

PROPERTY TAX 101

1 HOW ARE PROPERTY VALUES AND TAXES FIGURED?

2 WHAT HAPPENS AS PROPERTY VALUES GO UP?

3 HOW ARE PROPERTY TAX DOLLARS SPENT?



1 PROPERTY TAX: Each year, as a homeowner in Fruit Heights, you receive a property tax bill from Davis County. The county assessor determines the fair market value of your home. Property taxes are then assigned based on a percentage of that value. In Utah, homeowners pay taxes on 55 percent of the assessed value of their home.

2 CERTIFIED TAX RATE: As property values increase, cities **DO NOT** earn more money from the increased values. In fact, the property tax system in Utah is set up to guarantee cities earn the same total revenue (minus funds from new growth) from year to year.

Therefore, as property values fluctuate, the certified tax rate, which determines how much money a city receives, automatically adjusts to create a steady stream of revenue for a city. Revenue is LIMITED to the previous year's budget. If a city needs to increase revenue to cover increased costs, they must hold a Truth in Taxation public hearing to explain the need for the proposed increase. **SEE REVERSE SIDE.**



3 MONEY FROM PROPERTY TAXES IS DIVIDED SEVERAL WAYS: About 62% of the money collected from property taxes goes to the Davis County School District. The rest is divided between Davis County (about 18%), Fruit Heights City (about 15%), and special service districts like Mosquito Abatement, Weber Basin Water Conservancy District, and Central Davis Sewer District (about 5%).



SCAN FOR MORE

YOUR PROPERTY TAXES AT WORK IN FRUIT HEIGHTS

Without an adjustment, Fruit Heights City will receive about **\$1,180,000** from property taxes for fiscal year 2024-2025. With a proposed increase, the City will receive **\$1,400,000**. These funds go into the city's general fund which pays for essential services to residents. This covers a fraction of the cost to provide services. Sales tax, use tax, grants, and user fees also contribute to the general fund.

Costs for items covered by the general fund have increased drastically, specifically services of the Davis County Sheriff's Office and Farmington Fire, as well as construction and maintenance materials.

GENERAL FUND EXPENDITURES

Listed below are some of the top expenditures for the City, plus projected costs for fiscal year 2024-2025.

Davis County Sheriff's Office	\$344,275
Farmington Fire Department	\$320,000
Parks Maintenance	\$255,000
Roads (repair, plow, lights, signs)	\$519,000
Savings for Future Road Projects	\$187,500
Capital Projects	\$300,000

\$1,925,775

TRUTH IN TAXATION NOTICE OF PROPOSED TAX INCREASE

FRUIT HEIGHTS CITY is proposing to increase its property tax revenue.

The FRUIT HEIGHTS CITY tax on a \$737,000 residence would increase from \$619.78 to \$725.17 which is \$105.39 per year.

The FRUIT HEIGHTS CITY tax on a \$737,000 business would increase from \$1,126.87 to \$1,318.49, which is \$191.62 per year.

If the proposed budget is approved, FRUIT HEIGHTS CITY would increase its property tax budgeted revenue by 17.09% above last year's property tax budgeted revenue excluding eligible new growth.

All concerned citizens are invited to a public hearing on the tax increase.

PUBLIC HEARING

Date/Time: 8/6/2024 7:00 p.m.
Location: Fruit Heights City Hall Council Chambers
910 S. Mountain Road
Fruit Heights

To obtain more information regarding the tax increase, citizens may contact FRUIT HEIGHTS CITY at 801-546-0861.

FRUIT HEIGHTS CITY PROPOSES INCREASE TO TAX RATE

Leaders of Fruit Heights, including the mayor, city council, and city manager, work diligently to operate the City debt free.

For the past few years, operating costs have crept up, but the City has not increased the tax rate at a level to keep up with these changes. The time has come to increase revenue in order to cover costs of providing essential services to residents.

TAX RATE HISTORY IN FRUIT HEIGHTS

2018 Tax Rate: .002027

2019 Tax Rate: .001887

2020 Tax Rate: .001950

2021 Tax Rate: .001950

2022 Tax Rate: .001600

2023 Tax Rate: .001616

2024 Tax Rate: Increase Proposed

Due to increased property values, the tax rate in Fruit Heights will drop to **.001529**. The City is proposing an increase to **.001789** to bring in more revenue.

NOTEWORTHY NEWS



FIREWORK SAFETY



As summer fun continues, many of us look forward to fireworks. **BUT, we must all be aware of safety issues and wildfire hazards.**

Surrounded by so much vegetation and fuel for fires, restrictions on open fires and fireworks are necessary and enforced. Much of our city falls in restricted areas, allowing no discharging of fireworks. Citations will be issued.

See map of firework & burn restrictions:
www.fruitheightscity.com

Founder's Day Celebration

August 24
City Hall

- Car Show - Food Trucks
- Live Band - Ice Cream
- Quilt Show - Chalk Art Contest
- Fun Activities



VETERANS MEMORIAL

To honor local veterans, a beautiful, permanent memorial will be installed at Fruit Heights City Hall this summer.

To submit the name of a local veteran, or to donate to the effort, please visit www.fruitheightscity.com or scan the QR code. Help us spread the word!



Fruit Heights City - 910 S. MOUNTAIN ROAD - 801-546-0861 - www.fruitheightscity.com
City Council - citycouncil@fruitheightscity.com
Mayor: John M. Pohlman Council Members: Gary Anderson, Mark Cottrell
Eileen Moss, George Ray, Florence Sadler