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

August 5, 2026

7:00 p.m. Special Meeting
TRUTH IN TAXATION

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

I. REGULAR MEETING - 7:00 P.M.

1. Call to Order (Heidi Franco, Mayor)

II. PUBLIC HEARING:

1. Finance Director Statement of Proposed Property Tax Increase and Presentation of the Proposed Property Tax Impact Schedule (Sara Nagel, Finance Manager) - *10 min*

2. Public Hearing for the Public to Provide Feedback on Heber City's Consideration to Levy a Tax Rate that Exceeds the Certified Tax Rate (Sara Nagel, Finance Manager)

3. Council to Make an Announcement at the Public Hearing that Heber City Will Consider the Adoption of a Property Tax Increase on Tuesday, August 18, 2026

III. 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 July 30, 2026, in the Heber City Municipal Building located at 75 North Main, the Heber City Website at www.heberut.gov, and on the Utah Public Notice Website at http://pmn.utah.gov.

Heber City Council Staff Report

MEETING DATE: 8/5/2026

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:

SUMMARY

The following is direction from the Utah State Tax Commission (USTC) regarding their interpretation of the Truth in Taxation provisions that were created by HB 236.

- At every public meeting and public hearing where the budget is discussed from the first meeting in May until final budget adoption before September 1st:
  - The property tax impact schedule should be included as a separate item on the meeting or hearing agenda (except for the August hearing- allowable agenda items are specifically outlined in 59-2-919(8)(b)(i)(B))
  - Printed copies of the property tax impact schedule should be made available to the public at the meeting or hearing.
- At the first meeting in May and any public hearing on the budget before June 30th:
  - The property tax impact schedule must be presented to the public in addition to meeting the requirements listed above.
- The property tax impact schedule should be available on your entity's website from the first meeting in May until final budget adoption.

The City is following all USTC recommendations.

RECOMMENDATION

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.

The presentation of the property tax impact statement requirement was satisfied during the May 5, 2026 City Council meeting.

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.

ACCOUNTABILITY

Department: Finance
Staff member: Sara Nagel, Finance Manager

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		0.00077
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 Heber City's Property Tax Revenue		5.20%
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 Tax Change	Budget Change
Legislative	$ 275,700	$ 272,940	$ 2,760

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

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

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

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

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

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

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

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

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

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

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

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

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

Affected Department	Proposed Budget	Budget without Tax 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

EST 1889

Heber City
FY 2027
Truth in Taxation

Public Hearing
August 5, 2026

Date

Truth in Taxation 101

https://www.heberut.gov/515/Learn-about-your-property-taxes

Property Tax Allocation (2025)

WASATCH SCHOOL DISTRICT 67.08%

WASATCH COUNTY 11.93%

HEBER 8.26%

FIRE PROTECTION 4.43% | CENTRAL UT CONSERVANCY DISTRICT 4.29%

COUNTY PARK AND RECREATION 1.69% | LIBRARY 1.26% | OTHER 1.06%

Your Property Tax at work

HEBER CITY

EVERY PROPERTY TAX DOLLAR HELPS SUPPORT ESSENTIAL COMMUNITY SERVICES

Where Do My Heber City Taxes Go?
$360
(BASED ON 2025 TAX RATE OF 0.077% ON AN $850,000 PRIMARY RESIDENT)
HEBER CITY
PLANNING $11
ADMINISTRATION $63
COURT SYSTEM $10
ENGINEERING $7
POLICE $173
ANIMAL CONTROL $10
PARKS/ CEMETERY $40
CITY COUNCIL $8
STREETS $38

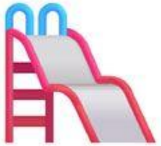
What You Receive in Return

PROPERTY TAX INVESTMENT

HEBER CITY

- SAFE NEIGHBORHOODS
- EMERGENCY RESPONSE
- MAINTAINED ROADS
- CEMETERY MAINTENANCE
- PARKS & RECREATION
- COMMUNITY GATHERING SPACES

Just like a home requires ongoing maintenance, so does a community.

HOME MAINTENANCE	 ROOF	 LAWN CARE	 HOME SECURITY
COMMUNITY MAINTENANCE	 ROADS	 PARKS	 POLICE & FIRE

Truth in Taxation 101 Videos.

How Is My Property Value Determined (1:30):
https://youtu.be/DoBPraiB9Ag?si=vvemk2poZchRraCf

Truth in Taxation Part I (1:18):
https://youtu.be/ZWrqmq_-YOA?si=nBNvBXLdV53Xr7fj

Truth in Taxation Part II (1:24):
https://youtu.be/lyTKX0ba-5M?si=vRWWE-RXui08xF5H

Why Might Cities or Towns Need More Revenue (1:26):
https://www.youtube.com/watch?v=WjaJLutHh3s&list=PLAkrPwEaOjQYn2M5wdaq_MTkT4Q60QNxZ&index=3

HEBER CITY

Why 4.8%?

1. Inflation. The combined inflation over the past two years is approximately 5.2%
2. To maintain purchasing power on the City's most stable source of revenue.
3. To mitigate the City's reliance on sales tax revenue.

Truth in Taxation Impact Schedule

Go to heberut.gov to find a copy of the full impact schedule.

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.

Heber City Tax Revenue Comparison

Property Tax Revenue		
	Tax Rate	FY25 Budget
Certified Revenue	0.000751	$3,626,863
Proposed Revenue	0.000787	$3,800,863
Proposed Revenue Increase		$174,000

TNT Notice for 4.8% budget increase

NOTICE OF PROPOSED TAX INCREASE
HEBER CITY

The HEBER CITY is proposing to increase its property tax revenue.

The HEBER CITY tax on a $451,000 residence would increase from $186.29 to $195.22, which is $8.93 per year.

The HEBER CITY tax on a $451,000 business would increase from $338.70 to $354.94, which is $16.24 per year.

If the proposed budget is approved, HEBER CITY would receive an additional $174,000 in property tax revenue per year as a result of the tax increase. If the proposed budget is approved, HEBER CITY would increase its property tax budgeted revenue by 4.77% above last year's property tax budgeted revenue excluding eligible new growth.

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

Property Value Comparison

Property Value $850,000		
	Tax Rate	Taxes
Certified Rate	0.000751	$351.09
Proposed	0.000787	$367.92
Annual Increase		$16.83
Monthly Increase		$1.40

Business Value $850,000		
	Tax Rate	Taxes
Certified Rate	0.000751	$638.35
Proposed	0.000787	$668.95
Annual Increase		$30.60
Monthly Increase		$2.55

Property Value $451,000		
	Tax Rate	Taxes
Certified Rate	0.000751	$186.29
Proposed	0.000787	$195.22
Annual Increase		$8.93
Monthly Increase		$0.74

Business Value $451,000		
	Tax Rate	Taxes
Certified Rate	0.000751	$338.70
Proposed	0.000787	$354.94
Annual Increase		$16.24
Monthly Increase		$1.35

HEBER CITY

Some Perspective on the Annual Increase

1. One movie ticket - $16.00
2. One burrito lunch - $16.00
3. Once a month soda shop trip - $25.00
4. One large pizza - $20.00
5. One-month standard streaming subscription - $20.00

HEBER CITY

What You Receive in Return

PROPERTY TAX INVESTMENT

HEBER CITY

- SAFE NEIGHBORHOODS
- EMERGENCY RESPONSE
- MAINTAINED ROADS
- CEMETERY MAINTENANCE
- PARKS & RECREATION
- COMMUNITY GATHERING SPACES

How Budget Decisions Affect Your Property Taxes

TENTATIVE BUDGET

City identifies service and infrastructure needs.

BUDGET WORKSHOPS

City leaders review budget proposals, discuss priorities, and evaluate funding options.

PUBLIC HEARING & FEEDBACK

Residents review information and provide input.

BUDGET ADOPTION

The final budget is approved, establishing how public funds will be invested in city services and projects.

TRANSPARENT BUDGETING HELPS RESIDENTS UNDERSTAND HOW PUBLIC FUNDS ARE USED AND HOW PROPOSED TAX CHANGES MAY IMPACT THE COMMUNITY.

Some Things to Keep in Mind

1. Comparing tax rates from city to city isn't necessarily helpful.
2. Even though our next-door neighbors are not going through truth in taxation, many entities across the state are.
3. The State Legislature was hyper focused on Property Tax law. Why?

WASATCH COUNTY NOTICE OF PROPOSED TAX INCREASE

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

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

Entities Proposing a Tax Increase	Average Market Value	If approved, tax will increase	From:	To:	Additional Ad Valorum Tax Revenue	% Increase if Proposed Tax Increase is Approved	Public hearing information Date/Time	Location	Phone:
HEBER CITY	$451,000	**Residential:**	**$186.29**	**$195.22**	$174,000	4.77%	Aug 05,2026 7:00 p.m.	75 N Main Street Heber City	435-657-7956
		Commercial:	**$338.70**	**$354.94**					
INTERLAKEN TOWN	$723,000	**Residential:**	**$810.01**	**$838.64**	$6,955	3.54%	Aug 04,2026 6:00 PM	326 Luzern Rd. Midway	435-565-3812
		Commercial:	**$1,472.75**	**$1,524.81**					
CENTRAL UTAH WATER CONSERVANCY	$800,000	**Residential:**	**$173.36**	**$176.00**	$120,012	5.02%	Aug 25,2026 6:00 P.M.	1426 E 750 N Orem, Utah 84097	801-226-7100
		Commercial:	**$315.20**	**$320.00**					

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

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

Tax Rate Increase Advertisement Requirements

The advertisement shall be published be published **at least two weeks before any of the entity's public hearings** in the following locations:

1) Electronically in accordance with Section 45-1-101 **www.utahlegals.com**

2) On the Utah Public Notice Website under Section 63A-16-601 **www.utah.gov/pmn/**

3) As a Class A notice under Section 63G-30-102.

4) If the county has a webpage, publish on the county's webpage until December 31st.

County Auditor must provide a copy of the combined ad to each taxing entity that is on the ad and to any person who requests a copy.

The advertisement shall state that the taxing entity will meet on a certain day, time, and place fixed in the advertisement. The exact wording for the advertisement can be found in 59-2-919.2.

The tax entity's hearing shall not be held **less than ten days** after the mailing of the "Notice of Property Valuation and Tax Change" sent by the county auditor.

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

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