



# **Tentative Budget FY 2026**

“

***Vision:***

*Connecting an active, vibrant, and prosperous community, where people flourish, and you belong.*

“

***Mission Statement:***

*Sandy City strives to be responsible stewards dedicated to providing high-value quality services, with an emphasis on safe neighborhoods, smart planning, preservation, and economic diversity.*



### **Foundational Values:**

**Responsible Stewards:** *A leader for fiscal responsibility, quality of life, and embracing innovation while honoring heritage.*

**High-Value Quality Services:** *A provider of exemplary services at the lowest cost for taxpayers.*

**Safe Neighborhoods:** *A community-based approach to public safety, enhanced by citizen and business partnerships.*

**Smart Planning:** *An initiative to reflect upon community character by utilizing technology and resources to develop sustainable infrastructure.*

**Preservation:** *An intention to recognize the potential of our historic neighborhoods and open spaces to promote health, affordability, prosperity, and well-being.*

**Economic Diversity:** *A mission to facilitate the development of an exceptional, regional, commercial center, as a prime location for future growth, that will provide quality employment, retail shopping and entertainment experiences.*

# Here to Serve



# Here to Serve





## Guiding Financial Principles

- The City exists to serve the needs of its citizens
  - Receive citizen feedback for changing needs
- Strive for economy, efficiency, and effectiveness
  - Services should not cost more than similar private business services
- Generational fairness
  - Each generation of taxpayers should pay its fair share of long-term costs
- Taxes vs. Fees
  - Services rendered to the general public vs. specific groups
- Maintain reasonable fund balances

## Revenue Policies

- Sandy City should estimate revenues conservatively to avoid unexpected deficits and to provide a funding source for capital project needs
- Sandy City should seek to use a portion of ongoing revenue for one-time expenditures, thereby mitigating the effects of a downturn in ongoing revenue
- Sandy City should minimize the use of one-time revenue to fund ongoing services
- Sandy City should aggressively collect all revenues or taxes due



## Revenue Policies

- Sandy City should annually review user fees, impact fees, license and permit fees, and special assessments:
  - To determine that the full long-term service costs are not being subsidized by general revenues or passed on to future generations of taxpayers
  - To determine the subsidy level of some fees
  - To consider new fees
  
- Sandy City should seek to maintain a stable tax rate. Generally, taxes should not be increased unless:
  - Inflation has clearly forced operating costs upward faster than tax growth
  - New services are instituted to meet citizens' needs
  - Otherwise determined to be in the best interest of the City as determined by the City Council

## CITY COUNCIL BUDGET PRIORITIES

FY 25  
26

### ECONOMIC DEVELOPMENT



A prosperous community is one that generates opportunities for innovation, growth and sustainable development. A healthy economic development strategy is essential for the continued well-being of our community. The City Council is committed to investing in the promotion of commerce, attracting new industries, and ensuring the continued success of all businesses. Budget appropriations should foster an environment that fuels economic growth now and in the future.



### EMPLOYEE SATISFACTION



A qualified and dedicated workforce is essential to the success of Sandy City. This is the foundation for delivering high quality services to residents and businesses in our community. The City Council is committed to a data driven approach to guiding competitive wages, professional development and other employee retention strategies. Budget appropriations should enhance Sandy City's ability to attract and retain employees.

### COMMUNITY SAFETY

Community safety allows residents and businesses to thrive. A proactive approach to community safety is economically efficient and highly valued by our community. The City Council is committed to proactively protecting and enhancing community safety by providing well-trained personnel, safe infrastructure and updated technologies. Budget appropriations should protect or enhance our ability to keep employees, residents and businesses safe.



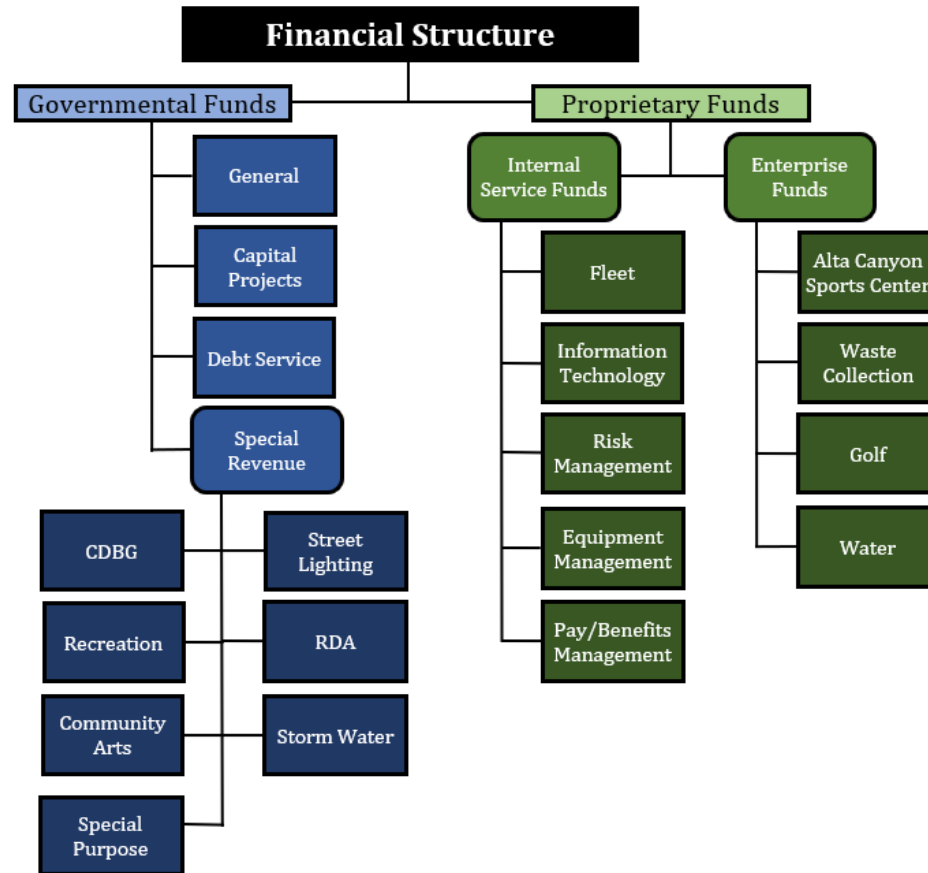
### QUALITY OF LIFE

Quality of life is correlated with housing opportunities, transportation, community engagement, culture, personal well-being and investments that result in active and vibrant spaces. These elements drive individuals and businesses to become participants in the connectiveness of Sandy City. The City Council is committed to providing a variety of housing opportunities, diversity of transportation options and access to arts, culture and recreation as essential elements of quality of life in our community. Budget appropriations should enhance these essential elements of quality of life.

### FISCAL HEALTH

Sustainable fiscal health is the bedrock of our community. It ensures a future where the city can respond to the needs of our residents through intelligent investments in infrastructure, core services and programs. The City Council is committed to maintaining a balanced budget with sufficient revenues, transparent spending and necessary reserves. Budget appropriations should prioritize the long-term fiscal health of Sandy City.

## Consolidated Financial Structure



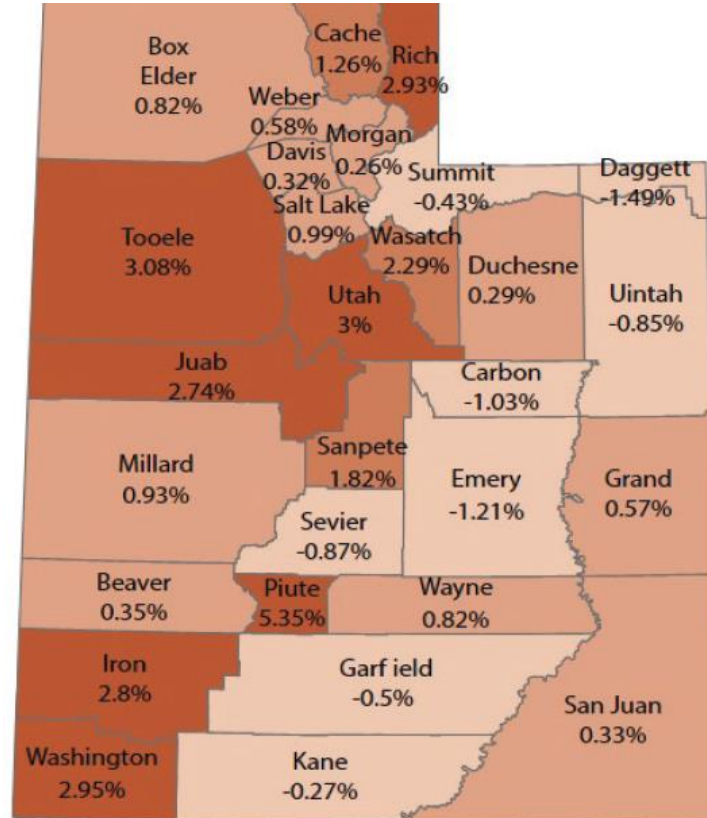
**FY 2026  
Tentative  
Budget**

**Challenges &  
Opportunities**

## Key Challenges

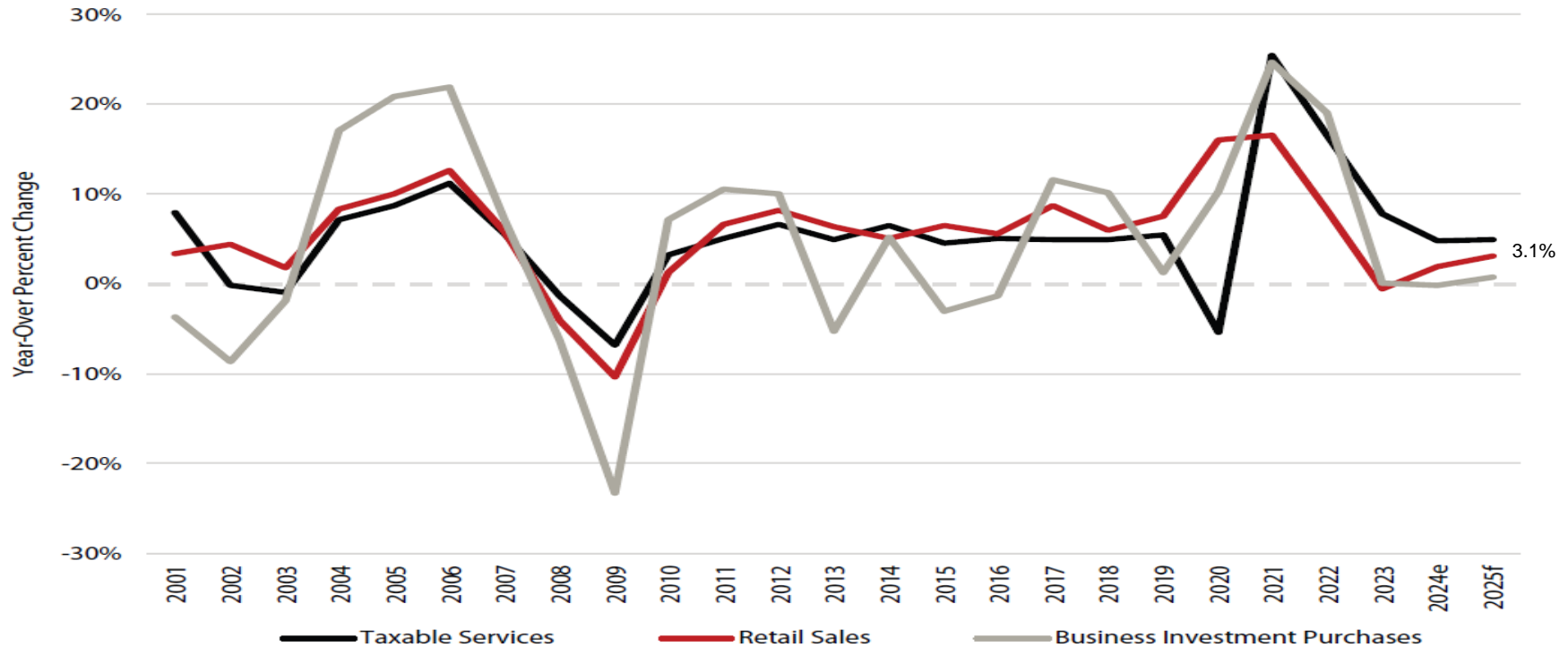
1. Meeting citizen service expectations
2. Pressure on general fund core services
3. Unfunded needs from prior budget request
4. Public safety service needs
5. Inflation remains sticky
6. Employee retention and recruiting
7. Fleet replacement
8. Rebuilding for the future
9. Maintaining fund balances
10. Sandy's lifecycle stage

### Percentage Changes in County Population 2023-2024



## Demographic Trends

### Annual Percent Change in Utah Taxable Sales by Component



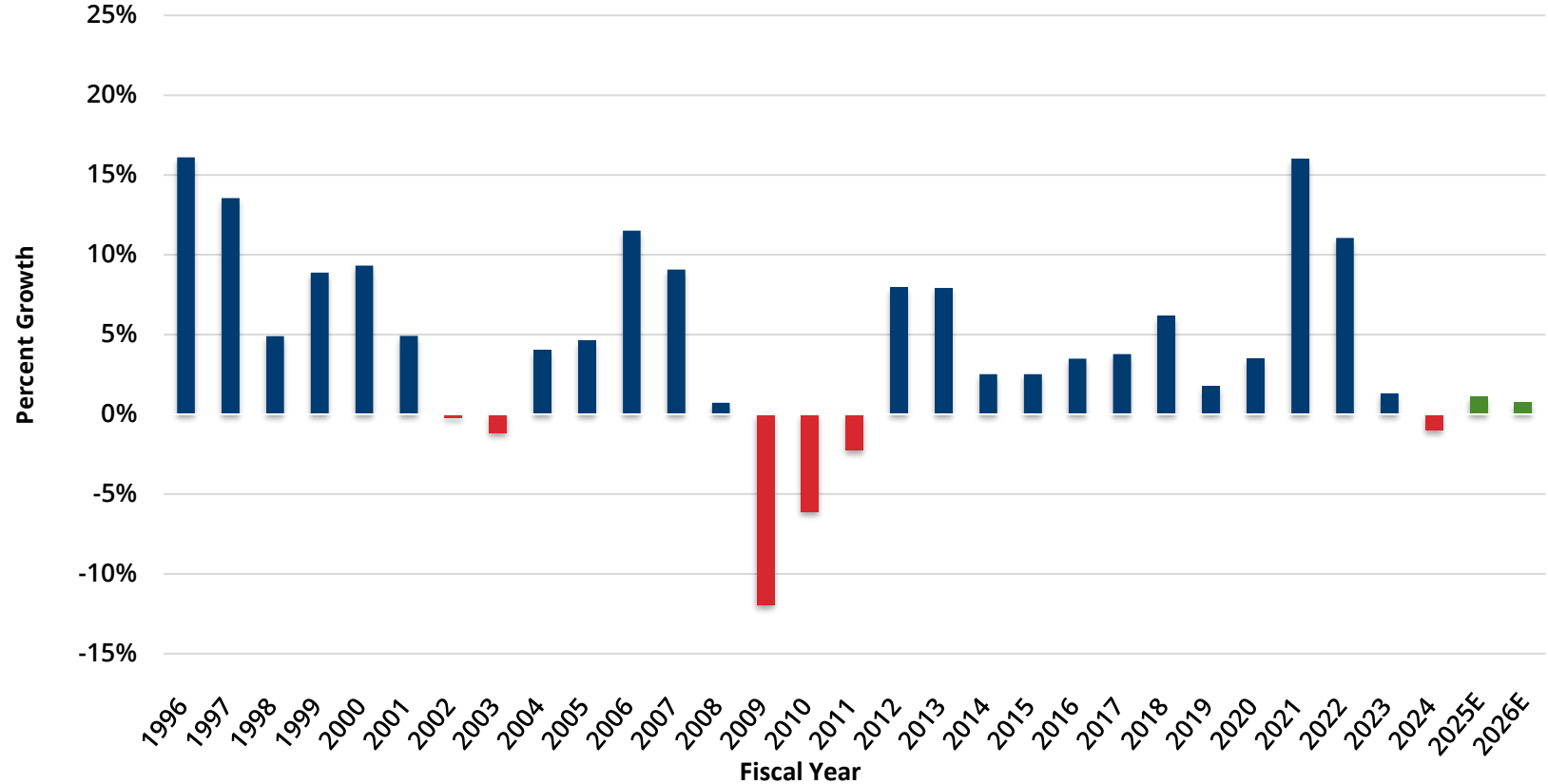
e = estimate

f = forecast

Source: Utah State Tax Commission and Estimates and forecasts prepared by the State of Utah Revenue Assumptions Working Group



## Sandy Sales Tax Growth Year Over Year



## General Fund Budget Ongoing

In accordance with our revenue policies, a portion of ongoing revenue is typically allocated to one-time items each year

Revenue Growth	\$1.9M
Needs Requested	\$4.7M
Funding Gap	(\$2.8M)

## Capital & Equipment General One-Time Revenue

Revenue Available	\$10.5M
Needs Requested	\$24.0M
Funding Gap	(\$13.5M)

Available for Capital  
Projects and Capital  
Equipment

**FY 2026  
Tentative  
Budget**

**Tentative Budget**

# Major Themes

- Balanced Budget **without a Property Tax Increase**
  - Cuts costs where feasible
- Maintain High Service Levels with a Focus on Public Safety
  - Retain Quality Employees through a Competitive Compensation Plan
- Propose a Funding Plan for Alta Canyon Sports Center Rebuild
- Invest in Fleet Replacement & Existing Infrastructure

# Revenue Projections

- General Fund Growth **\$1.9M**

- Major Revenues

- Tax revenue growth is modest

- **No property tax increase**

- Sales tax – modest

- Franchise taxes – modest

- State road funds – modest

- Building permits - down

- Other notable sources

- School Resource Officer contract

- UFA Fire service contract

- Ambulance transport fees

- (Increase due to Gold Cross Ambulance Mutual Aid Agreement)



# Expenditure Prioritization

- **\$4.7M Requested** of Ongoing General Fund Needs (Only \$1.9M Available)
- Maintain High Service Levels with a Focus on Public Safety
  - ☐ Retain Quality Employees through a Competitive Compensation Plan
  - ☐ Invest in fleet replacement
    - **\$200K** additional ongoing (\$1.5M to \$1.7M)
  - ☐ Invest in infrastructure
    - Street reconstruction
    - Hazardous concrete replacement





## Retaining & Attracting High-Caliber Employees



### Keeping Compensation Competitive

Maintain a low employee turnover rate through competitive compensation to retain and attract high-caliber employees.

**\$2.16 million**  
(General Fund)  
**3.4%**



# Expenditure Prioritization

- **\$1.1M** Targeted Cuts to the Current General Fund Budget
  - Cuts are in addition to the **funding gap of \$2.8M previously noted**
  - Reviewed Historical & Current Year Spending in All Accounts
  - Prioritized Service Levels
  - Focus to Preserving Public Safety
  - Each General Fund Department was Impacted
    - Vacant Positions
    - Occupied Positions
  - Reductions in Transfers to Other Funds
    - **\$35K Reduction to Recreation**
    - **\$58K Reduction to Arts Guild**



## Reduction Details

- ☐ Vacant Position Eliminated
  - ☐ Legal Executive Assistant
  - ☐ Part-time Court Clerk
  - ☐ Part-time Engineering Assistant
  - ☐ Contract Building Inspector
  - ☐ Parks Season Pay
  - ☐ Various Intern positions
  - ☐ No Police vacant positions
  - ☐ No Fire vacant positions

- ☐ Occupied Position Eliminated
  - ☐ One full-time court clerk
  - ☐ Two part-time court clerks
  - ☐ Animal Shelter Manager

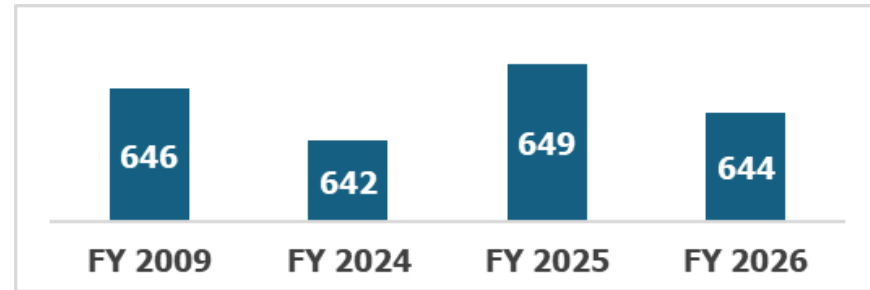
- ☐ Management Studies (plan for one-time appropriations in future years)
- ☐ Miscellaneous Items



## Historical Employee Levels

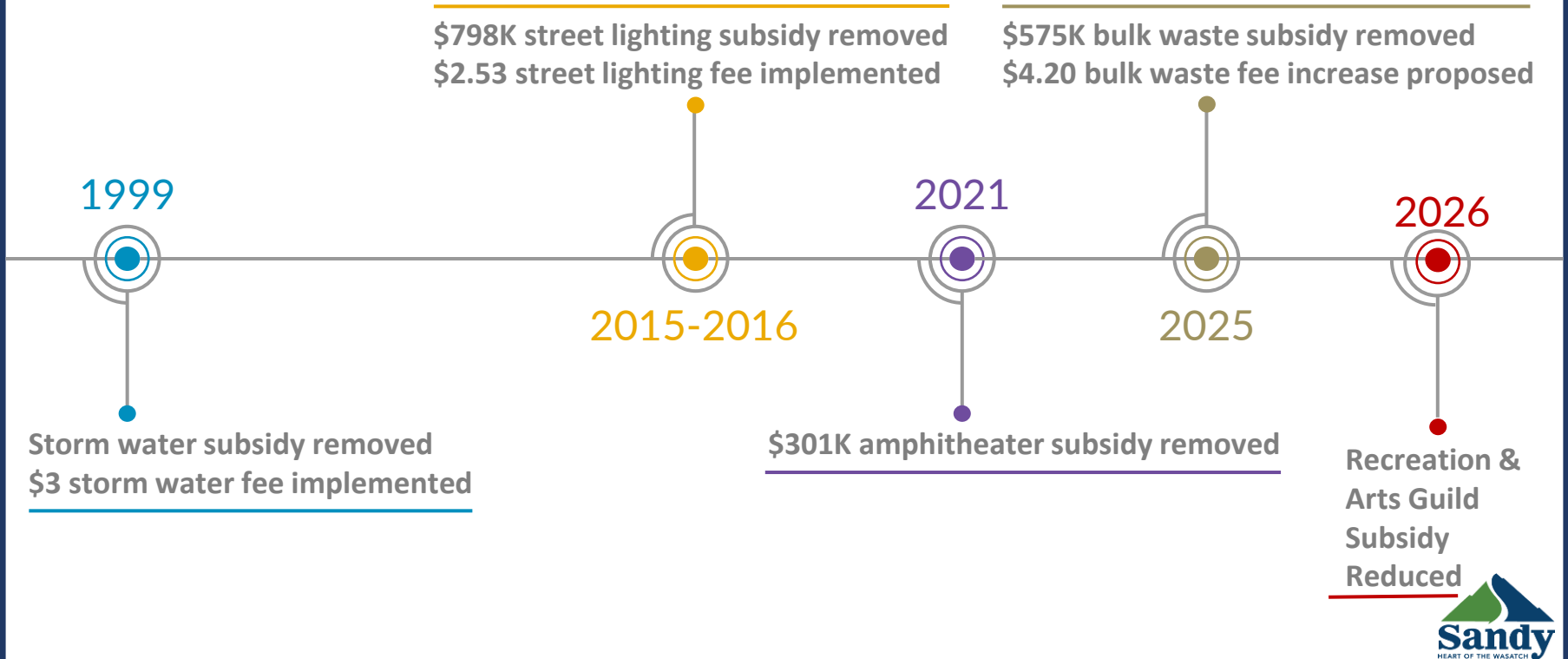
- FY 2025 Includes Additional Fire and Police Officers to Services the MVP
- FY 2026 Represents a reduction of 5 FTE's

Full Time Equivalent (FTE) Count



Additionally, there will be short-term reduction of seasonal staff at Alta Canyon Sports Center during the closure

# General Fund Subsidy Reduction History

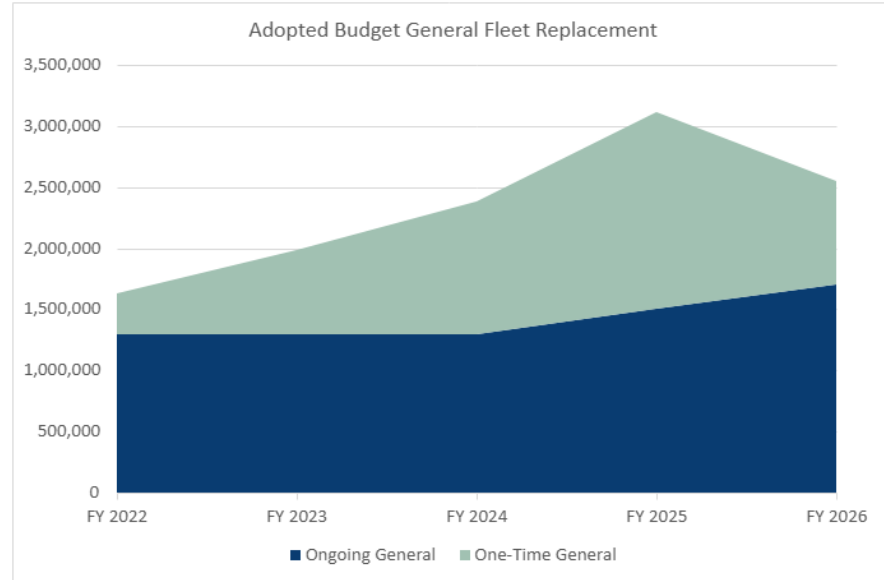


## Fleet Replacement



### Replace Aging Fleet

Replacement of vital General Fund fleet vehicles is urgently needed. Fleet vehicles with high mileage and frequent maintenance could negatively impact public safety and other city services. Sandy must also begin saving for a new fire apparatus.



**\$1.7M Ongoing General Fund**

**\$3.7M Total City-Wide**



## Miscellaneous New Increases

- New Crossing Guard
- Risk Management Charges
- Fleet O&M Contracts
- Audit Services
- Fire Overtime
- Ambulance Billing
- State Medicaid Assessment
- Professional Services – Surveyor Contract
- Road Striping
- Newsletter publications
- Reclassifications





## Future of Alta Canyon Sports Center



**\$2M One-time Money for Operations During Closure**

Source	2025 Budget	2026 Tentative
General Revenue	\$10,194,733	\$4,700,000
Park Fees	1,102,343	687,000
Grants	460,000	4,000,000
Total	\$11,757,076	\$9,387,000

**\$21.14M Total**

Construction	\$19.5M
Architect	1.3M
FFE	0.3M

## Other Capital Projects

Department	2026 Tentative
Street Reconstruction	\$2.8M
Hazardous Concrete	1.4M
Water Lines	5.1M
Storm Drain	2.9M



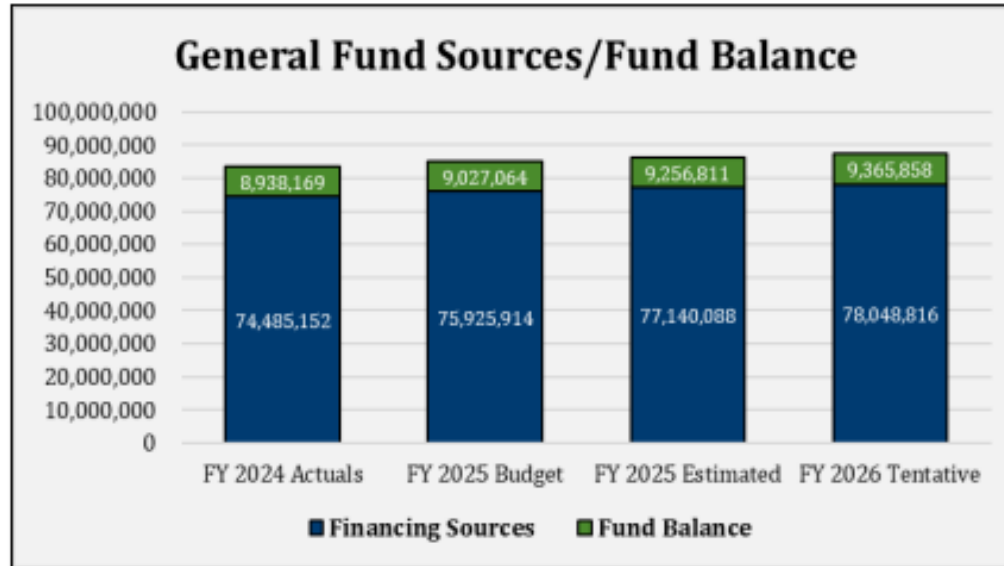
## Utility Rates

Waste Collection	No Change
Bulk Waste	No Change
Water	No Change
Streetlights	No Change
Storm Water	\$2.50 Increase per Month



## General Reserves

- General fund balance maintained at 12%



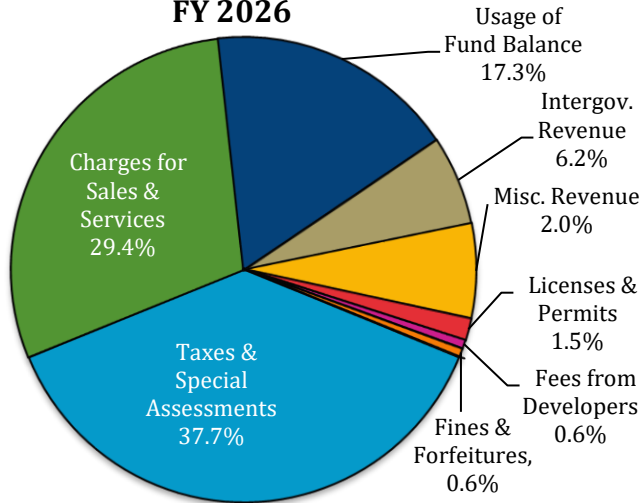
**FY 2026  
Tentative  
Budget**

**Summary**

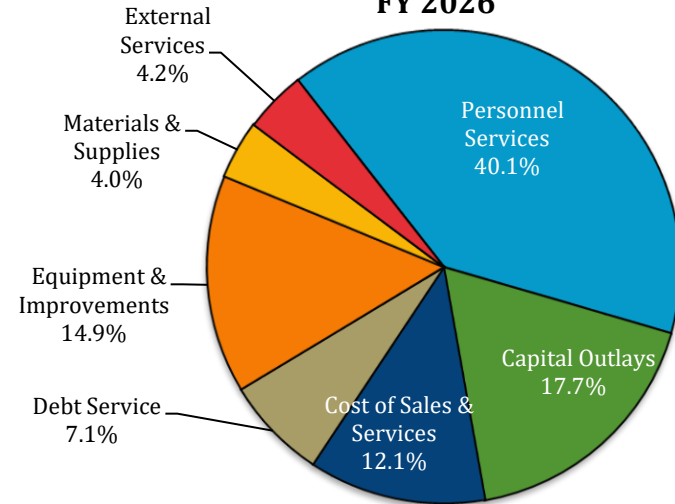
# Consolidated Funds

**\$185.6 million**

**Consolidated Financing Sources  
FY 2026**



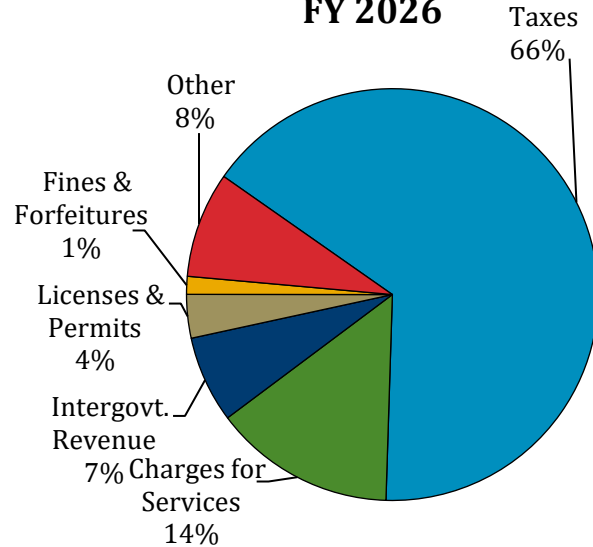
**Consolidated Financing Uses  
FY 2026**



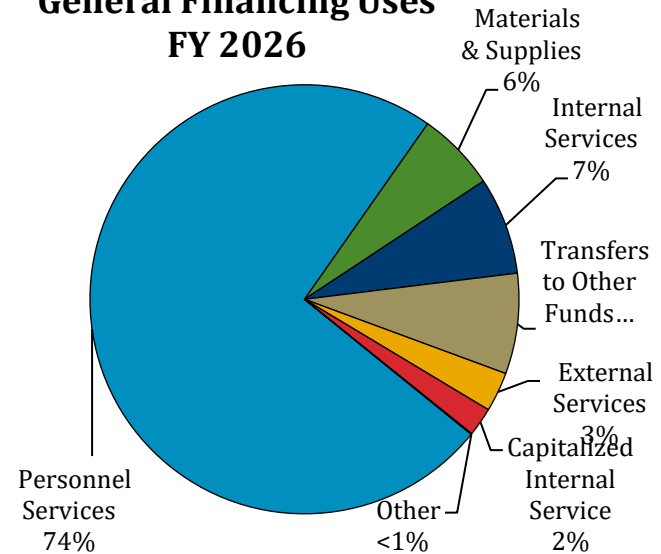
## General Fund

**\$82.7 million**

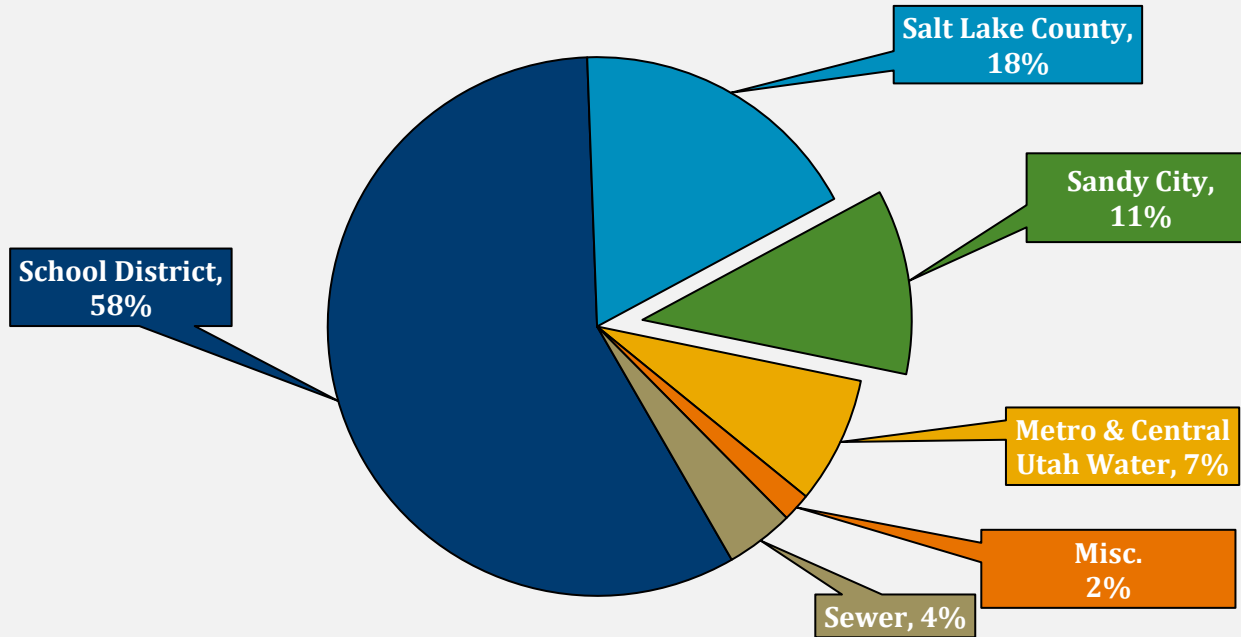
### General Financing Sources FY 2026



### General Financing Uses FY 2026



## Property Tax Allocation





# 2024 PROPERTY TAX NOTICE

OWNER'S ORIGINAL

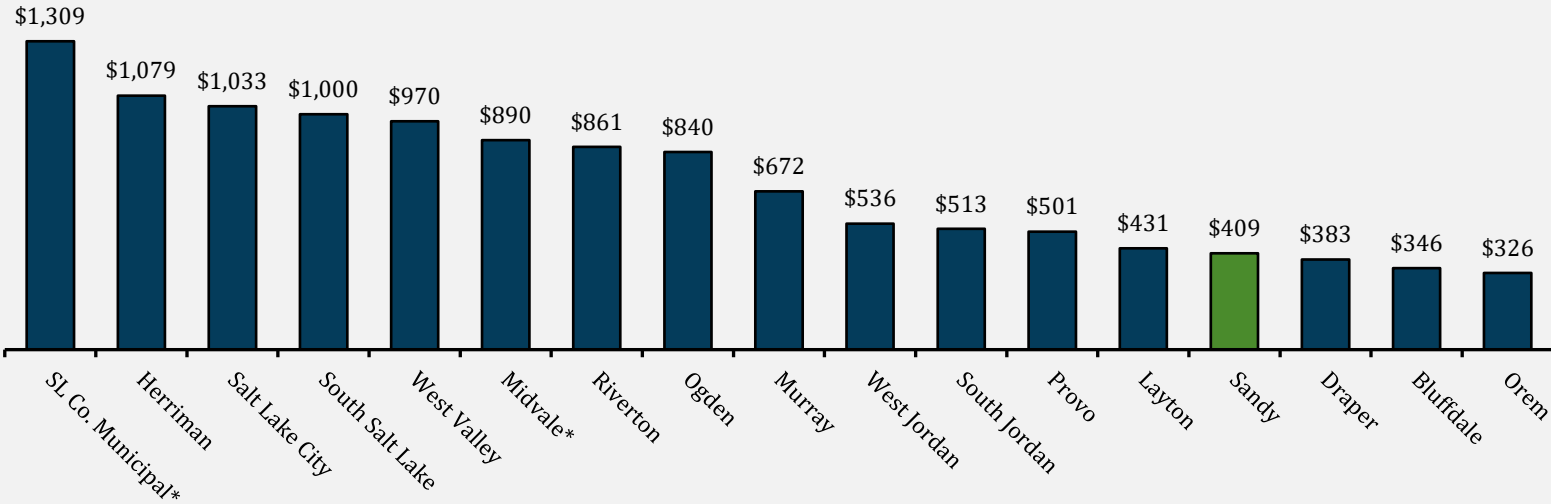


TREASURER

Property Assessment	Market Value	Service Provider	Tax Rate	<sup>1</sup> Judgement Levy	Amount
Primary: Residential	\$678,100	CANYONS SCHOOL DISTRICT	0.002994	0.000000	1116.63
Secondary: Residential & Commercial		CANYONS SCHOOL DEBT SVCE	0.001218	0.000000	454.26
Secondary: Agricultural		STATE BASIC SCHOOL LEVY	0.001408	0.000000	525.12
		UT CHARTER SCHOOL-CANYONS	0.000057	0.000000	21.26
<b>Total Market Value</b>	<b>\$678,100</b>	SALT LAKE COUNTY	0.001193	0.000000	444.92
		SL COUNTY BOND INT/SINK	0.000104	0.000000	38.79
		<b>SANDY CITY</b>	<b>0.000988</b>	<b>0.000000</b>	<b>368.48</b>
		SANDY CITY DEBT SVCE	0.000103	0.000000	38.41
		SL COUNTY LIBRARY	0.000446	0.000000	166.34
		SO SL VALLEY MOSQUITO	0.000009	0.000000	3.36
		METRO WATER SANDY	0.000350	0.000000	130.53
		MIDVALLEY IMPROVEMENT	0.000414	0.000000	154.40
		CENTRAL UT WATER CONSERV	0.000400	0.000000	149.18
		MULTI COUNTY ASSESS/COLL	0.000015	0.000000	5.61
		COUNTY ASSESS/COLL LEVY	0.000144	0.000000	53.71
		<b>Total Tax</b>	<b>.009843</b>	<b>.000000</b>	<b>3671.00</b>
<b>Property Reductions</b>					
* Utah Residential Exemption - 45%	\$305,145				
Greenbelt Reduction					
Exempt Reduction					
Urban Farming Reduction					
<b>Total Taxable Value</b>	<b>\$372,955</b>				

\* The 45% discount only applies to the first acre of primary residential (not business) property.

## 2024 Residential Property Tax Neighboring Cities Comparison



Includes: \*UFA & UPD Rates  
Assumes a \$628,000 Residential Property Value  
Source: [taxrates.utah.gov](https://taxrates.utah.gov)

**FY 2026  
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# **Budget Document**

# **SANDY CITY TENTATIVE BUDGET**

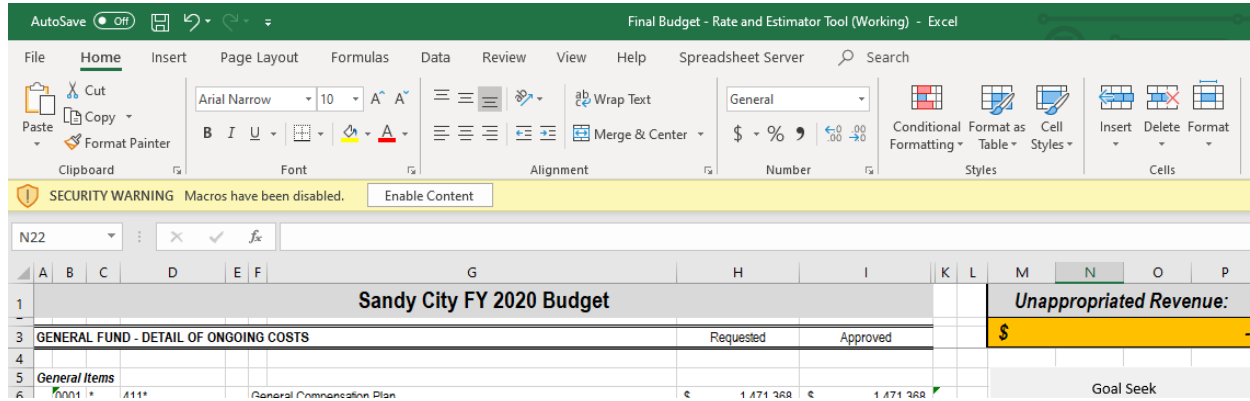
**FISCAL YEAR  
2025 - 2026**



**FY 2026  
Tentative  
Budget**

# **Interactive Tool**

## Interactive Worksheets for City Council



will be made available shortly

**FY 2026  
Tentative  
Budget**

# **Tentative Adoption Resolution**

## RESOLUTION #25-17 C

A RESOLUTION ADOPTING TENTATIVE BUDGETS FOR SANDY CITY AND ALTA CANYON RECREATION DISTRICT FOR FISCAL YEAR 2025-2026; SCHEDULING A PUBLIC HEARING; AND PROVIDING FOR PUBLIC ACCESS TO TENTATIVE BUDGETS AND SCHEDULES.

WHEREAS, on May 2, 2024, the Mayor of Sandy City submitted to the City Council a tentative budget for each fund of the City, for the fiscal year beginning July 1, 2025, and ending June 30, 2026, in accordance with Section 10-6-111 of the Utah Code; and

WHEREAS, a tentative budget for the Alta Canyon Recreation Special Service District was also submitted on such date pursuant to the Utah Special Service District Act; and

WHEREAS, on May 6, 2025 the City Council met in regular and open meeting and reviewed and considered such tentative budgets;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Sandy City, Utah, as follows:

1. The tentative budgets for fiscal year 2025-2026 for Sandy City and the Alta Canyon Recreation Special Service District, as presented, are hereby tentatively adopted, subject to further review and a public hearing.



**FY 2026  
Tentative  
Budget**

# **Budget Calendar & Process**

## FY 2026 Budget Calendar

Date	Event
<b>Year-round</b>	Receive citizen input through focus groups, surveys, community meetings, public comment, social media and other electronic correspondence, and personal conversations.
<b>January</b>	Begin developing short and long-term forecasts
<b>January – March</b>	Budget work sessions
	Develop preliminary revenue estimates
	Finalize internal service and administrative cost studies
<b>February – March</b>	Review department budget requests
	Review and update fee schedule
<b>March</b>	Finalize revenue forecasts
	Finalize compensation plan
	Review and balance Mayor's Proposed Budget
<b>March – April</b>	Prepare and publish Mayor's Proposed Budget
<b>May 6<sup>th</sup></b>	<b>Present and Adopt Tentative Budget</b>
<b>May – June</b>	Review of the Tentative Budget
<b>May – June</b>	Public hearing for the Tentative Budget
<b>By June 17<sup>th</sup></b>	<b>Set Property Tax Rate, Set Truth in Taxation Hearing (if needed)</b>
<b>By June 24<sup>th</sup></b>	<b>Adopt Final Budget (if no property tax rate increase)</b>
<b>August</b>	Truth in Taxation Hearing (if needed)
<b>By August 26<sup>th</sup></b>	Set Final Property Tax Rate and Adopt Final Budget (if needed)
<b>By August 19<sup>th</sup></b>	Resolution Calling GO Bond Election (if needed)
<b>November 4<sup>th</sup></b>	General Election, GO Bond Election (if needed)

## Budget Team

Monica Zoltanski, Mayor

Shane Pace, CAO

Kimberly Bell, Deputy Mayor

Martin Jensen, Deputy CAO

Ryan McConaghie, Fire Chief

Ryan Kump, Public Works Director

Brian Kelley, Administrative Services Director

Brett Neumann, Budget & BI Director

Katrina Frederick, HR Director

Zach Whalen, Senior Budget & Mgmt. Analyst

Erin Barry, Senior Data Analyst

Department Leadership

**FY 2026  
Tentative  
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**QUESTIONS?**



# **FY 2026 COMPENSATION PLAN PROPOSAL**

### Compensation Plan Goals:

- Keep ranges competitive with comparison cities
- Keep up with inflation
- Fund step & grade pay plan for Police & Fire
- Fund performance evaluation adjustments to allow non-sworn employees to move through ranges
- Fund benefit increases

## Compensation Study Key Takeaways:

- • Competition for labor remains strong overall with continuing low unemployment coupled with elevated inflation.
- • The City's compensation strategy is to match the group average for public employee positions and to stay above the group average for police and fire sworn positions.
- • Based on the annual compensation study and market conditions we are recommending a 3% Cost of Living Increase (COLA) to keep compensation and pay ranges competitive.

### Budget Proposal Includes the Following:

- • COLA Increase to All Ranges
- • Step & Grade (sworn) / Performance Evaluation Adjustments (non-sworn)
- • Fixed & Variable Benefits Increases



## Cost of Compensation Plan Proposal

	<b>Dollar Increase</b>	<b>Percentage Increase</b>
General & Governmental Funds	\$2.16M	3.4%
Total – All Funds	\$2.55M	3.4%

- COLA Increases to All Positions
  - 3.0% Increase - \$1,900,000 (City-wide)
    - *Sworn – Police & Fire*
    - *Public – City-wide*
    - *Seasonal & Part-time Non-Benefitted – City-wide*

- Sworn – Police & Fire
  - Step Increase (3%, 3.5%, or 4% depending on position) - \$870,000
  
- Non-sworn (City-wide)
  - 3% Performance Evaluation Adjustment - \$905,000

- Fixed Benefits (City-wide)
  - \$105,000 Increase
    - 1.1% premium increase for health plan
    - Small increase to SCOPE clinic costs
    - Small increase to Employee Assistance Program (EAP)
  - No changes to dental plan or life insurance

- Variable Benefits (City-wide)
  - \$80,000 Increase to Workers Compensation
  - (\$210,000) Savings from Utah Retirement Systems (URS) rate changes
  - No changes to other variable benefits

# **FY 2026 Compensation Plan Proposal Summary**

## Compensation Plan Proposal Summary

	<b>General &amp; Governmental Funds</b>	<b>Total – All Funds</b>
Turnover Savings	(\$1,000,000)	(\$1,100,000)
URS Savings	(\$180,000)	(\$210,000)
3% Cost of Living Increase	\$1,625,000	\$1,900,000
Sworn Step & Grade Pay Plan	\$870,000	\$870,000
Non-Sworn 3% Performance Eval Adj	\$685,000	\$905,000
Fixed Benefits Increase	\$90,000	\$105,000
Variable Benefits Increase	\$70,000	\$80,000
<b>Net Increase</b>	<b>\$2,160,000</b>	<b>\$2,550,000</b>

THANKS!

Any questions?



# Easily Connect with Sandy City



Download the app to report city issues (like graffiti), to receive emergency notifications, and to access city/event info on Google or Apple devices. Search “Sandy City: CityServe” in the app store.



The perfect site if you only have a few minutes for quick city updates. This dashboard features latest events, monthly newsletter, latest news, videos, fact briefs, and more.



Get email notifications on all the things you are interested in at the city.

*Sign up here: [sandy.utah.gov/services/enotification](https://sandy.utah.gov/services/enotification)*



Tune into City Council and Planning Commission meetings.

*Go to: [sandyutah.legistar.com/Calendar.aspx](https://sandyutah.legistar.com/Calendar.aspx), then click on the video media link.*



Please sign up and provide feedback on Sandy City’s online survey tool.

*Search “Citizen Connect” at [sandy.utah.gov](https://sandy.utah.gov)*



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