

SOUTH WEBER CITY CITY COUNCIL BUDGET RETREAT MEETING

DATE OF MEETING: 7 February 2026

TIME COMMENCED: 9:00 a.m.

LOCATION: South Weber City Office at 1600 East South Weber Drive, South Weber, UT
Meeting streamed on YouTube on 7 February at 9:00 a.m.

PRESENT: MAYOR:

Rod Westbrook

COUNCIL MEMBERS:

**Jeremy Davis
Joel Dills
Blair Halverson
Angie Petty
Wayne Winsor**

CITY RECORDER:

Lisa Smith

CITY MANAGER:

David Larson

PUBLIC WORKS DIR:

Mark Larsen

FINANCE DIRECTOR:

Brett Baltazar

RECREATION DIRECTOR:

Curtis Brown

FIRE CHIEF:

Derek Tolman

CITY ENGINEER:

Brandon Jones

CITY TREASURER:

Tia Jensen

COMMUNITY RELATIONS:

Shaelee King

Minutes: Michelle Clark

ATTENDEES: Paul Sturm and Michael Grant

COUNCIL OPEN

1. Pledge of Allegiance: Councilman Winsor

2. Prayer: Councilwoman Petty

Mayor Westbrook welcomed those in attendance and thanked everyone for attending the dinner and activity held at the new Public Works Facility last night.

BUSINESS

3. Mission/Vision Review

City Manager David Larson reviewed the vision for South Weber City as a family focused community, driven by heritage, safety, and charm at its heart. South Weber City dedicates

itself to honoring our heritage, fostering a haven for families, weaving tight-knit neighborhood connections, providing reliable and financially sustainable municipal services, and building a community with heart.

4. Current Fiscal Health Summary

Finance Director Brett Baltazar provided a summary of the city's current financial position and stated a year ago the city began investing with Zions and between last year and this year the city has increased cash on hand to \$2,731,687. He reviewed the unrestricted fund balances as of 6/30/25. There was a decrease in the Recreation Fund due to not being "self-sufficient." It was supplemented by the General Fund and Fund Balance. Transportation Utilities Fund (TUF) is increasing. He noted the funds are healthy and the city staff can now start looking at major projects for down the road. His goal is to put together a plan for the next four to five years.

UNRESTRICTED FUND BALANCES (6/30/25)			
	FY24	FY25	+/-
General	\$1,369,950	\$1,458,797	\$88,847
Capital Projects	\$1,709,557	\$2,041,025	\$331,468
Recreation	\$383,829	\$311,080	(\$72,749)
TUF	\$507,726	\$1,014,265	\$506,539
Water	\$2,498,156	\$2,264,661	(\$233,495)
Sewer	\$4,604,580	\$5,673,158	\$1,068,578
Sanitation	\$546,731	\$550,425	\$3,694
Storm Drain	\$1,039,192	\$1,322,166	\$282,974
Fleet	\$787,113	\$1,071,829	\$284,716

RESTRICTED FUND BALANCES (6/30/25)			
	FY24	FY25	+/-
ARPA	\$498,460	\$464,786	(\$33,674)
RAP Tax	\$178,189	\$106,123	(\$72,066)
Class C Road	\$801,220	\$1,011,655	\$210,435
Fire Apparatus	\$391,670	\$780,668	\$388,998
Road IF	\$329,870	\$484,268	\$154,398
Water IF	\$112,030	\$135,522	\$23,492
Sewer IF	\$908,503	\$275,127	(\$633,376)
LBA	\$7,795,088	\$3,155,972	(\$4,639,116)
Storm Drain IF	\$0	\$0	\$0
Rec IF	\$0	\$0	\$0
Parks IF	\$0	\$0	\$0
Public Safety IF	\$0	\$0	\$0

Mr. Baltazar reviewed the restricted fund balances as of 6/30/25. There was a decrease in American Rescue Plan Act (ARPA) and Recreation and Parks (RAP) Tax. The Sewer Impact Fee decreased due to Impact Fee Analysis and Public Works bond payment. The Storm Drain Impact Fee went to the South Bench Drive project. Recreation Impact Fee went to the Family Activity Center bond. Parks Impact Fee went to the Petersen Farms Park project. The Public Safety Impact Fee went to the Fire Station bond portion.

Mr. Baltazar reviewed the debt summary for FY 2025 with three bonds: Sales Tax Revenue, Water Revenue, and Local Building Authority with an ending balance of \$11,088,949. He reported on the bond payment for each bond including the annual principal, annual interest, total annual payment, and maturity date.

5. Current FY 2026 Budget Recap

Mr. Baltazar reviewed the Total Budget for FY 2026 Budget - \$13.1M with the breakdown of Governmental \$7.8M, Business \$5.3M, General \$4.9M, Capital Projects \$504K, Transportation Utility Fund (TUF) \$762K, Fleet \$832K, Recreation \$407K, Road Improvements \$52K, Park

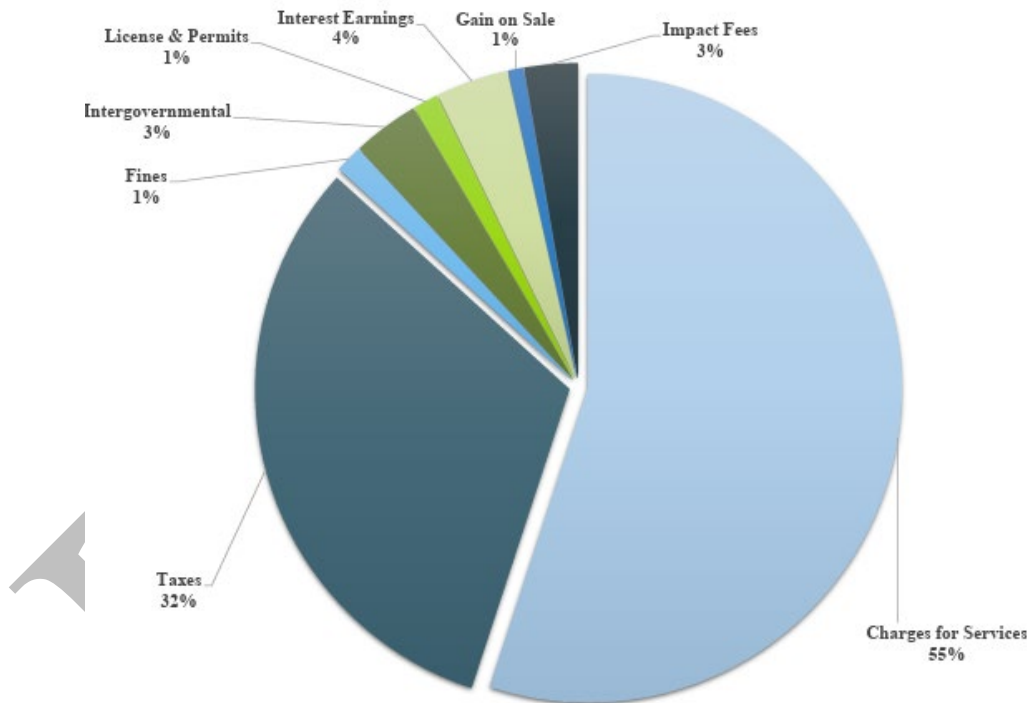
Improvements \$61K, Recreation Improvements \$10K, Public Safety Improvements \$3K, Water \$2.4M, Sewer \$1.5M, Storm Drain \$716K, and Sanitation \$784K.

The Major Projects/Purchases completed include Public Works Facility, forklift, 1375 E waterline replacement, 1st payment on large apparatus, and storm drain audit. Major Projects/Purchases in progress include streetlight replacement, curb/gutter & sidewalk repair, street projects, water/sewer/TUF capital facilities, impact fee facilities and impact fee analyses studies, fire station remodel, Fire Chief truck, family activity center (FAC) heating, ventilation, humidity and air conditioning (HVAC) reserve, and Emergency Operation Plan (EOP) update.

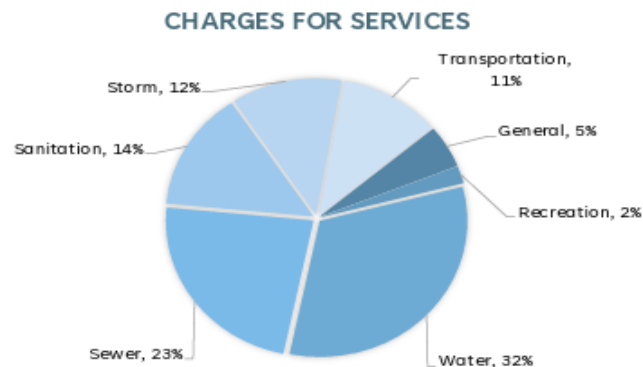
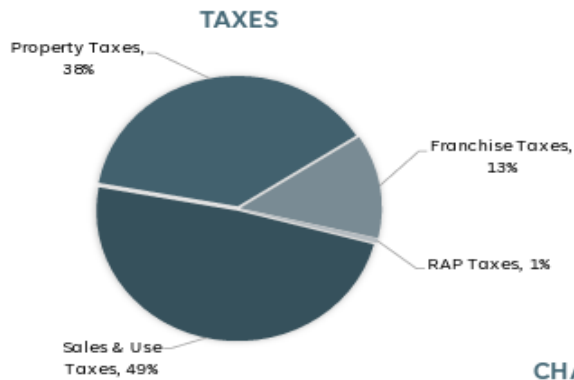
6. Draft FY 2027 Budget

Mr. Baltazar explained the FY2027 Draft Budget Overview which includes a total revenue of \$12,549,500. FY 2027 Budget assumptions include budget revenue for property tax (growth only), budget revenue for sales tax (constant), all other revenue forecasts are conservatively based on current trends, no supplemental requests have been added to the draft budget, and projects are to be determined.

Mr. Baltazar moved onto the FY2027 draft budget revenue summary less fund balance transfers.



Mr. Baltazar discussed and reviewed the pie chart for the FY 2027 Draft Budget taxes 32% and charges for services 55%.



Mr. Baltazar reviewed the FY 2027 Budget Revenue Summary for Sales & Use Taxes \$1,787,000, Property Taxes \$1,392,500, Franchise Taxes \$470,000, and RAP Taxes \$9,000.

Councilman Winsor noted the city's main source of income is sales tax and the city should not rely on that income for long term projects. City Manager David Larson added property tax, franchise tax, and recreation and parks (RAP) taxes are more reliable.

A review took place of operational costs which Councilman Davis requested reviewing quarterly:

'TRUE' OPERATIONAL INCLUDE:

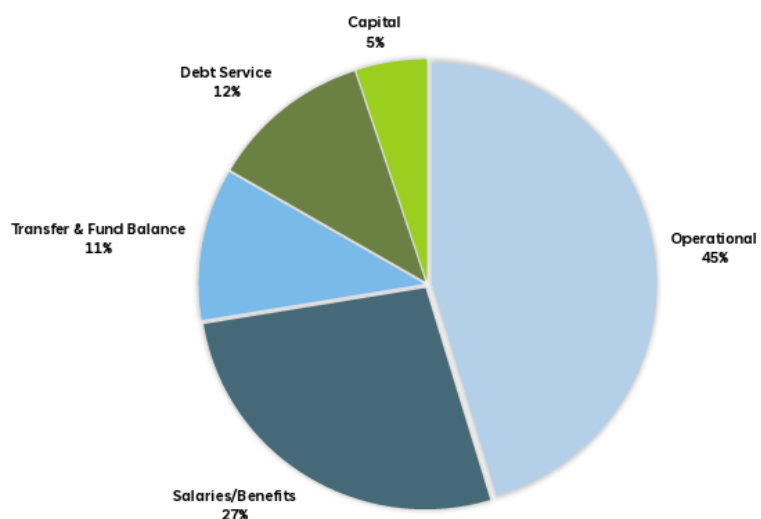
- OPERATIONAL
- SALARIES/BENEFITS
- TRANSFER & FUND BALANCE

DEBT SERVICE INCLUDE:

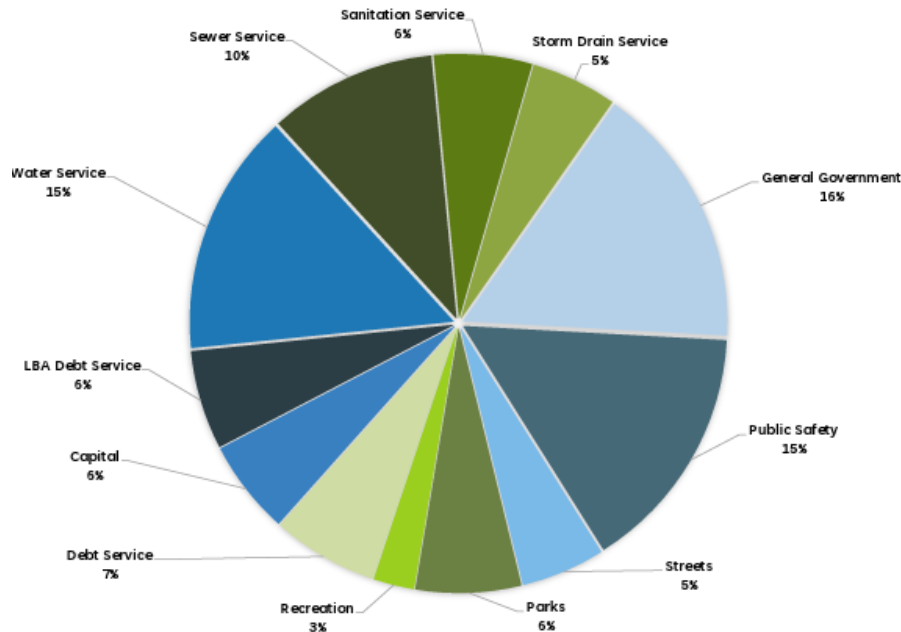
- PRINCIPAL & INTEREST ON BONDS
- FLEET LEASE PAYMENTS

CAPITAL INCLUDE:

- ON-GOING STREET PROJECTS
- ON-GOING LIGHT POLE PROJECTS
- COMPUTER REPLACEMENT
- SUPPLEMENTAL REQUESTS NOT INCLUDED



Mr. Baltazar reviewed the FY 2027 Draft Budget Expense Summary Less Fund Balance & Transfers



Mr. Baltazar conveyed overall each department is healthy with the General Fund 4%, Special Revenue & Internal Fund -34%, and Enterprise Fund -7%.

Department	FY27 Budget	+/- Prior Budget	% Chg
General Fund Departments			
Legislative	64,000	(2,000)	-3%
Judicial	58,500	1,500	3%
Administrative	1,302,500	26,500	2%
Public Safety	390,000	(9,000)	-2%
Fire	1,422,500	83,500	6%
Comm. Services	614,000	37,000	6%
Streets	583,000	27,000	5%
Parks	759,000	46,000	6%
Special Revenue & Internal Funds			
Recreation	409,000	2,000	0.5%
Fleet	629,000	(333,000)	-35%
Enterprise Funds			
Water	2,098,000	(310,000)	-15%
Sewer	1,446,000	20,000	1%
Sanitation	794,000	10,000	1%
Storm Drain	725,000	9,000	1%
Transportation	611,000	(151,000)	-25%

Councilman Winsor requested a discussion on sales tax revenue allocations. The city currently sets aside \$200,000 up to 25% of sales tax revenue, but if there is surplus where should the revenue go? His concern is that the city is not saving enough for future capital projects expenditures. Councilman Halverson would like \$200,000 minimum as an actual written policy. Mr. Baltazar replied if council wants to move in that direction, that can be done. Councilman Davis preferred that projects drive the amount of money set aside. Councilwoman Petty agreed. Councilman Winsor expressed the need for this process to be in a written policy. Councilman Winsor would like a five-year outlook of capital expenditures. The council discussed being specific as to what is set aside for which project. Mr. Jones stated the guiding principle is saving for projects, not bonding. Councilman Davis noted everything has a life cycle and it is important to think long term. He suggested the council meet to discuss and prioritize items that have a life span.

Councilman Winsor moved to direct city staff to take \$250,000 of sales tax revenue up to 25% of FY 2027 budget for capital projects fund and to track the capital reserves fund. Councilman Halverson seconded the motion. Mayor Westbrook called for a roll call vote. Council Members Davis, Dills, Halverson, Petty, and Winsor voted aye. The motion carried.

Overview of FY 2027 Departmental Budget Requests

Mr. Baltazar reviewed the supplemental budget request list.

#	TITLE	AMOUNT	DEPT/FUND	TYPE
1	Quint Purchase	\$1,115,000	Fire/Fleet	One-Time
2	Lawn Mower	\$25,000	Parks/General	One-Time
3	West Reservoir	\$50,000	Water/Water	One-Time
4	City Hall Server	\$15,000	Admin/Capital	One-Time
5	FAC HVAC	\$10,000	Rec/Capital	On-Going
6	Code Enf. Officer	\$40,000	Comm Svcs/ General	On-Going
7	Multi-Hazard Mitigation Plan (MHMP)	\$90,000	Water/Water	One-Time

Discussion took place regarding hiring a Code Enforcement Officer as a new part-time position for \$40,000. Councilman Dills suggested looking at what it takes to automate the process which will give an idea of what proactive enforcement would be and then the next stage is driving around doing inspections. Councilman Winsor would like to see more proactivity versus neighbors reporting on neighbors. Mayor Westbrook suggested hiring an hourly employee. Mr. Larson did not think there was a huge code enforcement problem, but there is a perception problem with individuals who do not comply. Public Works Director Mark Larsen pointed out the cost of damage to city vehicles from tree overhang violations. Councilman Winsor suggested hiring someone to do an assessment of the city.

Councilman Halverson moved to budget \$30,000 and have staff determine how to allocate. Councilman Winsor seconded the motion. Mayor Westbrook called for a roll call vote. Council Members Davis, Halverson, Petty, and Winsor voted aye. Councilman Dills voted nay. The motion carried 4 to 1.

Mr. Baltazar discussed Supplemental Budget Request Capital Projects which include City Hall server (\$15,000) and the Family Activity Center HVAC replacement (\$10,000). It was suggested that the Recreation and Finance Committee meet to discuss options for the FAC HVAC. The City Council agreed the City Hall server needed to be updated. Brett discussed the Quint Fire Truck purchase and the need for an additional \$300,000. It was decided to take \$200,000 from ARPA and \$100,000 from the capital fund for the Quint Fire Truck. It was decided to continue to budget \$130,000 each year for the Quint Fire Truck. The City Council agreed to \$25,000 for a lawnmower and \$50,000 for repairing the west reservoir. Mr. Larson discussed the Multi-Hazard Mitigation Plan of \$90,000 for the east tank scope and application for a grant. The City Council questioned the need to pay that large amount for a study. City Engineer Brandon Jones stated it has been identified as a hazard and suggested looking at what the scope includes. The City Council okayed the repair on the west reservoir for \$50,000 and obtained more information on the Multi-Hazard Mitigation Plan for the east tank.

Mr. Baltazar reviewed the departmental budget review. Legislative is down 3%, Judicial up 3%, Administration up 2%. Mr. Larson reported there is intent to put together a computer replacement program. City Recorder Lisa Smith discussed audio visual concerns and the possibility of getting bids for the system. Public Safety is down 2% with a 3% increase for Davis County Sheriff's Department and an Emergency Operations Plan. Fire up 6% with noteworthy line item changes being salaries/benefits, fire fleet, adjust software, and bond principal Community Services 6%, Streets 5% with line-item changes of new Public Works Building, Fleet Lease, and Salaries/Benefits. Parks 6% with addition of lawn mower, fleet lease, and salaries/benefits. Councilman Winsor conveyed he received a citizen request for a 1900 East trail access up the hill for biking and hiking. Councilman Dills did not favor a trail in that location. Councilwoman Petty agreed. Mayor Westbrook pointed out there is a portion of the landfill that is closed which may be a location for a trail. The Parks Committee will review further. Mr. Baltazar stated Recreation is 0.5% with Recreation Director Curtis Brown looking at ways to cut expenses. Discussion took place regarding whether the HVAC replacement at the Family Activity Centers is impact fee eligible. Water 15% with noteworthy changes Salaries/Benefits, Fleet Lease, Shared Portion – new public works building., Weber Basin water purchase, and Admin. Services. Sewer 1% with Wasatch Integrated Fee increase. Sanitation 1%, and Storm Drain 1%.

Mr. Larson discussed a potential green waste program. Wasatch Integrated Waste Management District (WIWMD) will cover the cost of new green cans, city (or contractor) will assemble and distribute. There must be an opt-out option (anticipate ~50% take rate), estimated under \$10 monthly utility fee with a goal to be under \$8 and service starting in Spring of 2027. The City Council agreed to pursue the option.

Mr. Baltazar reviewed the Transportation Utility Fund (25%) with noteworthy changes including continuing street projects, re-budget FY25 curb & gutter projects, remove 7800 asphalt project, and remove TUF study. Fleet Management (35%) lease charges increased. Discussion took place regarding collecting the data and analyzing leasing versus purchasing vehicles.

7. Major Projects

Mr. Baltazar discussed the 10 Year Capital Improvement Plan and the cash flow for Administrative Services, Recreation, Parks, Fire, and Streets. He pointed out he spent a considerable amount of time with the Parks Director discussing and prioritizing projects. He will meet with other department heads as well.

7375 South 925 East

City Engineer Brandon Jones reported two streets will be upgraded to meet city standard width, drainage, and new pavement. There will be additional sidewalk to provide a safe route for pedestrians, the water line will be replaced, and the storm drain will be a significant project with two different options. The project is estimated to cost \$4,569,015. It was suggested to bid the project in phases. Councilman Winsor questioned if this project moves forward, what happens to other planned projects. Councilman Davis asked what the timing will be as there are concerns if the Highway 89 & 84 Interchange will affect South Weber Drive. It was decided to proceed with the engineering design phase, which will allow for time to research development options to take the project north through the Kap property.

Westside Reservoir

City Engineer Brandon Jones stated this project consists of replacing the existing 1MG reservoir with new 1MG in a new location with a projected cost of \$3.5 M - \$4.0 M. Annual earmark is \$250,000 - \$400,000.

Streetlight Replacement Program

The goal is to replace all the Rocky Mountain Power owned streetlights. The total estimated cost is \$968,000. The annual budget is \$50,000 with a projected completion time of FY43. Discussion took place regarding increasing the budget amount.

LBA Bond Re-Finance Option

Mr. Larson announced Zions Public Finance, Inc. (ZPFI) analyzed interest rates and discovered potential savings estimated at \$1,000,000 overall with a \$50,000 reduction in annual payments. The City Council decided to pursue looking into this.

Budget Process

March Committee Meetings

April 14 Work Session

April 28 Work Session

May 12 Adopt Tentative Budget

May 19 Public Hearing on Tentative Budget

June 9 Work Session (if needed)

June 23 Adopt Final Budget (unless truth in taxation hearing)

ADJOURNED: Councilwoman Petty moved to adjourn the meeting at 2:30 p.m. Councilman Halverson seconded the motion. Mayor Westbrook called for a voice vote. Council Members Davis, Dills, Halverson, Petty, and Winsor voted aye. The motion carried.

APPROVED: _____ **Date 03-10-2026**

Mayor: Rod Westbrook

Transcriber: Michelle Clark

Attest: City Recorder: Lisa Smith