

Mayor Ben McAdams

2015 Proposed June Budget

June 9, 2015

Mayor McAdams June Budget Presentation

- Doug MacDonald – Economic Overview
- Robert Reed – Revenue Update
- Darrin Casper – Proposed Budget Adjustments

Revenue Update

2015 Proposed June Budget

- Sales Tax Revenue Projections
- Property Tax Revenues
- Motor Vehicle Fee-in-Lieu of Taxes
- Recorder Fee Revenues
- General Fund Revenue Summary

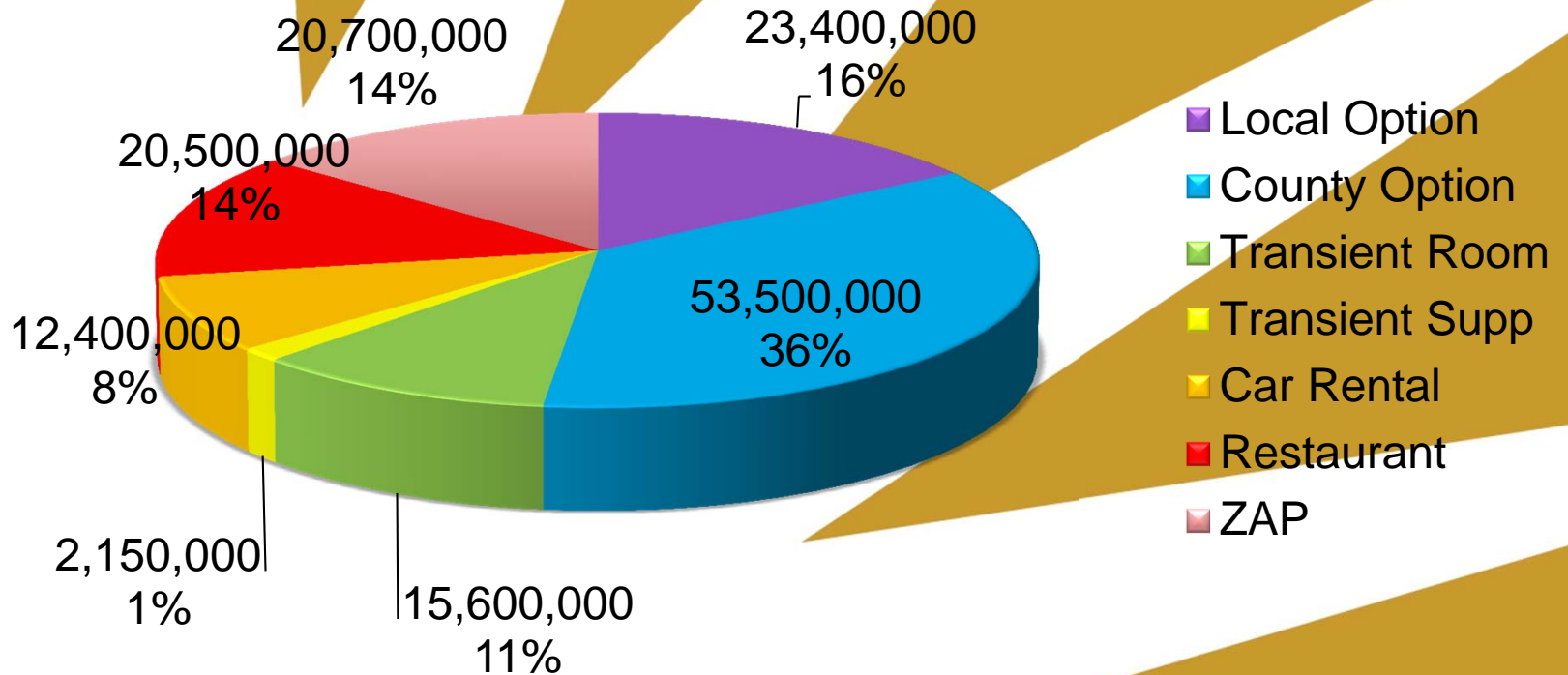
Sales Tax Revenue Projections



Sales and Use Tax

2015 Adopted Revenues

Total Sales & Use Tax

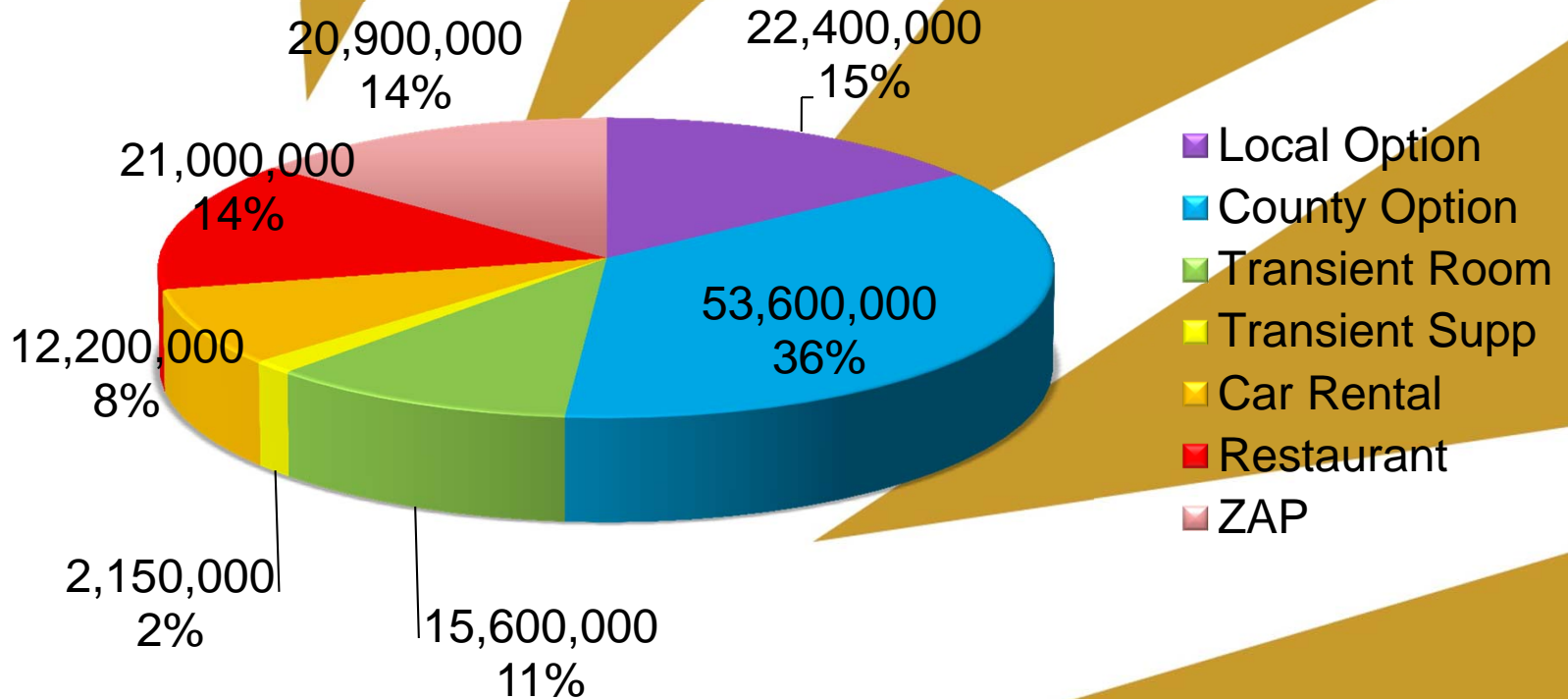


\$148,250,000 Total Sales and Use Tax Revenues Projected

Sales and Use Tax

2015 June Projected Revenues

Total Sales & Use Tax
-\$400,000



\$147,850,000 Total Sales and Use Tax Revenues Projected

Local Option Sales Tax

(1% tax to Municipal Services Fund)

	Actual Revenues	\$ Change from Prior Year	% Change from Prior Year
2012	\$22,368,131	\$2,528,513	12.74%
2013	\$21,836,858	-\$531,273	-2.38%
2014	\$22,742,582	\$905,997	4.15%
1Q 2014	\$5,524,731		
1Q 2015	\$5,212,987	-\$311,714	-5.6%

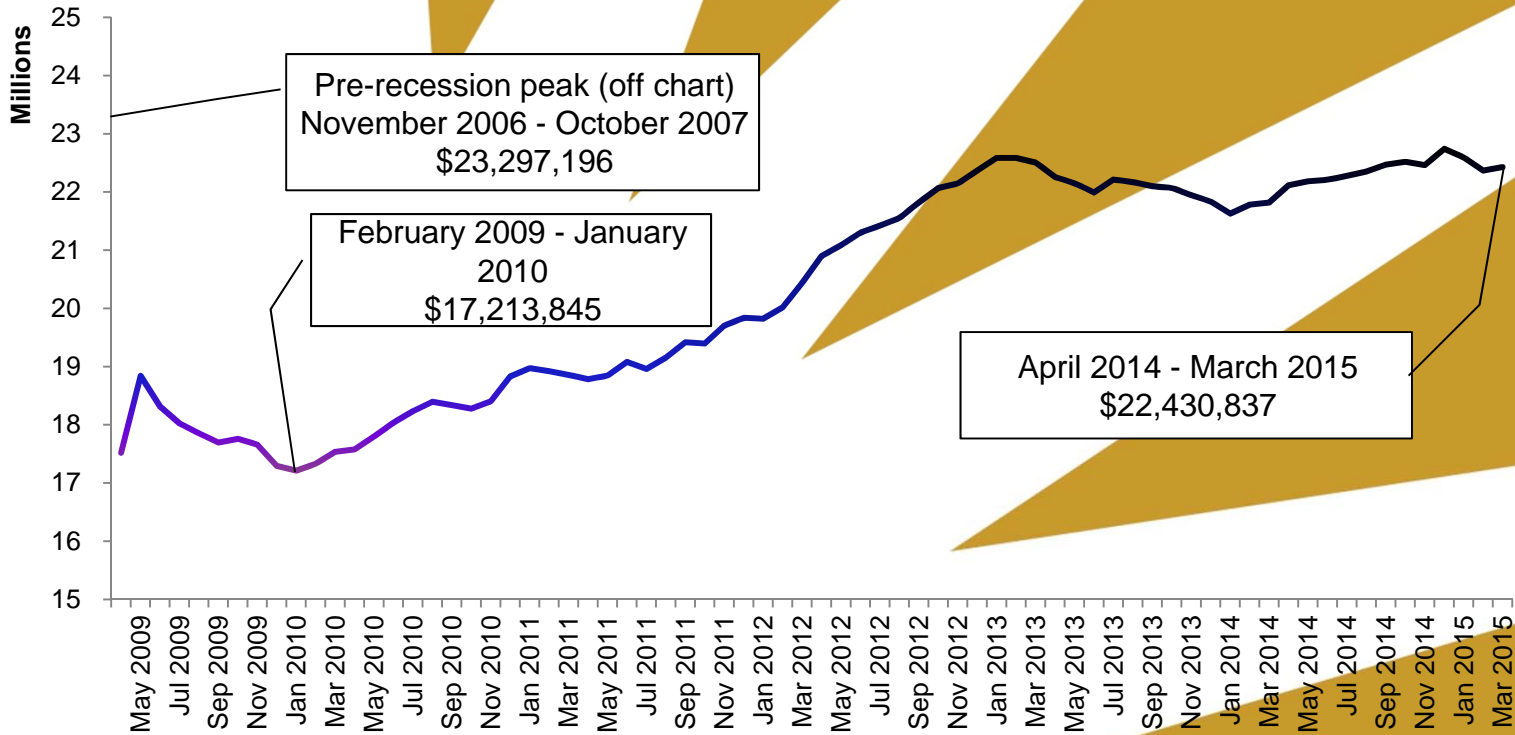
2015 Projection:	Oct. 2014	\$23,400,000
	June 2015	\$22,400,000

Local Option Impacts

- Olympus Hills Annexation
- Taxpayer Allocation Correction
- Taxpayer Refunds

Local Option Sales Tax (1% tax to Municipal Services Fund)

Salt Lake County Local Option Sales Tax
72 Month Trendline of 12-Months-to-Date



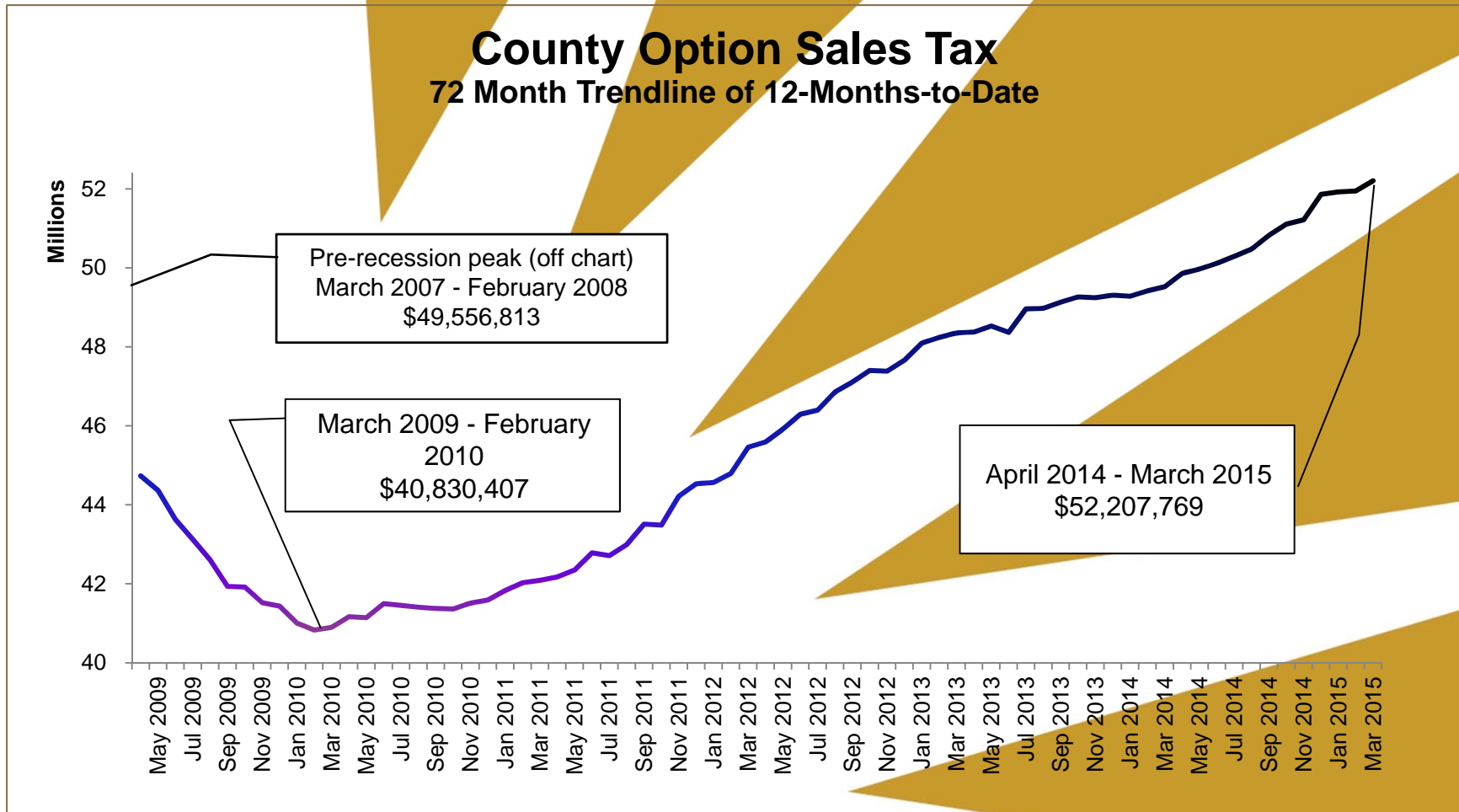
County Option Sales Tax

(0.25% tax to General Fund)

	Actual Revenues	\$ Change from Prior Year	% Change from Prior Year
2012	\$47,665,968	\$3,132,070	7.03%
2013	\$49,311,368	\$1,645,400	3.45%
2014	\$51,862,908	\$2,551,540	5.17%
1Q 2014	\$12,225,545		
1Q 2015	\$12,569,354	\$343,809	2.8%

2015 Projection:	Oct. 2014	\$53,500,000
	June 2015	\$53,600,000

County Option Sales Tax (0.25% tax to General Fund)



Transient Room Tax

(4.25% tax to Visitor Promotion Fund)

	Actual Revenues	\$ Change from Prior Year	% Change from Prior Year
2012	\$12,639,481	\$606,777	5.04%
2013	\$13,436,374	\$796,893	6.30%
2014	\$14,701,211	\$1,264,837	9.41%
1Q 2014	\$4,165,159		
1Q 2015	\$4,552,697	\$387,538	9.3%

2015 Projection:	Oct. 2014	\$15,600,000
	June 2015	\$15,600,000

Transient Room Tax - Supplemental

(0.5% tax to TRCC Fund)

	Actual Revenues	\$ Change from Prior Year	% Change from Prior Year
2012	\$1,749,408	\$83,993	5.04%
2013	\$1,859,706	\$110,297	6.30%
2014	\$2,034,770	\$175,064	9.41%
1Q 2014	\$576,492		
1Q 2015	\$630,131	\$53,639	9.3%

2015 Projection:	Oct. 2014	\$2,150,000
	June 2015	\$2,150,000

Car Rental Tax

(3% & 4% tax to TRCC Fund)

	Actual Revenues	\$ Change from Prior Year	% Change from Prior Year
2012	\$10,520,866	-\$51,204	-0.48%
2013	\$10,610,088	\$89,222	0.85%
2014	\$12,143,176	\$1,533,088	14.45%
1Q 2014	\$3,908,555		
1Q 2015	\$3,689,212	-\$219,343	-5.6%

2015 Projection:	Oct. 2014	\$12,400,000
	June 2015	\$12,200,000

Restaurant Tax

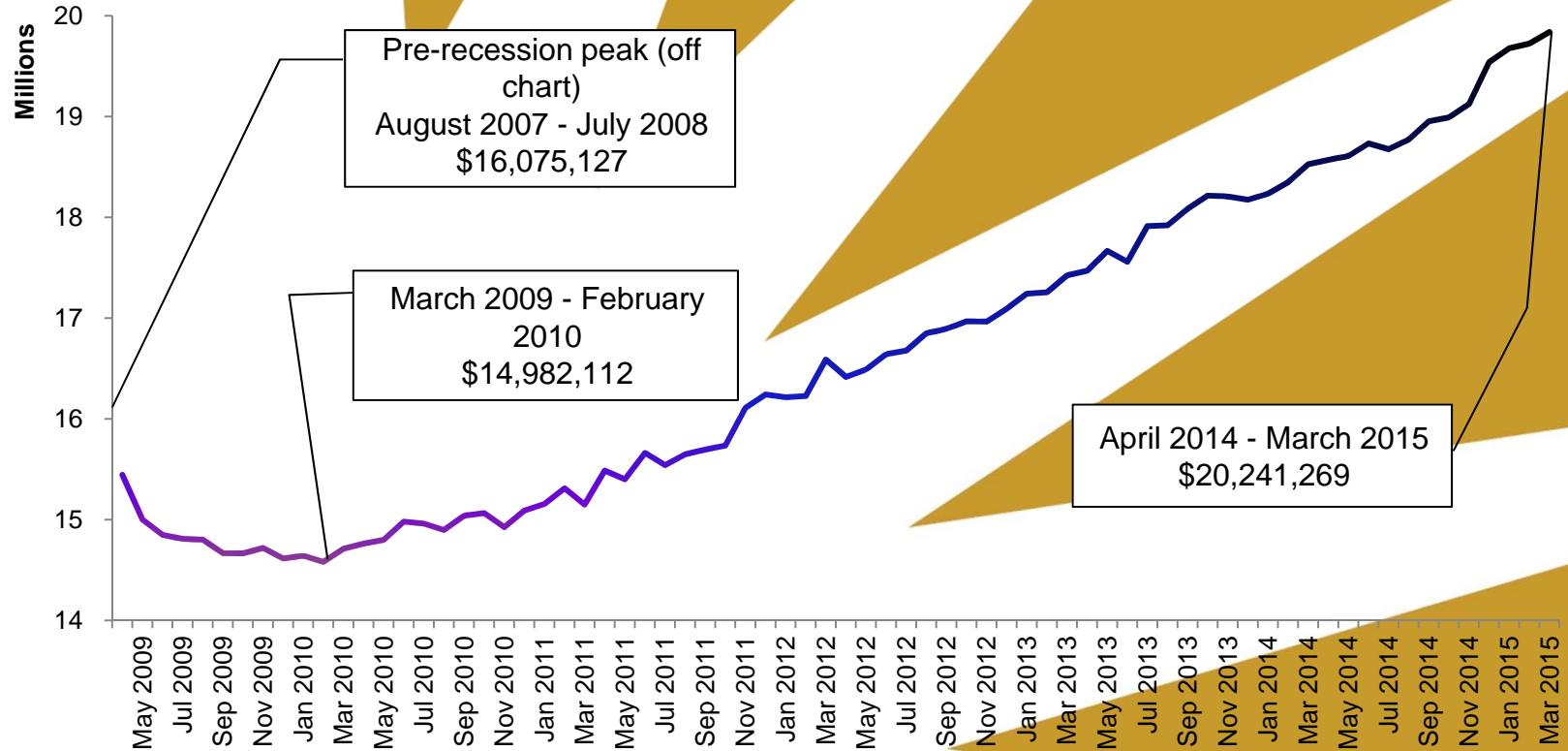
(1% tax to TRCC Fund)

	Actual Revenues	\$ Change from Prior Year	% Change from Prior Year
2012	\$17,493,773	\$850,918	5.11%
2013	\$18,575,417	\$1,081,644	6.18%
2014	\$19,940,284	\$1,364,867	7.35%
1Q 2014	\$5,003,881		
1Q 2015	\$5,304,866	\$300,985	6.0%

2015 Projection:	Oct. 2014	\$20,500,000
	June 2015	\$21,000,000

Restaurant Tax (1% tax to TRCC Fund)

Salt Lake County Restaurant Tax 72 Month Trendline of 12-Months-to-Date



Zoo, Arts, & Parks Tax

	Actual Revenues	\$ Change from Prior Year	% Change from Prior Year
2012	\$18,797,937	\$1,327,839	7.60%
2013	\$19,302,821	\$504,884	2.69%
2014	\$20,235,613	\$932,792	4.83%
1Q 2014	\$4,770,544		
1Q 2015	\$4,931,975	\$161,432	3.4%

2015 Projection:	Oct. 2014	\$20,700,000
	June 2015	\$20,900,000

Property Tax Revenues

Taxable Values

	2014 (\$Billions)	2015 (\$Billions)	Change in Taxable Value (\$Billions)	% Chg
County- Wide	\$64.6	\$68.1	\$3.5	5.48%
Municipal Services	\$9.4	\$9.6	\$0.2	2.54%
Library	\$45.4	\$47.9	\$2.6	5.67%

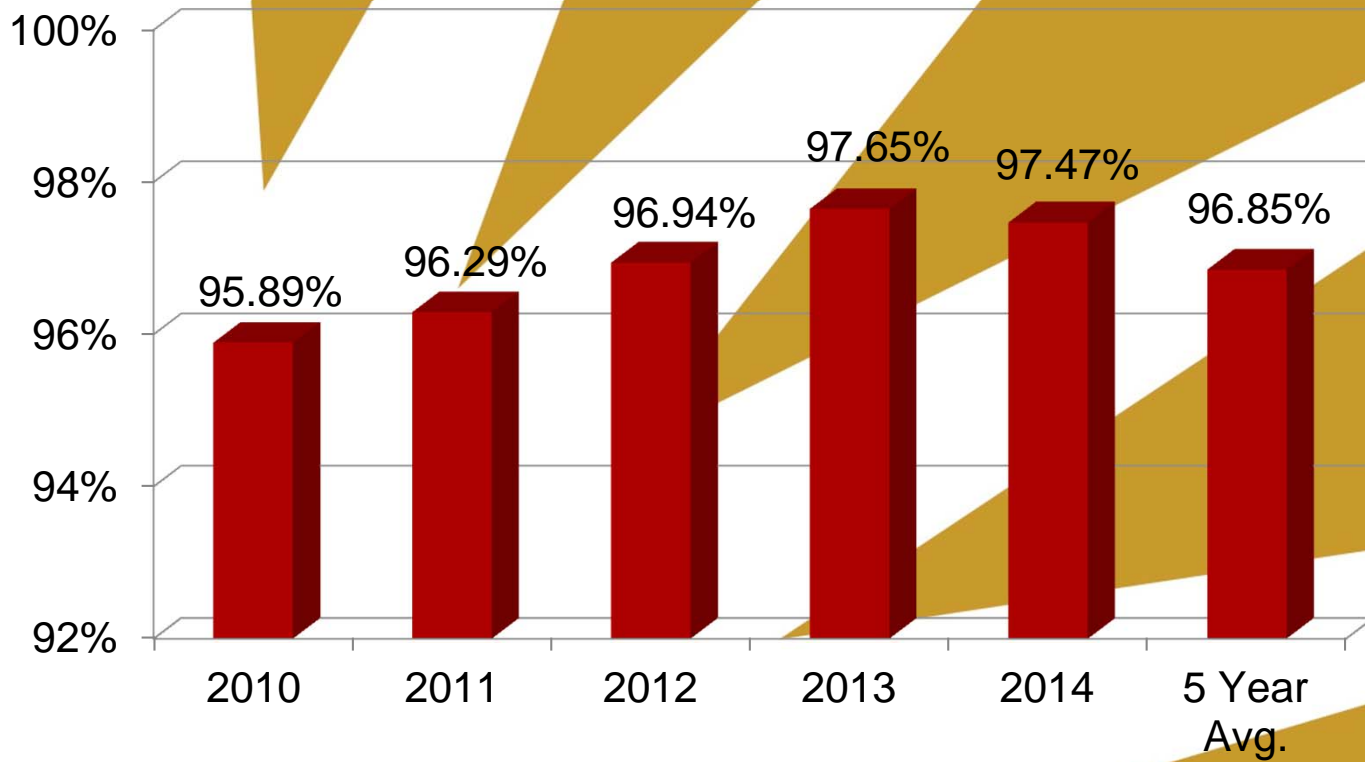
Taxable Values

New Growth

New Growth (\$Billions)					
	2010	2011	2012	2013	2015
County-Wide	\$3.0	-0-	-0-	-0-	\$1.8
Municipal Services	\$1.9	-0-	-0-	-0-	\$0.5
Library	\$2.7	-0-	-0-	-0-	\$1.6

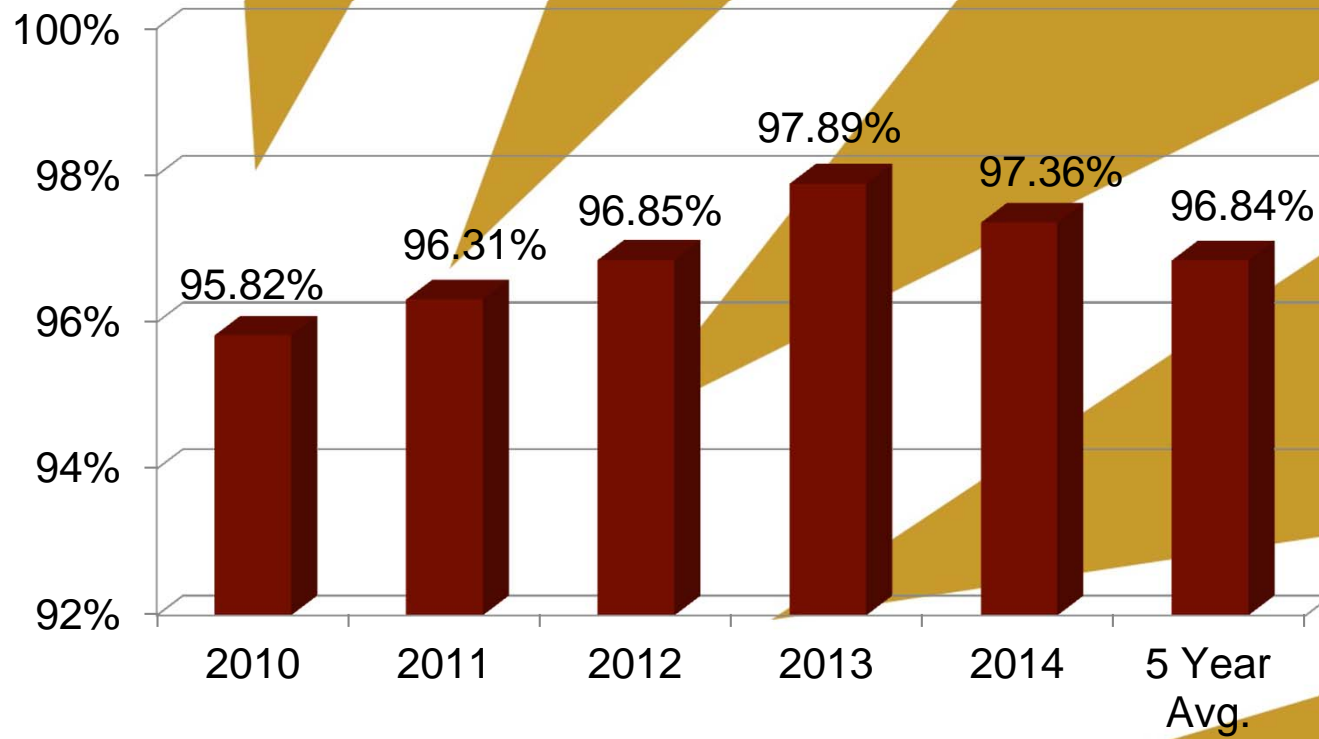
Collection Rates

County-Wide



Collection Rates

Library



2015 Countywide Tax Rates*

Fund	2014 Adopted Tax Rate	2014 Actual Revenue (\$Millions)	2015 Certified Tax Rate	2015 Budgeted Revenue (\$Millions)
110-General Fund	0.1743%	\$113.7	0.0%	\$
250-Flood Control	0.0089%	\$5.8	0.0%	\$
370-Health	0.0154%	\$10.1	0.0%	\$
115-Gov't Immun	0.0022%	\$1.4	0.0%	\$
410-Bond Debt Svc	0.0608%	\$39.7	0.0%	\$
450-Cap. Improv	0.0077%	\$5.0	0.0%	\$
590-Planetarium	0.0040%	\$2.6	0.0%	\$
Countywide	0.2733%	\$178.3	0.0%	\$

* Preliminary

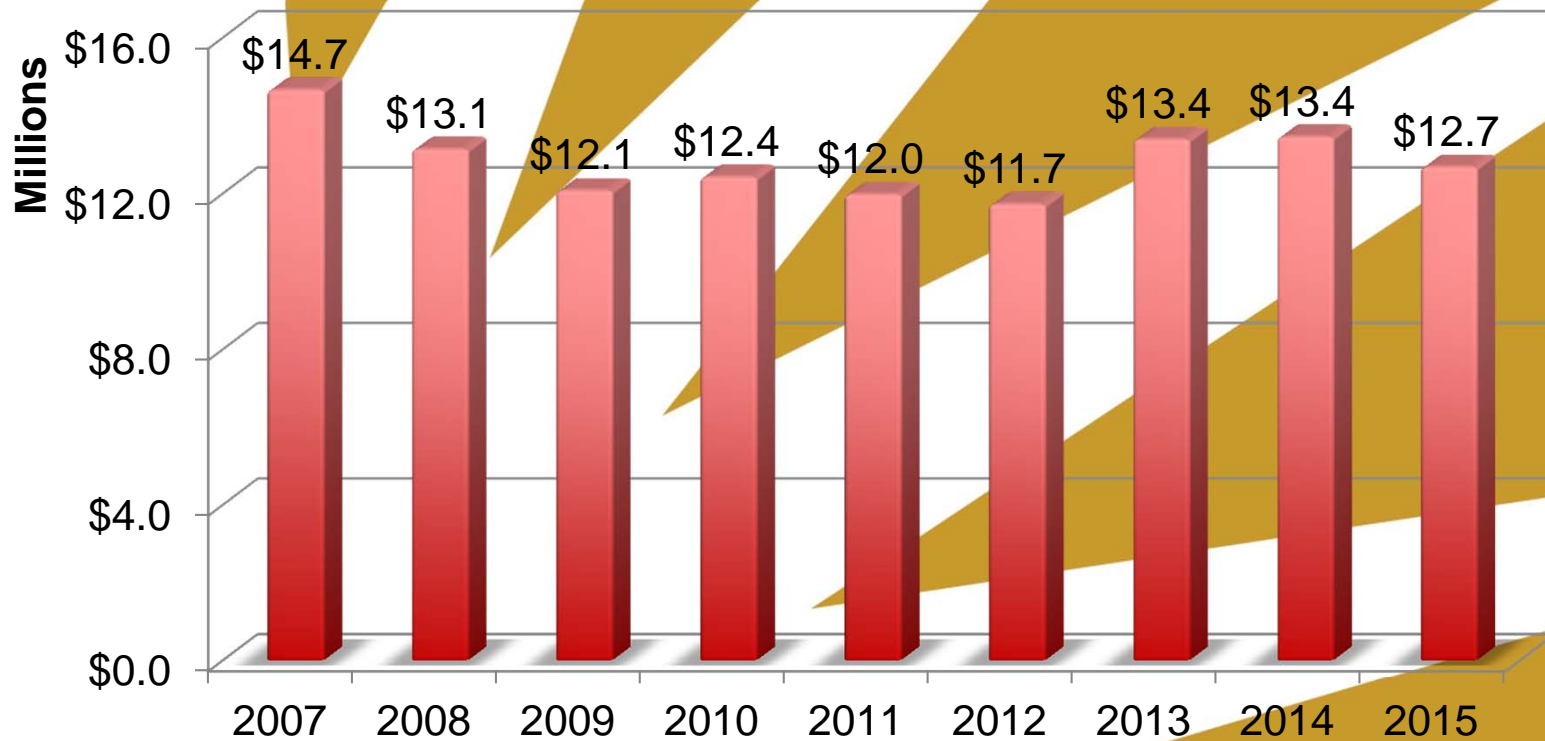
2015 Other Property Tax Rates*

Fund	2014 Adopted Tax Rate	2014 Actual Revenue (\$Millions)	2015 Certified Tax Rate	2015 Budgeted Revenue (\$Millions)
340-Tax Admin	0.0290%	\$20.3	0.0%	\$
232-Municipal Services Tort Liability	0.0077%	\$0	0.0%	\$
360-Library	0.0715%	\$33.9	0.0%	\$

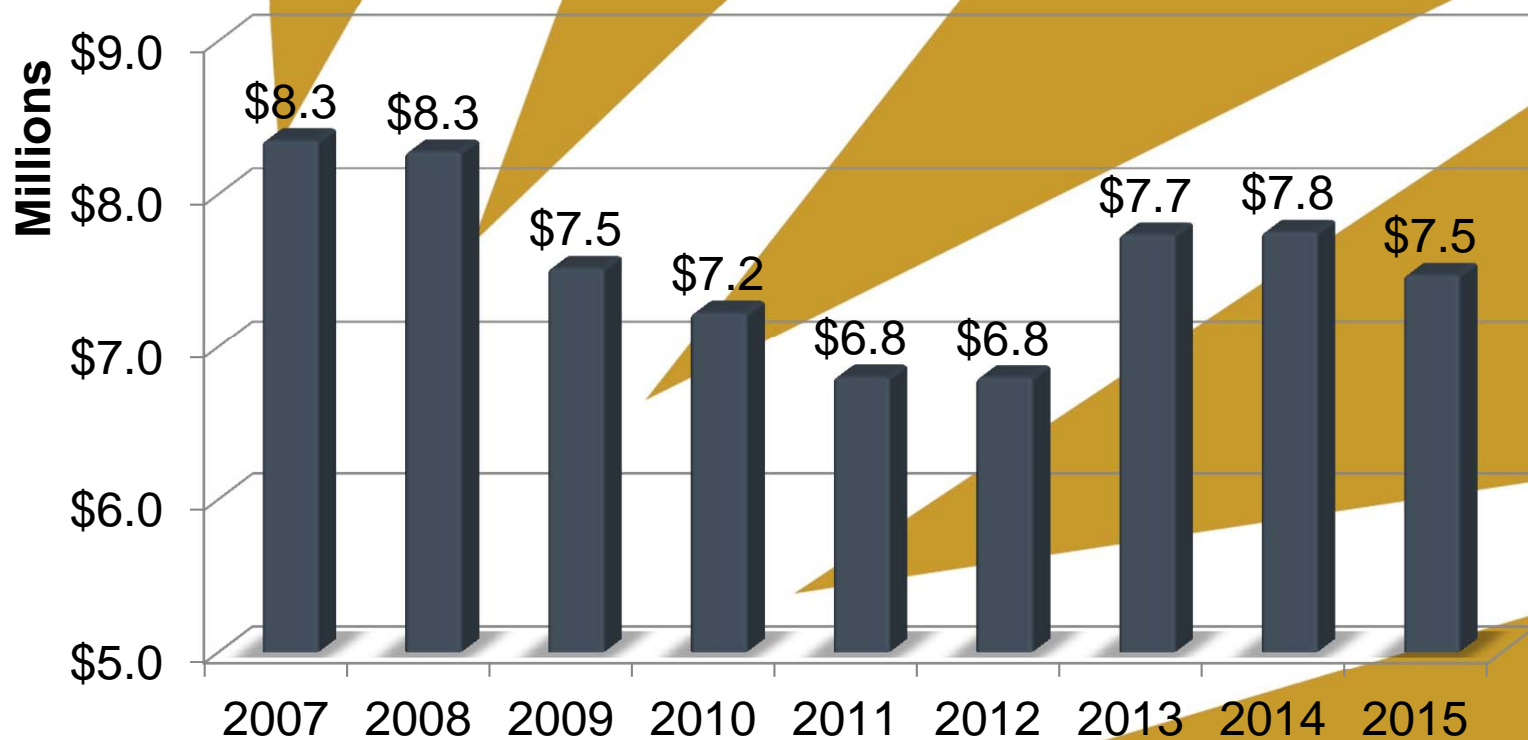
* Preliminary

Motor Vehicle Fee-In-Lieu

Motor Vehicle Fee-In-Lieu Countywide Funds



Motor Vehicle Fee-In-Lieu General Fund



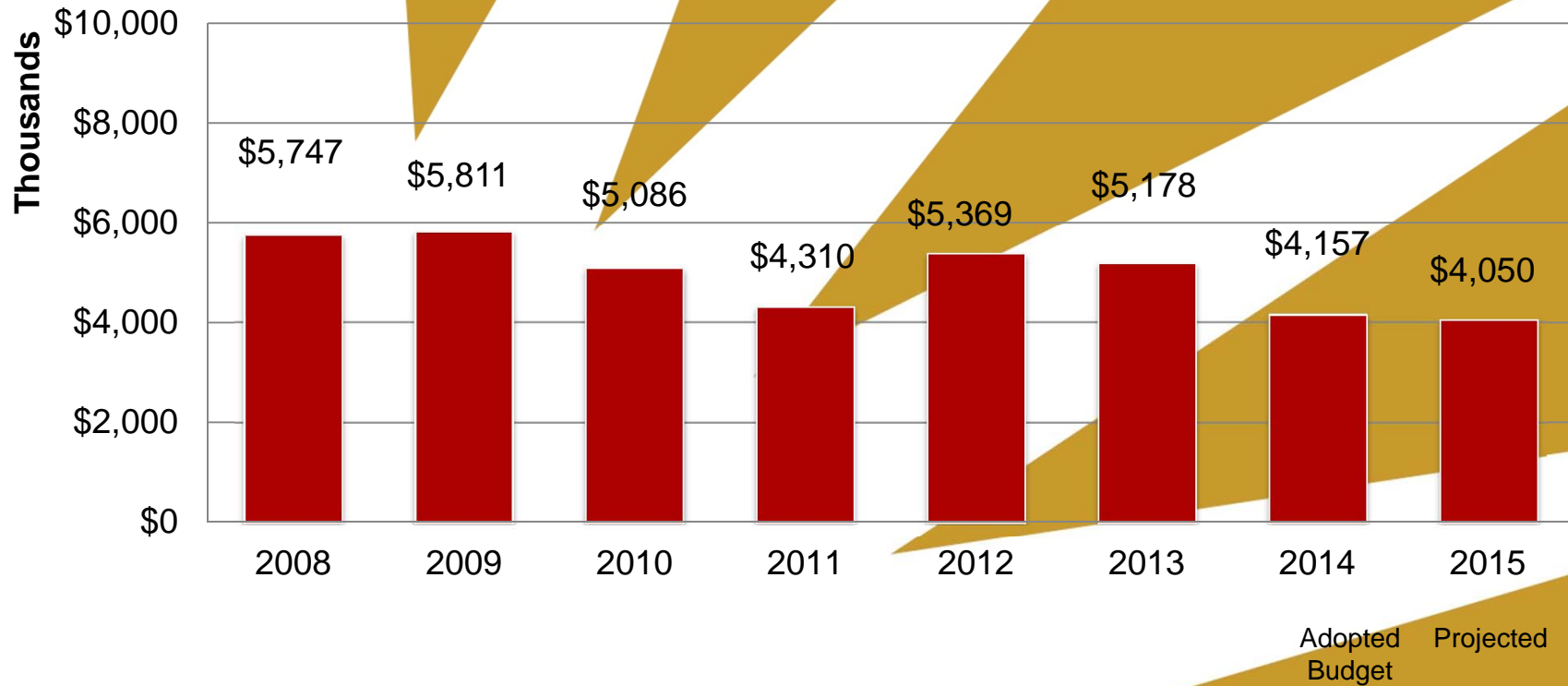
Motor Vehicle Fee-In-Lieu

- Age-based fee not increased for inflation
- Has decreased from \$11 per \$100 of property tax in 2001 to a projected \$6.10 per \$100 of property tax in the General Fund in 2015
- Will be consumed by inflation unless the legislature increases the fee schedule



Recorder Fee Revenues

Recorder Revenue Trend



Recorder Revenues

Recorder Fee Revenues (\$Thousands)

Year	Budget	Actual	\$ Variance	% Variance
2011	\$4,122	\$4,310	\$188	4.6%
2012	\$4,470	\$5,369	\$899	20.1%
2013	\$5,260	\$5,178	-\$82	-1.6%

2015 Budget - Recorder Fee Revenues (\$Thousands)

Original Request	Tentative Budget	Adopted Budget	June Adjusted	Adjustment Change \$
\$5,260	\$5,600	\$5,600	\$3,850	-\$1,750

General Fund Revenue Summary

- Total 2015 Budgeted Revenues are \$294 million.
- Property tax revenues are the largest single revenue source with a budget of \$123.4 million.
- Sales tax revenues are the second largest revenue source with a budget of \$53.6 million.
- Property and sales tax revenues, in total, represent 60.2% of total General Fund revenues.



For those who might be missing Lance

Enjoying his retirement in Yosemite N.P.

June Budget 2015

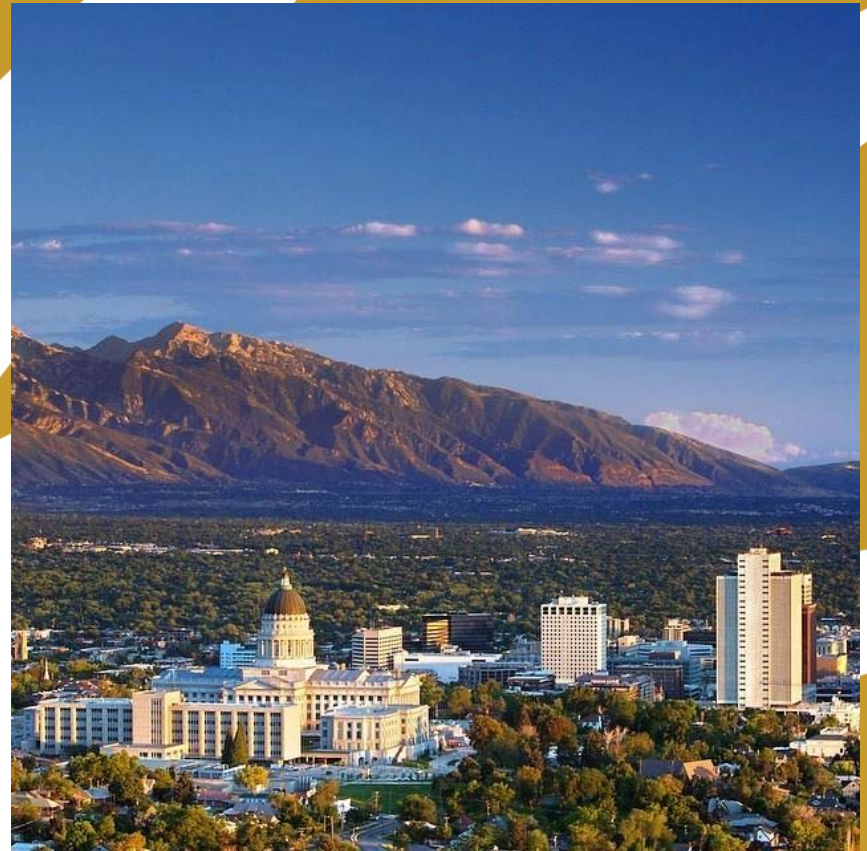
The Future We Choose

Mayor Ben McAdams

Presented by Darrin Casper

Mayor's 2015 June Budget Direction

- June budget re-opening
 - Technical adjustments
 - Grant/capital project true-ups
 - Setting property tax rates
- New requests would only be considered if they were exigent in nature
- June Goal – Maintain ending fund balances at adopted levels
- Presentation to cover
 - Program shifts
 - FTE issues
 - New requests
 - Analysis/structural balance/big picture



Our Mission

Wherever existing county government functions don't reflect the world we now live in, we will change.

Changing Direction



- Mayor McAdams has committed to fund what works
- Aging and Adult Services - Computer Assisted Technology Program (CAT)
- Parks and Recreation - University of Utah tennis program
- Sheriff - Program shift in the jail

2015 June Budget FTE Transfers

Department	Transfer Request	Mayor Proposed	
Mayor Operations	1.00	1.00	Human Services Management Analyst – Transfer an FTE from Aging & Adult Services (CAT Program)
Township Services	1.00	1.00	Admin Assistant – Transfer FTE from PW Operations

2015 June Budget Grant Funded New FTEs

Department	New Requests	Mayor Proposed		
Mayor Ops	0.25	0.25	Refugee Specialist	Grant Funded
Regional Development	0.25	0.25	AmeriCorps	Grant Funded
Criminal Justice	1.00	1.00	Therapist	Grant Funded
Recreation	7.00	7.00	Early Childhood Head Start	Grant Funded
Youth Services	6.00	6.00	Family Resource Facilitator Prog.	Grant Funded
Behavioral Health	1.00	1.00	Manage Medicaid Appeals	Grant Funded
Clark Planetarium	<u>0.25</u>	<u>0.25</u>	Reservation Coord.	Grant Funded
TOTAL	15.75	15.75		

2015 June Budget New FTEs

Department	New Requests	Mayor Proposed		
County Jail	11.00	11.00	Jail Assessment	New
County Jail	1.00	0.00	Facility Manager	New
County Jail	1.00	0.00	Construction Coord.	New
County Jail	1.00	0.00	Transport Officer	New
County Jail	<u>1.00</u>	<u>0.00</u>	Social Worker	New
TOTAL	15.00	11.00		

2015 June Budget New FTEs

Department	New Requests	Mayor Proposed		
<u>UPDES</u>				
Planning & Development	3.00	3.00		Funded with FBT
PW Engineering	2.00	2.00		Funded with FBT
Flood Control	<u>3.00</u>	<u>2.00</u>		New
Total UPDES	8.00	7.00		

2015 June Budget

Mayor's Office – General/Grant Funds

Department	Request	Request Amount	Mayor Proposed
Mayor Operations	HS Management Analyst (Transfer from Aging & Adult Services)	\$48,464	\$48,464
Aging & Adult Services	CAT Program (Transfer to Mayor Operations)	(\$48,464)	(\$48,464)
Regional Development	RIO, HARP, & Refugee Mental Health (Transfer to Behavioral Health)	(\$721,964)	(\$721,964)
Behavioral Health	RIO, HARP, & Refugee Mental Health (Transfer from Regional Dev.)	\$721,964	\$721,964
Regional Development	\$75,000 for Code for America Fellowship Program (Contingency)	\$0	\$0
Regional Development	AmeriCorps True-up	<u>(\$1,138)</u>	<u>(\$1,138)</u>
	Total Mayor	(\$1,138)	(\$1,138)

2015 June Budget

Mayor Departments - General Fund

Department	Request	Request Amount	Mayor Proposed
<u>Admin Services</u>			
Information Svs	Socrata	\$225,330	\$225,330
Capital Improv.	Projects Reduction	(\$225,330)	(\$225,330)
Human Resources	ADP Lease	\$18,375	\$18,375
PeopleSoft Project	HR ADP Lease	<u>(\$18,375)</u>	<u>(\$18,375)</u>
	Total	\$0	\$0

2015 June Budget

Mayor Departments – General/TRCC Funds

Department	Request	Request Amount	Mayor Proposed
<u>Community Services</u>			
TRCC	U of U Tennis Court Contribution	(\$500,000)	(\$500,000)
Recreation	Millcreek Childcare Bus	\$57,000	\$57,000
Parks & Rec Capital	Dimple Dell Exterior Wall Repair	\$54,550	\$54,550
Parks & Rec Capital	Northwest Rec Center Water Line Repair	\$27,000	\$27,000
Parks & PW Ops Center	Parks Operations Center Design	\$323,950	\$323,950
TRCC	UPACA Board Contribution	\$12,500	\$12,500
TRCC	Parliament of the World's Religions Convention Contribution	<u>\$25,000</u>	<u>\$25,000</u>
	Total General Fund	\$0	\$0

2015 June Budget Flood Control

Department	Request	Request Amount	Mayor Proposed
Flood Control	UPDES	\$180,912	\$127,840

2015 June Budget Municipal Services

Department	Request	Request Amount	Mayor Proposed
Township Services	Admin Assistant (Transfer from PW)	\$50,000	\$50,000
PW Operations	Transfer to Township Services	(\$50,000)	(\$50,000)
Township Services	UPDES	\$30,000	\$30,000
Planning	UPDES	\$159,702	\$159,702
PW Engineering	UPDES	\$129,182	\$129,182
PW Engineering	Permit Software	\$35,000	\$0
M/S Capital Projects	Storm Drain Inspection Increase	\$55,442	\$0
M/S Capital Projects	3900 S Sidewalk Increase	\$450,000	\$0
M/S Stat & General	FBT from Gov Immunity - Unincorp	<u>\$0</u>	<u>(\$318,884)</u>
	Total Municipal Service	\$859,326	\$0

2015 June Budget Reclassification Funding

Department	Request	Request Amount	Mayor Proposed
Library	FTE Reclassifications	\$70,788	\$70,788
Clark Planetarium	Position Reclass	\$4,259	\$4,259

2015 June Budget Elected Officials

- Post December public hearing, 2014 year-end budget adjustments
 - Sheriff – Jail
 - Assessor
- Adjustments expected to continue into 2015

2015 June Budget Elected Officials

Department	Request	Request Amount	Mayor Proposed
County Jail	Facility Manager FTE	\$59,955	\$0
County Jail	Building Maintenance	\$289,000	\$0
County Jail	SMOT Table Interface	\$15,000	\$0
County Jail	Construction Liaison FTE	\$40,750	\$0
County Jail	Transport FTE	\$82,750	\$0
County Jail	Jail Assessments/Screening Team	\$282,697	\$282,697
County Jail	Social Worker FTE	\$38,056	\$0
County Jail	Health Services OT	\$99,200	\$99,200
County Jail	Jail Medical	<u>\$265,095</u>	<u>\$265,095</u>
	County Jail Total (New)	\$1,172,503	\$646,992

2015 June Budget Elected Officials

Department	Request	Request Amount	Mayor Proposed
County Jail	Prisoner Programs (Desig. Funds)	\$156,500	\$156,500
County Jail	Prisoner Assessments (Desig. Funds)	\$50,442	\$50,442
County Jail	Probation Prog. Vehicles (Desig. Funds)	<u>\$170,000</u>	<u>\$170,000</u>
	County Jail Total (Desig Funds)	\$376,942	\$376,942

2015 June Budget Elected Officials

Department	Request	Request Amount	Mayor Proposed
Election Clerk	Municipal & Local Elections	(\$266,661)	(\$266,661)
Council – Tax Admin	Appropriation Unit Shift from Personnel for PCs for Harris project (\$8,400)	\$0	\$0
Assessor	Cost of Collections – Motor Vehicle	\$128,000	\$128,000

Transportation Funding

- HB332 – Corridor preservation fees
 - \$2.4M in revenue and expenditure added to the budget
- HB420 – County of the 1st class transportation funding
 - Additional revenue and expenditures associated with this bill to be proposed when we have more details regarding the funding levels

Fuel (Jan – Apr)

- \$349,695 in savings
 - \$101,125 in Township Services
 - \$114,234 in Solid Waste
 - \$134,336 in other funds
- Recommendation
 - Continue monitoring
 - Mayor's portfolio to detail use of underexpend
 - Preference to fund balance
 - One-time use okay
 - Examples
 - Parks & Recreation expect higher water costs
 - Jail has necessary deferred maintenance

Snow Plow Funds

- No material savings
- Represents secondary assignments for employees
- Already purchased inventory of salt
- Workers spent more time on road repairs

Major Revenue Changes from 2014 to 2015 General Fund

- Sales Tax (including ZAP) \$3.2M
- Property Tax \$1.8M
- Net Revenue for Overhead \$1.7M
- Recreation Fees \$922K

Major Expenditure Changes from 2014 to 2015 General Fund

- Election Clerk (\$1.4M)
- Compensation \$3.4M
- Health Insurance \$850K
- Sheriff \$1.6M
- LDA \$1.2M
- District Attorney \$400K
- Animal Services \$366K

Structural Balance

General Fund

- Projected revenues are proposed to be slightly higher than ongoing expenditures.
- Budgeted ending balance June adjusted 2014 – 33.0M
- Budgeted ending balance June adjusted 2015 – 34.6M

2015 Ending Fund Balances

	Original Adopted Budget	Original Projected	June Adjusted Budget*	Currently Projected*
General	\$34,381,795	\$42,800,000	\$34,616,351	\$43,100,000
Muni Service	\$2,750,291	\$4,250,000	\$3,263,932	\$4,800,000
Flood Control	\$1,969,943	\$2,300,000	\$2,410,358	\$2,700,000
Health	\$2,776,751	\$4,700,000	\$3,073,286	\$5,000,000
Planetarium	\$937,598	\$1,200,000	\$538,267	\$830,000
Tax Admin	\$1,415,783	\$2,300,000	\$1,672,906	\$2,500,000
Library	\$7,064,947	\$8,300,000	\$8,201,149	\$9,400,000
TRCC	\$2,105,188	\$2,105,188	\$2,717,502	\$2,717,502

* Certified tax rates are not yet available, so property tax revenues have not been updated in the budget

Other Matters

- **OPEB**
 - Trust has been created
 - Board of Directors established
 - Board to meet post-June to work on mechanics to fund the trust
- **PeopleSoft**
 - Financial system implemented and functioning
 - External audit proceeding smoothly
 - No material findings to date
- **Finance**
 - AAA renewed by all 3 rating agencies
 - TRANS - \$65 million in August
 - Parks GO debt tranche 2 - \$25 million in December
 - Multi project sales tax tranche 3 - \$50 million in December

Summary

- All funds are budgeted at or above minimum reserves as required by policy
- Most major tax funds above original Adopted fund balance levels
- Economy continues to grow
- Red sky at night is a sailors delight!!



2015 June Budget Information

- The back up documentation has been sent to the Council office.
- My staff is available to answer any questions.
- We look forward to providing more information regarding the proposals next week
- This presentation is available online: www.SLCo.org