

Proposed Property Tax Impact Schedule



Ogden Valley City will consider an increase to its property tax rate from .000159 to .000985 (estimated) to generate an additional \$2,542,506 in ad valorem tax revenue. 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 tax rate is adopted.

Ogden Valley City's Current Property Tax Rate	.000159
Ogden Valley City's Current Property Tax Revenue	\$489,519
Proposed Property Tax Rate	.000985
Additional Ad Valorem Property Tax Revenue to Ogden Valley City	\$2,542,506
Estimated Increase to Ogden Valley City's Ad Valorem Tax Revenue	519%

Estimated Impact on Taxpayers:

- The estimated percentage increase to property taxes paid on an average residence per year is 8.58%.
- The increase to a primary residence with an average taxable value of \$672,302 is estimated to be \$555.32 per year.
- The estimated percentage increase to property taxes paid on an average commercial property per year is 8.58%
- The increase to a commercial property with an average taxable value of \$1,147,912 is estimated to be \$948.18 per year.

Operational Impact Without the Tax Increase:

Affected Account	Current Budget	Proposed Budget With Tax Increase	Proposed Budget Without Tax Increase	Budget Change
Municipal Energy Sales Tax	\$0	\$0	\$361,500	\$361,500
Transportation Utility Fee	\$0	\$0	\$900,000	\$900,000
Total Revenue Adjustments				\$1,261,500

Taxes

If the property tax increase is approved, Ogden Valley City would like to ***eliminate or decrease** the municipal energy tax that is scheduled to start in FY27.

Class C and Transportation

If the tax increase is not approved, Ogden Valley City will need to implement a transportation utility fee to maintain safe road conditions.

Affected Department	Current Budget	Proposed Budget With Tax Increase	Proposed Budget Without Tax Increase	Budget Change
Administration	\$401,580	\$1,952,510	\$1,617,779	\$334,731
Class C - Roads	\$1,049,041	\$2,160,425	\$1,720,000	\$440,425
Community Development/Planning	\$276,500	\$498,950	\$253,300	\$245,650
Public Works/Municipal Services	\$123,271	\$838,600	\$632,400	\$206,200
Grant Management	\$250,000	\$90,000	\$50,000	\$40,000
Addition to Fund Balance	\$0	\$130,000	\$116,000	\$14,000
Total Expense Adjustments				\$1,281,006
Total Financial Impact				\$2,542,506

Administration

Without the increase, the Administration Department will be unable to hire a Treasurer, and Accounts Payable Clerk, and a Communications Specialist. The treasury role and AP clerk are key financial functions requiring technical expertise. The Communication Specialist is needed to provide more extensive communications to residents. The City will have to rely on volunteers to fill these roles.

Class C - Roads

Delays in road maintenance will accelerate pavement deterioration, ultimately requiring more extensive and costly repairs in future years.

Community Development - Planning and Engineering

Cuts to the Planning Department will significantly limit long-term planning efforts, reducing them to only essential functions. Staffing levels will be minimal, limiting the City's ability to respond to citizen requests in a timely manner. This will impair the City's ability to thoughtfully guide growth in the Valley and may lead to higher costs and missed opportunities in the future.

Public Works/Municipal Services

While delaying master plans and scaling back engineering may provide short-term budget relief, it significantly increases long-term costs and risk. Without proper planning and design, the City is more likely to face unanticipated infrastructure issues, costly emergency repairs, and missed opportunities for efficient development.

Grant Management

While reducing funding for grant matches may provide short-term budget relief, it will prevent the City from accessing grant opportunities that require local participation. This will result in missed funding opportunities and higher long-term costs for the City.

Addition to Fund Balance

To meet statutorily required fund balance levels without a tax increase, the City's General Fund revenues will have limited capacity to contribute. As a result, the City will rely on a combination of fee-supported revenues and operational efficiencies to support compliance.

***Note: All figures are preliminary and based on current assumptions. The City is currently evaluating eligibility for Tax Anticipation Note (TAN) funding. Final budget amounts and funding requirements may change based on the outcome of this evaluation.**