



2005 June Budget Overview

Prepared for the Salt Lake County Council and Mayor

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County Auditor

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Director, Management & Budget



2005 Budget Overview

- ⇒ Major Issues
- ⇒ Economic Trends
- ⇒ Fund Balances
- ⇒ 2005 Adjusted Revenue Projections
- ⇒ Expenditure Request Summary



June 2005 Council Budget Workshops

- ⇒ Review and approve technical adjustments
- ⇒ Ratify interim budget adjustments
- ⇒ Review other requests for budget adjustments
- ⇒ Adopt tax rates



2005 June Budget - Major Issues

⇒ Fire District Property Tax Rate



Fire District Property Tax Rate

⇒ Original Projection	0.001922	\$17,100,000
⇒ Original Tax Cap	0.001400	\$12,400,000

⇒ Amended Tax Cap 0.002300

(S.B. 1003 passed during 2005 First Special
Legislative Session 17A-2-414)



2005 June Budget - Major Issues

- ⇒ Fire District Property Tax Rate
- ⇒ Property Tax Rate for Tax Admin Fund (SB161)



S.B. 161 – Assessing & Collecting Levy

- ⇒ Amends the Property Tax Act relating the assessing and collecting levy
- ⇒ A county may not receive funds from the Property Tax Valuation Agency Fund unless the county levies an additional property tax of at least .0003 per dollar of taxable value
- ⇒ For 2005 only, this levy is exempt from the notice and hearing requirements of 59-2-918 and 59-2-919



Property Tax Rate for Tax Admin Fund (SB 161)

	2004 Property Tax Rate	2004 Budgeted Revenue	2005 Property Tax Rate	2005 Budgeted Revenue	Difference	%
Assessing & Collecting – State	0.0180%	\$8,201,370	0.0180%	\$8,201,370	\$0	0%
Assessing & Collecting – County	0.0088%	\$4,009,559	0.0300%	\$13,668,985	\$9,659,426	241%
Reappraisal	0.0037%	\$1,685,837	0.0037%	\$1,685,837	\$0	0%
TOTAL	0.0305%	\$13,896,766	0.0517%	\$23,556,192	\$9,659,426	70%
			MVFILT		<u>\$965,943</u>	
			Revenue Increase		\$10,625,369	



2005 June Budget - Major Issues

- ⇒ Fire District Property Tax Rate
- ⇒ Property Tax Rate for Tax Admin Fund (SB161)
- ⇒ 911 Revenues (Sheriff Law Enforcement Services Fund)



911 Revenues

- ⇒ County has received \$100,000 per year from VECC since 1989
- ⇒ \$500,000 in revenue was originally budgeted in the Sheriff Law Enforcement Service Fund for 2005
- ⇒ This revenue projection has been reduced by 80% to \$100,000
- ⇒ Reduction of 911 revenues has significant financial implications for the Sheriff Law Enforcement Services Fund



2004 Summary of Salt Lake County 911 Fees Collected by City

	Tax Commission Distributions	% of Total Collections	2003 Estimated Population	% of Total Population
Alta	\$ 3,843	0.08%	365	0.05%
Bluffdale	24,480	0.52%	5,672	0.76%
Draper	139,505	2.98%	30,376	4.08%
Herriman	25,989	0.56%	5,632	0.76%
Holladay	82,652	1.77%	19,667	2.64%
Midvale	140,911	3.01%	27,166	3.65%
Murray	269,304	5.76%	43,617	5.86%
Riverton	108,437	2.32%	29,244	3.93%
Sandy	430,409	9.21%	89,319	12.00%
S Jordan	145,032	3.10%	33,589	4.51%
SSL	145,504	3.11%	21,719	2.92%
Taylorsville	215,638	4.61%	58,701	7.89%
W Jordan	300,896	6.44%	84,701	11.38%
WVC	339,959	7.27%	111,687	15.00%
Unicorp SLCo	2,302,983	49.26%	182,898	24.57%
	\$ 4,675,541	100.00%	744,353	100.00%

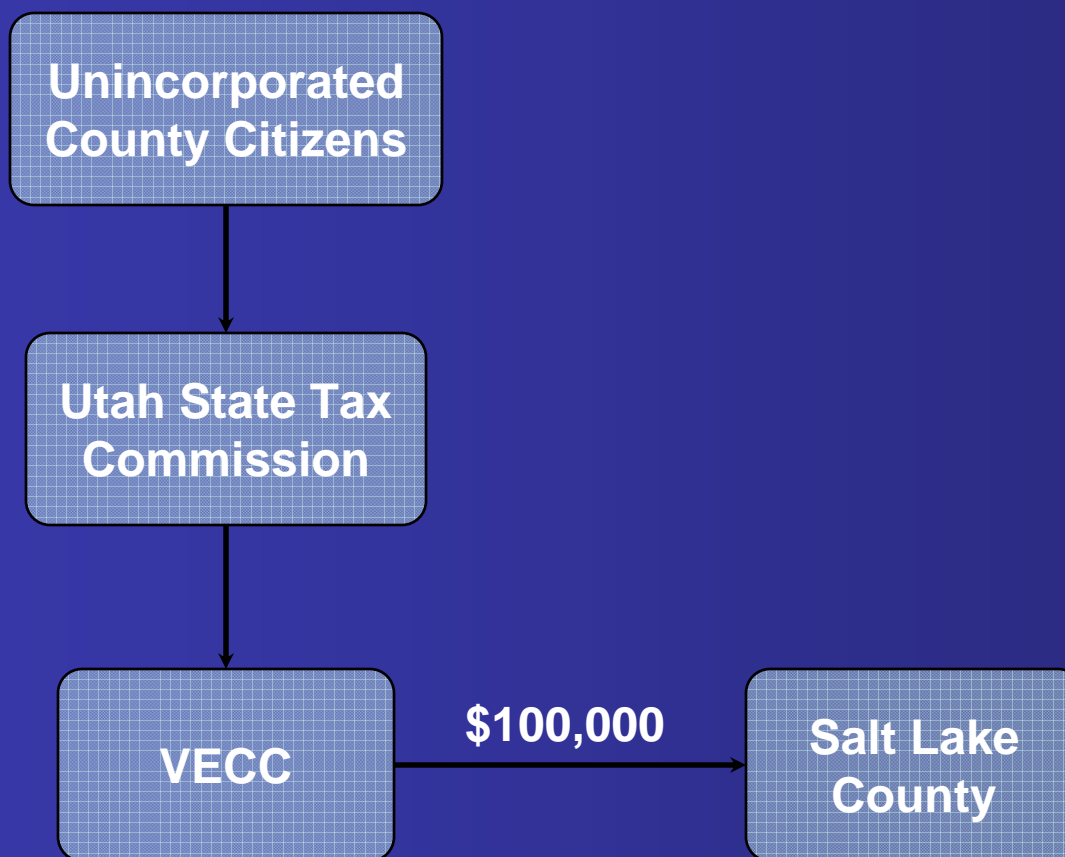


Most Recent 12-Months Summary of Salt Lake County 911 Fees Collected by City

	Tax Commission	% of Total	2003 Estimated	% of Total
	Distributions	Collections	Population	Population
Alta	\$ 4,015	0.08%	365	0.05%
Bluffdale	28,178	0.55%	5,672	0.76%
Draper	155,763	3.06%	30,376	4.08%
Herriman	30,489	0.60%	5,632	0.76%
Holladay	95,317	1.87%	19,667	2.64%
Midvale	148,676	2.92%	27,166	3.65%
Murray	301,562	5.93%	43,617	5.86%
Riverton	121,275	2.38%	29,244	3.93%
Sandy	468,316	9.21%	89,319	12.00%
S Jordan	162,155	3.19%	33,589	4.51%
SSL	162,882	3.20%	21,719	2.92%
Taylorsville	234,538	4.61%	58,701	7.89%
W Jordan	336,910	6.63%	84,701	11.38%
WVC	318,478	6.26%	111,687	15.00%
Unicorp SLCo	2,516,506	49.49%	182,898	24.57%
	\$ 5,085,062	100.00%	744,353	100.00%



Current 911 Revenue Flow





2005 June Budget - Major Issues

- ⇒ Fire District Property Tax Rate
- ⇒ Property Tax Rate for Tax Admin Fund (SB161)
- ⇒ 911 Revenues (Sheriff Law Enforcement Services Fund)
- ⇒ Municipal Services Fund (legislative intent from Cottonwood Heights Incorporation)



Legislative Intent- Municipal Services Fund

It is the intent of the Council that a financial review committee be created to study the fiscal impact of the Cottonwood Heights incorporation and West Holladay annexation on each organization in the Municipal Services Fund. The committee shall include representatives from the Mayor's Office, Council, and Auditor's Office. The scope of the study shall include an analysis of service levels and potential budget reductions. This committee shall report its findings and recommendations to the Council by April 30, 2005.

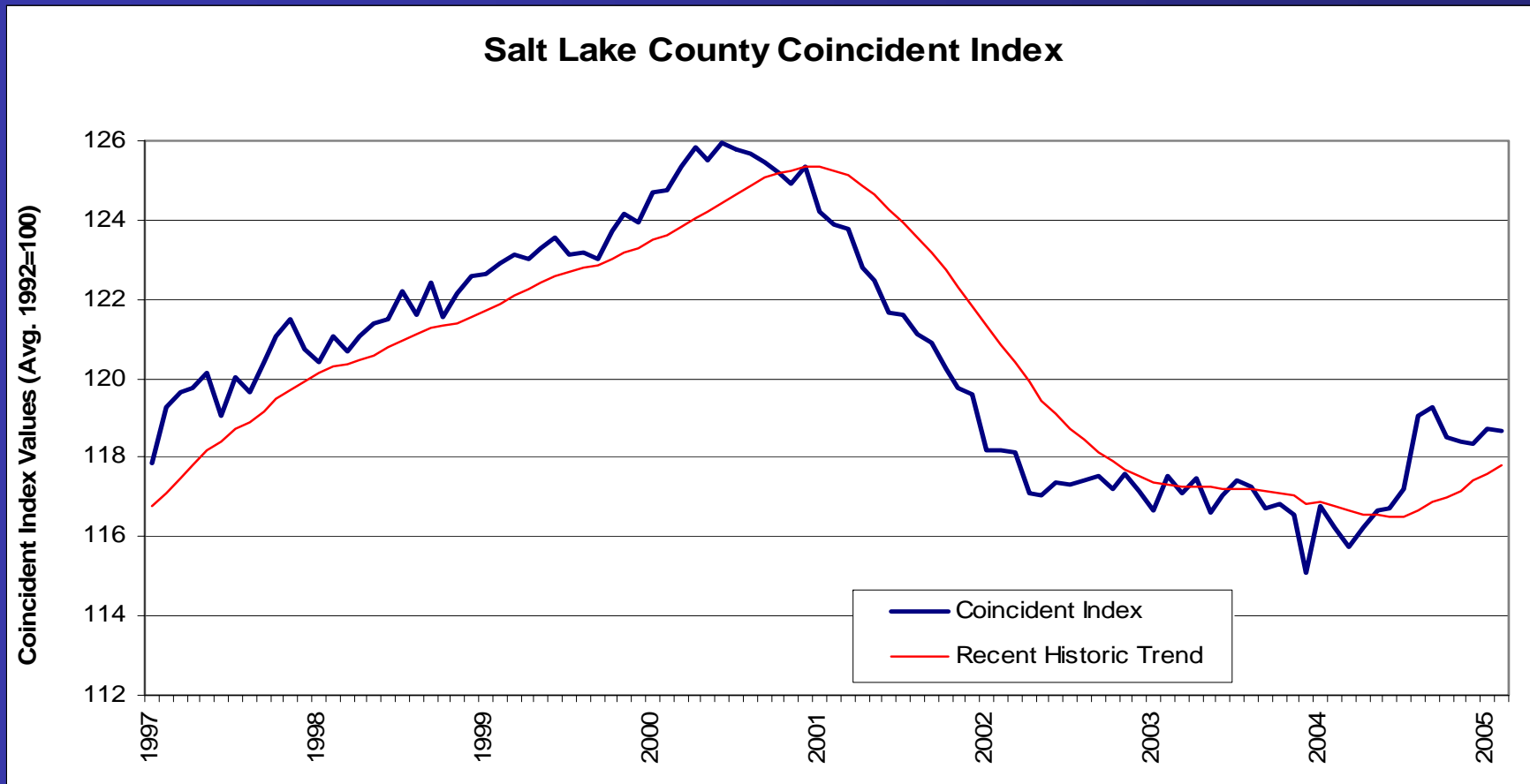


2005 June Budget - Major Issues

- ⇒ Fire District Property Tax Rate
- ⇒ Property Tax Rate for Tax Admin Fund (SB161)
- ⇒ 911 Revenues (Sheriff Law Enforcement Services Fund)
- ⇒ Municipal Services Fund (legislative intent from Cottonwood Heights Incorporation)
- ⇒ Sheriff's Office-Oxbow Jail

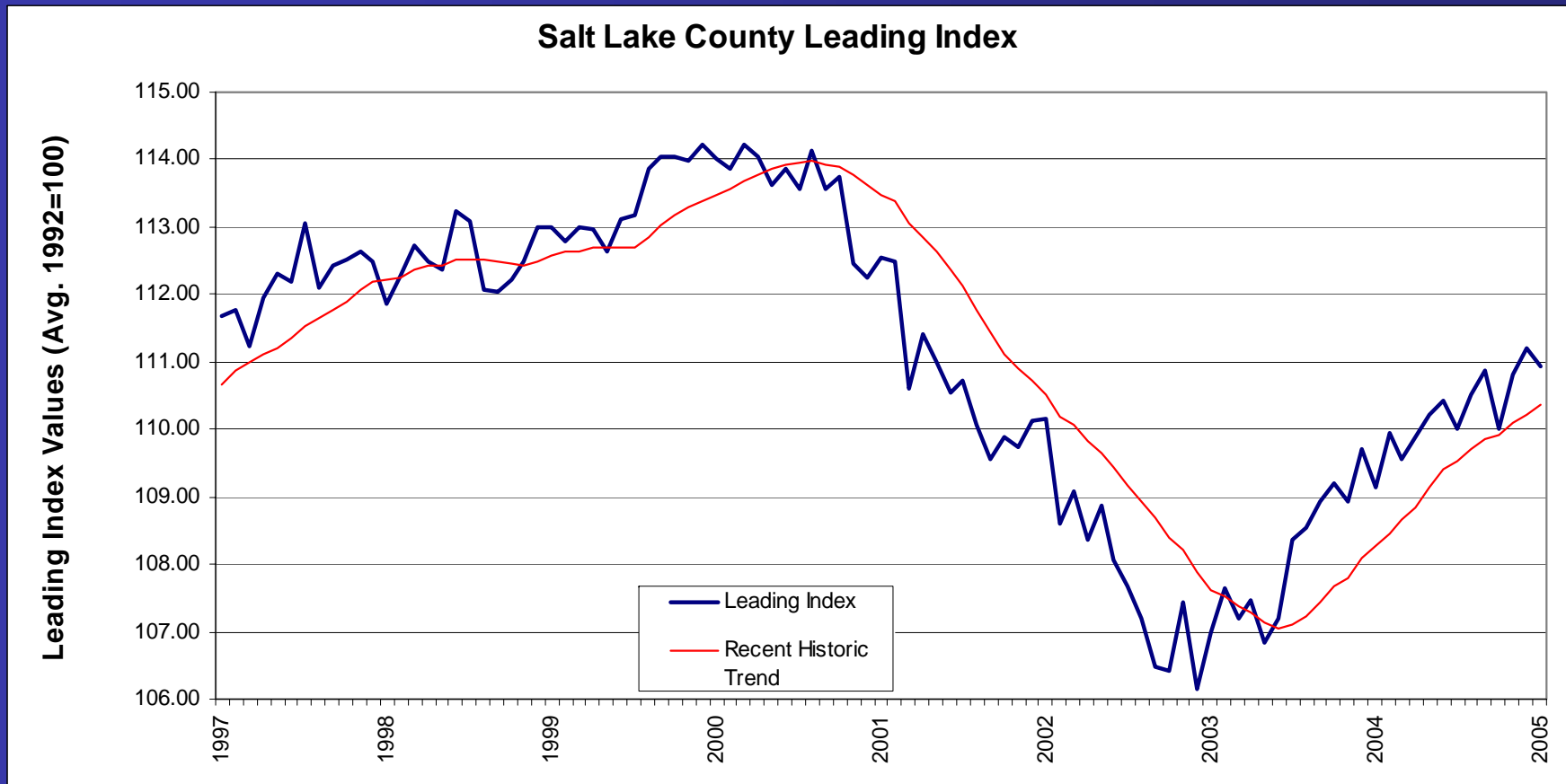


Salt Lake County Coincident Composite Index



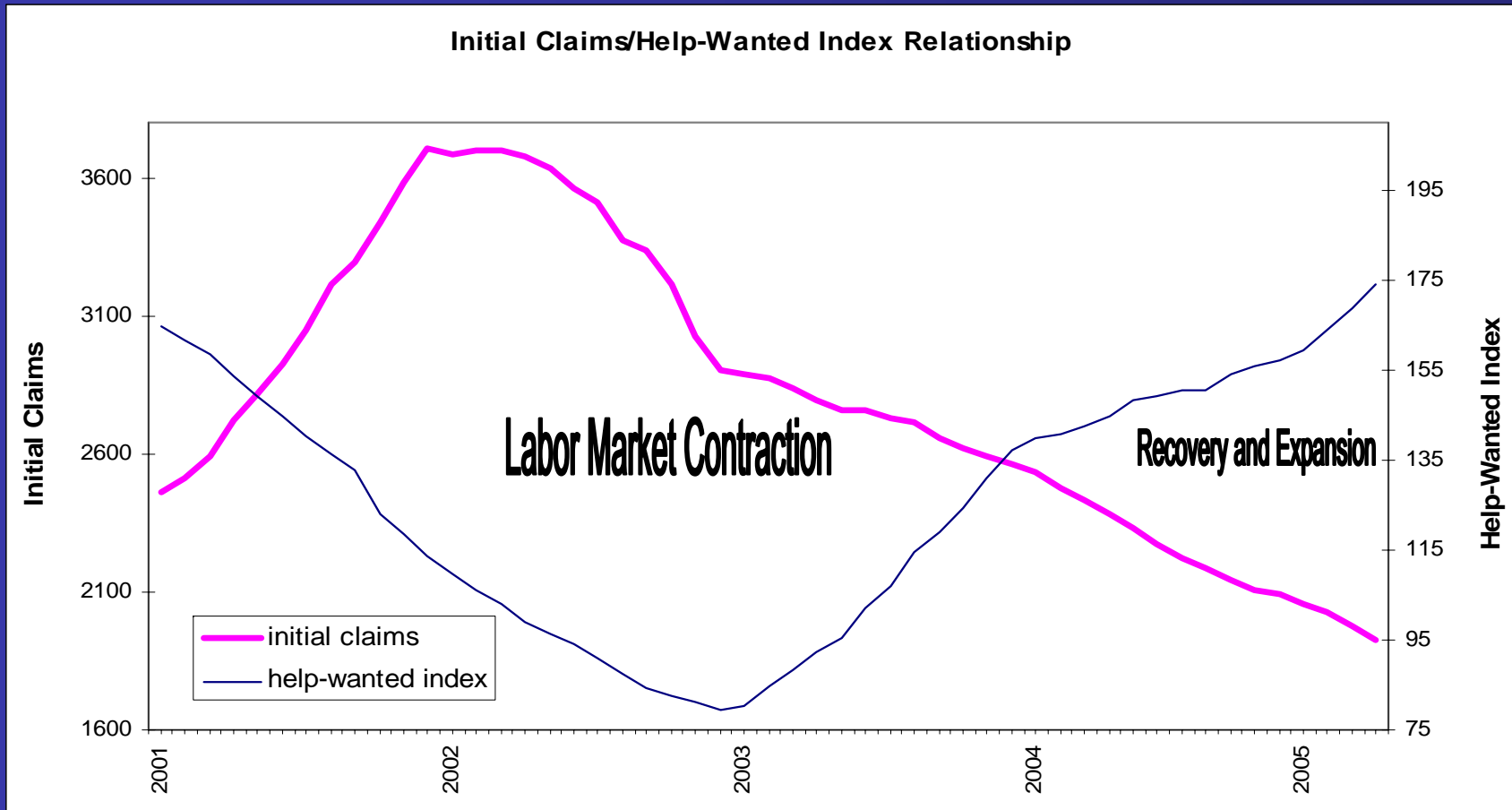


Salt Lake County Leading Composite Index





Salt Lake County Initial Claims and Help-Wanted Index





Fund Balances

Tax Funds

Fund	12/31/2003	12/31/2004	Difference
General	\$37,448,737	\$43,888,306	\$6,439,569
Flood Control	\$2,064,184	\$2,840,689	\$776,505
Health	\$6,094,360	\$6,299,276	\$204,916
Gov. Immunity	\$4,863,683	\$4,869,192	\$5,509
Bond Debt Service	\$6,287,195	\$4,460,068	(\$1,827,127)
Capital Improvements	\$6,006,308	\$5,863,582	(\$142,726)
Planetarium	\$744,568	\$1,051,462	\$306,894
Municipal Services	\$20,363,061	\$21,429,194	\$1,066,133
SL Valley Fire Service	\$0	\$603,293	\$603,293
Library	\$7,811,294	\$10,675,999	\$2,864,705
Tax Admin	\$4,359,475	\$4,981,596	\$622,121



Fund Balances

Special Revenue Funds

Fund	12/31/2003	12/31/2004	Difference
Grant Programs	\$210,715	\$1,147,233	\$936,518
Class B & Collector Roads	\$4,148,776	\$4,844,157	\$695,381
Visitor Promotion	\$1,451,237	\$1,100,000	(\$351,237)
Zoo, Arts, and Parks	\$29,568	\$356,426	\$326,858
Housing Programs	\$1,079,666	\$1,104,738	\$25,072
Econ Dev & Community Res.	\$4,503,396	\$3,921,523	(\$581,873)
Redevelopment Agency	\$4,278,526	\$4,652,179	\$373,653
Millcreek SID Special	\$0	\$0	\$0
Salt Palace Exp III Const.	\$0	\$1,592,408	\$1,592,408
Salt Palace Expansion	\$0	\$0	\$0



Fund Balances

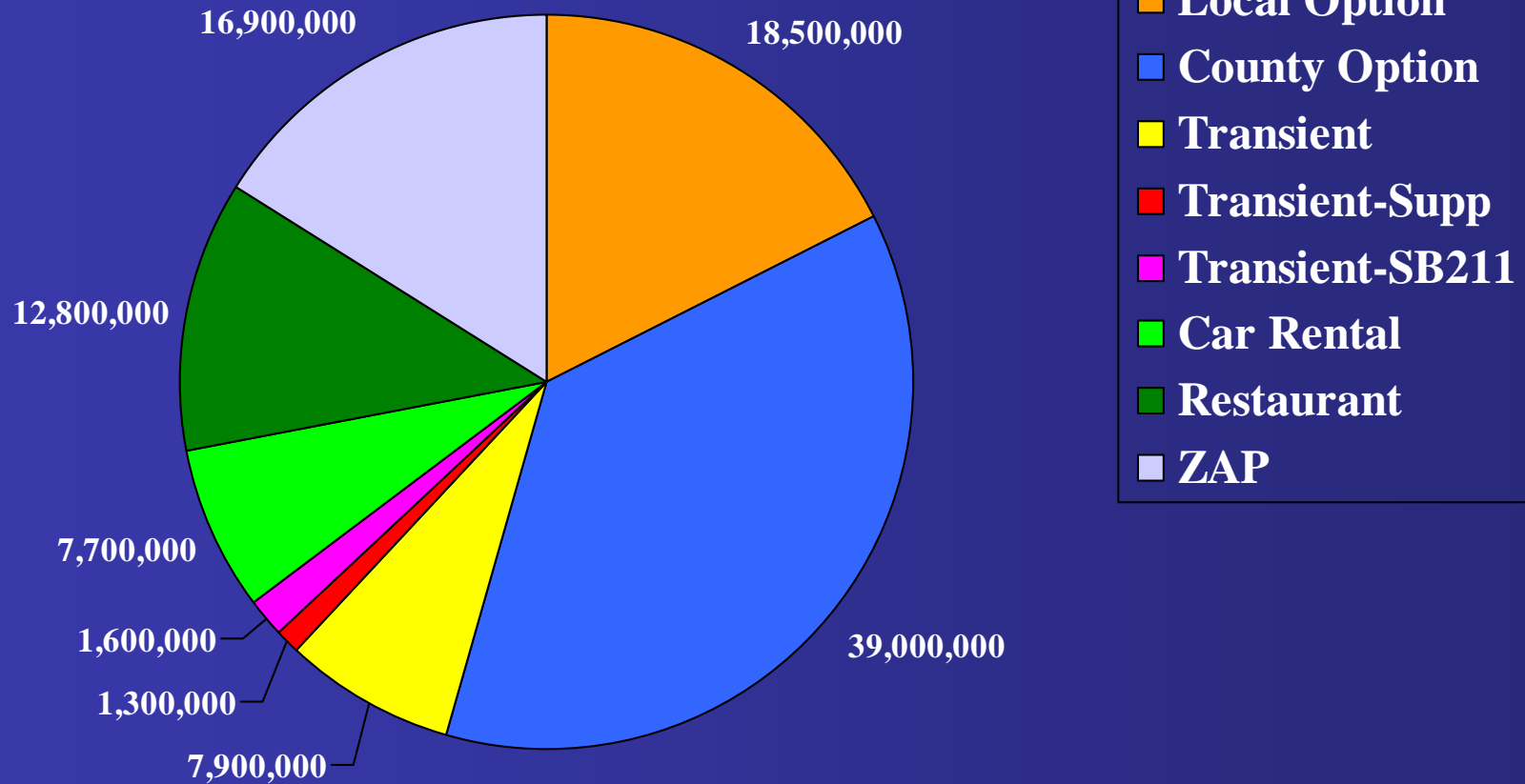
Special Revenue Funds

Fund	12/31/2003	12/31/2004	Difference
Millcreek Fireflow	\$0	\$0	\$0
Children's Museum Const.	\$0	\$3,919,335	\$3,919,335
Wheeler Farm	\$205,620	\$305,775	\$100,155
Equestrian Park	\$920,951	\$601,311	(\$319,640)
Salt Palace Convention Cen	\$1,941,829	\$848,055	(\$1,093,774)
TRCC	\$13,358,213	\$14,238,003	\$879,790
South Towne Exposition Cen	\$1,587,194	\$943,679	(\$643,515)
Fine Arts	\$377,014	\$819,671	\$442,657
Capital Projects Revolving	\$15,389,068	\$11,051,884	(\$4,337,184)



Sales and Use Tax

2005 Projected Revenues

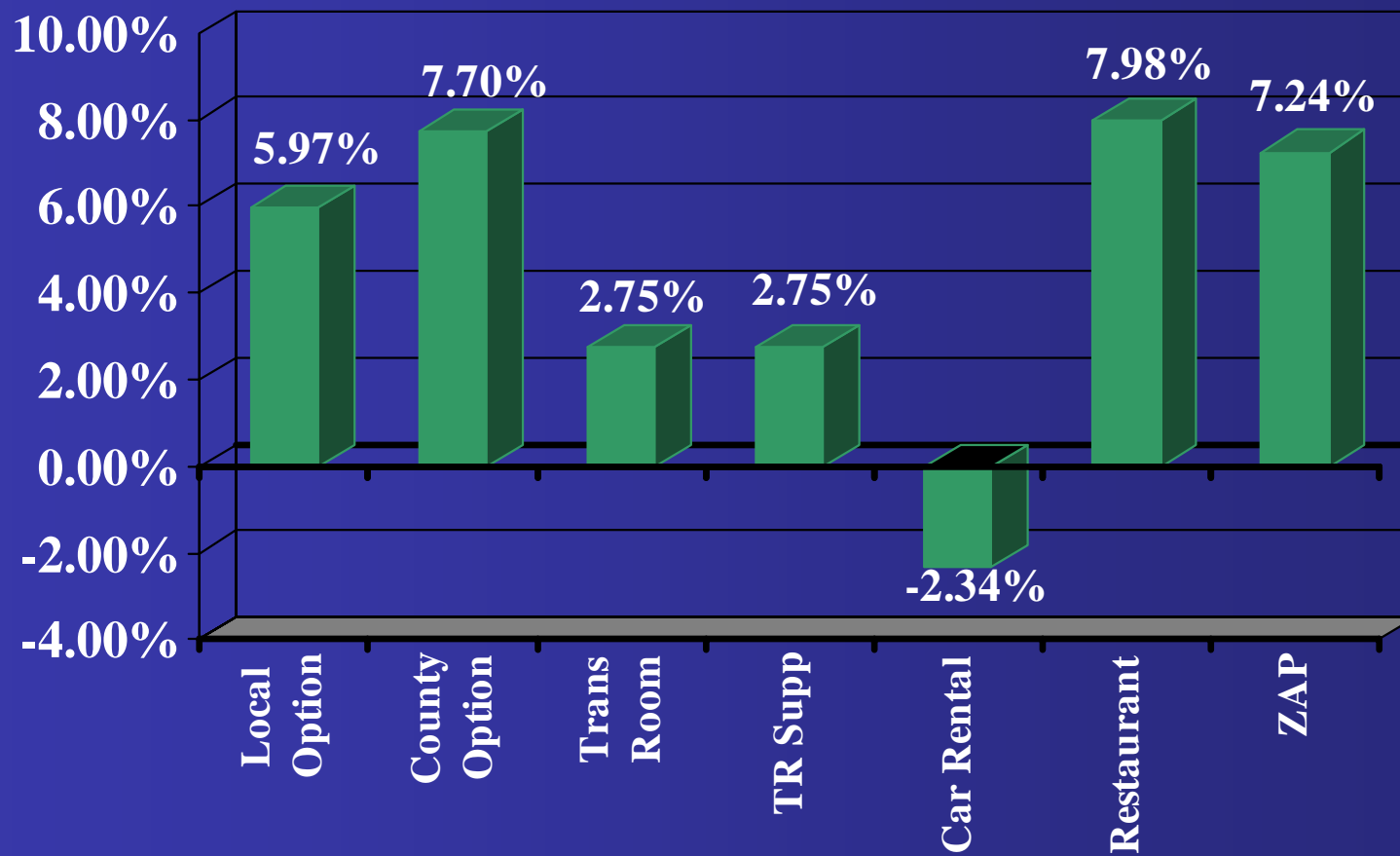


\$105,700,000 Total Sales and Use Tax Revenue's Projected



Sales Tax Revenues

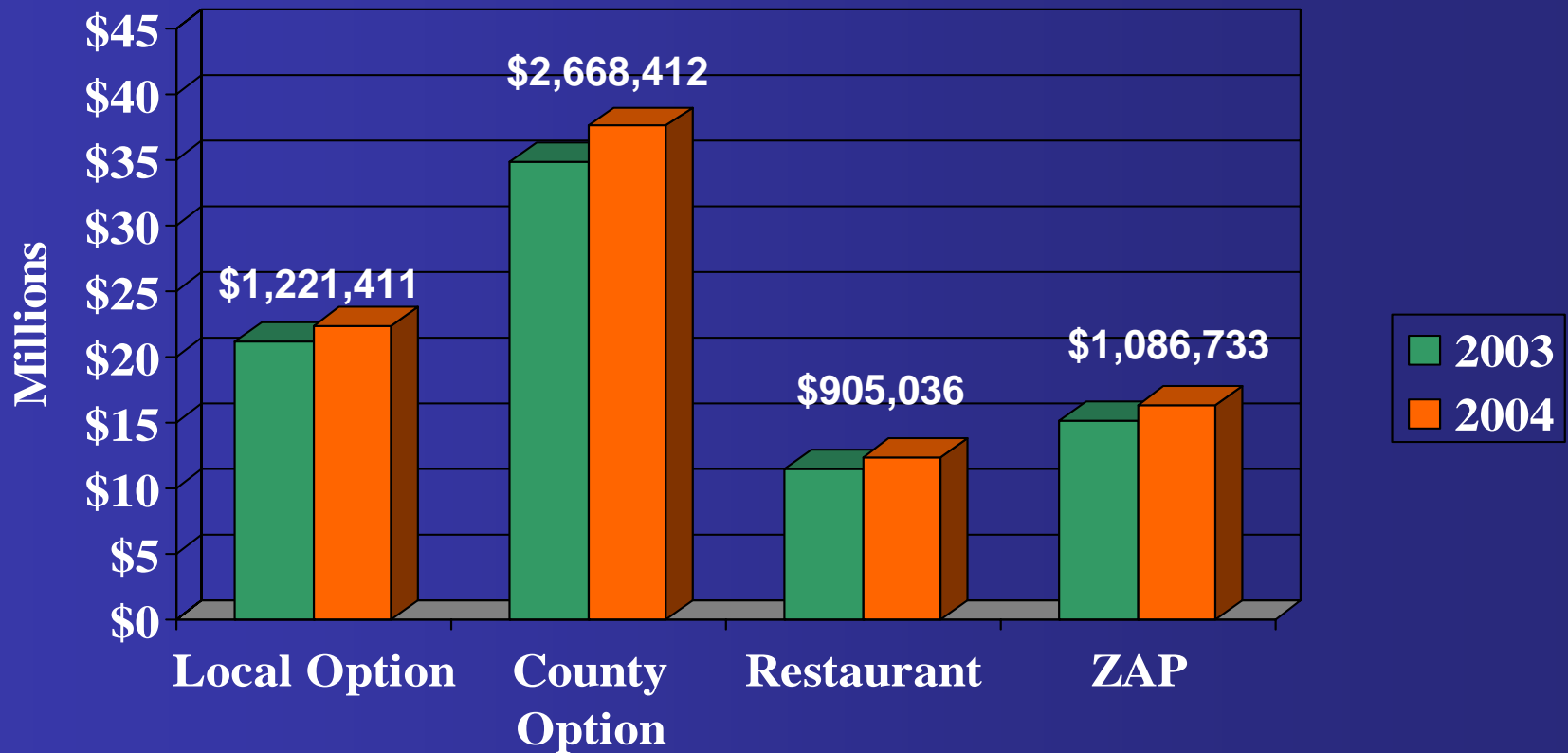
2003 vs. 2004





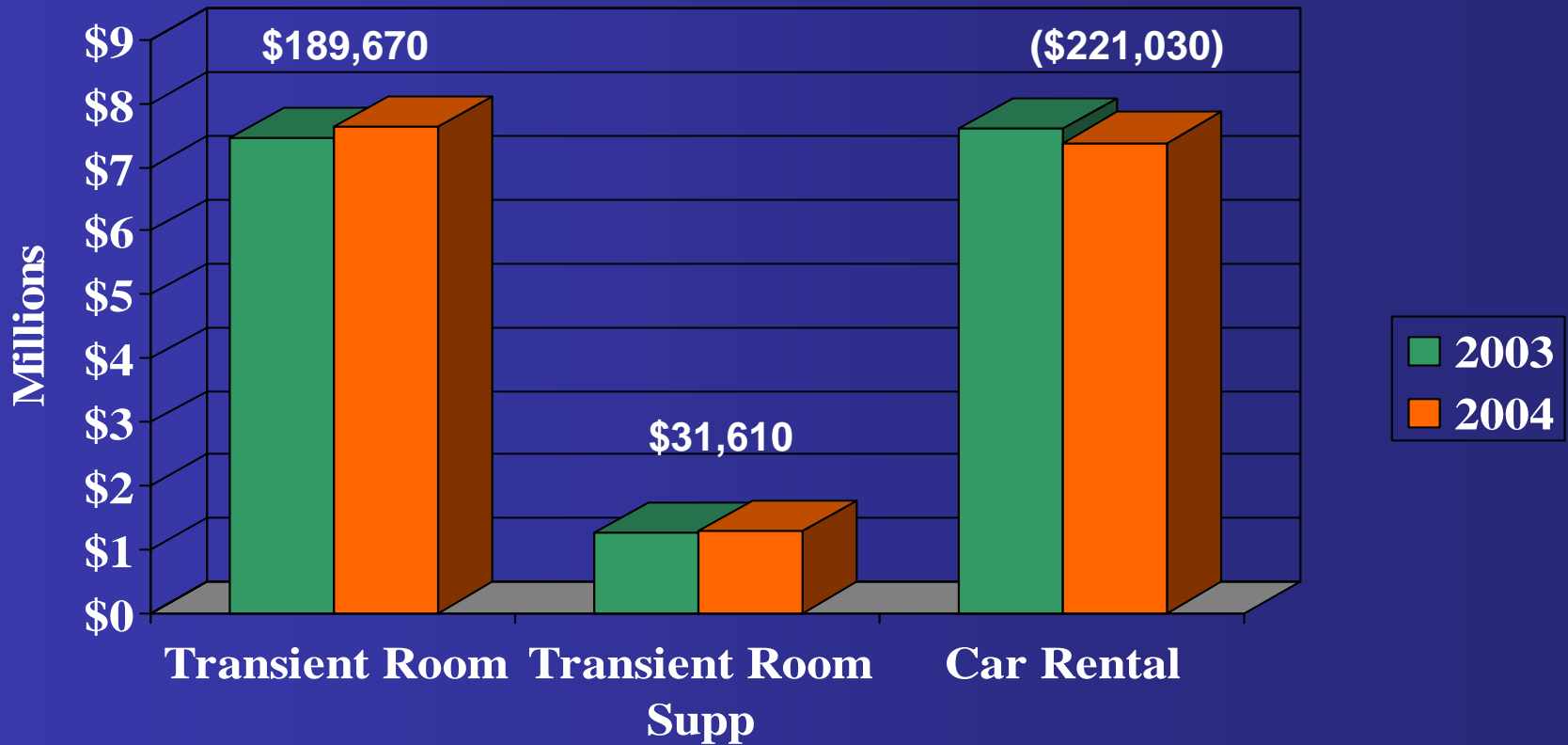
Sales Tax Revenues

2003 vs. 2004





Sales Tax Revenues 2003 vs. 2004





Local Option Sales Tax

(1% tax to Municipal Services Fund)

2004		% Change	2005	
1 st Qtr	\$5,408,881	2.98%	1 st Qtr	\$5,570,312
2 nd Qtr	\$5,404,560	3.00%	2 nd Qtr	\$5,566,697
3 rd Qtr	\$5,693,620	3.00%	3 rd Qtr	\$5,864,428
4 th Qtr	\$5,871,731	2.50%	4 th Qtr	\$6,018,524
Total	\$22,378,791	2.87%	Total	23,019,961

2005 Projection:	Oct. 2004	\$17,900,000
	June 2005	\$18,500,000



Local Option Sales Tax

	<u>Oct 2004</u>	<u>June 2005</u>
2004 Total	\$21,900,000	\$22,378,791
+3.25% growth	\$711,750	
+3.00% growth		\$671,364
Less: Adjustments		
Cottonwood Heights	\$4,300,000	\$4,300,000
West Holladay	<u>\$480,000</u>	<u>\$240,000</u>
2005 Total	\$17,831,750	\$18,510,155
2005 Projection	\$17,900,000	\$18,500,000



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

2004		% Change	2005	
1 st Qtr	\$8,853,883	5.29%	1 st Qtr	\$9,322,076
2 nd Qtr	\$9,360,284	4.25%	2 nd Qtr	\$9,758,096
3 rd Qtr	\$9,413,191	3.25%	3 rd Qtr	\$9,719,120
4 th Qtr	\$9,938,087	3.00%	4 th Qtr	\$10,236,230
Total	\$37,565,445	3.95%	Total	\$39,035,521

2005 Projection:	Oct. 2004	\$38,200,000
	June 2005	\$39,000,000



Transient Room Tax

(3.00% tax to Visitor Promotion Fund)

2004		% Change	2005	
1 st Qtr	\$2,216,827	5.41%	1 st Qtr	\$2,336,674
2 nd Qtr	\$1,824,615	3.50%	2 nd Qtr	\$1,888,476
3 rd Qtr	\$1,956,482	3.00%	3 rd Qtr	\$2,015,177
4 th Qtr	\$1,639,623	2.25%	4 th Qtr	\$1,676,515
Total	\$7,637,547	3.54%	Total	\$7,916,842

2005 Projection:	Oct. 2004	\$7,700,000
	June 2005	\$7,900,000



Transient Room Tax-Supplemental

(0.5% tax to TRCC Fund)

2004		% Change	2005	
1 st Qtr	\$369,450	5.41%	1 st Qtr	\$389,423
2 nd Qtr	\$304,085	3.50%	2 nd Qtr	\$314,728
3 rd Qtr	\$326,061	3.00%	3 rd Qtr	\$335,843
4 th Qtr	\$273,255	2.25%	4 th Qtr	\$279,403
Total	\$1,272,850	3.54%	Total	\$1,319,397

2005 Projection:	Oct. 2004	\$1,300,000
	June 2005	\$1,300,000



Transient Room Tax-SB 211

(1.25% tax to TRCC Fund)

2004		% Change	2005	
1 st Qtr	\$0	0%	1 st Qtr	\$0
2 nd Qtr	\$0	0%	2 nd Qtr	\$0
3 rd Qtr	\$0	0%	3 rd Qtr	\$889,608
4 th Qtr	\$0	0%	4 th Qtr	\$698,508
Total	\$0	0%	Total	\$1,588,115

2005 Projection:	Oct. 2004	NA
	June 2005	\$1,600,000



Car Rental Tax

(7.00% tax to TRCC Fund)

2004		% Change	2005	
1 st Qtr	\$2,216,667	12.71%	1 st Qtr	\$2,498,336
2 nd Qtr	\$1,621,437	1.00%	2 nd Qtr	\$1,637,652
3 rd Qtr	\$2,201,978	1.00%	3 rd Qtr	\$2,223,998
4 th Qtr	\$1,339,678	1.00%	4 th Qtr	\$1,353,074
Total	\$7,379,760	3.93%	Total	\$7,713,060

2005 Projection:	Oct. 2004	\$7,700,000
	June 2005	\$7,700,000



Salt Lake City International Airport-Local Deplanned





Restaurant Tax

(1.00% tax to TRCC Fund)

2004		% Change	2005	
1 st Qtr	\$2,947,198	5.59%	1 st Qtr	\$3,111,893
2 nd Qtr	\$3,280,530	4.00%	2 nd Qtr	\$3,411,751
3 rd Qtr	\$2,987,924	4.00%	3 rd Qtr	\$3,107,441
4 th Qtr	\$3,118,071	4.00%	4 th Qtr	\$3,242,794
Total	\$12,333,723	4.40%	Total	\$12,873,879

2005 Projection:	Oct. 2004	\$12,600,000
	June 2005	\$12,800,000



Zoo, Arts, & Parks Tax

(0.1% tax to ZAP Fund)

2004		% Change	2005	
1 st Qtr	\$3,858,420	4.36%	1 st Qtr	\$4,026,519
2 nd Qtr	\$4,053,842	4.25%	2 nd Qtr	\$4,226,130
3 rd Qtr	\$4,069,069	3.25%	3 rd Qtr	\$4,201,313
4 th Qtr	\$4,312,654	3.00%	4 th Qtr	\$4,442,033
Total	\$16,293,984	3.71%	Total	\$16,895,995

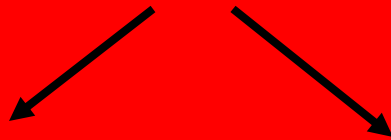
2005 Projection:	Oct. 2004	\$16,200,000
	June 2005	\$16,900,000



Recorder Fees Revenue Projection

Original Projection

\$7,000,000



General Fund

\$3,780,000

54%

Tax Admin

\$3,220,000

46%

Revised Projection

\$6,250,000



General Fund

\$3,375,000

54%

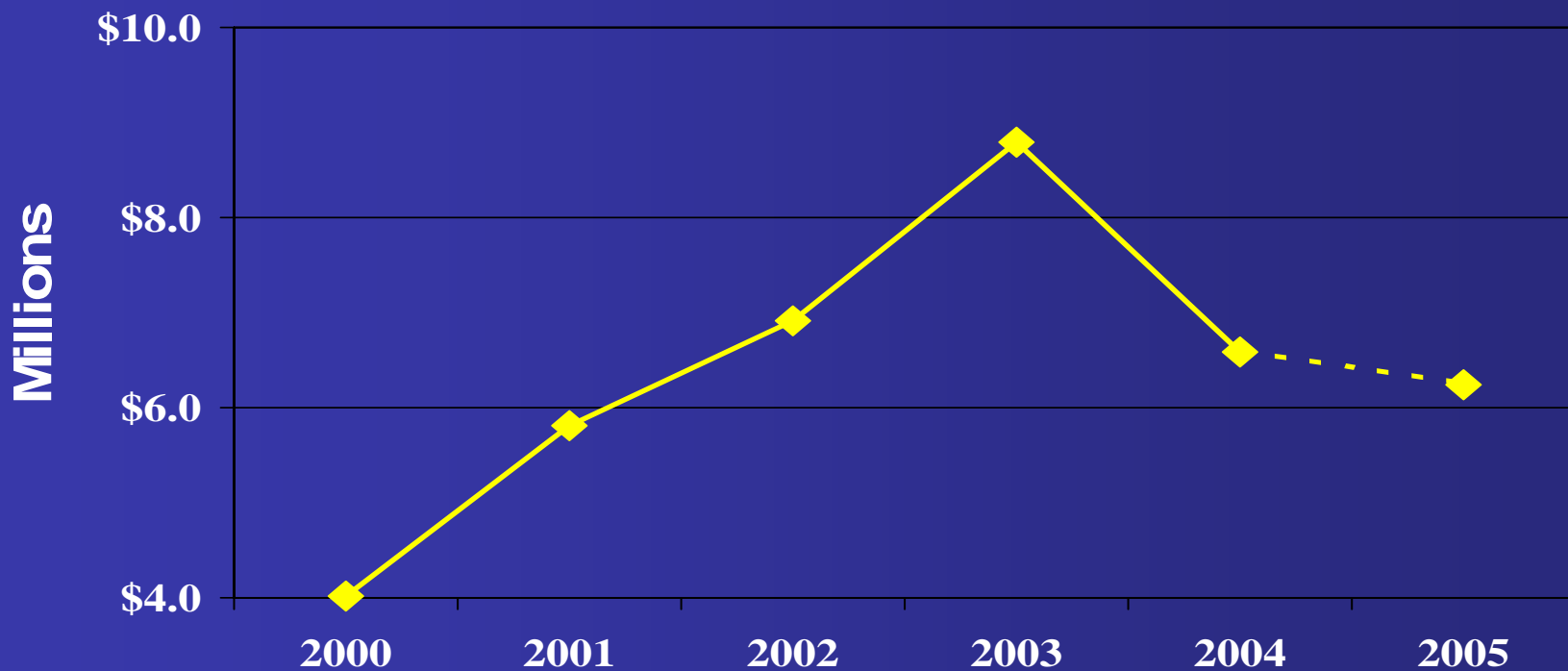
Tax Admin

\$2,875,000

46%

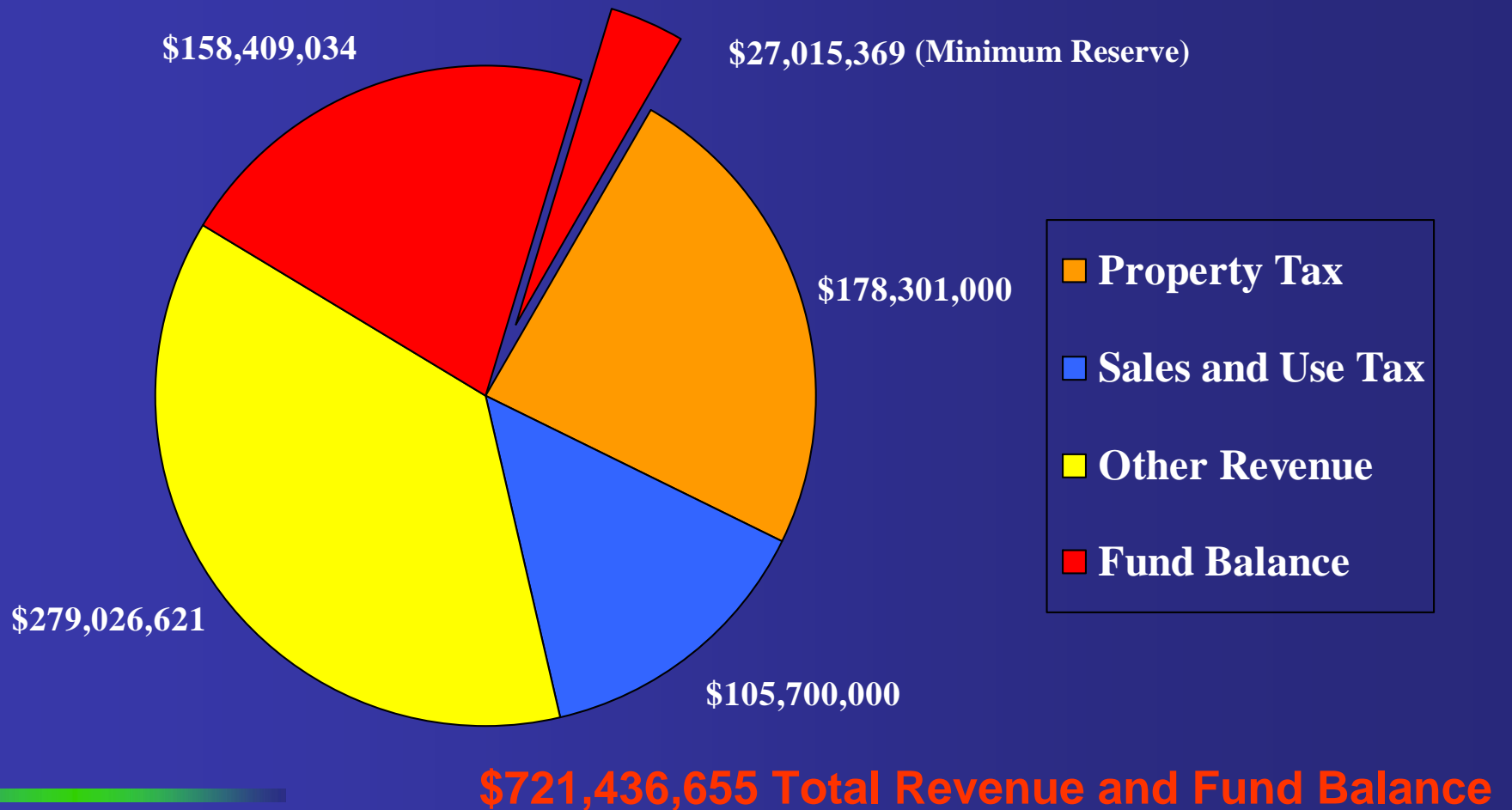


Recorder's Fees 2000-2005



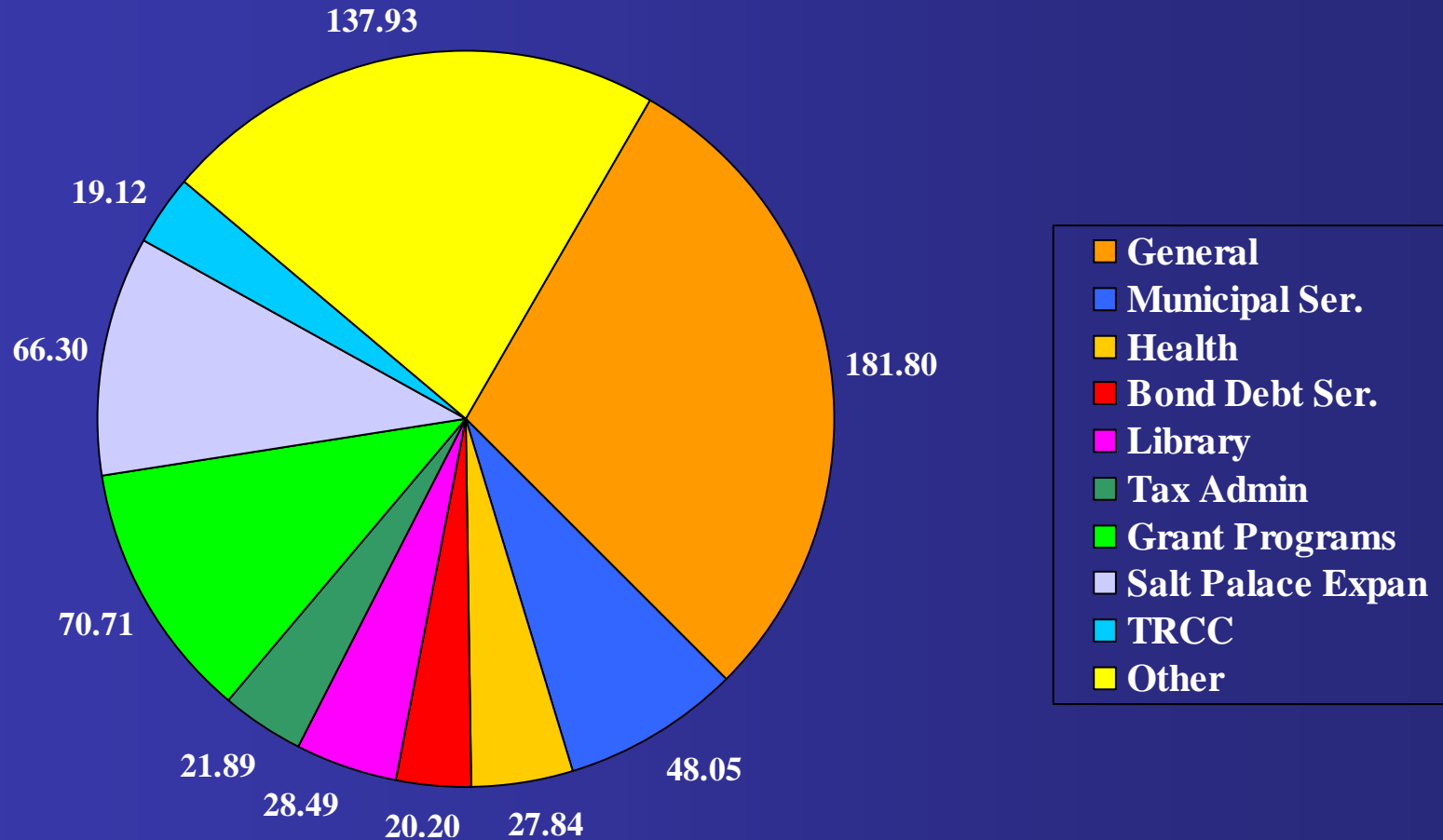


2005 Current Year Revenue and Fund Balance Governmental Funds





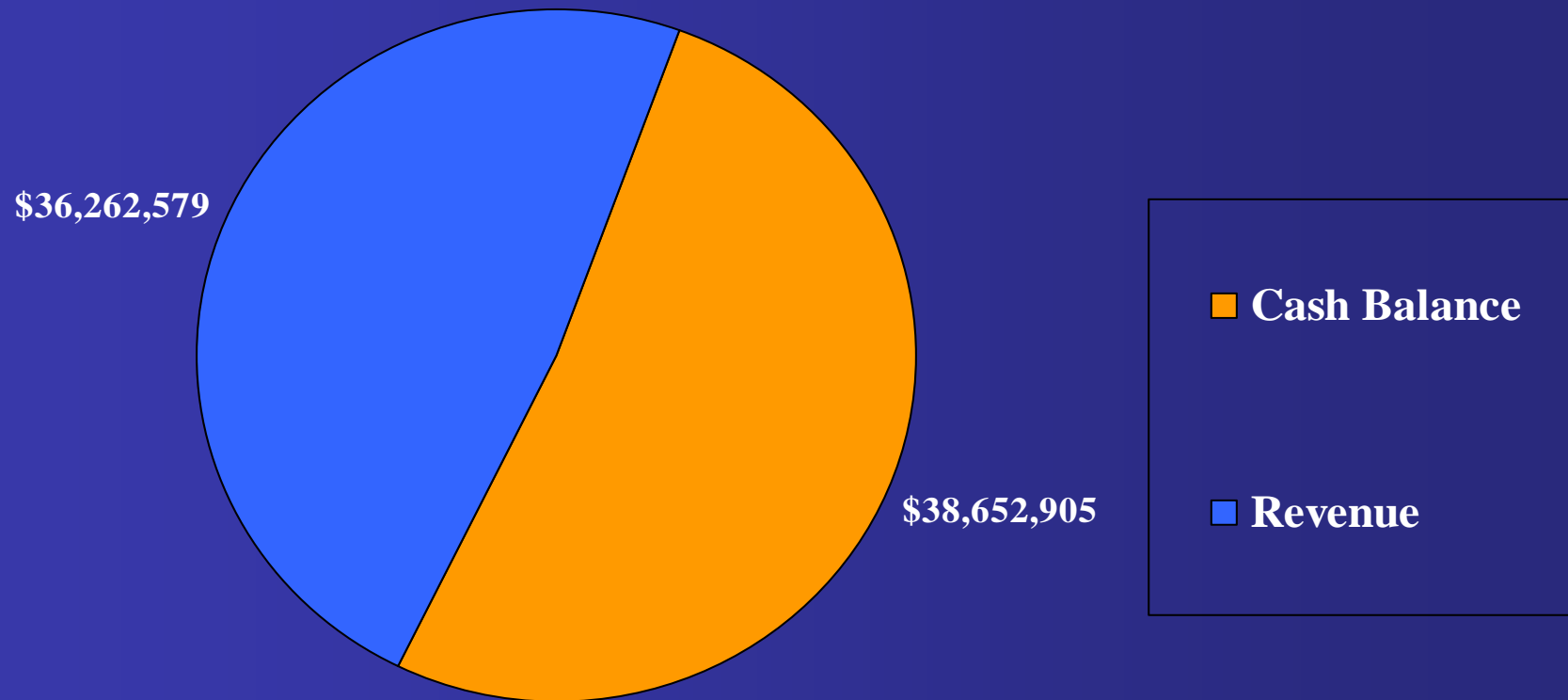
2005 Requested Expenditure Budget Governmental Funds (millions)



\$622,339,536 Total Expenditures in the Governmental Funds



2005 Current Year Revenue and Cash Enterprise Funds

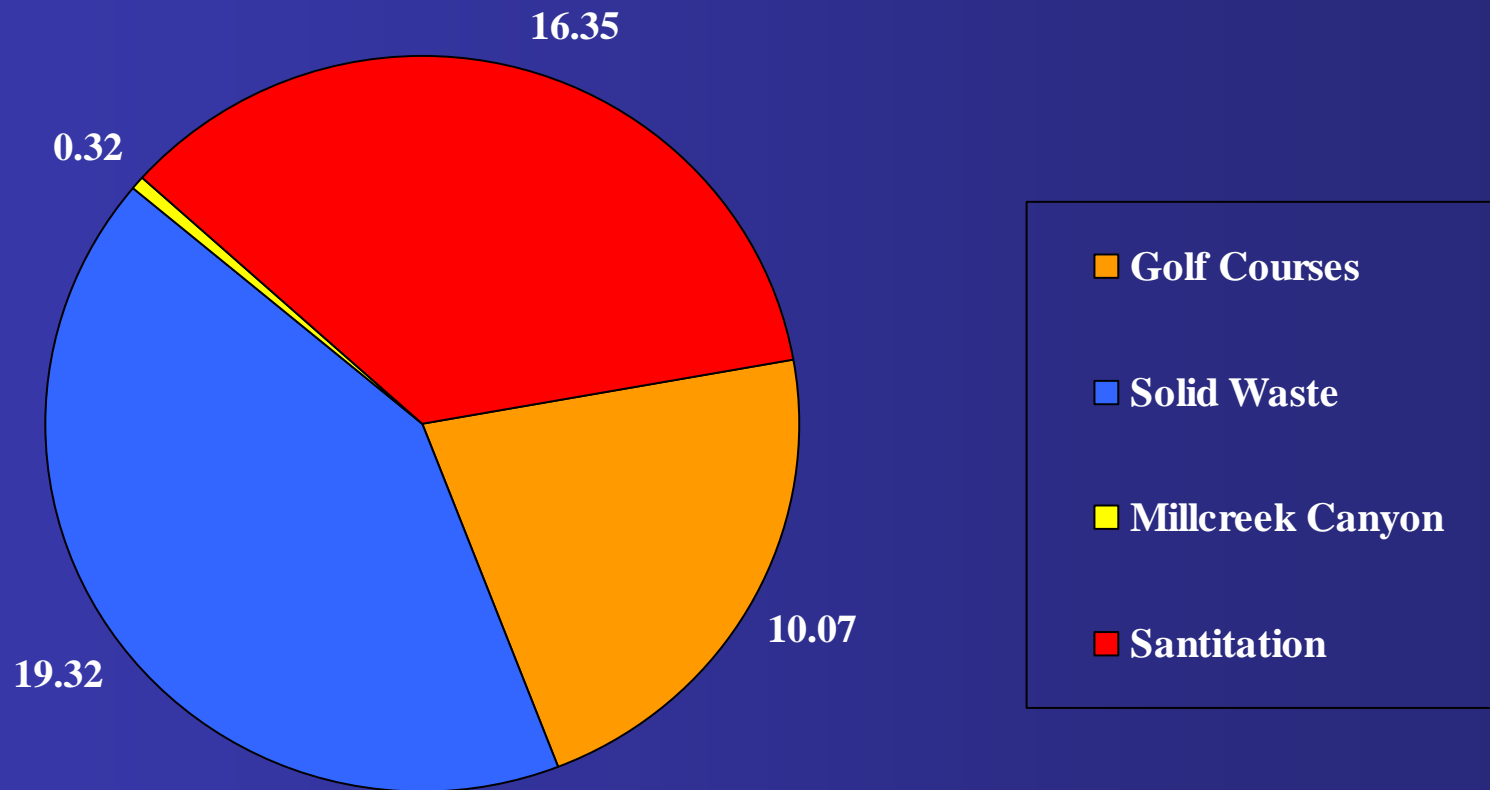


\$74,915,484 Total Cash Balance and Revenue



2005 Requested Expenditure Budget and Balance Sheet Transactions

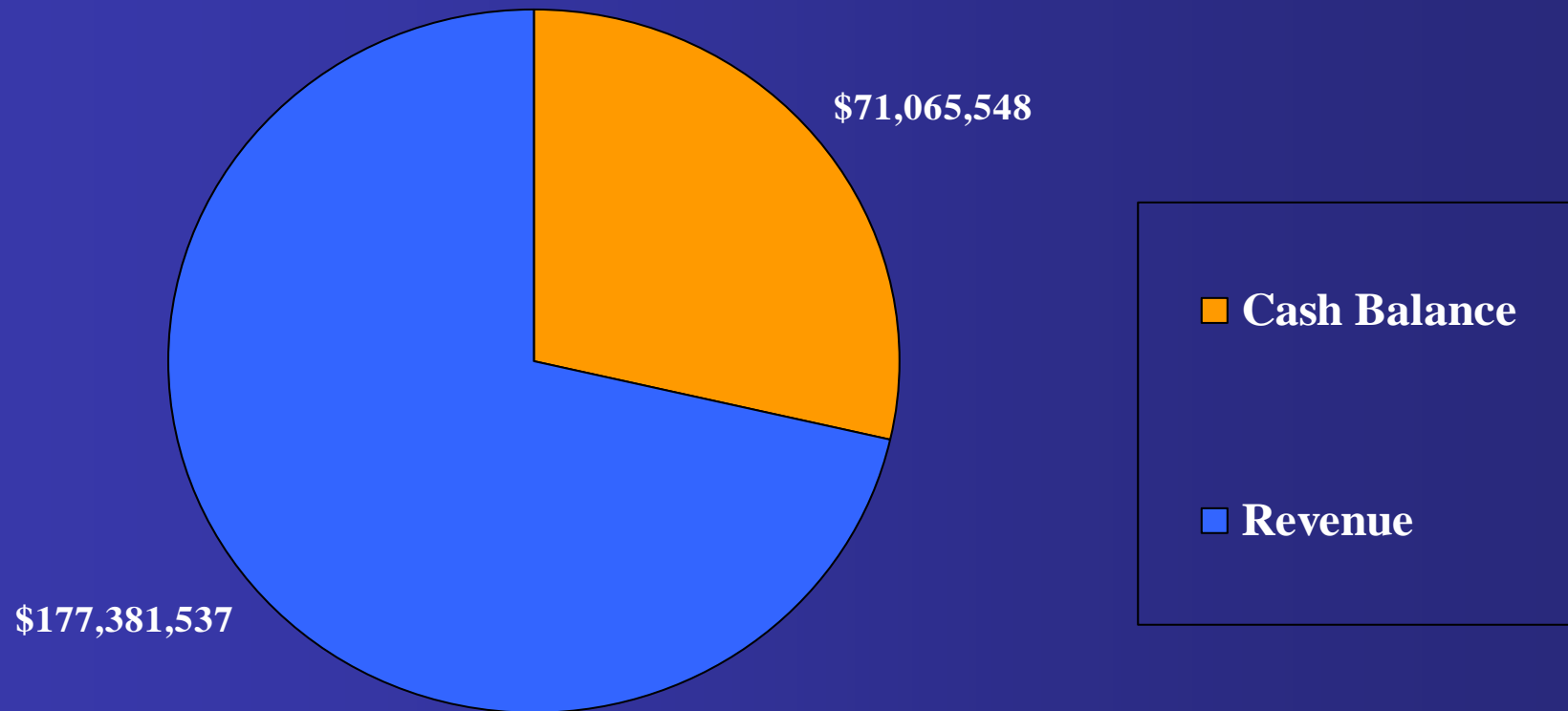
Enterprise Funds (millions)



\$46,054,199 Total in the Enterprise Funds



2005 Current Year Revenue and Cash Internal Service Funds

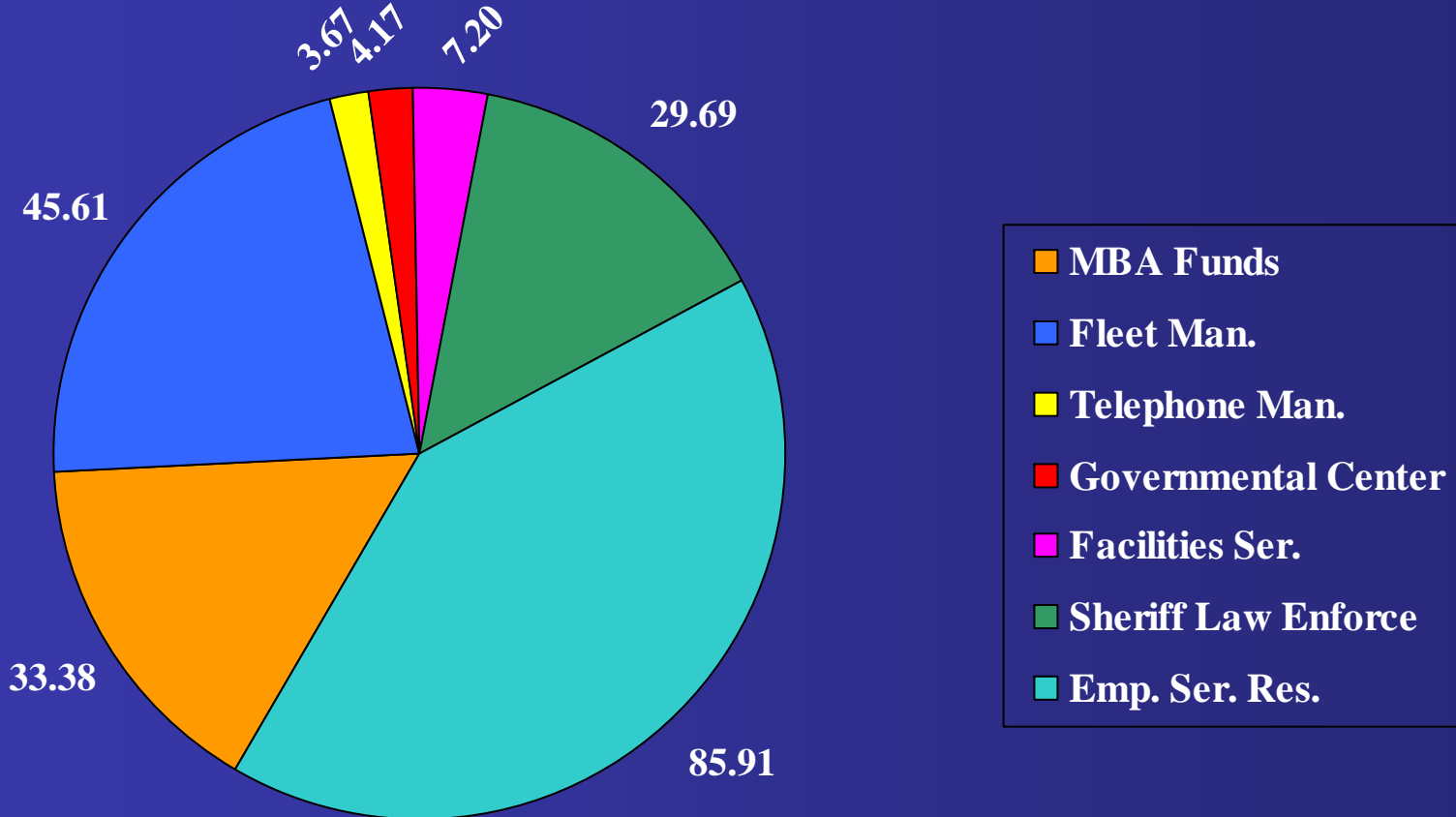


\$248,447,085 Total Cash Balance and Revenue



2005 Requested Expenditure Budget and Balance Sheet Transactions

Internal Service Funds (millions)



\$209,621,581 Total in the Internal Service Funds



2005 Budget Requests Tax Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
General Fund	\$177,504,987	\$183,204,394	\$5,699,407	3.21%
Flood Control Fund	\$6,929,270	\$7,059,371	\$130,101	1.88%
Health Fund	\$27,467,568	\$27,836,428	\$368,860	1.34%
Governmental Immunity	\$6,475,132	\$6,600,132	\$125,000	1.93%
Bond Debt Service	\$20,189,853	\$20,196,625	\$6,772	0.03%
Capital Improvements	\$8,384,252	\$8,844,825	\$460,573	5.49%
Planetarium Fund	\$5,655,741	\$5,620,734	(\$35,007)	(0.62%)
Municipal Service Fund	\$46,759,348	\$48,048,061	\$1,288,713	2.76%
SL Valley Fire Service	\$18,969,513	\$18,589,002	(\$380,511)	(2.01%)
Library Fund	\$28,161,219	\$28,487,475	\$326,256	1.16%
State Tax Admin	\$21,263,755	\$21,892,759	\$629,004	2.96%



2005 Budget Requests Special Revenue Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
Grant Programs	\$69,183,254	\$70,770,912	\$1,587,658	2.29%
Class B & Collector Road	\$11,702,696	\$11,940,981	\$238,285	2.04%
Visitor Promotion	\$6,217,354	\$6,175,058	(\$42,296)	(0.68%)
Zoo, Arts, and Parks	\$11,734,708	\$11,482,999	(\$251,709)	(2.14%)
Housing Programs	\$1,089,073	\$1,089,675	\$602	0.06%
Econ Dev & Comm Res	\$1,875,938	\$1,865,683	(\$10,255)	(0.55%)
Redevelopment Agency	\$1,436,979	\$1,435,859	(\$1,120)	(0.08%)
Salt Palace Exp III Const	\$1,824,236	\$1,662,408	(\$161,828)	(8.87%)
Salt Palace Expansion	\$0	\$66,303,548	\$66,303,548	



2005 Budget Requests Special Revenue Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
Millcreek Fireflow	\$0	\$15,576,000	\$15,576,000	
Childrens Mus Const	\$9,015,813	\$4,294,335	(\$4,721,478)	(52.37%)
Wheeler Farm	\$662,324	\$642,589	(\$19,735)	(2.98%)
Equestrian Park	\$1,540,304	\$1,550,280	\$9,976	0.65%
Salt Palace	\$9,622,481	\$9,536,650	(\$85,831)	(0.89%)
TRCC	\$18,667,721	\$19,124,762	\$457,041	2.45%
South Towne	\$3,739,820	\$3,709,895	(\$29,925)	(0.80%)
Fine Arts	\$4,691,341	\$4,660,334	(\$31,007)	(0.62%)
Capital Projects Revol	\$11,288,502	\$13,249,635	\$1,961,133	17.37%



2005 Budget Requests Enterprise Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
Golf Courses	\$9,833,098	\$9,687,110	(\$145,988)	(1.48%)
Solid Waste Management	\$16,247,166	\$16,171,116	(\$76,050)	(0.47%)
Millcreek Canyon	\$323,987	\$324,499	\$512	0.16%
Sanitation	\$13,259,091	\$13,442,299	\$183,208	1.38%



2005 Balance Sheet Requests Enterprise Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
Golf Courses	\$179,000	\$379,000	\$200,000	111.73%
Solid Waste Management	\$1,599,300	\$3,144,285	\$1,544,985	96.60%
Millcreek Canyon	\$0	\$0	\$0	0%
Sanitation	\$5,480,004	\$2,905,890	(\$2,574,114)	(46.97%)



2005 Budget Requests Internal Service Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
MBA: Salt Palace Renovation	\$5,396,785	\$5,365,102	(\$31,683)	(0.59%)
MBA: Salt Palace Expansion II	\$4,765,921	\$4,552,914	(\$213,007)	(4.47%)
MBA: 1999 Bonds Projects	\$7,791,472	\$8,075,463	\$283,991	3.64%
MBA: Univ Hosp Ambas Bldg	\$1,167,249	\$1,166,438	(\$811)	(0.07%)
Fleet Management	\$24,130,090	\$24,036,091	(\$93,999)	(0.39%)
Telephone Management	\$3,555,785	\$3,568,709	\$12,924	0.36%



2005 Budget Requests Internal Service Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
Government Center Ops	\$3,971,829	\$4,054,131	\$82,302	2.07%
Facilities Services	\$7,003,083	\$7,190,725	\$187,642	2.68%
Sheriff Law Enforcement	\$29,281,877	\$29,435,849	\$153,972	0.53%
MBA: Riverbend Golf Course	\$420,500	\$434,327	\$13,827	3.29%
MBA: Old Mill Golf Course	\$931,990	\$878,800	(\$53,190)	(5.71%)
Employee Service Reserve	\$84,821,026	\$85,897,073	\$1,076,047	1.27%



2005 Balance Sheet Requests Internal Service Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
MBA: Salt Palace Renovation	\$235,217	\$4,430,000	\$4,194,783	1783.37%
MBA: Salt Palace Expansion II	\$5,016,954	\$3,625,000	(\$1,391,954)	(27.75%)
MBA: 1999 Bonds Projects	\$6,212,959	\$3,390,000	(\$2,822,959)	(45.44%)
MBA: Univ Hosp Ambas Bldg	\$308,000	\$308,000	\$0	0%
Fleet Management	\$21,577,808	\$21,577,808	\$0	0%
Telephone Management	\$100,000	\$100,000	\$0	0%



2005 Balance Sheet Requests Internal Service Funds

Fund	Adopted Budget	Adjusted Request	Difference	%
Government Center Ops	\$112,150	\$112,150	\$0	0%
Facilities Services	\$10,000	\$10,000	\$0	0%
Sheriff Law Enforcement	\$250,000	\$250,000	\$0	0%
MBA: Riverbend Golf Course	\$505,000	\$505,000	\$0	0%
MBA: Old Mill Golf Course	\$629,870	\$650,001	\$20,131	3.20%
Employee Service Reserve	\$8,000	\$8,000	\$0	0%