

Argument against the City of Bountiful Park & Trails General Obligation Bond

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When deciding whether to support the proposed bond and accompanying property tax increase, it is important to recognize that if they do not pass, the city can still procure the property and improve trails using other available resources.

Unfortunately, \$27,700 in taxpayer funds have already been paid to Y2 Analytics to gauge and influence public support for this bond. Y2 Analytics, which “has only lost one bond election in seven years,” tested “messaging and arguments...to determine which talking points and strategies are the most effective in a successful bond campaign.” Thus, all stops are being pulled out to ensure that the bond and tax increase are approved.

It is possible that not every project (skate park, sports fields, pickleball courts, etc.) will be realized since construction costs are high and an interlocal agreement required by the School District could impact the park’s overall design and use. Furthermore, as evidenced by the plaza construction and City Hall renovation, delays may occur and construction costs may be higher than anticipated.

It’s important to note that city officials routinely transfer millions of dollars from the power fund to the general fund since this “transfer helps keep property taxes in Bountiful low.” This transfer does not come cheap. Just this year, power rates were increased to bring in an additional \$404,000 annually, the customer service charge increased 20% (\$24 per year) and in 2018 a \$2.00 flat rate street light fee was imposed (\$24 per year). Since transfers are used to fund governmental programs rather than the Power Department, they are, in effect, a hidden tax.

Furthermore, in 2018 the City Council voted for a property tax increase that brought in roughly \$300,000. In 2019, an election year, the Council discussed an additional 8.1% property tax increase but did not pursue it.

In Bountiful, those least able to pay are hit the hardest by taxes, charges and fees. Bountiful collects sales taxes on food. Small electricity users pay up to 90% of their bills in charges, fees and taxes. A \$3 per month tax increase means one less gallon of milk for a food insecure family and denies an elderly person the money needed to buy a pound of hamburger. And the extra \$32.57 per year on the average \$371,000 home comes on top of a property tax bill that already exceeds \$2,400. In addition, small, struggling businesses are hit almost twice as hard as are homeowners.

And, the fact that the city does not currently have any bond debt should be a badge of honor—not a reason to justify bonding.

So what is the alternative to a tax increase? According to the City Manager in 2018, the capital projects fund “has been steadily increasing in balance over the past 12 years, and even if conservative revenues are projected over the next 10 years, there will still be a net increase in the balance.” So, why not use that to pay for the land and improvements rather than implementing a property tax increase?