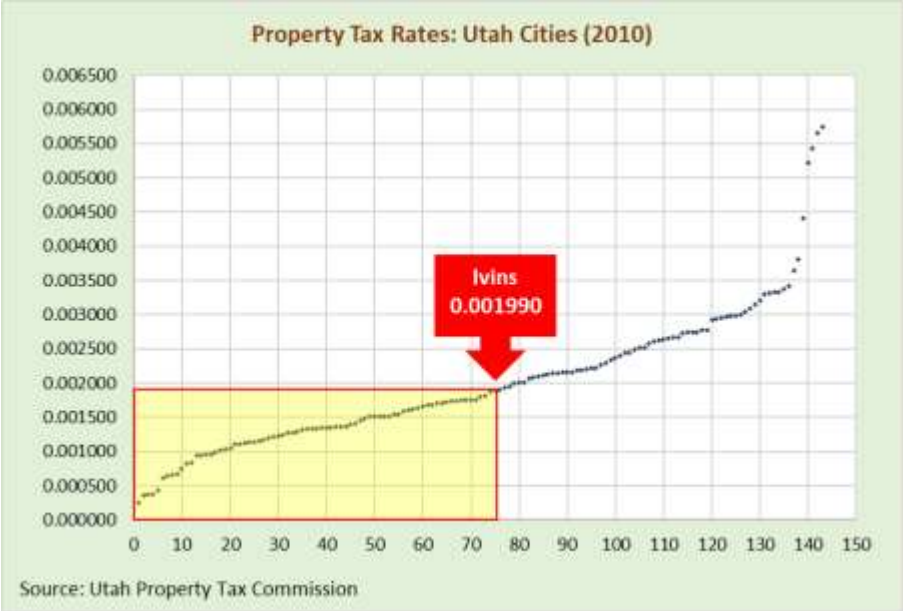
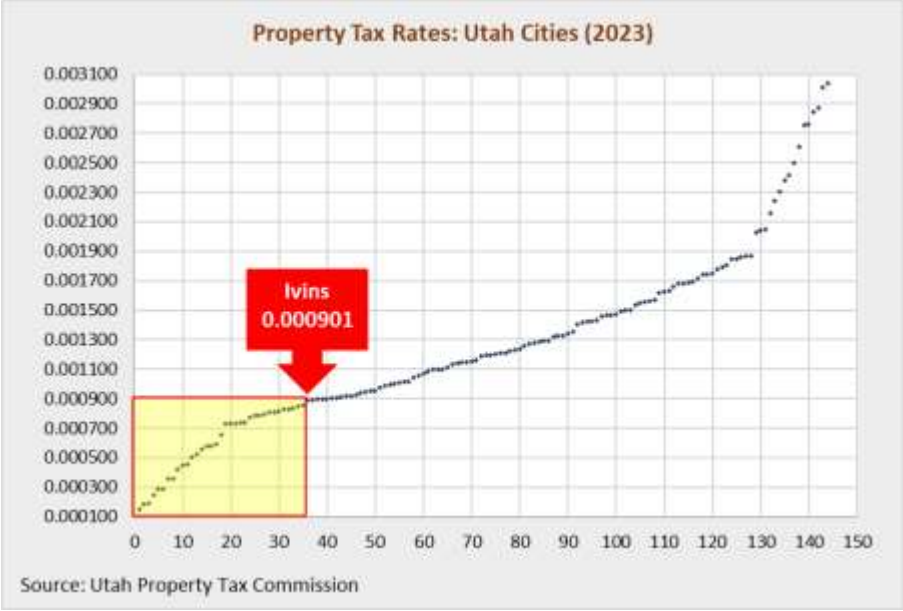
Part 1: Property Taxes: How Does Ivins Compare?

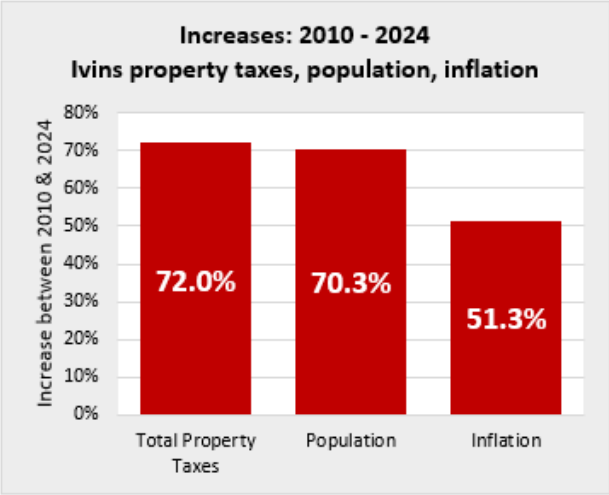
- Ivins has not increased its property tax rate since 2010.
- In 2010, only 45% of the cities in Utah had higher tax rates than Ivins.
- The Ivins tax rate was higher than 55% of the cities in the state in 2010.
- Last year, 72% of the cities in the state had higher tax rates than Ivins.
- More cities had higher tax rates because they have been raising rates while Ivins has not.
- The Utah Taxpayer's Association says about 60 cities and towns raise property taxes each year. That's about 25% of the cities and towns in the state.

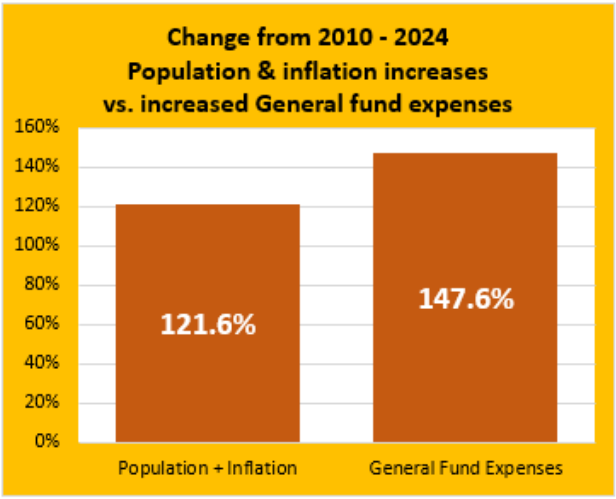




Part 2: Property Taxes & General Fund Expenses

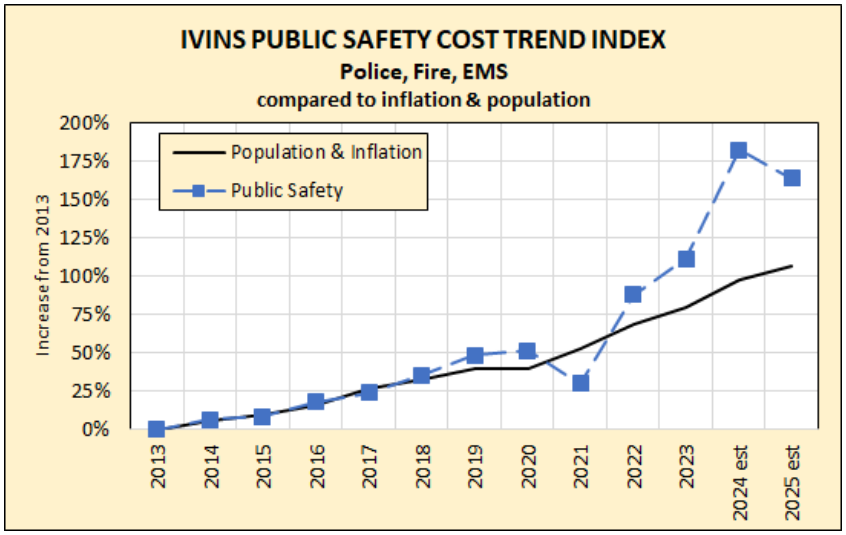
- Ivins property taxes increased 72% since 2010 because of new taxes from new construction.
    - That fits closely with a population increase of 70% in the same period.
- With no increase in the tax rate since 2010, taxes did not increase to adjust for inflation.
- It is reasonable to expect the City's costs to increase for three reasons: Population growth, inflation, and new or improved City services.
    - Higher costs from population growth are covered by taxes from new construction.
    - Increasing sales and room tax revenue helps fund new and improved City services.
    - Higher costs due to inflation should be covered by property tax increases.
- Population growth plus inflation increased 122% since 2010.
    - But the City's General Fund expenses increased by 148%. Why so high?
- General fund expenses increased faster than population growth plus inflation because the City added services since 2010. Here are a few examples:
    - Fire Lake Park maintenance began in 2017 ($10,025 a year),
    - Suntran began in 2013 ($112,000 a year),
    - School SRO costs began in 2013 ($75,602 a year)
    - The Police Department has increased patrol capability and investigations.
    - The Fire Department has changed from volunteer-oriented to full-time personnel.





Part 3: Public Safety

- Note: I only had information going back to 2013 for this analysis.
- The Ivins Public Safety budget (Police, Fire, EMS) is $3.5 million for 2025.
- That's after deducting revenue from ambulance services and wildlands reimbursement.
- Public Safety costs increased 164% since 2013
- Increases in population and inflation would have increased costs 107%.
- Costs tracked well with population and inflation increases until two years ago.
- Costs are $760,000 higher mostly because both departments have improved and added services.
- We can't fill that $760,000 gap with a property tax increase because it would be a 36% increase.
- But we should show support for our Public Safety needs with at least modest tax increases.



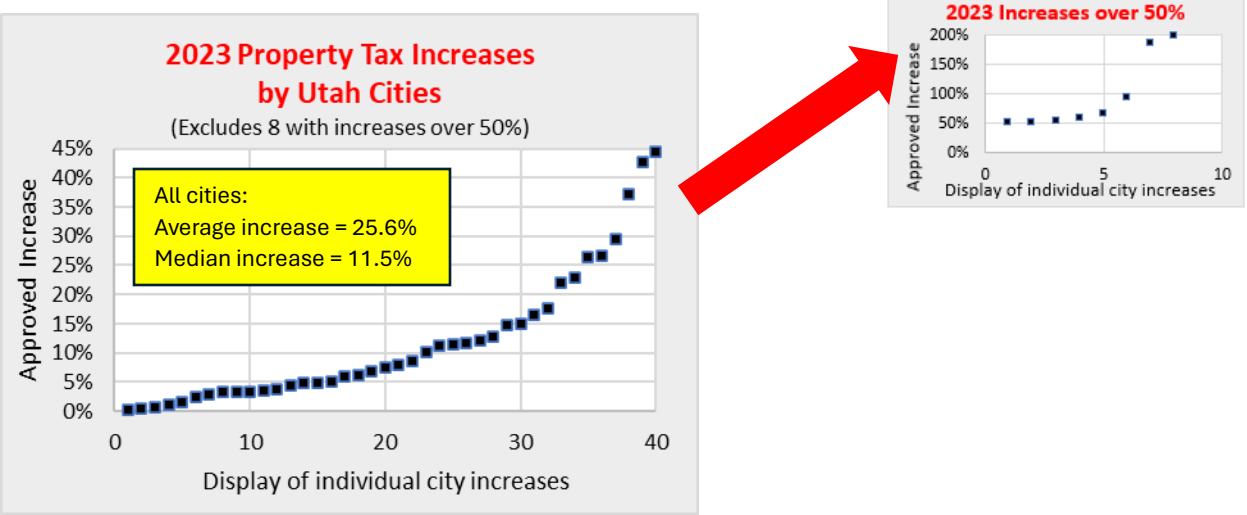
Part 4: What Impact Would A Tax Increase have?

- Inflation last year (CPI Western Region) was 3.4%
- If we had increased the property tax rate to adjust for the impact of inflation last year:
  - It would add $12.64 to the tax bill on a home valued at $750,000.
  - It would increase the City's property tax collections by just over $71,000.
- That increase would still leave the Ivins tax rate lower than 68% of the cities in Utah.

Impact of Increasing The Ivins Portion of Real Estate Taxes

(How much Ivins real estate taxes would have increased in 2023)

	No Increase	3.4% Increase
Impact to Homeowner		
Market value	$ 750,000.00	$ 750,000.00
Taxable value (55%)	$ 412,500.00	$ 412,500.00
Ivins Property Tax Rate - 2023	0.000901	0.000901
Proposed Tax Rate Incease		3.4%
2023 Tax Rate After Increase		0.000932
Ivins Portion of Real Estate Tax	$ 371.66	$ 384.30
Tax Increase Amount		$ 12.64
Ivins Tax as Percent of Total Tax	13.2%	
Estimated Total Property Tax	$ 2,814.90	$ 2,827.54
Increase in Total Tax From The Ivins Increase		0.4%
Impact to City		
Ivins property tax revenue (2024 budget)	$ 2,099,981	$ 2,171,380
Increase amount ($)		$ 71,399



Part 5: Seven Additional Decisions

1. We should maximize our General Fund reserve. That's our safety net. We would need to add $700,000 to reach the 35% reserve allowed by the state. **State a plan to achieve this**.

2. We list 32 projects in addition to 2025 projects in the 5-year capital plan for $35 million. Taking out $11 million for the regional park, and $9.8 million for secondary water, leaves $14 million. Using 2025 as an example, 40% of the cost is paid from the Capital Projects fund. Based on that, we need $1 million a year. Hopefully that comes from increased sales/use tax and room tax. **Add expected funding sources to the Capital Plan.**

3. Regional Park: The estimated cost is over $11 million. The maximum impact fees we can apply to it is $2.5million. **Redo the impact study to give this park all fund allocation.** (Note: This change may not help a lot. The fund is budgeted to have just $1.8 million at the end of 2025.)

4. A ladder truck will likely cost Ivins more than $1million. Our impact study is out of date (2021) showing the Ivins share of a ladder truck at $500,000 and the development of a new fire station. **Update the study, ladder truck allocation, and decide yes/no on a new fire station.**

5. Our utility bills include money to replace our culinary water lines, storm drains, and sewer lines. There is no "utility" bill for roads. Roads need to be replaced after about 50 years. The cost today is over $80 million. Less than 15% of our roads are "regional" roads that would qualify for grants. We should already be setting aside close to $1 million a year. **State a plan to deal with this.**

6. Ivins Animal Shelter. The budget includes $5,000 for some HVAC work, internal redesign, and changes to the play area. The shelter is overdue for more substantial expansion and redesign. **Fund a study to determine cost and timing and add to 5-year capital plan.**

7. We don't have a plan to landscape Hwy 91, bury Hwy 91 power lines, add recreation amenities, etc. **Determine what to add to the capital plan and timing.**

The easiest thing for us to do is nothing.
But it is important to act on these issues now
so we do not leave future city councils and residents
with insufficient resources to keep Ivins not only viable but thriving.