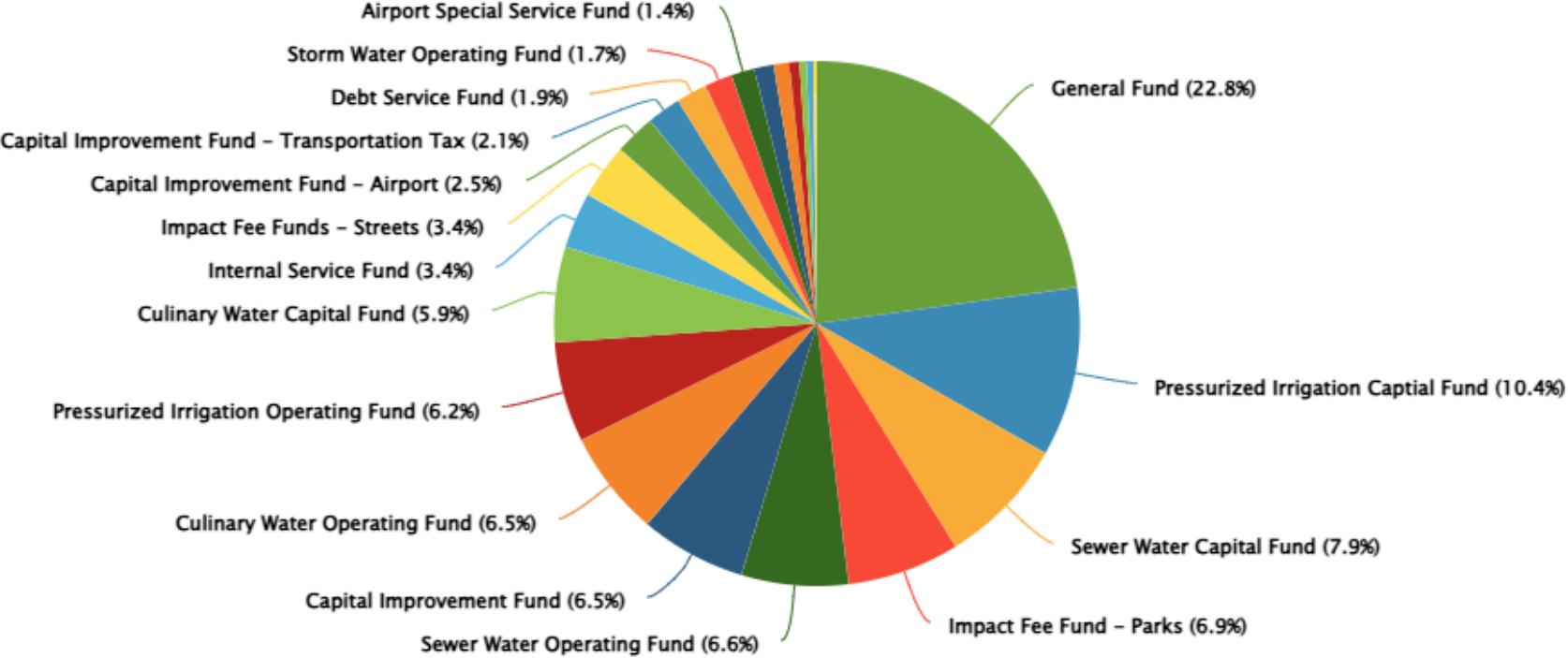
## Part 2

154,568	95,054	124,500
56,845	97,511	125,000
110,000	99,011	154,000
150,000	99,216	95,000
7,000	101,090	154,200
	101,684	110,000
		89,000
		50,000

# Funds Overview: 27 Funds

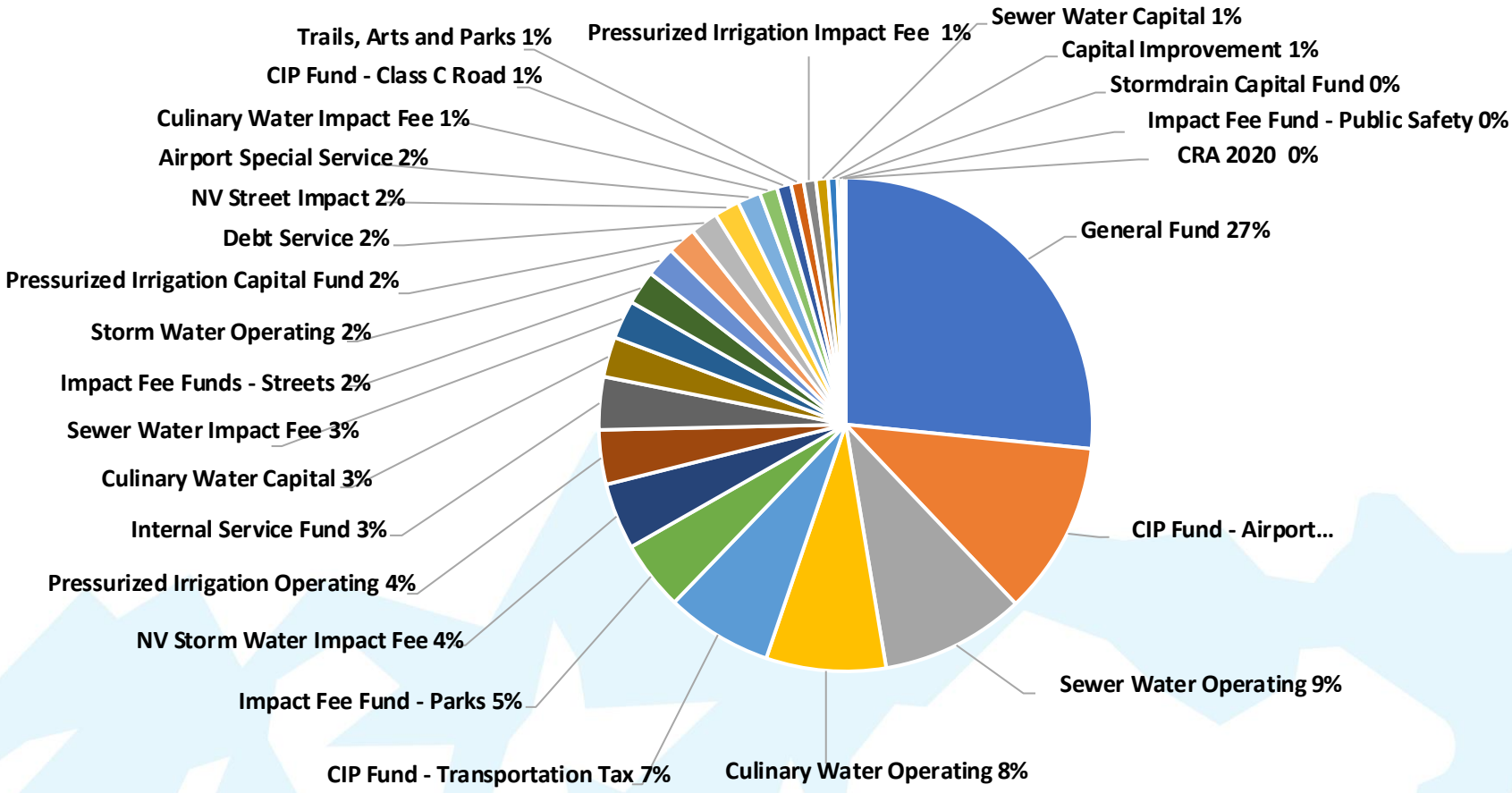
- 1) General Fund (10)
- 2) Water Operating Fund (51)
- 3) Sewer Operating Fund (52)
- 4) Storm Water Operating Fund (54)
- 5) Secondary Water Operating Fund (55)
- 6) Water Capital Fund (66)
- 7) Sewer Capital Fund (67)
- 8) Storm Water Capital Fund (68)
- 9) Secondary Water Capital Fund (69)
- 10) Water Impact Fund (56)
- 11) Sewer Impact Fund (57)
- 12) Secondary Water Impact Fee Fund (58)
- 13) Internal Service Fund (61)
- 14) Perpetual Care Fund (71)
- 15) Airport Fund (21)
- 16) Airport Capital Fund (41)
- 17) General Capital Projects Fund (42)
- 18) Streets Impact Fee Fund (46)
- 19) Parks Impact Fee Fund (47)
- 20) Transportation Fund (48)
- 21) Class C Roads Fund (49)
- 22) Debt Service (31)
- 23) Public Safety Impact Fee Fund (43)
- 24) CRA Fund 2020 (44)
- 25) NV Street Impact Fund (50)
- 26) NV Storm Water Impact Fund (60)
- 27) TAP Tax Fund (23)

# FY '26 City-Wide/All-Funds Budget



\$91.6M

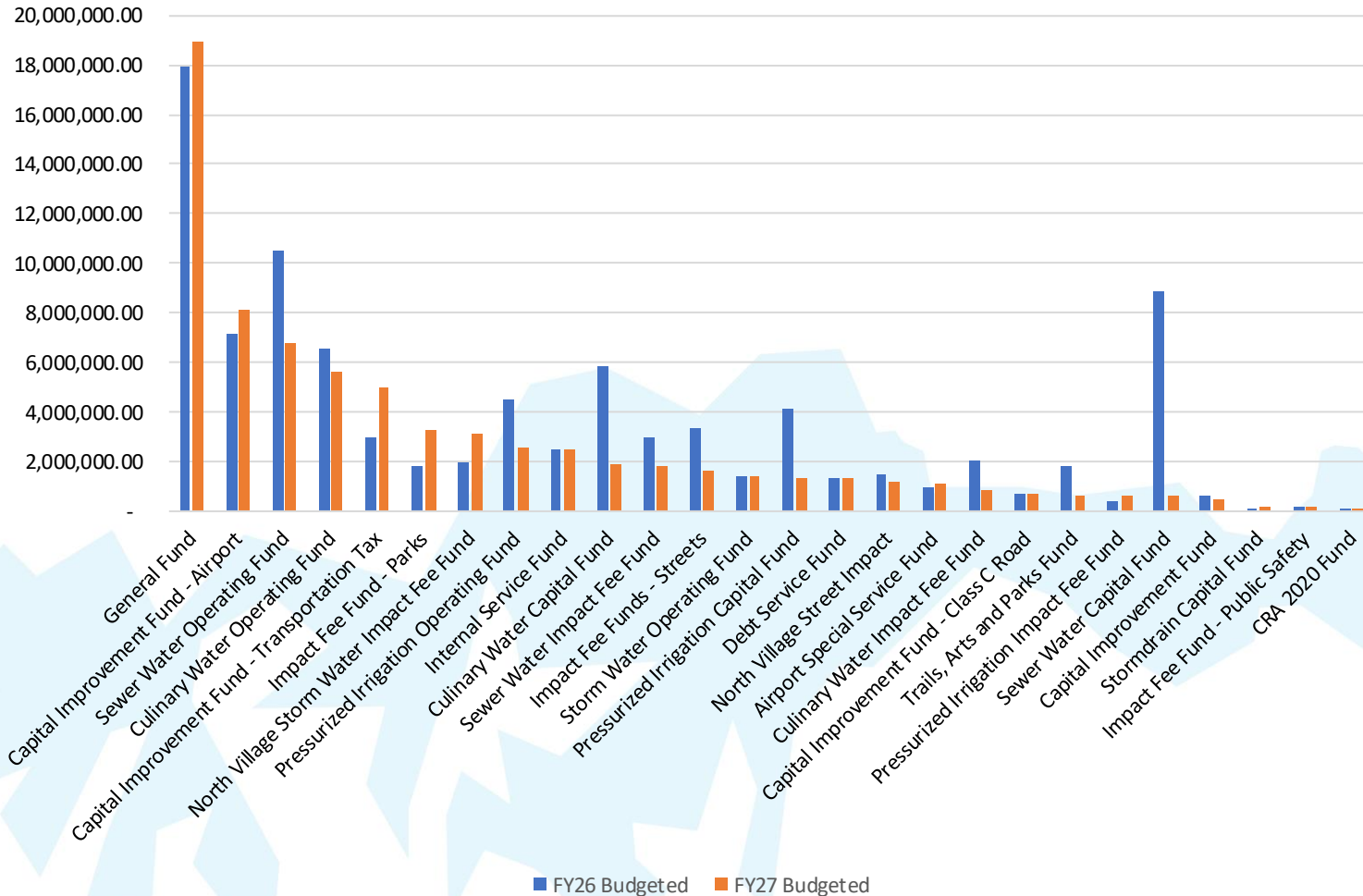
# FY '27 City-Wide/All-Funds Budget



\$72.0M – down 22% from FY26

# All-Funds Budget Comparison

All-Funds Budget Comparison



# Governmental Funds

General Fund (10)

Airport Fund (21)

Airport Capital Project Fund (41)

Internal Service Fund (61)

Perpetual Care Fund (71)

Debt Service Sinking Fund (31)

Capital Projects Fund (42)

Public Safety Impact Fee Fund (43)

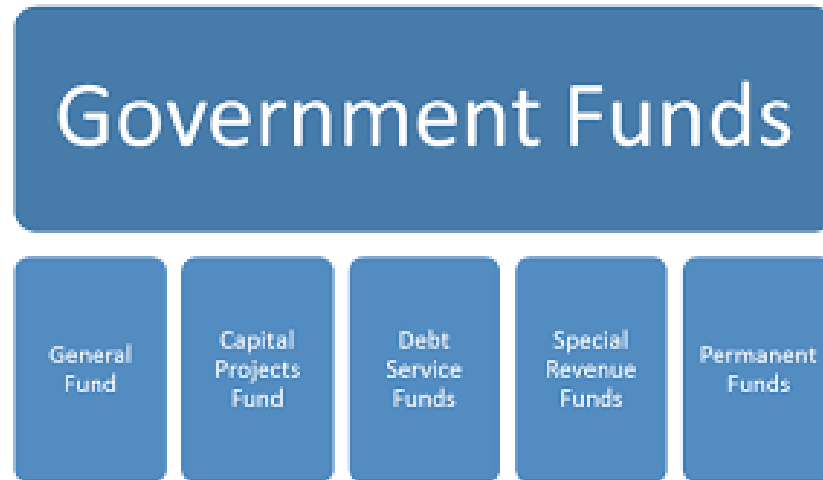
Streets Impact Fees Fund (46)

Parks Impact Fees Fund (47)

Transportation Fund (48)

Class C Roads Fund (49)

\*CRA 2020 Fund (44)



# General Fund (10)

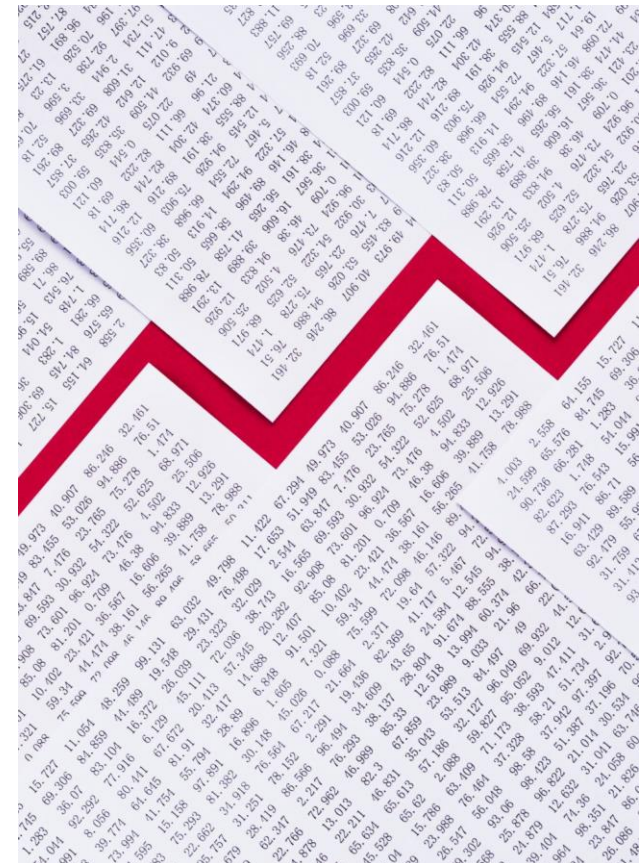
Note: This is a Tentative Budget.

Staff will update budget for final adoption as it obtains current budget information regarding Midway Police Services contract and other budget information.

Projected GF Balance subject to change.

# Key Revenue Assumptions

- General Fund revenues increased 6.73% from FY '26 budget
- Property Taxes new growth budgeted to increase 16.36% for an increase of approximately \$539K
- Property Tax inflationary increase of 5.2% (\$174K)
- Sales Tax growth budgeted at 5% (\$367K) over 2026 projected revenues
- Building Permit projection of 350 residential permits and 20K sq. ft. commercial
- GF utilize \$0 of reserves to balance fund
- Annual dividend of \$250K from HL&P not budgeted



# General Fund (10)

## Comprehensive Fund Summary <sup>^</sup>

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	\$7,058,448	\$6,260,965	\$6,260,965	\$5,732,344
<b>Revenues</b>				
<b>Total Revenues</b>	\$15,053,223	\$17,677,332	\$17,277,068	\$18,955,593
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$16,678,280	\$17,931,363	\$17,805,689	\$18,955,593
<b>Total Revenues Less Expenditures</b>	-\$1,625,057	-\$254,031	-\$528,621	-
<b>Ending Fund Balance</b>	\$5,433,391	\$6,006,934	\$5,732,344	\$5,732,344

# GF Revenues by Revenue Source

## Revenues by Revenue Source <sup>^</sup>

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Property Taxes	\$3,559,181	\$4,059,134	\$3,652,869	\$4,356,384	7.32%
Sales Tax	\$5,719,321	\$7,260,542	\$7,335,703	\$7,697,013	6.01%
Franchise Tax	\$1,273,462	\$1,506,301	\$1,389,846	\$1,506,301	-
Other Taxes	\$153,364	\$150,000	\$122,093	\$150,000	-
Licenses and Permits	\$1,742,831	\$1,384,395	\$1,746,880	\$1,757,800	26.97%
Charges for Services	\$425,795	\$1,146,100	\$698,000	\$1,171,000	2.17%
Intergovernmental	\$739,454	\$968,460	\$1,211,300	\$1,223,495	26.33%
Fines & Forfeitures	\$523,690	\$400,300	\$504,500	\$440,500	10.04%
Interest	\$564,654	\$500,000	\$469,000	\$520,000	4.00%
Other Revenues	\$351,471	\$302,100	\$146,877	\$133,100	-55.94%
<b>Total Revenues</b>	<b>\$15,053,223</b>	<b>\$17,677,332</b>	<b>\$17,277,068</b>	<b>\$18,955,593</b>	<b>7.23%</b>

# Property Taxes Line-Item Detail

## Revenues by Revenue Source [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
<b>Property Taxes</b>	\$3,559,181	\$4,059,134	\$3,652,869	\$4,356,384	7.32%
PROPERTY TAXES	\$3,358,388	\$3,830,134	\$3,413,869	\$3,933,384	2.70%
PROPERTY TAX INTEREST	\$6,430	\$4,000	\$4,000	\$4,000	-
FEE IN LIEU OF TAX	\$127,526	\$125,000	\$135,000	\$145,000	16.00%
PRIOR YEARS TAXES - DELINQUENT	\$66,837	\$100,000	\$100,000	\$100,000	-
PROPERTY TAXES - TRUTH IN TAXATION INCREASE	-	-	-	\$174,000	-

# Sales Tax Trending

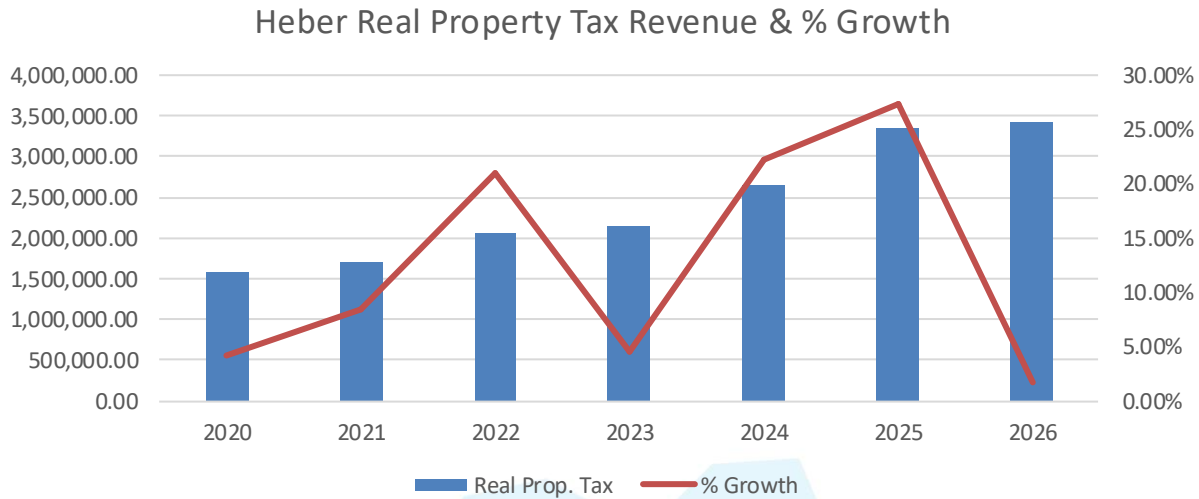
Sales Tax FY YOY % Change											
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
											Budgeted
JULY	111%	108%	117%	110%	124%	102%	124%	98%	103%	102%	105%
AUGUST	116%	112%	111%	108%	110%	137%	104%	98%	103%	116%	105%
SEPTEMBER	113%	109%	109%	107%	127%	109%	114%	102%	104%	98%	105%
OCTOBER	108%	117%	110%	114%	113%	104%	125%	101%	121%	96%	105%
NOVEMBER	114%	120%	109%	113%	121%	119%	113%	116%	90%	121%	105%
DECEMBER	109%	104%	110%	113%	120%	114%	100%	92%	126%	105%	105%
JANUARY	115%	115%	111%	123%	102%	124%	105%	110%	97%	101%	105%
FEBRUARY	123%	105%	113%	95%	135%	129%	99%	113%	97%	107%	105%
MARCH	114%	108%	100%	116%	128%	113%	104%	90%	124%	104%	105%
APRIL	111%	124%	105%	122%	133%	129%	80%	115%	93%	104%	105%
MAY	110%	124%	107%	114%	115%	103%	113%	109%	94%	104%	105%
JUNE	118%	108%	106%	126%	123%	110%	102%	91%	121%	104%	105%
% Change:	113.50%	112.81%	108.97%	113.21%	120.84%	116.16%	106.94%	102.89%	106.06%	105.11%	105%

Yellow: < 99.9%

Green: 100% to 105%

Purple: Projections for FY '25 and Budget for FY '26

# General Fund Property Taxes



## Property Tax Increase History

FY '25	9.38%
FY '24	8.06%
FY '22	10%
FY '15	32.39%
FY '11	4.11%

History Since 1997

**5YR Average  
Property Tax Trend:  
15.38%**

**Scenario #1**  
**Combined Inflationary Increase of 5.2%**  
(Mountain Plains Consumer Price Index - February 2025)

<b>Residential</b>	
Property tax increase needed	\$ 174,085
Annual increase per household	<u><u>\$ 18.72</u></u>

<b>Commercial</b>	
Property tax increase needed	\$ 174,085
Annual increase per household	<u><u>\$ 34.03</u></u>

<b>Residential</b>	
2025 County Valuation	4,347,766,295
Current Revenue per CTR	3,347,780
Proposed Tax Rate	0.0008100
Estimated Revenue	3,521,865
Increase	174,085

<b>Commercial</b>	
2025 County Valuation	4,347,766,295
Current Revenue per CTR	3,347,780
Proposed Tax Rate	0.0008100
Estimated Revenue	3,521,865
Increase	174,085

Budget	174,085
Tax Rate	0.004004%

Budget	174,085
Tax Rate	0.004004%

2025 Average Property Value	850,000
Exemption	45%

2025 Average Property Value	850,000
Exemption	0%

Taxable Value	467,500
Per Month Increase	\$1.56
Per Year Increase	\$18.72

Taxable Value	850,000
Per Month Increase	\$2.84
Per Year Increase	\$34.03

Estimate Annual Taxes	378.69
-----------------------	--------

Estimate Annual Taxes	688.53
-----------------------	--------

# Property Tax Bill Example



**Wasatch County Treasurer**  
 25 North Main Heber City, Utah 84032  
 Office Hours Are 8:00 A.M. To 5:00 P.M.  
 Closed November 11, 27 & 28 2025  
 Telephone (435) 657-3217  
**PAYMENT DUE UPON RECEIPT**  
**PENALTY ADDED AFTER Dec 1, 2025**

## 2025 Tax Notice

Parcel Number [REDACTED]  
**Back Taxes - Separate Check Required**  
**NO BACK TAXES OUTSTANDING**

Tax District  
 003 - HEBER CITY DISTRICT

Mortgage Company  
 NOTIFIED

### Partial Property Description

[REDACTED]

Property Type	Acres/Count	Market Value	Taxable Value	Tax Amount
BUILDING RESIDENTIAL (2) PRIMARY LAND	0.36	606,100 350,000	333,355 192,500	3,105.53 1,793.33
<b>Total Property Value &amp; Taxes</b>	<b>0.36</b>	<b>956,100</b>	<b>525,855</b>	<b>4,898.86</b>

\* Values are a detailed listing of greenbelt classifications. This listing is provided for informational purposes only.

THIS OFFICE WILL NOT BE RESPONSIBLE IF YOU PAY ON PROPERTY OTHER THAN YOUR OWN.

TAXES HEREIN ENUMERATED FOR THE CURRENT YEAR ARE DUE AND PAYABLE IN OUR OFFICE; LAST NOTICE REQUIRED BY LAW.

Taxing Unit/Entities - Budget Hearing Date, Time & Location	Tax Rate	Tax Amount
01 HEBER CITY	0.000770	404.91
10 COUNTY GENERAL FUND	0.000967	508.50
12 COUNTY LOCAL A&C	0.000112	58.90
15 COUNTY BONDS	0.000018	9.47
17 MULTI COUNTY A&C	0.000014	7.36
19 BASIC ST SCHOOL LEVY	0.001379	725.15
20 WASATCH CD SCHOOL DIST	0.004656	2,448.38
21 SCHOOL DIST BOND	0.000214	112.53
23 HEALTH	0.000054	28.40
24 CHARTER SCHOOL LEVY	0.000045	23.66
30 WASATCH COUNTY FIRE DISTRICT	0.000413	217.18
32 PARK & REC GENERAL	0.000157	82.56
72 LIBRARY	0.000117	61.53
90 CENTRAL UT WATER CONSERVANCY 09/25/2025 6:00 PM CUW/CD HEADQUARTERS 1426 E 750 N OREM, UT 84037	0.000400	210.34
	<b>0.009316</b>	<b>4,898.86</b>

**8.3% of total tax bill**

Prepayments  Abatements  2025 Total Tax Due   
 Back Taxes Due   
 Total Taxes Due

The Wasatch County Recorder's Office now offers Property Watch.

For more information, and to sign up for this free service, please visit [www.wasatchcounty.gov/propertywatch](http://www.wasatchcounty.gov/propertywatch) OR scan the QR Code.



**PAY ONLINE AT [www.wasatchcounty.gov](http://www.wasatchcounty.gov)**  
 Payments Are Due Before December 1st

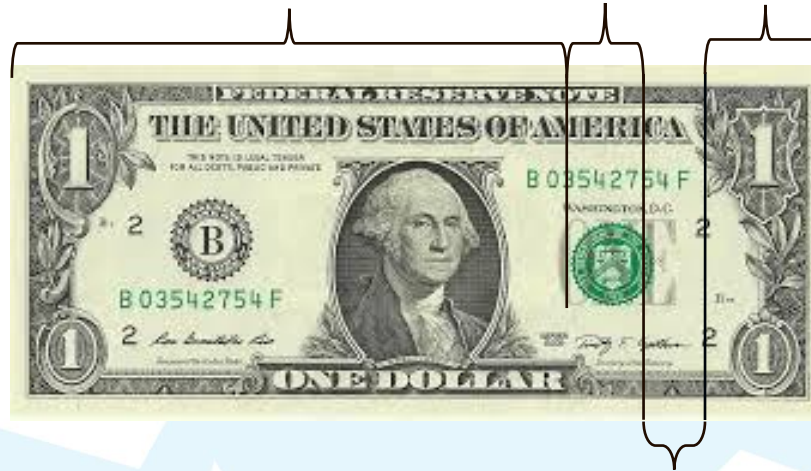
The postmark date is accepted, not the date on the check  
 Tax facts on the back of this notice

KEEP ABOVE PORTION FOR YOUR RECORDS. DETACH ENTIRE BOTTOM PORTION AND RETURN WITH PAYMENT. BRING COMPLETE NOTICE WHEN PAYING IN PERSON.



# Property Tax Allocation (2025)

Wasatch School District	Wasatch County	Heber City
67.56%	12.51%	8.3%



Fire Protection 4.43%

Central UT Water Conservancy District 4.29%

County Park and Recreation 1.69%

Library 1.26%

# Where Do My Heber City Taxes Go?

(Based on 2025 Tax Rate of 0.07% on a \$956,100 Primary Resident)



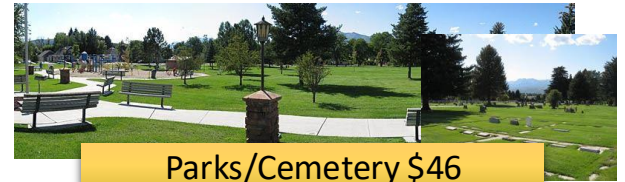
City Council \$9



Administration \$63



Court System \$11



Parks/Cemetery \$46



Animal Control \$11



Police \$195



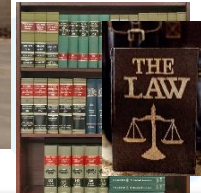
Streets \$43



Engineering \$8



Planning \$13



Attorney's Office \$6

**\$405**



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## Report: Streaming Price Hikes Push Annual U.S. Media Spending to \$3,350

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NEWS PROVIDED BY  
EIN Presswire  
Nov 12, 2025, 4:58 PM ET

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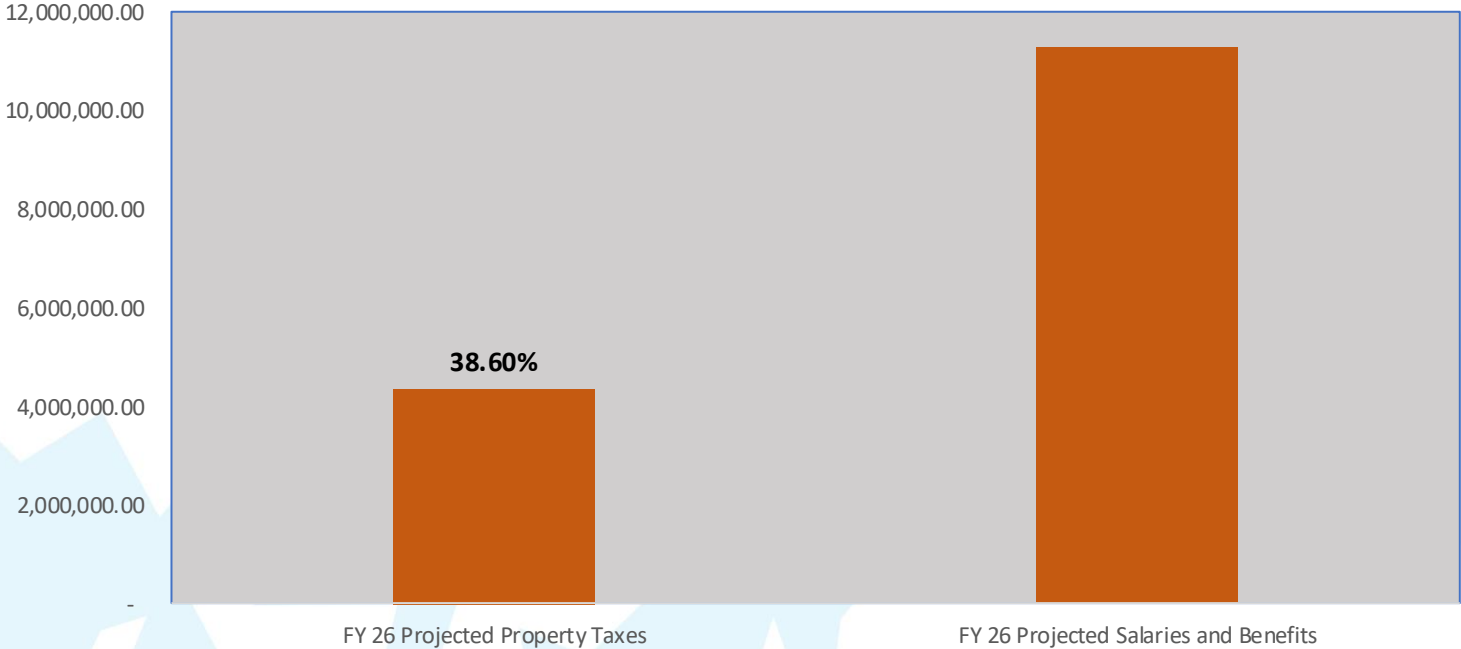
*Reviews.org's State of Consumer Media Spending finds streaming costs up 22% in 2025*

# GF Department Expenditures

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Legislative	\$324,220	\$278,227	\$323,404	\$275,735	-0.90%
Judicial	\$399,077	\$411,106	\$437,544	\$399,403	-2.85%
Administrative	\$1,437,255	\$1,378,430	\$1,443,939	\$1,462,444	6.09%
General Government Buildings	\$305,853	\$245,233	\$251,927	\$353,529	44.16%
Attorney	\$219,653	\$208,574	\$177,747	\$127,163	-39.03%
Human Resources	\$159,291	\$124,435	\$138,463	\$169,913	36.55%
Information Technology	\$327,880	\$445,934	\$425,499	\$486,309	9.05%
Engineering	\$289,759	\$332,017	\$290,714	\$269,531	-18.82%
Building Department	\$1,245,384	\$1,424,080	\$1,380,525	\$1,564,588	9.87%
Planning Department	\$741,721	\$908,063	\$867,335	\$904,695	-0.37%
Animal Control	\$382,880	\$429,019	\$414,927	\$460,698	7.38%
Roads	\$1,566,939	\$1,653,836	\$1,450,231	\$1,745,756	5.56%
Parks	\$877,305	\$889,536	\$971,367	\$1,127,550	26.76%
Midway Police Services	\$333,432	\$444,272	\$582,501	\$481,296	8.33%
Cemetery	\$657,339	\$680,397	\$686,498	\$883,253	29.81%
Transfers	\$529,191	\$1,082,490	\$857,375	\$516,415	-52.29%
Police Department	\$6,881,101	\$6,995,711	\$7,105,693	\$7,727,315	10.46%
<b>Total Expenditures</b>	<b>\$16,678,280</b>	<b>\$17,931,363</b>	<b>\$17,805,689</b>	<b>\$18,955,593</b>	<b>5.71%</b>

# General Fund—Property Tax as a % of Salaries and Benefits

Salaries and Benefits as a % of Property Taxes



# Alternatives to Property Tax Increase (each alternative has pros and cons)

- 1) Utilization of General Fund Reserves currently at 33% or \$5,719,004
- 2) Transfer from CRA Fund
- 3) Deeper cuts in GF Expenditures
- 4) Establishment of Municipal Transportation Fee

# Municipal Fee Changes & Transportation Funding

## Why This Matters

- 👛 Rapid growth: population is expected to double
- 👛 ≈215M infrastructure need over 20 years
- 👛 Pressure on existing funding sources

## State Law Changes

- 👛 Public safety fees largely prohibited
- 👛 Non-compliant fees must be repealed (2025-2027)
- 👛 Cities must shift to compliant funding tools

### **Council Direction**

Explore feasibility + legal analysis of TUF  
OR  
continue relying on impact fees & general fund

## Transportation Utility Fee (TUF)


- 👛 Fee based on road usage (utility model)
- 👛 Fund roads, maintenance, & operations
- 👛 Requires:
  - Study + nexus to use
  - Public hearing + notice
  - Ordinance adoption
  - Restricted fund + reporting

## Key Considerations

- 👛 Must meet legal “reasonable relationship” standard
- 👛 Ongoing litigation: risk of being treated as a tax
- 👛 Subject to referendum + 10-year sunset

# 4) CRA Increment and General Fund Impacts

	February 2025 Actual	February 2026 Actual	Year Over Year \$ Change	Year Over Year % Change	YTD Actual	Budget	Over/(Under)	Percentage
<b>Change In Net Position</b>								
<b>Revenue:</b>								
<b>Taxes</b>								
3110 PROPERTY TAXES	70,564.09	81,105.71	10,541.62	114.94%	3,409,979.09	3,830,134.00	420,154.91	89.03%
3111 PROPERTY TAX INTEREST	605.07	657.16	52.09	108.61%	3,664.48	4,000.00	335.52	91.61%
3115 FEE IN LIEU OF TAX	9,898.46	9,137.28	(761.18)	92.31%	78,988.89	125,000.00	46,011.11	63.19%
3120 PRIOR YEARS TAXES - DELINQUENT	(4,608.65)	4,519.30	9,127.95	-98.06%	42,894.02	100,000.00	57,105.98	42.89%
3130 GENERAL SALES & USE TAXES	659,881.98	691,048.13	31,166.15	104.72%	3,781,135.87	7,260,542.00	3,479,406.13	52.08%
3140 FRANCHISE TAX	141,772.18	157,196.98	15,424.80	110.88%	821,694.44	1,506,301.00	684,606.56	54.55%
3150 TRANSIENT ROOM TAX	13,246.21	15,874.56	2,628.35	119.84%	87,095.91	150,000.00	62,904.09	58.06%
<b>Total Taxes</b>	<b>891,359.34</b>	<b>959,539.12</b>	<b>68,179.78</b>	<b>107.65%</b>	<b>8,225,452.70</b>	<b>12,975,977.00</b>	<b>4,750,524.30</b>	<b>63.39%</b>



	February 2025 Actual	February 2026 Actual	Year Over Year \$ Change	Year Over Year % Change	YTD Actual	Budget	Over/(Under)	Percentage
<b>Change In Net Position</b>								
<b>Revenue:</b>								
<b>Taxes</b>								
3110 PROPERTY TAXES	-	6,097.18	6,097.18	-	330,345.56	100,000.00	(230,345.56)	330.35%
<b>Total Taxes</b>	<b>-</b>	<b>6,097.18</b>	<b>6,097.18</b>	<b>-</b>	<b>330,345.56</b>	<b>100,000.00</b>	<b>(230,345.56)</b>	<b>330.35%</b>

# Tap Tax Fund 23

# Trails, Arts and Parks Fund (23)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$581,688	\$581,688	\$743,838
<b>Revenues</b>				
<b>Total Revenues</b>	\$926,995	\$1,610,000	\$667,000	\$662,800
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$209,008	\$1,840,000	\$504,850	\$590,100
<b>Total Revenues Less Expenditures</b>	\$717,987	-\$230,000	\$162,150	\$72,700
<b>Ending Fund Balance</b>	\$717,987	\$351,688	\$743,838	\$816,538



# TAP Tax Fund 23: Overview

- TAP Tax referendum adopted in November '22
- 1/10 of one percent local sales tax (\$0.01 for every ten dollars)
- Distribution determined by Agreement with Wasatch County & Midway:

## VI. DISTRIBUTION METHODOLOGY

- A. The parties agree to the following distribution of TAP Tax Funds within 30 days of receipt by the Wasatch County Treasurer: Heber City 48.45%, Wasatch County 34.29%, and Midway City 17.26%.

- Revenues collection begin in April '23
- Heber City standing policies:
  - 1) Commencing FY '24: 10% of tax revenue dedicated to art grant program and remaining amount dedicated to trails and parks capital projects
  - 2) Commencing FY '25: 25% of tax revenue dedicated to trail maintenance
  - 3) Commencing FY '26: Council approved a two-year contract with Wasatch Trails Foundation in the amount of \$65,100 per year
  - 4) Annually, City Council is to reassess standing TAP Tax policies

# TAP Tax Financial Review: FY '23 through FY '27

TAP Tax Financial Summary	
Years	Amount
FY 23 Act. Revenue	\$147,582.82
FY 24 Act. Revenue	\$581,641.47
FY 25 Proj. Revenue	\$645,758.67
FY 26 Budgeted Revenue	\$672,084.49
FY 27 Projected Revenue	\$662,800
<b>Total:</b>	<b>\$2,709,867.45</b>
FY 23 Act. Expenditures	\$264,287.72
FY 24 Act. Expenditures	\$211,530.75
FY 25 Proj. Expenditures	\$550,430.70
FY 26 Budgeted Expenditures	\$827,350.00
FY 27 Projected	\$427,500.00
<b>Total:</b>	<b>\$2,281,099.17</b>
<b>Difference:</b>	<b>\$428,768.28</b>

TAP Tax FY '23		
Status	Category	Amount
<b>Revenue</b>		
	Revenue	<u>\$147,582.82</u>
		Total: \$147,582.82
<b>Expenditures</b>		
Actual	Water Feature	\$162,885.30
Actual	HVRR Trail	\$82,499.85
Actual	Vista Park Playground	<u>\$18,902.57</u>
		Total: \$264,287.72
		Difference: (\$116,704.90)

TAP Tax FY '24		
Status	Category	Amount
<b>Revenue</b>		
Actual	Revenue	<u>\$581,641.47</u>
		Total: \$581,641.47
<b>Expenditures</b>		
Projected	#Art Grants	\$60,000.00
Actual	Historic Markers/HLA	\$19,216.15
Actual	Vista Park Playground	\$73,140.85
Actual	HVRR Trail	\$14,573.75
Actual	Mural: Bart the Bear	\$10,600.00
Actual	Sculpture: Horseman & Cougar	<u>\$34,000.00</u>
		Total: \$211,530.75
		Difference: \$370,110.72
#Grant program began in FY '24 at 10% of estimated revenues		

TAP Tax FY '25		
Status	Category	Amount
<b>Revenue</b>		
	Revenue	<u>645,758.67</u>
Total:		\$645,758.67
<b>Expenditures</b>		
Projected	Art Grants	\$60,787.65
Set-a-side	*Trail Maintenance 25%	\$156,138.17
Actual	Sculpture: Eagle	\$20,000.00
Actual	Historic Markers/HLA	\$183.12
Actual	Main Stage/Festival St.	<u>\$313,321.76</u>
Total:		\$550,430.70
Difference:		\$95,327.97

\*Annual trail maintenance--25% of total revenue

TAP Tax FY '26		
Status	Category	Amount
<b>Revenue</b>		
Projected	Revenue	<u>\$672,084.49</u>
Total:		\$672,084.49
<b>Expenditures</b>		
Set-a-side	Art Grants	\$60,000.00
Set-a-side	*Trail Maintenance 25%	\$162,500.00
Actual	^WTF Agreement	\$65,100.00
Actual	Pump Track	\$10,000.00
Projected	Plaza/Park Concepts Outreach	\$130,000.00
Actual	Plaza Holiday Lighting	\$69,300.00
Budgeted	Muirfield Park Expansion	\$200,000.00
Actual	Split Rail Fence	\$11,250.00
Budgeted	America 250/HLA	\$20,000.00
Budgeted	Plaque and Park Signs	\$20,000.00
Budgeted	Wheeler Park	\$11,000.00
Budgeted	Main Stage Backdrop	\$49,000.00
Actual	Main City Playground Repair	\$11,200.00
Budgeted	CAMS Summer Programming	<u>\$8,000.00</u>
Total:		\$827,350.00
Difference:		(\$155,265.51)

\*Annual trail maintenance--25% of estimated revenue, less WTF agreement

^ Wasatch Trails Foundation (WTF) - 2 year agreement \$66,100/year

# TAP Tax FY '27 Obligations/Projects

## FY '27 Obligations

Trail Maintenance of .25%	\$97,400.00
WTF Annual Agreement	\$65,100.00
27 Art Grant Cycle .10%	\$65,000.00
Plaza Design Costs	\$200,000.00
<b>Total Projected Expenditures for FY'27:</b>	<b>\$427,500.00</b>

FY'27 TAP Tax Fund Balance after FY '27 Obligations Available to be Spent in FY '27	\$469,979.81
Total Restricted Revenue Through FY '27	\$350,938.17
Total Projected Fund Balance (restricted and unrestricted):	\$820,917.98



# POSTT Park Project Recommendations FY'27

<b>Priority #1 Parkview Place / Rock Wall Park</b>	<b>Amount</b>
Large boulder	\$ 78,000.00
Medium boulder	\$ 50,000.00
Shade Pergola with Picnic Bench	\$ 12,000.00
<b>Priority #2 Wasatch Vista Park</b>	
Shade Pergola with Picnic Bench	\$ 12,000.00
Shade structure over the fitness court	\$ 45,000.00
<b>Priority #3 Trees in all Parks</b>	
Goal to plant 126 trees across all parks FY27	\$ 44,000.00
<b>Priority #4 Valley Hills Park</b>	
Resurfacing the tennis court and adding new tennis net, new basketball net	\$ 48,000.00
Shade Pergola with Picnic Bench	\$ 12,000.00
<b>Total Tap Tax Fund POSTT Committee Recommendation</b>	<b>\$ 301,000.00</b>

# Airport Funds: 21 and 41

# Airport Funding 101

- Landing Fees
- Ground Leases
- Fuel Flowage Fees

- FAA Grants (AIP) 90%
- UT Aeronautics Division 5%

Transfer

Airport Operating Fund



Fund 21



Fund 41

Airport Capital Fund

# Airport Special Services Fund (21)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	\$167,176	\$17,741	\$17,741	\$234,722
<b>Revenues</b>				
<b>Total Revenues</b>	\$774,912	\$1,021,040	\$1,156,000	\$880,500
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$595,076	\$950,611	\$939,019	\$1,081,828
<b>Total Revenues Less Expenditures</b>	\$179,836	\$70,429	\$216,981	-\$201,328
<b>Ending Fund Balance</b>	\$347,012	\$88,170	\$234,722	\$33,394

- Fund 21 supports Airport Capital Fund 41 via annual transfer
- Did not include expected revenues from sale of hangers C & D in budget or new land leases currently being negotiated
- Significant revenues in FY'26 stem from one-time transaction fees  
Budget includes moving PT admin to FT.

# Capital Improvement Fund - Airport (41)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
Beginning Fund Balance	-	-\$149,597	-\$149,597	\$633
Revenues				
<b>Total Revenues</b>	<b>\$5,589,237</b>	<b>\$7,367,578</b>	<b>\$1,627,230</b>	<b>\$8,096,325</b>
Expenditures				
<b>Total Expenditures</b>	<b>\$6,093,664</b>	<b>\$7,116,124</b>	<b>\$1,477,000</b>	<b>\$8,096,325</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$504,427</b>	<b>\$251,454</b>	<b>\$150,230</b>	<b>-</b>
Ending Fund Balance	-\$504,427	\$101,857	\$633	\$633

- Fund 41 is used to fund Heber Valley Airport capital projects. Revenues are derived from a transfer from Fund 21 and FAA and UDOT aeronautic grants.
- FY '27 capital projects include Runway Relocation Master Design and Land Acquisition.
- FAA looking to advance timeline of runway relocation project. Limiting factor is city's ability to fund grant match obligation.

## Heber Valley Airport

### Project Description & Cost Estimate

City Fiscal Year	Project Description		Cost Allocation \$		
			Federal Participation	State Participation	Sponsor Participation
<b>Federally Funded Projects</b>			90.63%	4.685%	4.685%
2027	Land Acquisition	\$ 6,850,525	\$ 6,208,630.81	\$ 320,947	\$ 320,947
2027	Acquire Snow Removal Equipments	TBD			
			Federal Participation	State Participation	Sponsor Participation
			95.00%	2.500%	2.500%
2027	Runway Relocation Master Design	\$ 1,245,800	\$ 1,183,510.00	\$ 31,145	\$ 31,145
			\$ -	\$ -	\$ -
<b>Participation Totals</b>		<b>\$ 8,096,325</b>	<b>\$ 7,392,141</b>	<b>\$ 352,092</b>	<b>\$ 352,092</b>
<b>State Funded Projects</b>				90.00%	10.00%
2027				\$ -	\$ -
<b>Participation Totals</b>		<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>
<b>Locally Funded Projects</b>					100.00%
2027					\$ -
2027	On-Call Engineering				\$ -
<b>Participation Totals</b>		<b>\$ -</b>			<b>\$ -</b>
<b>Estimated Sponsor Total for FY27</b>		<b>\$ 8,096,325</b>	<b>\$ 7,392,141</b>	<b>\$ 352,092</b>	<b>\$ 352,092</b>

# Airport Fund Balances Combined

Fund	FY25 Ending Fund Balance	FY26 Projected	FY26 Projected	FY26 Projected	FY27 Revenues	FY27 Expenses	FY27 Projected
Capital Improvement Fund - Airport	(149,597.00)	1,477,000.00	1,627,230.00	633.00	8,096,325.00	8,096,325.00	633.00
Airport Special Service Fund	17,741.00	939,019.00	1,156,000.00	234,722.00	880,500.00	1,081,828.00	33,394.28
Totals	(131,856.00)	2,416,019.00	2,783,230.00	235,355.00	8,976,825.00	9,178,153.00	34,027.28

- Consistent with enterprise funds, the Airport Special Service Fund and Airport CIP fund should be viewed collectively as a single pool of financial resources.
- The timing of projects can affect year-end cash balances, so it's important to look at multiple years to determine the health of a fund.
- No General Fund money was transferred to the Airport Fund.



# Capital Improvement Fund (42)

## Comprehensive Fund Summary <sup>^</sup>

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$603,860	\$603,860	-
<b>Revenues</b>				
<b>Total Revenues</b>	\$4,368,525	\$515,000	\$985,885	\$433,106
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$6,917,627	\$598,697	\$1,589,745	\$432,803
<b>Total Revenues Less Expenditures</b>	-\$2,549,102	-\$83,697	-\$603,860	\$303
<b>Ending Fund Balance</b>	-\$2,549,102	\$520,163	-	\$303

- Fund 42 is dedicated to funding General Government capital facilities projects.  
Revenue is derived from Fund (10) transfers.
- Large, purposeful draw down of fund reserves in previous years to support completion of capital projects, such as Heritage Farms Parkway, Columbarium, etc.
- Safe Route to School and Salt Shed Reconstruction in FY '27

# Public Safety Impact Fee Fund (43)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$14,144	\$14,144	\$16,144
<b>Revenues</b>				
<b>Total Revenues</b>	\$184,828	\$133,886	\$202,000	\$165,000
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$255,000	\$165,000	\$200,000	\$165,000
<b>Total Revenues Less Expenditures</b>	-\$70,172	-\$31,114	\$2,000	-
<b>Ending Fund Balance</b>	-\$70,172	-\$16,970	\$16,144	\$16,144

- Used to fund Public Safety Building debt service payment.

# CRA Fund (44)

## Comprehensive Fund Summary <sup>^</sup>

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$38,877	\$38,877	\$313,127
<b>Revenues</b>				
<b>Total Revenues</b>	\$877,793	\$120,750	\$2,555,750	\$370,750
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$886,067	\$40,000	\$2,281,500	\$40,000
<b>Total Revenues Less Expenditures</b>	-\$8,274	\$80,750	\$274,250	\$330,750
<b>Ending Fund Balance</b>	-\$8,274	\$119,627	\$313,127	\$643,877

- CRA created in 2021.
- Agency successfully negotiated two interlocal agreements with Heber City and CUWCD
- Received first increment disbursement in FY’26 ~\$350K—offsetting impact to General Fund property tax revenue.
- FY ’27 projected revenue to be updated after meeting with County officials.

# Capital Improvement Fund - Streets (46)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$3,056,385	\$3,056,385	\$2,678,719
<b>Revenues</b>				
<b>Total Revenues</b>	\$1,076,571	\$1,357,106	\$2,115,000	\$2,043,630
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$961,949	\$3,330,377	\$2,492,666	\$1,585,134
<b>Total Revenues Less Expenditures</b>	\$114,622	-\$1,973,271	-\$377,666	\$458,497
<b>Ending Fund Balance</b>	\$114,622	\$1,083,114	\$2,678,719	\$3,137,216

- These fees are restricted and can only be used for capital projects included in streets capital facilities plan.
- Fund project costs consist of developer reimbursement projects.

# Capital Improvement Fund - Parks (47)

## Comprehensive Fund Summary ^

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$1,104,425	\$1,104,425	\$2,804,425
<b>Revenues</b>				
<b>Total Revenues</b>	\$1,736,358	\$1,277,315	\$2,575,000	\$1,793,121
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$4,364,406	\$1,794,227	\$875,000	\$3,240,000
<b>Total Revenues Less Expenditures</b>	-\$2,628,048	-\$516,912	\$1,700,000	-\$1,446,879
<b>Ending Fund Balance</b>	-\$2,628,048	\$587,513	\$2,804,425	\$1,357,546

- Council adopted new Parks Capital Plan in the fall
- Fund project costs consist of developer reimbursement projects, Muirfield Park expansion, Main Street Phase II and 300 South Trail design

# Capital Improvement Fund - Transportation Tax (48)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
Beginning Fund Balance	-	\$3,998,733	\$3,998,733	\$4,993,759
<b>Revenues</b>				
<b>Total Revenues</b>	\$1,935,226	\$2,273,345	\$2,328,479	\$2,407,845
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$2,337,345	\$2,953,542	\$286,453	\$4,986,416
<b>Total Revenues Less Expenditures</b>	-\$402,119	-\$680,197	\$2,042,026	-\$2,578,571
<b>Ending Fund Balance</b>	-\$402,119	\$3,318,536	\$6,040,759	\$2,415,188

- Fund 48 utilizes Highway Option Sales Tax collected via sales of fuel within City limits. Funded projects are those with a street's nexus.
- Fund project costs consist of 100 W Road Redesign and Road Maintenance projects.
- Fund costs also consist of debt service payments.

# Capital Improvement Fund - Class C Road (49)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$2,497,363	\$2,497,363	\$3,109,563
<b>Revenues</b>				
<b>Total Revenues</b>	\$1,409,269	\$1,294,000	\$1,277,200	\$1,285,000
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$1,674,560	\$665,000	\$665,000	\$665,000
<b>Total Revenues Less Expenditures</b>	-\$265,291	\$629,000	\$612,200	\$620,000
<b>Ending Fund Balance</b>	-\$265,291	\$3,126,363	\$3,109,563	\$3,729,563

- Fund 49 is used to account for Class “C” road funds.

Class C Road Account is distributed to cities based on the following formula: 50 percent based on the percentage that the population of the municipality bears to the total population of the State, and 50 percent based on the percentage that the C Road weighted mileage of the municipality bears to the total Class C Road total weighted mileage (UCA 72-2-108). The revenue source is from the State Transportation Fund state highway user fees and taxes.

- No projects budgeted.
- Debt service transfer of \$665K to Fund 31 for road maintenance bond debt service payment.

# North Village Street Impact Fee Fund (50)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$713,654	\$713,654	\$744,654
<b>Revenues</b>				
<b>Total Revenues</b>	\$713,654	\$374,750	\$870,000	\$797,242
<b>Expenditures</b>				
<b>Total Expenditures</b>	-	\$1,432,409	\$839,000	\$1,183,646
<b>Total Revenues Less Expenditures</b>	\$713,654	-\$1,057,659	\$31,000	-\$386,404
<b>Ending Fund Balance</b>	\$713,654	-\$344,005	\$744,654	\$358,250

- New fund created in FY '25. Accounts for all North Village Street Impact Fees.
- All capital expenditures tied to developer reimbursements.

# Internal Service Fund (61)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
Beginning Fund Balance	-	\$164,244	\$164,244	-\$552,908
Revenues				
<b>Total Revenues</b>	<b>\$1,925,556</b>	<b>\$2,312,190</b>	<b>\$2,093,186</b>	<b>\$2,848,670</b>
Expenditures				
<b>Total Expenditures</b>	<b>\$2,514,549</b>	<b>\$2,447,402</b>	<b>\$2,810,338</b>	<b>\$2,469,272</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$588,993</b>	<b>-\$135,212</b>	<b>-\$717,152</b>	<b>\$379,398</b>
Ending Fund Balance	-\$588,993	\$29,032	-\$552,908	-\$173,510

- Fund 61 accounts for all city-wide fleet and equipment management.
- Revenues are derived by sales of fixed assets and \$2.2M of interfund service charges.
- The fund deficit is primarily due to the City's transition from leasing to purchasing assets. The Internal Service Fund is currently funding several upfront purchases, which will be recovered over time through internal service charges. In addition, certain asset sales anticipated in FY 2026 have been deferred to FY 2027.

# Debt Service Fund (31)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
Beginning Fund Balance	-	\$390,479	\$390,479	\$390,479
Revenues				
<b>Total Revenues</b>	<b>\$349,426</b>	<b>\$1,701,608</b>	<b>\$1,290,608</b>	<b>\$1,291,359</b>
Expenditures				
<b>Total Expenditures</b>	<b>\$1,291,710</b>	<b>\$1,290,608</b>	<b>\$1,290,608</b>	<b>\$1,291,359</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$942,284</b>	<b>\$411,000</b>	<b>-</b>	<b>-</b>
Ending Fund Balance	-\$942,284	\$801,479	\$390,479	\$390,479

- Fund 31 serves as a sinking fund for the City accounting for all governmental principal and interest payments of debt issued by the City.
- Revenues transferred from funds responsible for paying debt.
- Balance = debt service bond requirement

# Perpetual Care Fund (71)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
Beginning Fund Balance	-	\$36,102	\$36,102	\$240,602
Revenues				
<b>Total Revenues</b>	<b>\$53,240</b>	<b>\$198,352</b>	<b>\$204,500</b>	<b>\$166,352</b>
Expenditures				
<b>Total Expenditures</b>	<b>\$800,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$746,760</b>	<b>\$198,352</b>	<b>\$204,500</b>	<b>\$166,352</b>
<b>Ending Fund Balance</b>	<b>-\$746,760</b>	<b>\$234,454</b>	<b>\$240,602</b>	<b>\$406,954</b>

- Fund 71 tracks resources dedicated to the long-term care and maintenance of the City's cemetery.
- No programmed outflows.

# Enterprise Type Funds

Culinary Water Operating Fund (51)

Waste Water Operating Fund (52)

Storm Water Operating Fund (54)

PI Water Operating Fund (55)

Culinary Water Capital Project Fund (66)

Waste Water Capital Project Fund (67)

Storm Water Capital Fund (68)

PI Water Capital Fund (69)

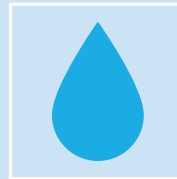
Culinary Water Impact Fee Fund (56)

Waste Water Impact Fee Fund (57)

PI Water Impact Fee Fund (58)



Source of revenues are primarily user fees, designed to recover all related costs

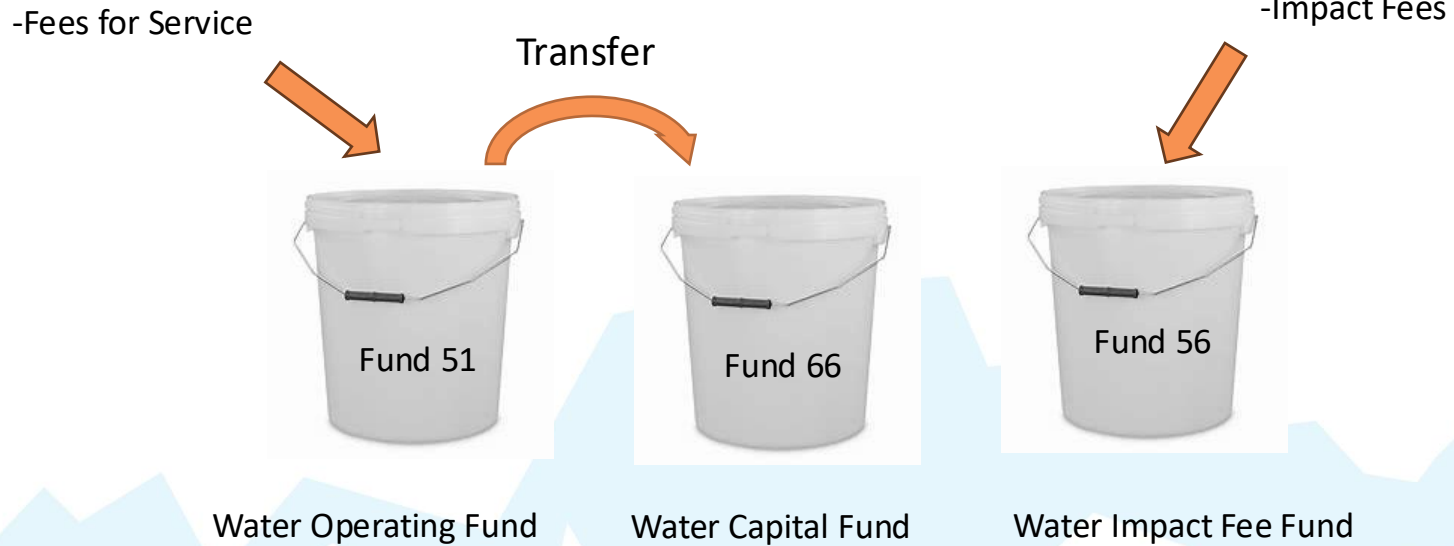


Rate increases proposed for Water, Sewer, Storm Water, and Secondary Irrigation Funds based on Council approved strategy for funding Central Heber Water and Sewer Line Replacement Project.



Recently approved wage study increases currently not reflected in tentative budget numbers.

# Enterprise Family of Funds



# Key Points...

- Update Rate Study needs to occur in FY'27
  - No rate increase in Sewer Fund or Pressurized Irrigation Fund
- Tiered Rates for Pressurized Irrigation Fund will need to be established in fall of FY'27
- Decision Point: Timing of West Side Central Heber Water and Sewer Replacement Project (implications for reserve levels and rates)

# Zions Bank Utility Rate Study Recommendations

TABLE 1: RECOMMENDED ANNUAL PERCENT CHANGE IN BASE & USER RATES ACROSS FUNDS

Recommended Annual Percent Change in Base & User Rates Across Funds						
Fund	2024	2025	2026	2027	2028	2029
Water Fund	0%	12%	12%	12%	12%	10%
Storm Water Fund	0%	7%	8%	9%	9%	9%
Sewer Fund	0%	10%	9%	8%	7%	0%
Pressurized Irrigation Fund	0%	5%	5%	0%	0%	0%

Note: With the exception of the Sewer Fund, percentage increases for FY '27 included in respective enterprise fund revenue estimates.

# Water Utility Funds

# Culinary Water Operating Fund (51)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	-\$1,798,544	-\$1,798,544	\$554,822
<b>Revenues</b>				
<b>Total Revenues</b>	\$8,958,641	\$4,254,550	\$8,051,477	\$5,498,961
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$2,642,896	\$6,578,596	\$5,698,111	\$5,595,224
<b>Total Revenues Less Expenditures</b>	\$6,315,745	-\$2,324,046	\$2,353,366	-\$96,263
<b>Ending Fund Balance</b>	\$6,315,745	-\$4,122,590	\$554,822	\$458,559

- Revenues reflect Zions Bank rate study recommendations.
- Retained earnings (reserves) drawn strategically to support capital improvements
- FY '27 budget includes a transfer to CIP fund.

# Culinary Water Impact Fee Fund (56)

## Comprehensive Fund Summary <sup>^</sup>

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$3,917,600	\$3,917,600	\$1,927,571
<b>Revenues</b>				
<b>Total Revenues</b>	\$731,366	\$866,903	\$731,541	\$566,596
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$2,747,746	\$2,067,281	\$2,721,570	\$826,548
<b>Total Revenues Less Expenditures</b>	-\$2,016,380	-\$1,200,378	-\$1,990,029	-\$259,952
<b>Ending Fund Balance</b>	-\$2,016,380	\$2,717,222	\$1,927,571	\$1,667,619

- Restricted revenues
- Budget includes one interfund transfer to the PI system for the PI replacement project.

# Culinary Water Capital Fund (66)

## Comprehensive Fund Summary ^

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	\$3,551,816	\$5,064,510	\$5,064,510	\$1,178,710
<b>Revenues</b>				
<b>Total Revenues</b>	\$18,394	\$3,500,000	-	\$1,408,000
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$4,641,167	\$5,796,000	\$3,445,800	\$1,873,000
<b>Total Revenues Less Expenditures</b>	-\$4,622,773	-\$2,296,000	-\$3,445,800	-\$465,000
<b>Ending Fund Balance</b>	-\$1,070,957	\$2,768,510	\$1,618,710	\$713,710

- Fund 66 used to account for all water capital projects funded via general water rate revenue transferred from Fund 51.
- Budget includes nine projects totaling \$1.9M.

# Sewer Utility Funds



# Sewer Operating Fund (52)

## Comprehensive Fund Summary ^

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$3,106,287	\$3,106,287	\$529,749
<b>Revenues</b>				
<b>Total Revenues</b>	\$12,478,638	\$6,082,400	\$6,375,786	\$6,404,800
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$4,333,377	\$10,511,925	\$8,952,324	\$6,743,379
<b>Total Revenues Less Expenditures</b>	\$8,145,261	-\$4,429,525	-\$2,576,538	-\$338,579
<b>Ending Fund Balance</b>	\$8,145,261	-\$1,323,238	\$529,749	\$191,170

- Revenues do not reflect Zions Bank rate study recommendations due to accumulated reserves in capital fund.
- Retained earnings (reserves) drawn strategically to support capital improvements
- FY '27 budget includes a transfer to CIP fund.

# Sewer Impact Fee Fund (57)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$3,499,644	\$3,499,644	\$3,230,805
<b>Revenues</b>				
<b>Total Revenues</b>	\$586,386	\$480,288	\$725,000	\$404,598
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$103,832	\$2,961,839	\$993,839	\$1,799,069
<b>Total Revenues Less Expenditures</b>	\$482,554	-\$2,481,551	-\$268,839	-\$1,394,471
<b>Ending Fund Balance</b>	\$482,554	\$1,018,093	\$3,230,805	\$1,836,334

- Restricted revenues
- Budget includes three projects totaling \$1.8M

# Sewer Capital Fund (67)

## Comprehensive Fund Summary ^

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	\$6,494,238	\$7,784,935	\$7,784,935	\$7,127,485
<b>Revenues</b>				
<b>Total Revenues</b>	\$5,217	\$4,000,000	\$3,451,000	\$1,421,000
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$7,004,876	\$8,825,000	\$4,108,450	\$570,500
<b>Total Revenues Less Expenditures</b>	-\$6,999,659	-\$4,825,000	-\$657,450	\$850,500
<b>Ending Fund Balance</b>	-\$505,421	\$2,959,935	\$7,127,485	\$7,977,985

- Fund 67 used to account for all Sewer capital projects funded via general sewer rate revenue transferred from Fund 52.
- Budget includes two projects totaling \$571K.

# Storm Water Utility Funds



# Storm Water Operating Fund (54)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$763,946	\$763,946	\$290,878
<b>Revenues</b>				
<b>Total Revenues</b>	\$1,203,691	\$1,164,482	\$1,463,972	\$1,319,000
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$782,800	\$1,393,764	\$1,937,040	\$1,416,043
<b>Total Revenues Less Expenditures</b>	\$420,891	-\$229,282	-\$473,068	-\$97,043
<b>Ending Fund Balance</b>	\$420,891	\$534,664	\$290,878	\$193,835

- Revenues reflect Zions Bank rate study recommendations.
- Retained earnings (reserves) drawn strategically to support capital improvements
- FY '27 budget includes a transfer to CIP fund.

# North Village Storm Water Impact Fee Fund (60)

## Comprehensive Fund Summary <sup>^</sup>

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$1,125,539	\$1,125,539	\$2,090,539
<b>Revenues</b>				
<b>Total Revenues</b>	\$884,545	\$498,650	\$965,000	\$1,044,012
<b>Expenditures</b>				
<b>Total Expenditures</b>	-	\$1,957,666	-	\$3,098,200
<b>Total Revenues Less Expenditures</b>	\$884,545	-\$1,459,016	\$965,000	-\$2,054,188
<b>Ending Fund Balance</b>	\$884,545	-\$333,477	\$2,090,539	\$36,351

- New Fund in FY '24.
- Fund 60 accounts for North Village Impact Fees which is considered a restricted revenue source. The fees can only be spent on North Village capital projects included in the North Village Capital Facilities Plan.
- All costs tied to developer reimbursements.

# Storm Water Capital Fund (68)

## Comprehensive Fund Summary ^

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	-\$225,460	-\$225,460	\$727,390
<b>Revenues</b>				
<b>Total Revenues</b>	\$726	\$10,000	\$984,000	\$220,000
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$293,641	\$5,000	\$31,150	\$177,500
<b>Total Revenues Less Expenditures</b>	-\$292,915	\$5,000	\$952,850	\$42,500
<b>Ending Fund Balance</b>	-\$292,915	-\$220,460	\$727,390	\$769,890

- Fund 68 used to account for all Storm Water capital projects funded via general Storm Water rate revenue transferred from Fund 54.
- Budget includes two projects totaling \$178K.

# Pressurized Irrigation Funds



# Pressurized Irrigation Operating Fund (55)

Comprehensive Fund Summary ^

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	-\$897,966	-\$897,966	\$480,016
<b>Revenues</b>				
<b>Total Revenues</b>	\$5,185,208	\$3,385,900	\$6,412,516	\$2,148,093
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$904,200	\$4,480,559	\$5,034,534	\$2,539,543
<b>Total Revenues Less Expenditures</b>	\$4,281,008	-\$1,094,659	\$1,377,982	-\$391,450
<b>Ending Fund Balance</b>	\$4,281,008	-\$1,992,625	\$480,016	\$88,566

- Revenues reflect Zions Bank rate study recommendations of 0%
- Retained earnings (reserves) drawn strategically to support capital improvements
- FY '27 budget includes a transfer to CIP fund.

# Pressurized Irrigation Impact Fee Fund (58)

## Comprehensive Fund Summary ^

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$1,320,118	\$1,320,118	\$1,501,821
<b>Revenues</b>				
<b>Total Revenues</b>	\$221,279	\$258,941	\$208,000	\$252,683
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$522,536	\$381,597	\$26,297	\$572,293
<b>Total Revenues Less Expenditures</b>	-\$301,257	-\$122,656	\$181,703	-\$319,610
<b>Ending Fund Balance</b>	-\$301,257	\$1,197,462	\$1,501,821	\$1,182,211

- Restricted revenues
- Budget includes three projects totaling \$571K

# Pressurized Irrigation Capital Fund (69)

## Comprehensive Fund Summary [^](#)

Category	FY 2025 Actuals	FY2026 Budgeted	FY 2026 Projected	FY 2027 Budgeted
<b>Beginning Fund Balance</b>	-	\$2,738,029	\$2,738,029	\$1,135,329
<b>Revenues</b>				
<b>Total Revenues</b>	\$436	\$3,100,000	\$4,087,000	\$1,497,000
<b>Expenditures</b>				
<b>Total Expenditures</b>	\$4,550,953	\$4,082,999	\$5,689,700	\$1,343,500
<b>Total Revenues Less Expenditures</b>	-\$4,550,517	-\$982,999	-\$1,602,700	\$153,500
<b>Ending Fund Balance</b>	-\$4,550,517	\$1,755,030	\$1,135,329	\$1,288,829

- Fund 69 used to account for all Pressurized Irrigation capital projects funded via general Pressurized Irrigation rate revenue transferred from Fund 55.
- Budget includes six projects totaling \$1.3M.



# Capital Improvement Program

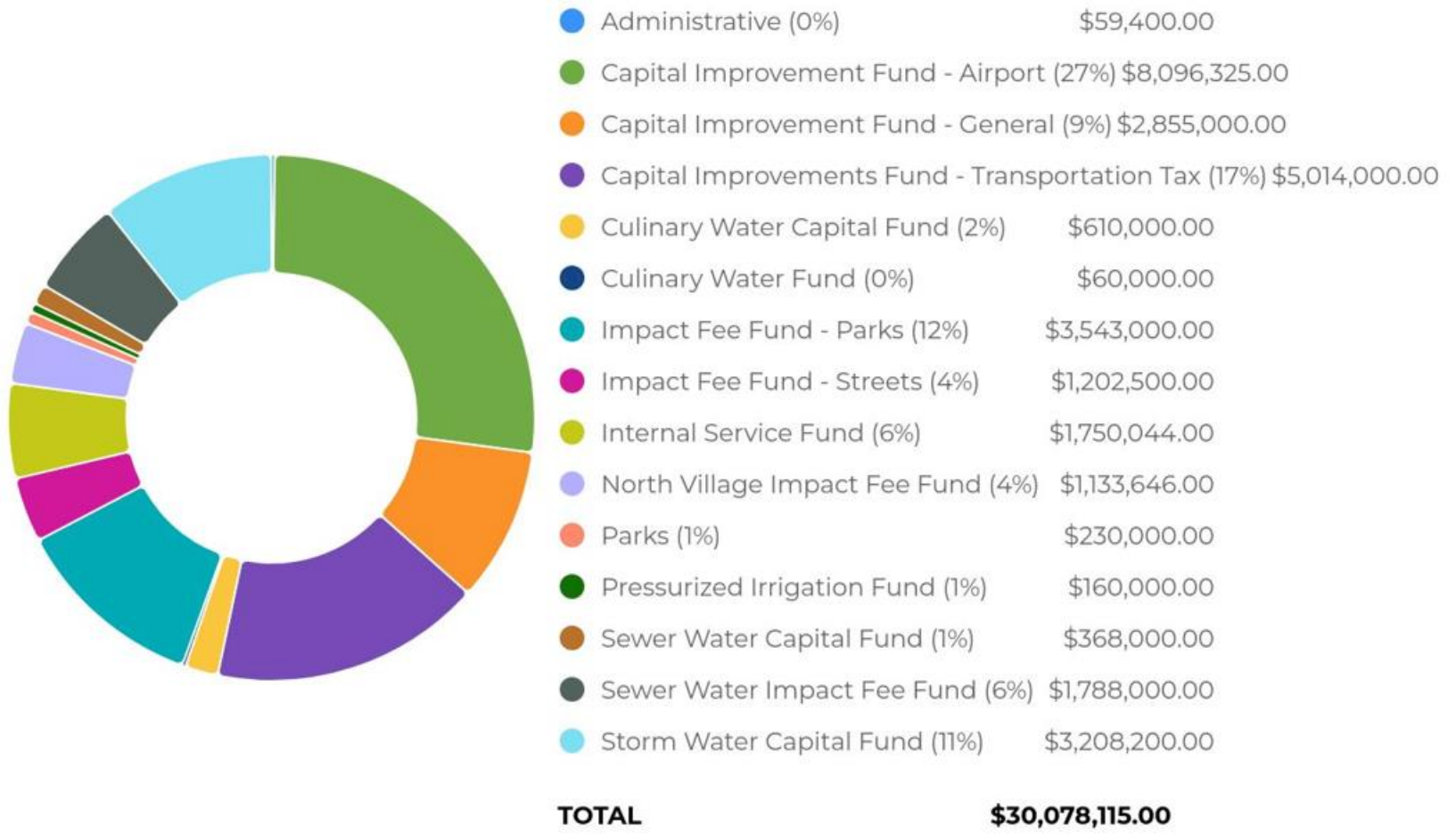
## Part 3

154,568	95,054	124,500
56,845	97,511	125,000
110,000	99,011	154,000
150,000	99,216	95,000
35,000	101,090	154,200
83,000	101,684	110,000
45,000	101,962	89,000
	102,747	50,000
	1006	68,7
		123

<u>Fund</u>	<u>Name</u>	<u>Primary Source of Funding</u>
10	General Fund (GF)	General revenues
41	Airport Capital Improvement Fund	Transfer from Airport Operating Fund
42	Capital Improvement Fund	Transfer from GF
46	Streets Impact Fee Fund	Impact Fees
47	Parks Impact Fee Fund	Impact Fees
48	Transportation Capital Fund	Transportation Tax
49	Class "C" Roads Fund	Class "C" Roads Tax
44	CRA 2020 Fund	TIF
56	Culinary Water Impact Fund	Impact Fees
57	Sewer Impact Fund	Impact Fees
58	Pressurized Irrigation Impact	Impact Fees
61	Internal Service Fund	Renewal & Replacement
66	Culinary Water Capital	Fee for Service
67	Sewer Capital	Fee for Service
68	Storm Water Capital	Fee for Service
69	Pressurized Irrigation Capital	Fee for Service

# CIP Sources of Funding

# FY 27 Total Capital Funding Requested by Source



# Discussion

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& NEXT STEPS



Heber City Council  
***FY '27 Policy & Budget Priorities***  
**Established: 1/24/26; Adopted: 2/4/2026**

City Council (CC) Policy/Budget Priorities					
Priorities	Description/Strategy	Operationalizing Strategy	Target	Responsible	Status/Budget Instructions
Leadership Role in 2034 Olympic Games Planning	Assume leadership role in planning and leveraging 2034 Olympic Games for benefit of the community and to advance economic opportunities for Heber City	A)Initial opportunities include 1) locating Soldier Hollow parking closer to downtown; 2) host a “live site” at Heber City Park during the Games; 3) advance Heber Valley Corridor design and construction; and 4) transform Hwy 40 through downtown into a walkable, pedestrian friendly atmosphere; 5) improved walkability from back of event center, over railroad tracks, to HVR. 6) Create Council committee to represent Heber and lead initiative. B)Evaluate <del>Olympic</del> initiative to place <u>Olympic</u> art along rail trail <u>segment</u> located in Heber	<u>A) Ongoing</u> <u>B) Ongoing</u>	MB/CC	FY27: No outlay.
Execution of Envision Central Heber Initiative	Begin taking assertive and strategic actions to realize Envision Central Heber vision	<p><b><u>Main Street District (MSD)</u></b></p> <p><b>Trailhead Plaza Design and Construction (Main Street Park)</b></p> <ol style="list-style-type: none"> <li>Complete Terracon public outreach initiative as presented at Council’s January ’26 retreat.</li> <li>Adopt preferred Plaza design and phasing plan.</li> <li>Commence design.</li> <li>Complete phasing as funding resources permit.</li> </ol> <p><b>Parking</b></p> <ol style="list-style-type: none"> <li>Finalize downtown parking policy (in-lieu) and begin executing strategy for increasing parking opportunities in downtown area</li> <li>Leverage shared parking agreements in downtown area to increase parking opportunities.</li> </ol> <p><b>C-Street Pedestrian Alley</b></p> <ol style="list-style-type: none"> <li>Terracon completes their Brown Field grant work, including design of “C” street cross section—public outreach/framing info.</li> <li>Adopt policy to require redevelopment to recognize “final” C-street pedestrian avenue.</li> <li>Working with UDOT for pedestrian crossing concepts, to maximize safety, on Midway Lane between Hwy 40 and 100 W.</li> </ol> <p><b>Infrastructure</b></p> <ol style="list-style-type: none"> <li>Complete design for 100 W. for blocks between 500 N. and 600 S. Construction priority would focus on blocks between 100 N and 300 S.</li> <li>Develop strategy to bury power lines under “C” street.</li> <li>Mainstreet Enhancements: develop concept plan for Main Street enhancements. Transitioning to shovel ready plans to present to UDOT/Legislature for funding.</li> </ol>	<p><b>Plaza</b></p> <ol style="list-style-type: none"> <li>April ‘26</li> <li>April ‘26</li> <li>TBD</li> <li>TBD</li> </ol> <p><b>Parking</b></p> <ol style="list-style-type: none"> <li>Q4 ‘26</li> <li>Q4 ‘26</li> </ol> <p><b>C-Street</b></p> <ol style="list-style-type: none"> <li>Q2 ‘26</li> <li>Q2 ‘26</li> <li>Ongoing</li> </ol> <p><b>Infrastructure</b></p> <ol style="list-style-type: none"> <li>TBD</li> <li>TBD</li> <li>TBD</li> </ol>	<p><b>Plaza</b> Terracon/TK/ KS/CC</p> <p><b>Parking</b> MB/TK/CC</p> <p><b>C-Street</b> Terracon/TK/ RF</p> <p><b>Infrastructure</b> RF/CC</p>	<p><b>Trailhead Plaza</b></p> <ol style="list-style-type: none"> <li>Underway as of 1/26/26.</li> </ol> <p>FY27: TK includes outlay to complete design. Source: TAP Tax</p> <p><b>Parking</b></p> <p>FY27: No outlay. Work can be done in-house.</p> <p><b>C-Street</b></p> <ol style="list-style-type: none"> <li>Underway Jan. 26</li> </ol> <p>FY27: No outlay; complete FY’26</p> <p><b>Infrastructure</b></p> <ol style="list-style-type: none"> <li>Design Underway</li> <li>TBD</li> <li>Awarded Federal \$120k grant for Main Streety Transportation Safety Study. Currently entering into grant agreement.</li> </ol>

**City Council (CC) Policy/Budget Priorities**

Priorities	Description/Strategy	Operationalizing Strategy	Target	Responsible	Status/Budget Instructions
		<p><b>Funding</b></p> <ol style="list-style-type: none"> <li>Evaluate and seek all available funding opportunities to execute Envision Central Heber initiatives</li> </ol> <p><b>Property Acquisition</b></p> <ol style="list-style-type: none"> <li>Acquire strategic properties, through purchase, to advance Central Heber Vision. Priority property is County fire station property and key private parcels.</li> </ol> <p><b>Downtown Business Development</b></p> <ol style="list-style-type: none"> <li>Quantify current business mix and hours of operation in downtown area.</li> <li>Work with and educate property owners on Envision Central Heber initiative.</li> <li>Work to achieve 10/10/10 mix.</li> <li>Conduct market analysis.</li> </ol> <p><b>Fire Station Property Improvement</b></p> <ol style="list-style-type: none"> <li>Plan for exterior and internal improvements</li> <li>Develop and execute strategy to fill building with uses</li> </ol> <p><b>County Administration Parcel</b></p> <ol style="list-style-type: none"> <li>Partner with County to finalize design for parcel that's aligned with Envision Central Heber plan.</li> </ol> <p><b>Branding &amp; Promotion</b></p> <ol style="list-style-type: none"> <li>Finalize naming and branding for C-Street and park.</li> <li>Develop and implement promotion plans for downtown</li> </ol> <p><b>Transportation: Downtown Transit Links</b></p> <ol style="list-style-type: none"> <li>Evaluate transit stops in downtown area based on data.</li> </ol> <p><b>Arts &amp; Recreation District (ARD)</b></p> <ol style="list-style-type: none"> <li>Continue focused discussion with stakeholders to realize vision for area. Initial plan presented on 1/20/24. Wasatch County currently developing alternative plan.</li> </ol>	<p><b>Funding</b> Ongoing</p> <p><b>Property Acquisition</b> Q2'26</p> <p><b>Business Development</b> 1.Q3'26 2.Ongoing 3.Ongoing 4.FY'27</p> <p><b>Fire Station</b> 1.Q2 '26 2.ASAP after purchase</p> <p><b>County Parcel</b> TBD</p> <p><b>Branding</b> 1.Q2. '26 2. Q4 '26</p> <p><b>Transit</b> 1.TBD</p> <p><b>Art &amp; Rec. District</b> Ongoing</p>	<p><b>Funding</b> MS/NO</p> <p><b>Property</b> MB/CC</p> <p><b>Business</b> TK/CAMS/MB</p> <p><b>Fire Station</b> 1.TK 3.MB/TK/DK</p> <p><b>County Parcel</b> MB/CC</p> <p><b>Branding</b> RB MB/CC</p> <p><b>Transit</b> TK</p> <p><b>Art &amp; Rec.</b> MB/CC</p>	<p>FY27: 100 W construction commences in spring '27.</p> <p><b>Funding</b></p> <p><b>Property Acquisition</b> Wasatch County drafting a PSA. FY27: No outlay Purchase expected in FY'26. Utilize revenues from 4<sup>th</sup> amendment to Jordanelle Ridge Agreement.</p> <p><b>Business Development</b> <u>Verify with Dallin Kocher that his grant money can be leveraged for market analysis.</u></p> <p><b>Fire Station</b> FY27: Remodel cost estimates budgeted with CRA funds.</p> <p><b>County Parcel</b> FY27: No outlay expected until plan reviewed and approved.</p> <p><b>Branding &amp; Promotion</b> FY27: No outlay for branding. Include funding for promotion plan.</p> <p><b>Transit</b> FY27: No outlay-internal work.</p> <p><b>Arts &amp; Recreation District (ARD)</b> FY27: No outlay expected.</p>
Airport Compliance	Remain compliant with FAA grant assurances and settlement agreements	<ol style="list-style-type: none"> <li>OK3 Settlement compliance</li> <li>Master Plan Funding—Funding plan and execution</li> </ol>	<ol style="list-style-type: none"> <li>Ongoing</li> <li>ASAP</li> </ol>	TB/JC/CC	FY27: Fund expected legal and engineering costs.

City Council (CC) Policy/Budget Priorities					
Priorities	Description/Strategy	Operationalizing Strategy	Target	Responsible	Status/Budget Instructions
Heber Valley Arts Center	Continue support for Arts Center	1.Continue strong relationship with stakeholders—WCAC & Jordanelle Ridge 2. Outdoor Amphitheater---complete feasibility study and identify next steps.	1-Ongoing 2.April '26	CC/MB/JC	1-Ongoing 2-Expected to be done April '26 FY27-No outlay.
Dog in Park Policy	Review City's existing ordinance to allow for dogs in city parks with conditions.	1-Program a policy discussion with City Council regarding an amendment to the City's ordinance to allow dogs in city parks with conditions, such as leashes. 2-Provide for necessary signage, waste stations, and education.	1-Prior to summer '26 HMOM 2-Prior to HMOM	MS/MK/CC	FY27: No outlay. Internal work.
Dark Sky	Update policies to include 1) amortization for commercial and residential properties; 2) eliminate lights in soffits; 3) strengthen existing code; 4) enforcement; and 5) address existing non-compliant commercial lots. Include funding for street light retrofitting. Work with UDOT to eliminate unnecessary streetlights. Education program. Seek public feedback on dark sky initiatives, celebrate dark sky week, and seek dark sky certification.	1-Policies: Update existing policy to include council requested items. 2-Include funding in FY'27 budget for street light retrofitting. 3-Develop and execute game plans to eliminate un-necessary UDOT lights. 4-Establish and launch education program. 5-Identify desired feedback and preferred medium to collect dark sky feedback--then execute plan. Lay plans to celebrate dark sky week beginning in '26 and achieve dark sky certification in subsequent year.	1-Q2 '26 2-Q2 '26 3-Q2 '26 4-Q2 '26 5-Q2 '26 survey & celebration. Q2 '27 certification.	1)TK 2)MK 3)MK 4)RB 5)MS/LM	FY27: Outlay dependent on available revenue sources. <u>Expect costs to be in FY '26 budget.</u>
Transportation Infrastructure	Program, design, fund, and construction of transportation infrastructure improvements presented by RF at Council's annual retreat held in January '26.	Begin process of prioritizing and budgeting for presented improvements.	TBD	RF	FY27: Outlay will be determined during budget development process.
Gateway/Park/Way Finding Signs	Finalize and implement plans for gateway, park, and wayfinding signs.	1-Finalize designs for gateway/park/way findings signs. 2-Implement designs	1.Q2'26 2.FY'27	RB/MK	FY27: Outlay for 1 sign.
Affordable Housing Plan	Move the needle on developing and realizing affordable housing in Heber community.	1-Affordability Ideas A) Negotiate greater affordability with new MDAs (80% AMI to 120% to 60% AMI) B) Explore City owned land opportunities, swapping land, use of County and/or District property for AH C) Affordable Housing University D) Consider code alternatives, such as STR moratorium in downtown area; limit institutional investors; limits on application fees; yard maintenance costs, slumlord penalty, etc. E) Complete Needs Assessment while seeking input and partnership with County.	A-Ongoing B-Ongoing C-Commence Q2 '26 D-Q3 '26 E.O2 '26	TK/MB/JC/CC	FY27: No outlay. Inhouse work.
Historic Preservation	Establish a Historic Preservation District in downtown area	1-Identify district boundary 2-Draft historic district policy	1.Q4'26 2.Q4'26	TK	Underway: Historic building inventory to commence Spring '26. FY27: No Outlay. Inhouse work.
Community Reinvestment Agency (CRA)	Establishment of one or more interlocal agreements with WCSD and WC	Remain in holding pattern until work on County administration parcel project is completed and New London (Richie) development group finishes lobbying WCSD.	Hold	MC/CC	
Targeted Tax Relief	Assess ways to reduce property tax burden on homeowners in Heber City matching Wasatch County's current program requirements.	1-Access alternatives and present to Council at the annual budget workshops.	1-Completed in conjunction with FY '27 budget.	SN	FY27: Project decrease in general fund revenue.

**Heber City Council**  
**2026 Strategic Retreat Action Register**

Execution Strategy					
Action Item	Description	CC	Target	Responsible	Status/Budget Instructions
Meeting Efficiency	Identify tools, training, and/or rules for improving council meeting efficiency.	All	ASAP	MB/JC/CC	
Staffing Needs/Consultant Utilization/Expansion Space/Organization Chart	<p><b>Staffing</b> 1.Evaluat FY '27 staffing requests with respect to available funding. Include as part of budget workshop presentations alternatives for funding staffing requests.</p> <p><b>Consultants</b> 1. Create a summary sheet(s) to itemize current use of consultants, outsourcing and partnerships. Intent of summary sheet is to evaluate whether cost savings and other advantages could be achieved hiring staff to do the same work. Basic data to include firm name, scope of work, hours of work, amount paid annually, etc. Summary sheet to be presented in April/May budget workshops</p> <p><b>Expansion Space</b> 1.Complete research on court consolidation alternatives. Research to include utility of court space and HL&amp;P building. Decision on HL&amp;P building future not to be made until staffing, consultant and expansion space research and work is completed and presented to the city council.</p> <p><b>Organization Charts</b> 1.Provide organization charts as part of budget workshops.</p>	All	Findings to be presented in conjunction with FY '27 budget workshops.	Staffing 1.MBSN Consultants 1.LEAD/MB/SN Expansion Space 1.PS/MB Organization Charts 1.MB	
Parks	<p>Muirfield Park 1.Identify capital stack for completing project—part in FY '26 and FY '27. 2.Bid, award, and construct in current calendar year. POSTT 1.Seek feedback from POSTT on list of initiatives/concerns/opportunities discussed during day two of retreat. Red Ledges 1.Arrange for a Red Ledges representative to update City Council on status of final trail obligations.</p>	All	Muirfield Bid release in early spring '26. POSTT: Q2 '26 Red Ledges: Q2 '26	RF/MB/SN	Construction plans at 90% Split project costs between FY '26 and FY '27.
City Property Maintenance	Develop and execute plans to “better” maintain city owned properties, specifically plants, weeding and litter maintenance.	Mike	'26 Summer growing season	MK	Strategy is already in development. Staffing request included in FY'27.
City Lobbyist	Lobbyist report to Council. On going two-way communication.	All	ASAP	MB	FY'27: Eliminate outlay.
N. Village Preservation Fee	1.Present to City Council alternatives for N. Village Preservation Fee 2.Adopt policy for outlay of fees.	All	Q3 '26 Q3 '26	TK	FY27: No outlay.
America 250	Design and execute plans for establishing an America 250 memorial in Muirfield Park	All	Before July '26	MB/MK	FY27: No outlay. Current FY cost
Business Documentation	Business processes are documented to ensure ease of employee transitions.	Cheatwood	Q3'26		FY27: No outlay. Inhouse work.
Inflationary Tax Increase	Consider annual inflationary tax increase.	All	FY '27 Budget	SN	FY27: Will conduct assessment
Economic Development	Coordinate with Dallin Kocher for an Economic Development Report to city council.	Cheatwood	Q2 '26	MB	FY27: No outlay
Recycling	Improve Heber City organization’s recycling ethic—at public gathering places, buildings, etc.	All	Q3'26	MS/MK	FY27: Include funding for containers at major city parks/facilities.
AAB Bylaws	Review proposed bylaw changes with a subcommittee of council, staff and AAB members.		Q3'26	TB/JC	FY27: No outlay

**1. What changed in state law?**

Recent legislation limits cities' ability to use broad "general fees" for public safety (police, fire, EMS).

→ Non-compliant fees must be repealed in the coming years.

**2. What is a Transportation Utility Fee (TUF)?**

A usage-based fee that treats the road system like a utility

→ Funds maintenance, operations, and improvements

**3. How is a TUF different from a tax?**

Fee is tied to use or benefit

Tax funds general government services

→ This distinction matters legally and may affect voter requirements.

**4. Is there legal risk?**

Yes. Utah courts are currently evaluating whether TUFs function as taxes.

→ This creates potential legal and implementation risk.

**5. Who pays?**

Residents and businesses based on estimated system use.

→ Higher-use properties typically pay more.

**6. Can the City implement this immediately?**

No. Required steps include:

- Study demonstrating nexus us
- Public notice and hearing
- Ordinance adoption

→ Estimated timeline: 6-12 months

**7. Can revenue be used for anything else?**

No. Funds must be restricted to transportation purposes only.

**8. How does this compare to impact fees?**

Impact fees are one-time and development-based  
TUFs are ongoing and have a broader use base

→ TUF supports long-term maintenance, not just new growth

### **9. Could this go to a public vote?**

Yes.

→ Subject to referendum

→ May require voter approval if treated as a tax

### **10. What happens if we do nothing?**

The City continues relying on impact fees and general fund.

→ Risk: increasing strain as infrastructure needs grow.

### **Recommended next step:**

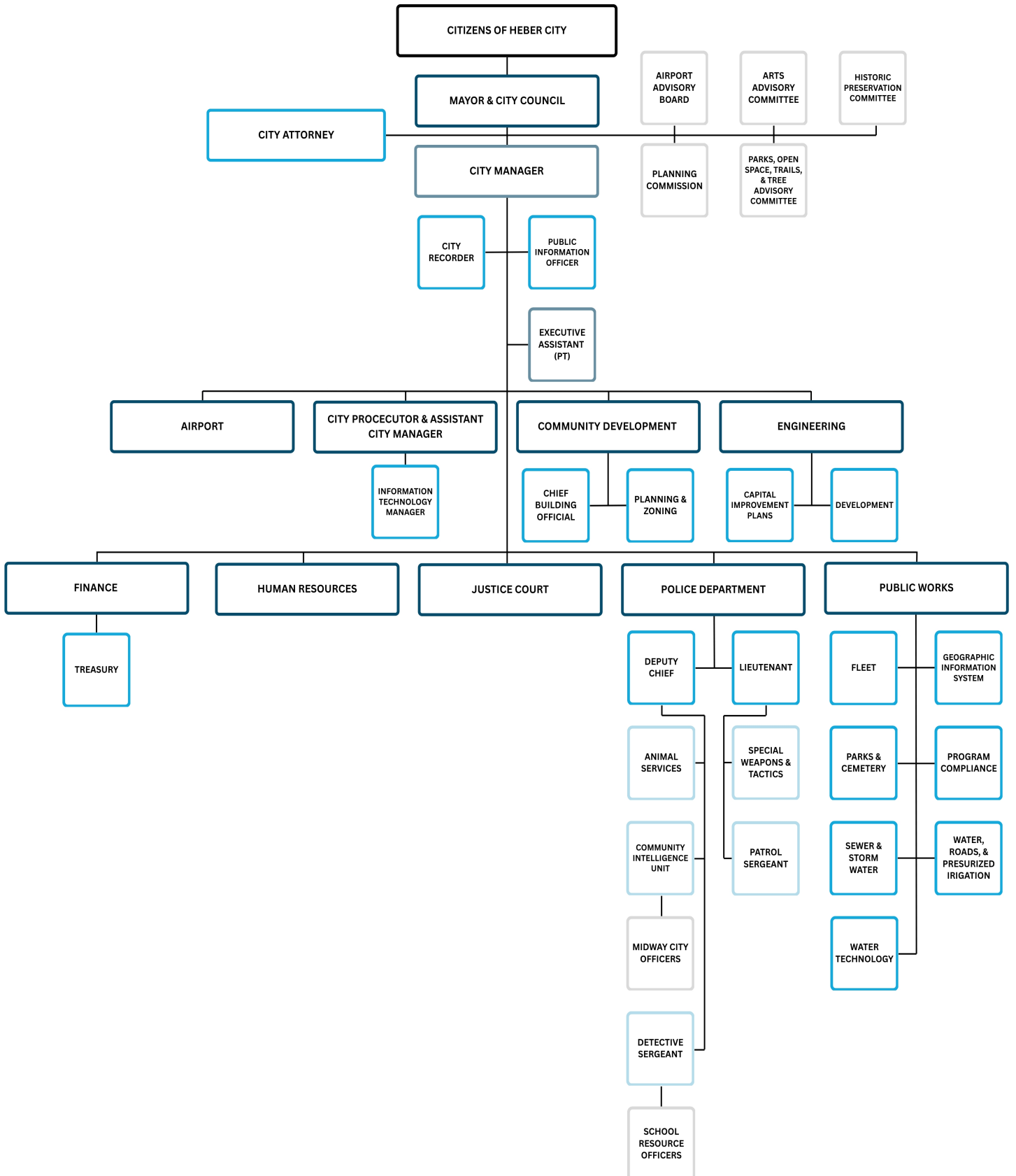
→ Conduct a feasibility and legal analysis before making any policy decisions.

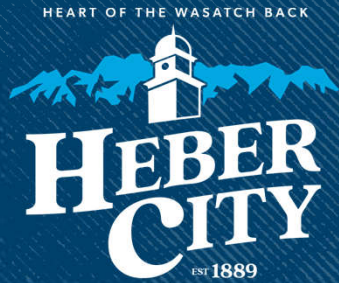
### **Bottom Line**

→ Funding needs are increasing

→ Traditional tools are being restricted

→ TUF is a viable but complex option





# Court Consolidation & HL&P Building: Next Steps

Justice Courts / Heber Light and Power Discussion

05/06/2026

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# Why are we having this discussion?

- Look at operational efficiency. (Court, Clerk, Security)
- Possible cost savings?
- Improved service to public.
- Staffing stability and resilience.
- Space needs for the City.
- Improved parking in the downtown.
- Strategic future needs of the City.
- Long term planning decision, not just a budget move.

# WHAT IS THE HEBER CITY JUSTICE COURT?

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Locally established and funded

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Handle class B and C Misdemeanors

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Violations of Ordinances

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Small Claims

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Traffic offenses

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Of incidents that occur within Heber City Limits



# WHY DO WE HAVE A JUSTICE COURT



Local Access to Justice



Efficiency and Judicial Economy



Support for local governance



Local Control and Accountability



Cost effective Service Delivery



State Oversight and Due Process

# Heber City Court

- Current Court Staff
  - P/T Judge, supervisor, clerk, part-time clerk, p/t prosecutor, p/t prosecutor assistant, bailiffs
- Court hours; Mon-Thursday 7:30am-5:00pm, Friday 8:00am-12:00pm
- Every third Thursday of the month is court which sometimes overflows to Friday for Spanish speakers.

# Consolidated Court

- Current Court Staff
  - F/T Judge, supervisor, 4-Judicial Assistants, 2-prosecutors, Bailiffs
- Court hours; Mon-Friday 8:00am-5:00pm
- Court Mon-Tues, 3 times month.



# JUSTICE COURT CONSOLIDATION COSTS

Current Heber City Justice Court Cost	Wasatch County Courts Proposed Costs
<u>For 2025 budgeted</u> \$619,680.00	<u>Prosecuting Attorney</u> \$191,768
<u>Revenue of approx.</u> \$523,509.00	<u>Court Clerks X 2</u> \$177,846.12
<u>Currently operates at a deficit of approx.</u> \$100,000.00	<u>Incremental Judge Increase 40%</u> 99,472.32
	<u>Overhead</u> \$23,454.32
	TOTAL \$492,540.77



# JUSTICE COURT CONSOLIDATION

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The two clerks would be given the opportunity to move to Wasatch County and with a larger staff which will allow more flexibility.

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Heber City Justice court could operate in the black, better use of limited resources.

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The City would retain the space for future needs, better use of existing space and the Counties new building.

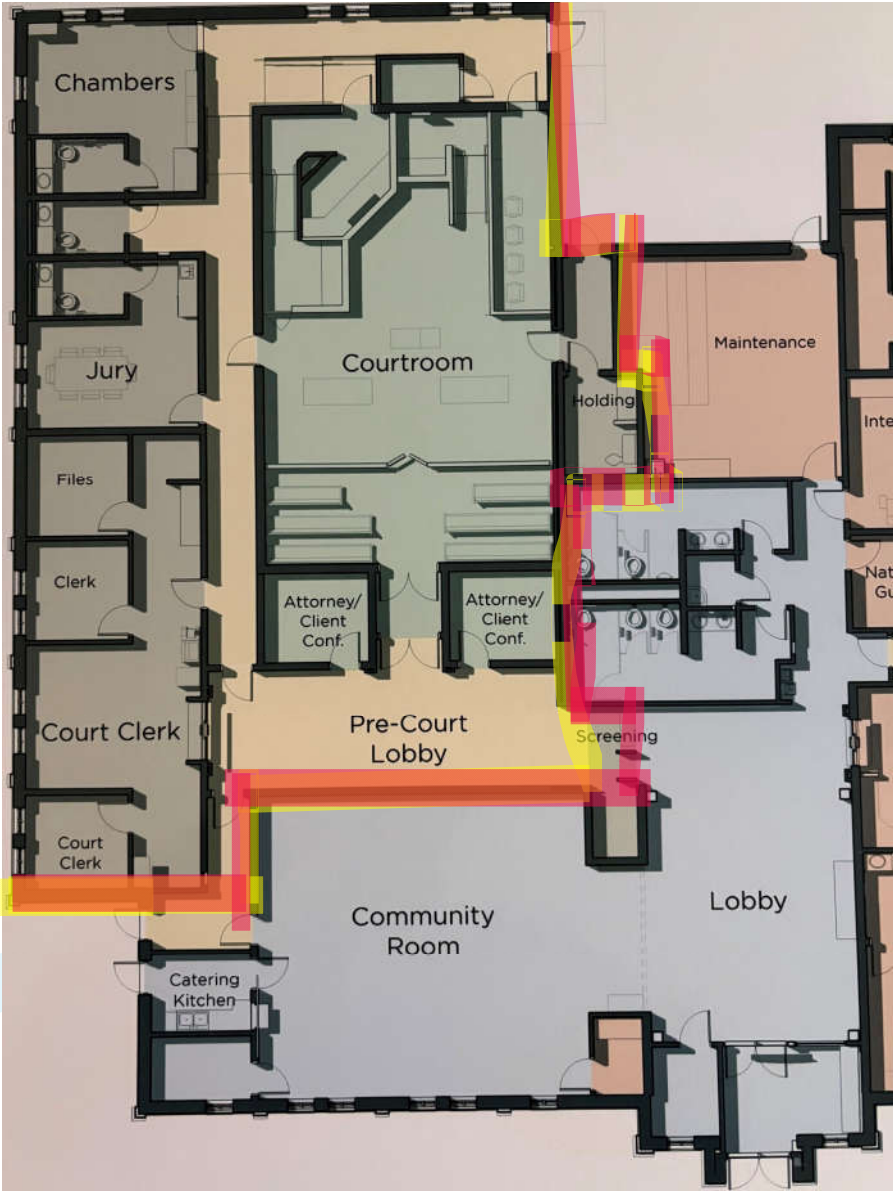
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The public would be able to be serviced at one stop location for any court matter. No jurisdiction confusion.

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Larger consolidated court , will result in more consistency in rulings and more experience in case handling.

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# Current Heber Court Layout

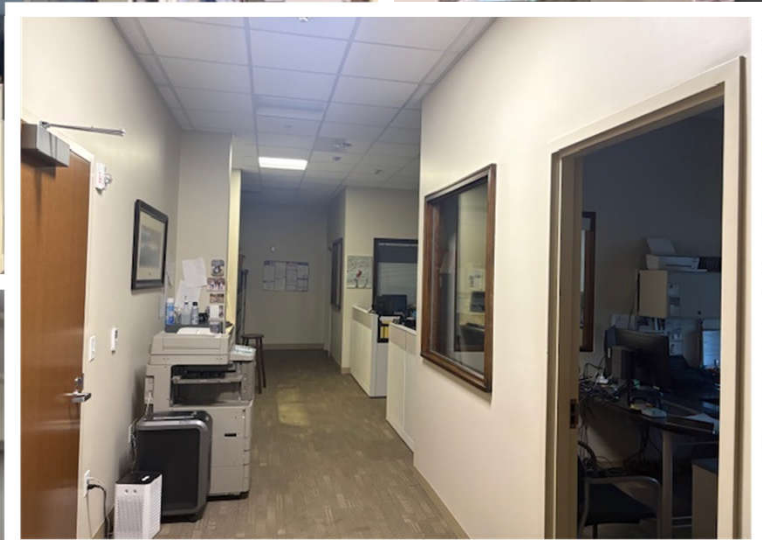
Court Room

Chambers

Jury Room

3 clerk offices





# WHERE ARE WE AT IN THE PROCESS?



We have contacted the County to see if there is interest



We have distributed a sample MOU



County has provided a sample budget



# Justice Court Direction

- Does Council wish to pursue a Interlocal agreement with Wasatch County for Justice Court Consolidation?
- If Yes, Does council have thoughts on the use of the space?
  - We could return with ideas for the use of the space.



# Heber Light and Power Building



# Purpose for Purchase

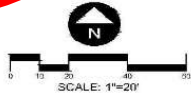
Original purchase idea was to add to  
Downtown Parking

# Downtown Parking



**Heber City**  
Parking Lot Study

**Development Data:**  
**Parking:**  
126 Stalls

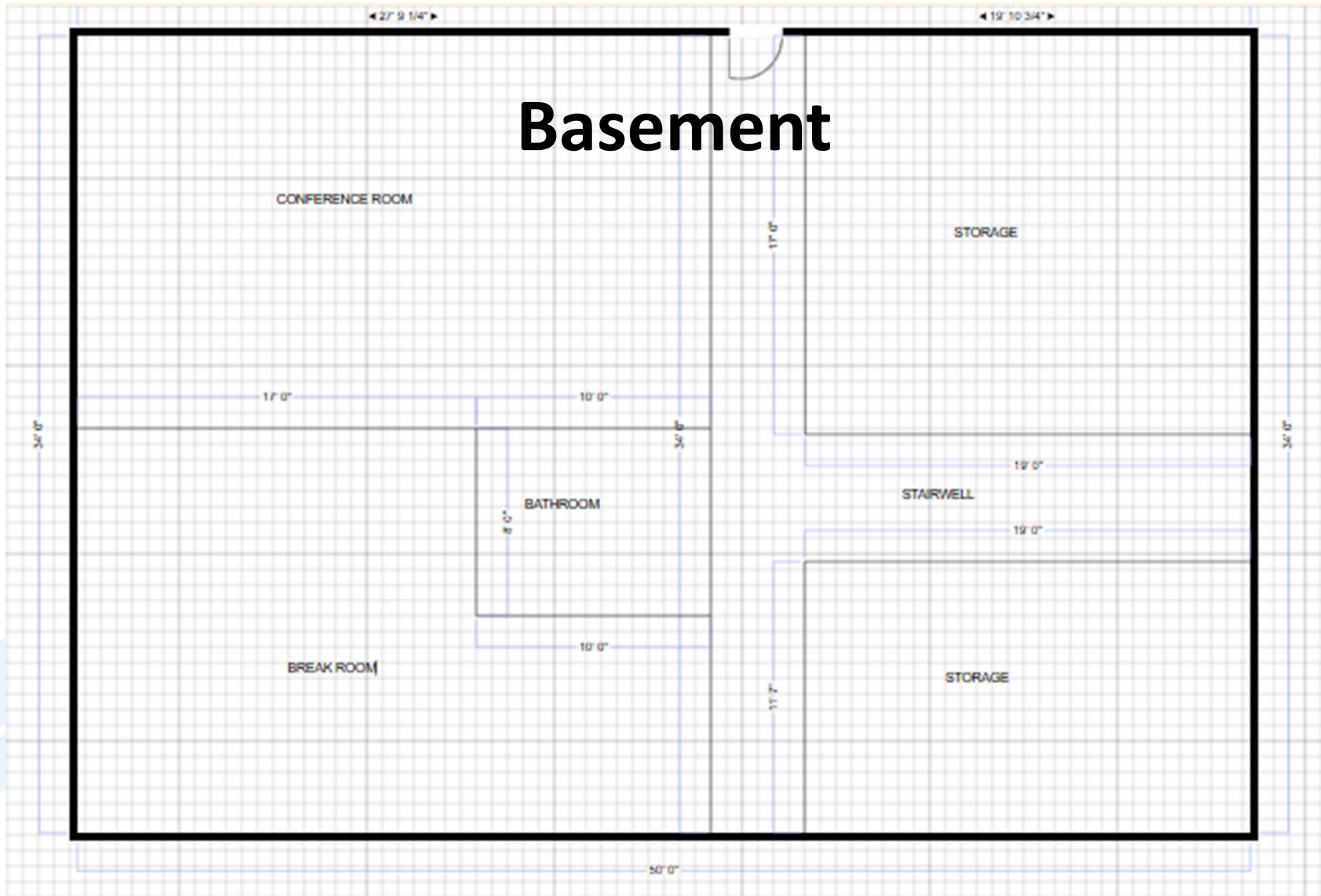


# Heber Light and Power Building Observations

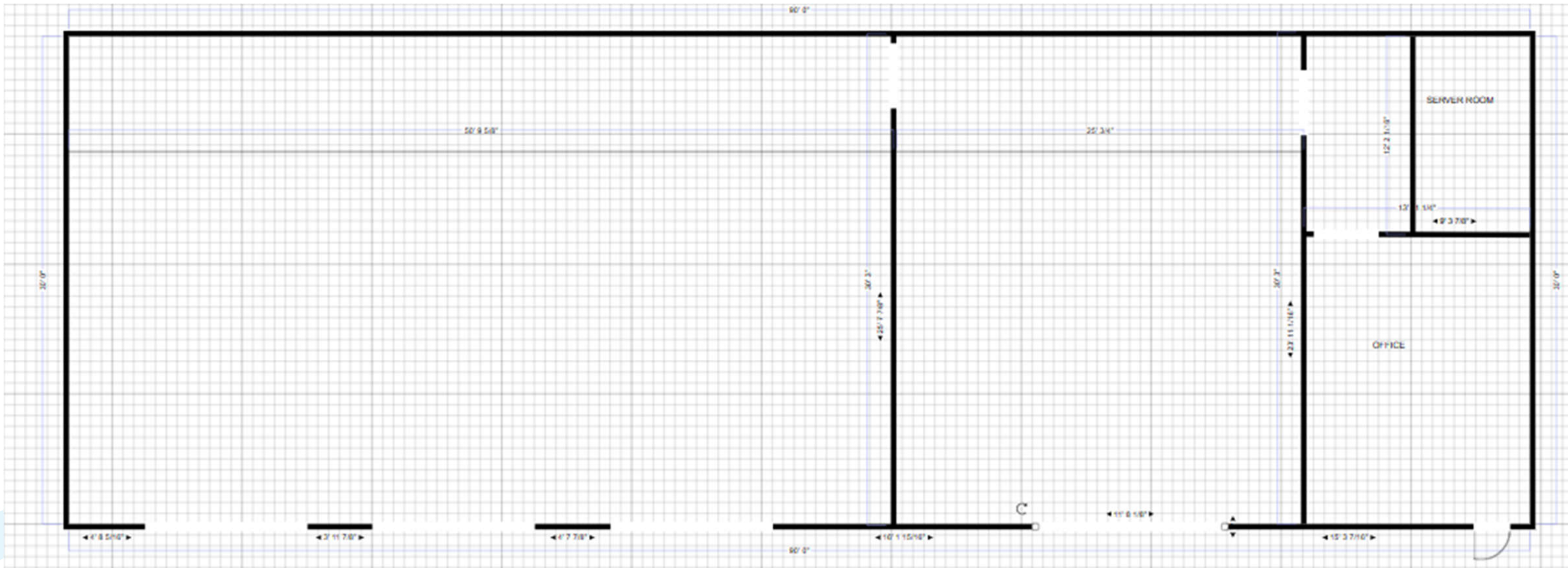
- Older building and appears to be a residence converted to commercial use.
- Building has been kept in good condition.
- Building is all electric has no gas to it.
- Building does have communication fiber to it and connects to a few locations.
- Garage in the back is mostly usable as vehicle storage. It does have a “rough” office that they use for IT.
- Building does not flow very well, due to it being a residence. To get to some locations you must go through other offices.



# Basement



# Garage



# Heber Light & Power Direction

- What does council wish to do with this building?
  - Retain building or remove
  - Retain garage or remove
- If retain what would the use be?
- If remove is there a timetable for removal?
- Is there a reason to keep for a period of time?