



**FAIRWAY
ESTATES
SPECIAL
SERVICE
DISTRICT**

ANNUAL BUDGET

**FY
2027**



FISCAL YEAR

Fairway Estates Special Service Recreation District 2027 Annual Budget

BOARD MEMBERS

Board Chair, District 2 Bob Bedore
Board Vice-Chair, At-Large Jessica Wignall
Board Member, At-Large Kayleen Whitelock
Board Member, At-Large Annette Harris
Board Member, District 1 Chad Lamb
Board Member, District 3 Zach Jacob
Board Member, District 4 Kent Shelton

ADMINISTRATION

Executive Director Mayor Dirk Burton
Chief Administrative Officer Korban Lee
Assistant Chief Administrative Officer Paul Jerome

BUDGET COMMITTEE

Mayor Dirk Burton
Chief Administrative Officer Korban Lee
Assistant Chief Administrative Officer Paul Jerome
Administrative Services Director Danyce Steck
Budget & Management Analyst Becky Condie
Police Chief Jeremy Robertson
Public Utilities Director Greg Davenport
Human Resources Manager Michael Wilkey



PROPOSED PROPERTY TAX IMPACT SCHEDULE

The West Jordan Fairway Estates Special Service Recreation District (“District”) will consider an increase to its property tax rate to generate an additional \$1,226. The following information is intended to provide decision makers and the public with an explanation of how the District’s financial sustainability would be affected if the property tax rate remains the same.

| | |
|---|-----------|
| Proposed Revenue with Tax Change | \$ 13,487 |
| District’s Current Property Tax Revenue | \$ 12,261 |
| Additional Property Tax Revenue to the District | \$ 1,226 |
| | |
| Fairway Estates Special Service District Current Tax Rate | .000825 |
| | |
| Estimated Increase to the District’s Property Tax Revenue | 10.00% |
| | |
| Estimated Increase to a primary residence of \$528,900 | \$ 24.00 |
| Estimated Increase to a business of \$528,900 | \$ 43.63 |

| <u>Affected Department</u> | <u>Budget without Tax Change</u> | <u>Interim Budget</u> | <u>Budget Change</u> |
|----------------------------------|----------------------------------|-----------------------|----------------------|
| Fairway Estates Special District | \$ 19,725 | \$ 19,725 | \$- |

Impact of Tax Increase

The proposed property tax increase supports the District’s long-term financial sustainability plan by gradually raising revenue to keep pace with rising service costs. If the increase is not approved, the District will need to rely on reserves to pay for services. This would deplete reserves more quickly and ultimately require steeper tax increases in the future. There is no request to expand or reduce service levels—this adjustment simply responds to rising costs driven by inflation.

Explanation of Request

On June 7, 2023, the District Board met and conducted a survey of District residents after the five-year forecast showed that dedicated property tax revenue would no longer be sufficient to fund the service contract for maintaining the District’s parks and open space.

Residents selected an option to begin annually increasing property taxes starting in FY2025, with the understanding that the five-year plan would be reviewed each year. The intent was for any increases to be proactive and gradual rather than reactive and abrupt. District reserves would be used as needed to supplement revenue while these gradual increases were phased in to meet rising service costs.

FAIRWAY ESTATES

SPECIAL SERVICE RECREATION DISTRICT

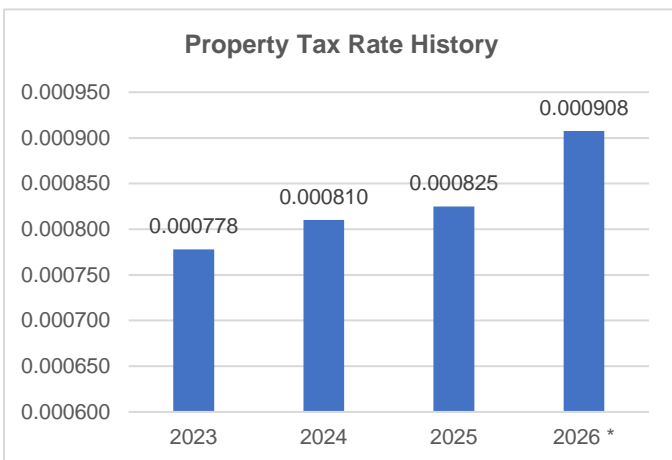
FUND DESCRIPTION & PURPOSE

The Fairway Estates Special Service Recreation District is a separate taxing entity created to provide parkstrip and open space landscaping services to the area within the district. The service demand is in excess of normal city-provided services.

GOVERNING BOARD

The District is managed by a Governing Board of seven trustees consisting of the members of the West Jordan City Council. Meetings are held at such times and places as needed, with an annual meeting held for the purpose of setting the annual property tax rate and electing trustees and officers.

PROPERTY TAX RATE HISTORY



| Tax Year | Tax Rate | Tax Revenue | Change |
|----------|----------|-------------|--------|
| 2017 | 0.001346 | \$ 10,103 | |
| 2018 | 0.001258 | \$ 10,115 | 0.1% |
| 2019 | 0.001180 | \$ 10,118 | 0.0% |
| 2020 | 0.001132 | \$ 10,131 | 0.1% |
| 2021 | 0.000995 | \$ 10,134 | 0.0% |
| 2022 | 0.000766 | \$ 10,136 | 0.0% |
| 2023 | 0.000778 | \$ 10,133 | 0.0% |
| 2024 | 0.000810 | \$ 11,146 | 10.0% |
| 2025 | 0.000825 | \$ 12,261 | 10.0% |
| 2026 * | 0.000908 | \$ 13,487 | 10.0% |

* Rate is estimated

Average Home Value in the District

The calculation below illustrates the financial impact on an average home in the District.

| Tax Year | 2024 | 2025 | 2026 |
|---------------------------|-----------|-----------|-----------|
| Fiscal Year | FY 2025 | FY 2026 | FY 2027 |
| | Actual | Actual | Estimate |
| Assessed Value - Avg | \$487,437 | \$528,900 | \$529,000 |
| Taxable Value - Avg | \$268,090 | \$290,895 | \$290,950 |
| Tax Rate | 0.000810 | 0.000825 | 0.000908 |
| Annual Property Tax - Avg | \$217.15 | \$239.99 | \$264.04 |
| Average per month | \$ 18.10 | \$ 20.00 | \$ 22.00 |

(continued on next page)

FAIRWAY ESTATES

SPECIAL SERVICE RECREATION DISTRICT

BUDGET & FINANCIAL HISTORY

| | Prior Year Actual FY 2025 | Adopted Budget FY 2026 | Estimated Actual FY 2026 | Annual Budget FY 2027 | Yr-to-Yr Budget Change Increase (Decrease) | |
|---------------------------------------|---------------------------------|------------------------------|--------------------------------|-----------------------------|--|-------|
| Revenue | | | | | | |
| 1 250-311000 Property Taxes | \$ 10,980 | \$ 12,261 | \$ 12,725 | \$ 13,487 | \$ 1,226 | 10% |
| 2 250-312000 Delinquent Taxes | - | - | - | - | - | 0% |
| 3 250-316000 Fee In Lieu-Vehicles | 710 | 700 | 700 | 500 | (200) | -29% |
| 4 250-319000 Penalties | - | - | - | - | - | 0% |
| 5 250-361000 Interest Earnings | 239 | 1,000 | - | - | (1,000) | -100% |
| 6 | 11,928 | 13,961 | 13,425 | 13,987 | 26 | 100% |
| Expenditures | | | | | | |
| 7 250-427000 Utilities | (7,631) | (8,756) | (9,650) | (9,700) | 944 | 11% |
| 8 250-431000 Professional & Tech Svcs | (25) | (25) | (25) | (25) | - | 0% |
| 9 250-448000 Dept Supplies | - | - | - | - | - | 0% |
| 10 250-462100 Contract Services | (10,696) | (14,280) | (9,436) | (10,000) | (4,280) | -30% |
| 11 | (18,351) | (23,061) | (19,111) | (19,725) | 3,336 | -14% |
| 12 Net change | \$ (6,423) | \$ (9,100) | \$ (5,686) | \$ (5,738) | | |
| 13 Beginning reserve balance | \$ 42,824 | \$ 36,401 | \$ 36,401 | \$ 30,715 | | |
| 14 Net change | (6,423) | (9,100) | (5,686) | (5,738) | | |
| 15 Ending reserve balance | \$ 36,401 | \$ 27,301 | \$ 30,715 | \$ 24,977 | | |

ADDITIONAL DETAILS

| Expenditures | | | | |
|---------------------|------------|------------------------|---------------|---|
| 16 | 250-427000 | Utilities | 8,500 | Water = \$1,700/mo usage x 5 mos |
| 17 | | | 900 | Water base fee = \$75/mo x 12 mos |
| 18 | | | 300 | Electricity = \$25/mo x 12 mos |
| 19 | 250-431000 | Professional & Tech | 25 | Entity registration w/Lt Gov Office |
| 20 | 250-462100 | Miscellaneous Services | 2,314 | Other maintenance |
| 21 | | | 7,686 | Landscaping contractor (\$1,098 per mo x 7 mos) |
| 22 | | | 19,725 | |



FAIRWAY ESTATES 5-Year Plan

SPECIAL SERVICE RECREATION DISTRICT

| | FY 2027 Budget | FY 2028 Year 1 | FY 2029 Year 2 | FY 2030 Year 3 | FY 2031 Year 4 | FY 2032 Year 5 |
|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Property Tax increase | 10.0% | 10.0% | 10.0% | 10.0% | 12.5% | 12.5% |
| REVENUES | | | | | | |
| Property Taxes | \$ 13,487 | \$ 14,836 | \$ 16,319 | \$ 17,951 | \$ 20,195 | \$ 22,719 |
| Other Revenue | 500 | 700 | 700 | 700 | 700 | 700 |
| | <u>13,987</u> | <u>15,536</u> | <u>17,019</u> | <u>18,651</u> | <u>20,895</u> | <u>23,419</u> |
| EXPENSES | | | | | | |
| Landscaping services | (10,000) | (10,500) | (11,025) | (11,576) | (12,155) | (12,763) |
| Utilities and other | (9,725) | (10,017) | (10,317) | (10,627) | (10,946) | (11,274) |
| | <u>(19,725)</u> | <u>(20,517)</u> | <u>(21,342)</u> | <u>(22,203)</u> | <u>(23,101)</u> | <u>(24,037)</u> |
| NET CHANGE | <u>\$ (5,738)</u> | <u>\$ (4,981)</u> | <u>\$ (4,323)</u> | <u>\$ (3,552)</u> | <u>\$ (2,206)</u> | <u>\$ (617)</u> |
| RESERVES | | | | | | |
| Beginning balance | \$ 30,715 | \$ 24,977 | \$ 19,996 | \$ 15,673 | \$ 12,121 | \$ 9,916 |
| Net change | (5,738) | (4,981) | (4,323) | (3,552) | (2,206) | (617) |
| Ending Balance | <u>\$ 24,977</u> | <u>\$ 19,996</u> | <u>\$ 15,673</u> | <u>\$ 12,121</u> | <u>\$ 9,916</u> | <u>\$ 9,299</u> |

FAIRWAY ESTATES Map

SPECIAL SERVICE RECREATION DISTRICT

