

Considerations for a
Property Tax Increase

Prepared by Amanda Bennett, Mayfield Town Recorder
August 7, 2023



The Bottom Line

Rates and Changes

Year	Last Year 2022	State Suggested Rate 2023	City Proposed Rate 2023
Town Tax Rate	.001244	.001103	.001573
Change from 2022		-12%	+ 23%
Change from State 2023			+ 35%
Taxes on \$332,000 Home (taxed @ 55% of home value)	\$ 209.37	\$201.41	\$287.23
Taxes on \$332,000 Commercial	\$ 380.67	\$366.20	\$522.24

Although the town proposed tax rate is 35% higher than what the State suggests, the 2023 rate is only 23% more than last year.



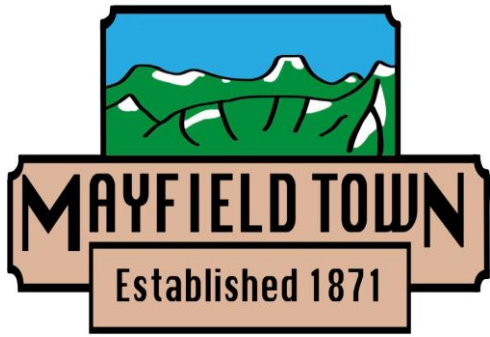
The Bottom Line

Town Revenues

Year		Last Year 2022	State Suggested Rate 2023	City Proposed Rate 2023
Town Taxable Value		\$ 43,054,312	\$49,370,629	
Town Tax Revenue	General Fund	\$50,965 (Tax Rate .001244)	\$50,735 (Tax Rate .001103)	\$72,960 (Tax Rate .001573)
Total		\$237,724	\$237,494	\$269,139

The Sanpete County Assessor determines the taxable value in Mayfield. That new value and the proposed rates means:

- Town total Property Tax Revenues will increase by 36%
- Town General Fund Revenues will increase 12%



The Bottom Line

The Overall Tax Rate

Mayfield Town Property Tax Rates	2023			
	Taxable Value			\$49,370,629
Taxing Entity	Rates	Y/Y Change	% of Tax	Total Tax Amount
Central Utah Water Conservancy District	0.0004	3.4%	3.36%	\$19,748.26
County A&C	0.000273	0.0%	2.29%	\$13,478.19
Mayfield Town	0.001573	42.6%	14.25%	\$77,660.00
Multi County A&C	0.000015	0.0%	0.13%	\$740.56
Sanpete County	0.001974	-0.6%	16.59%	\$97,457.63
Sanpete County Water Conservancy District	0.000213	0.0%	1.79%	\$10,515.95
South Sanpete School District	0.005904	0.0%	61.59%	\$291,484.20
SS Charter School Levy	0.000018			\$888.68
State Basic School Levy SS	0.001406			\$69,415.11
Total	0.011776	4.2%	100.00%	\$581,388.58

The overall tax rate applied in Mayfield will increase 4.2% from last year.



Tax Rate Changes?

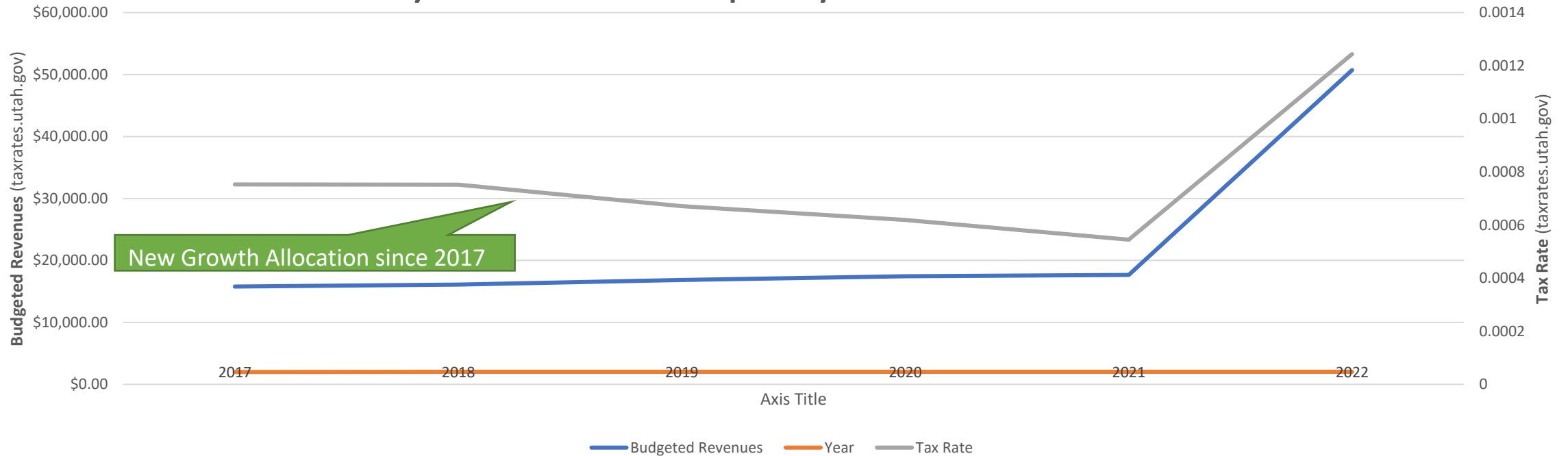
Tax rates change each year.

As property values change and the town grows, the tax rates change so different levels of government receive nearly the same amount in property taxes.



Town Tax Rate Changes?

Mayfield Town Property Taxes vs Town Tax Rate

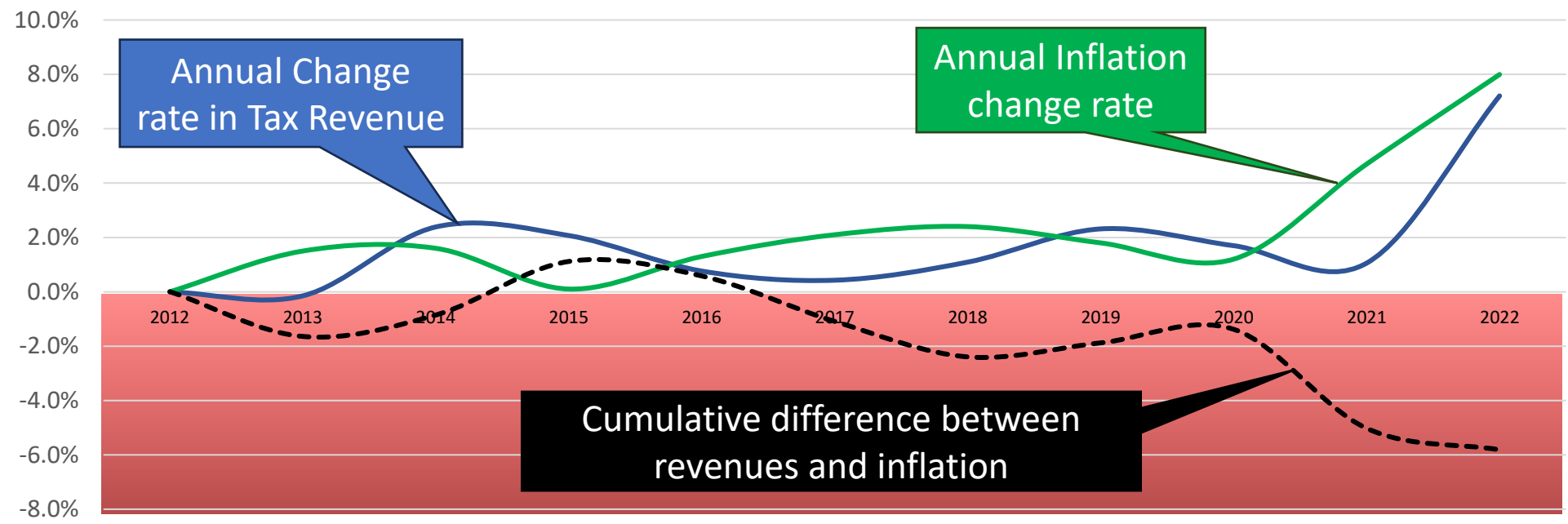


Since 2012 Mayfield Town's tax rate has dropped 33%. New growth has allowed the town to receive 11% more in property taxes despite the tax rate reductions.



Why the Increase?

Mayfield Tax Revenue Change vs Inflation Change



In the last 10 years, the cost of goods and services has increased 24.7%
Town property tax revenues have increased only 18.9% in the same period.
Our property tax revenues cover only 76.4% of inflated costs after the past 10 yrs.



Why the Increase?

In addition to not covering inflation, the town must increase revenues to cover increased public safety costs.

The 2023-2024 budget includes a cost increase of **\$1,680** for **G.V.P.D** school resource services.



The 2023-2024 budget includes a cost increase of **\$4,967** for **Sanpete County Fire District #2**



Why the Increase?

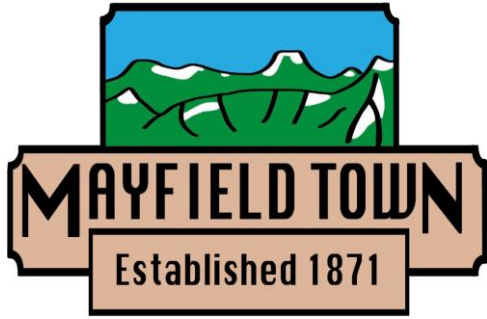
The Public Works Department at present has 1 employee



The public works department completes the following tasks for us:

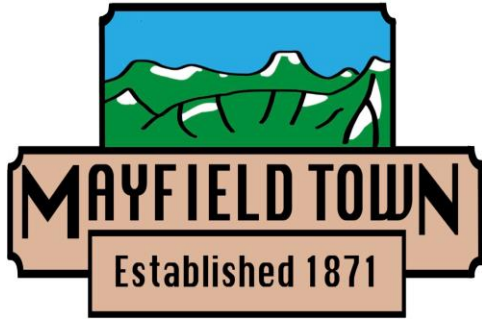
- Monitor, maintain, and operate the town's
 - Drinking water system
(2 wells, 2 tanks, 5+ miles of pipe, moving over 13 million gallons per year)
- Monitor and maintain 7.8+ miles of roads
- Monitor and maintain Town park (7+ac.), cemetery (13+ ac.)
- Maintain public buildings and property
- Monitor and maintain town flood protection services

The full cost of a
full-time
employee is
\$62,000 - \$68,000



Why Now?

- The impact to residents and businesses will be minimal with other taxing entities also lowering their rates.
- Costs of goods and materials continue to climb but the town's revenues have not kept up.
- Market conditions are necessitating more competitive wages for personnel.
- Town growth is necessitating growth of the town work force.
- Past investments must be maintained but with limited funding options to cover the costs.



How to Comment

If you'd like to voice your thoughts or questions about the proposed increase, please join the Town Council for a

PUBLIC HEARING

August 9, 2023 at 6pm

in the **Town Hall 52 N Main Street** in Mayfield

You may also email comments to the Town Recorder (mayfieldtownutah@gmail.com) who will then forward your comments to the Council for the hearing.