

2010 Budget Overview

Prepared for the Salt Lake County Council and Mayor

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2010 Budget Overview

- Introduction – Jeff Hatch
- Economic Outlook – Doug Macdonald
- 2010 Tentative Budget - Lance Brown
 - Beginning Fund Balance Projections
 - 2010 Revenue Projections
 - 2010 Expenditure Requests
 - Compensation and Benefit Adjustments
 - Significant Budget Issues

Auditor Tentative Budget Adjustments

- Consolidate all budget requests
- Add revenue and fund balance projections.
- Include adjustments for employee compensation, health care costs, and retirement rate changes.
- Miscellaneous technical adjustments and error corrections.

Year-End Fund Balances

Tax Funds

Fund	2008 Actual	2009 Projected	2010 Tentative
General	\$22,787,879	\$27,400,000	\$14,172,371
Flood Control	\$1,622,389	\$1,819,600	\$333,655
Health	\$7,043,665	\$4,892,000	\$3,328,572
Bond Debt Service	\$5,505,978	\$8,300,000	\$8,887,743
Capital Improvements	\$5,501,435	\$2,400,000	(\$478,731)
Planetarium	\$2,032,613	\$1,817,000	\$1,470,794
Municipal Services	\$8,380,972	\$3,910,000	(\$7,858,656)
Library	\$5,587,047	\$8,247,000	\$8,724,868
Tax Admin	\$2,068,372	\$1,531,000	\$1,986,401

Year-End Fund Balances

Tax Funds

Fund	2010 Tentative	Minimum Reserve	Difference
General	\$14,172,371	\$22,269,177	(\$8,096,806)
Flood Control	\$333,655	\$364,023	(\$30,368)
Health	\$3,328,572	\$1,549,766	\$1,778,806
Planetarium	\$1,470,794	\$348,920	\$1,121,874
Municipal Services	(\$7,858,656)	\$3,351,250	(\$11,209,906)
Library	\$8,724,868	\$1,556,070	\$7,168,798
Tax Admin	\$1,986,401	\$1,053,280	\$933,121
TRCC	\$2,254,309	\$81,715	\$2,172,594

Year-End Fund Balances

Special Revenue Funds

Fund	2008 Actual	2009 Projected	2010 Tentative
Grant Programs	\$87,768	\$300,000	\$534,969
Class B Roads	\$4,995,537	\$4,817,000	\$1,686,963
Open Space	\$4,476,103	\$3,290,000	(\$46,702)
Visitor Promotion	\$2,239,970	\$69,000	(\$153,727)
ZAP	\$407,480	\$116,000	(\$109,930)
Housing Programs	\$2,758,183	\$2,758,000	\$256,300
Econ Dev & Comm.	\$2,477,619	\$2,337,000	\$1,248,959
Redevelopment Ag.	\$4,152,017	\$4,267,967	\$4,002,713
Millcreek SID	\$1,822,358	\$1,450,000	\$1,388,099

Year-End Fund Balances

Special Revenue Funds

Fund	2008 Actual	2009 Projected	2010 Tentative
Bond Debt Svc - MBA	NA	\$846,383	\$877,918
Salt Pal. Exp. III Phase 2	\$1,813,018	\$1,020,000	\$6,962
Recreation Bond Proj.	\$43,443,933	\$12,890,000	(\$40,000)
Millcreek Fireflow	\$435,404	\$210,700	\$800
MBA: Senior Center Projects	NA	\$9,400,000	\$10,065
MBA: Library Projects	NA	\$21,110,000	\$4,799
MBA: Midvale Complex Proj.	NA	\$1,441,400	\$17,034
MBA: East Millcreek Proj.	NA	\$11,027	\$0

Year-End Fund Balances

Special Revenue Funds

Fund	2008 Actual	2009 Projected	2010 Tentative
Salt Palace	\$8,559,185	\$4,220,000	\$683,283
TRCC	\$6,147,267	\$1,525,000	\$2,254,309
South Towne	\$2,144,697	\$410,000	\$200,739
Fine Arts	\$850,945	\$312,550	\$145,341
Capital Projects Revolv.	\$15,214,688	\$13,400,000	\$2,930,660

Year-End Cash Balances

Proprietary Funds

Fund	2008 Actual	2009 Projected	2010 Tentative
Golf Courses	\$917,795	\$114,000	\$68,501
Solid Waste Management	\$5,703,984	\$12,810,000	\$6,009,778
Sanitation	\$3,716,515	\$7,347,900	\$6,454,791
Fleet Management	\$9,127,212	\$1,338,000	\$380,883
Facilities Services	\$3,513,140	\$2,447,316	\$497,349
Employee Service Res.	\$7,047,365	(\$1,225,000)	(\$2,184,122)

2010 Property Tax Revenue Projections

- Reviewed permit authorized construction trends for residential and non-residential properties:
 - County-wide
 - Unincorporated County

2010 Tentative Budget

Property Tax Revenue Projections

Fund	2008 Actual	2009 Budget	2010 Budget	2010 Projected
General	\$91,211,377	\$94,613,921	\$99,030,000	\$97,540,000
Flood Control	\$4,554,634	\$4,142,700	\$4,365,000	\$4,300,000
Health	\$10,153,584	\$10,022,661	\$10,530,000	\$10,370,000
Governmental Immunity	\$172	\$1,403,173	\$1,420,000	\$1,400,000
Bond Debt Service	\$18,065,233	\$22,718,032	\$23,460,000	\$23,110,000
Capital Improvements	\$895,845	\$935,448	\$950,000	\$940,000
Planetarium	\$2,986,081	\$2,539,074	\$2,660,000	\$2,660,000
Total- Countywide Funds	\$127,866,926	\$136,375,009	\$142,415,000	\$140,280,000

2010 Tentative Budget

Property Tax Revenue Projections

Fund	2008 Actual	2009 Budget	2010 Budget	2010 Projected
Municipal Services	\$7,644,887	\$7,770,940	\$8,070,000	\$7,990,000
Library	\$25,806,066	\$26,560,642	\$27,735,000	\$27,320,000
State Tax Admin	\$15,381,216	\$15,368,080	\$16,100,000	\$15,860,000
Total-Property Tax Revenue	\$176,699,095	\$186,074,671	\$194,320,000	\$191,450,000

Motor Vehicle Fee in Lieu

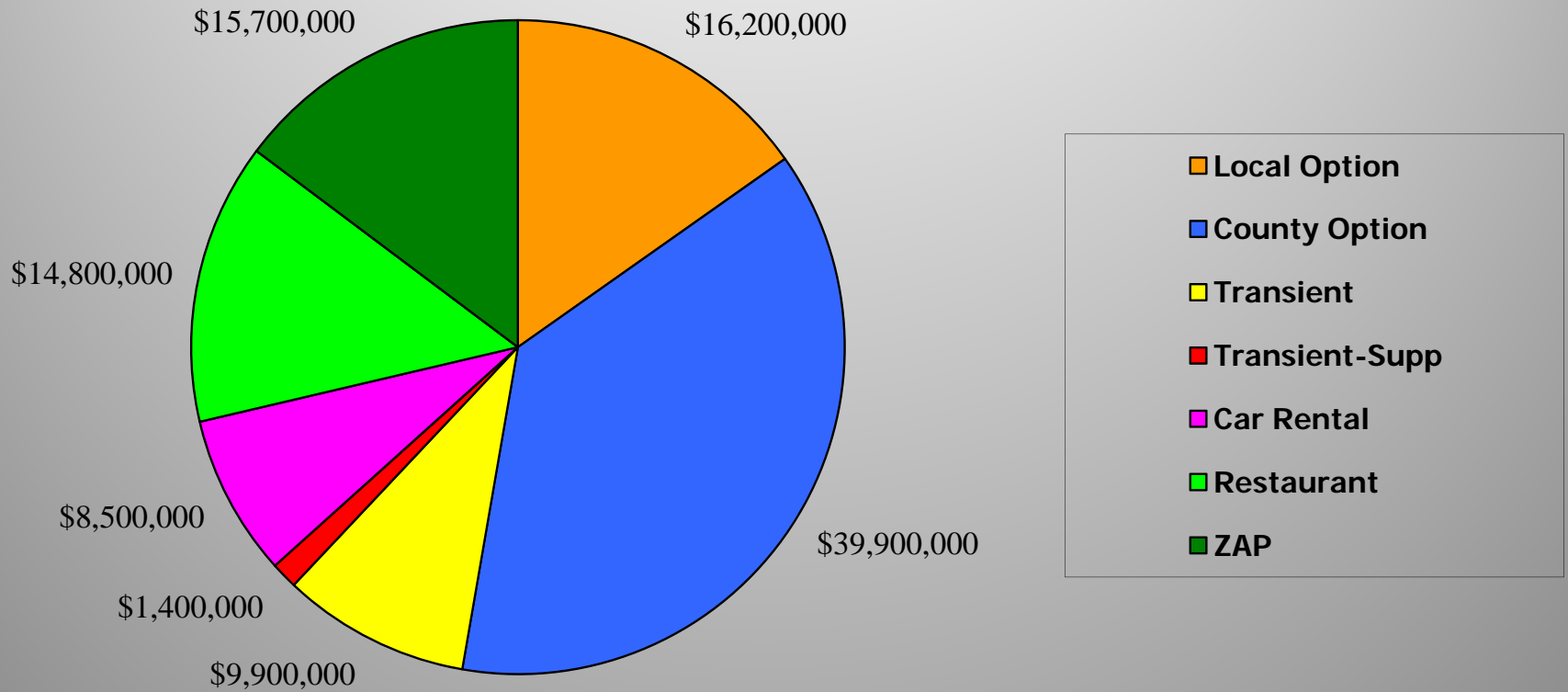
Fund	2008 Actual	2009 Budget	2010 Budgeted
General	\$8,276,719	\$8,405,000	\$8,405,000
Flood Control	\$415,396	\$430,000	\$430,000
Health	\$924,998	\$935,000	\$935,000
Governmental Immunity	\$189	\$126,000	\$0
Bond Debt Service	\$1,643,308	\$2,044,000	\$2,000,000
Capital Improvements	\$81,294	\$85,000	\$85,000
Planetarium	\$270,994	\$210,000	\$210,000
Total- Countywide Funds	\$11,612,898	\$12,235,000	\$12,065,000

Motor Vehicle Fee in Lieu

Fund	2008 Actual	2009 Budget	2010 Budgeted
Municipal Services	\$552,376	\$600,000	\$600,000
Library	\$2,490,363	\$2,775,000	\$2,775,000
State Tax Admin	<u>\$1,399,828</u>	<u>\$1,370,000</u>	<u>\$1,370,000</u>
Total-Property Tax Revenue	\$16,055,465	\$16,980,000	\$16,810,0000

Sales and Use Tax

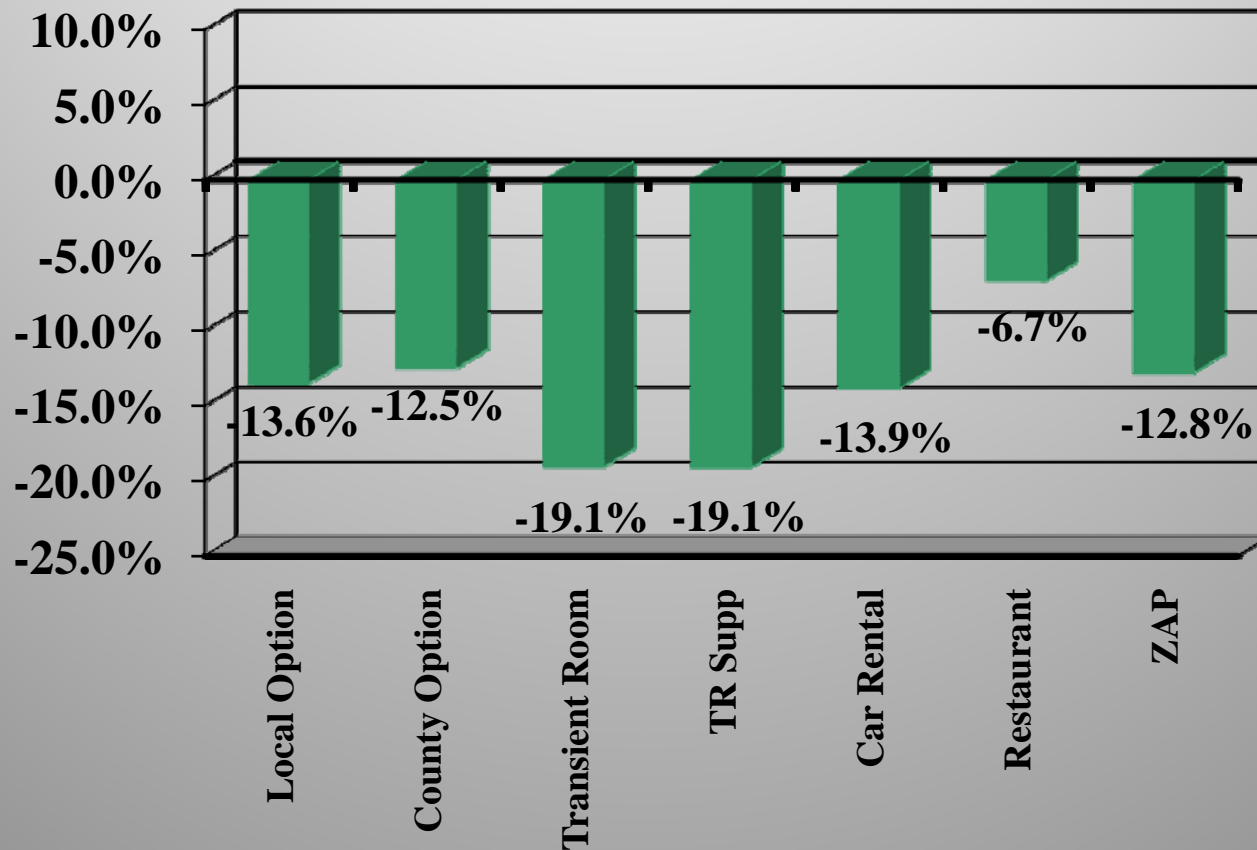
2010 Projected Tax Revenues



\$106,400,000 Total Projected Sales and Use Tax Revenue

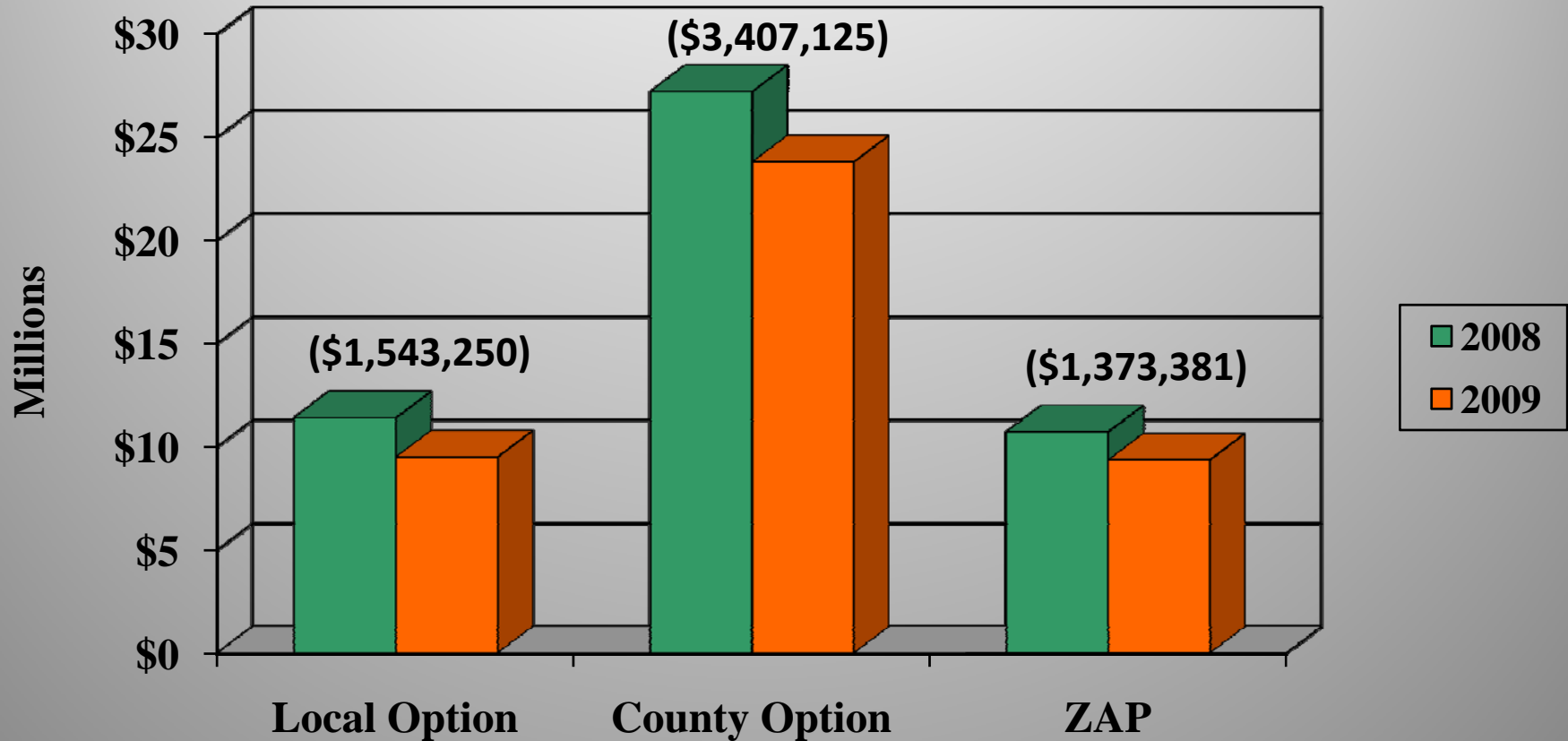
Sales Tax Revenues (Jan- July)

2008 vs. 2009



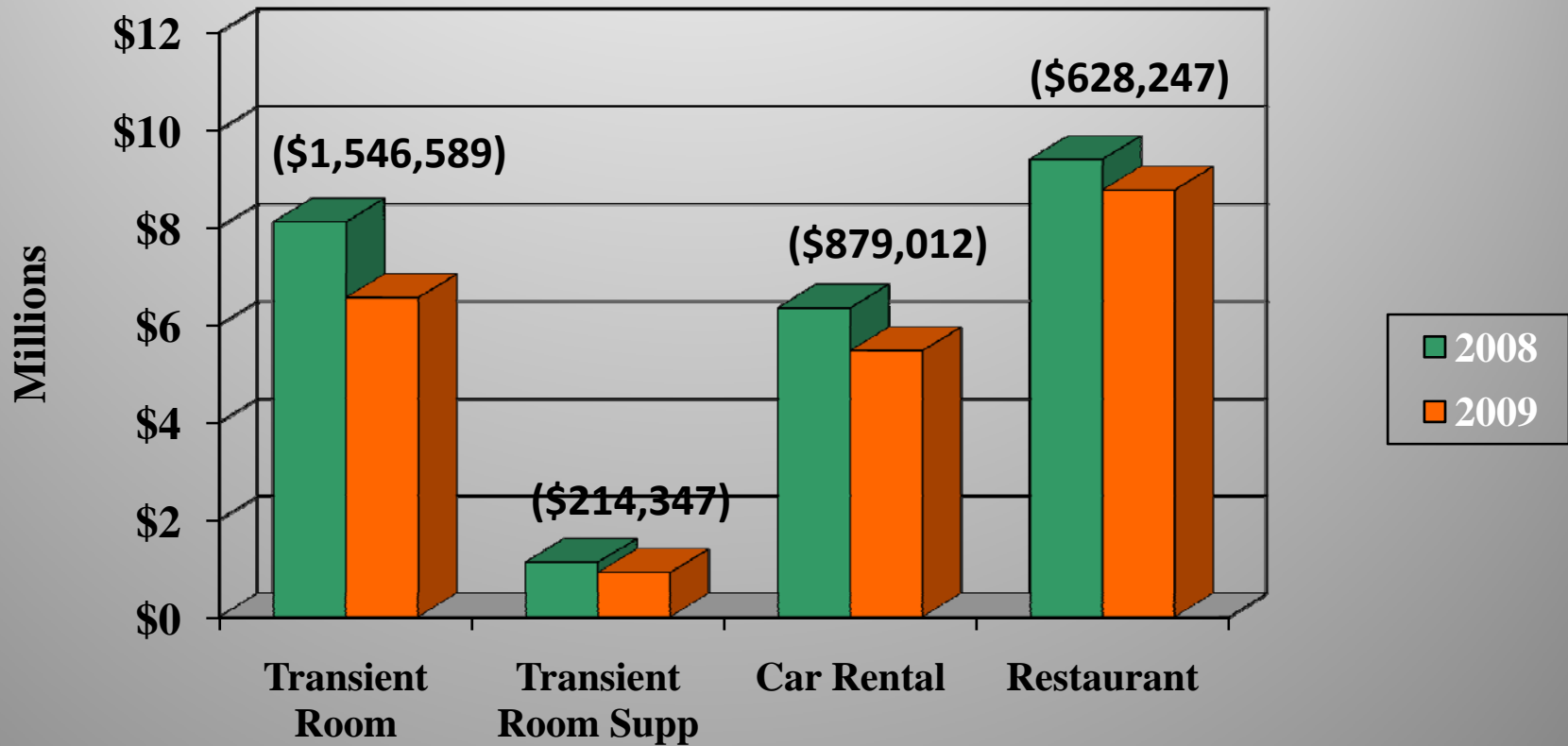
Sales Tax Revenue (Jan- July)

2008 vs. 2009



Sales Tax Revenue (Jan- July)

2008 vs. 2009



2009 Sales Tax Projections

Sales Tax	Original Projection	June Budget	Updated Projection
Local Option	\$21,700,000	\$19,100,000	\$17,000,000
County Option	\$46,800,000	\$42,900,000	\$41,300,000
Transient Room	\$12,400,000	\$11,200,000	\$10,600,000
Transient Room Supp.	\$1,700,000	\$1,550,000	\$1,500,000
Car Rental	\$9,400,000	\$8,200,000	\$8,500,000
Restaurant	\$15,300,000	\$15,400,000	\$14,900,000
ZAP	\$18,300,000	\$16,800,000	\$16,100,000
TOTAL	\$125,600,000	\$115,150,000	\$109,900,000

Local Option Sales Tax

1% tax to Municipal Services Fund

Year	Original Budget	Actual	Actual % Change
2004	\$21,600,000	\$22,378,791	
2005	\$17,900,000	\$19,215,327	(14.1%)
2006	\$19,300,000	\$22,368,880	16.4%
2007	\$21,000,000	\$23,107,457	3.3%
2008	\$23,700,000	\$19,568,459	(15.3%)
2009	\$21,700,000	\$17,000,000	(12.6%)
2010		\$16,200,000	(4.7%)

County Option Sales Tax

0.25% tax to General Fund

Year	Original Budget	Actual	Actual % Change
2004	\$35,600,000	\$37,565,445	
2005	\$38,200,000	\$40,857,601	8.8%
2006	\$42,000,000	\$46,153,095	13.0%
2007	\$47,400,000	\$49,321,159	6.9%
2008	\$41,300,000	\$46,532,140	(5.7%)
2009	\$50,500,000	\$41,300,000	(11.2%)
2010		\$39,900,000	(3.4%)

Transient Room Sales Tax

4.25% tax to Visitor Promotion Fund

Year	Original Budget	Actual	Actual % Change
2004	\$7,700,000	\$7,637,547	
2005	\$7,700,000	\$10,136,202	32.7%
2006	\$12,000,000	\$13,894,833	37.1%
2007	\$13,800,000	\$13,813,895	(0.6%)
2008	\$13,800,000	\$12,623,966	(8.6%)
2009	\$13,300,000	\$10,600,000	(16.0%)
2010		\$9,900,000	(6.6%)

Transient Room-Supp Sales Tax

0.5% tax to TRCC Fund

Year	Original Budget	Actual	Actual % Change
2004	\$1,300,000	\$1,272,850	
2005	\$1,300,000	\$1,410,437	10.8%
2006	\$1,400,000	\$1,636,526	16.0%
2007	\$1,600,000	\$1,801,153	10.1%
2008	\$1,900,000	\$1,747,315	(3.0%)
2009	\$1,820,000	\$1,500,000	(14.2%)
2010		\$1,400,000	(6.7%)

Car Rental Sales Tax

7.00% tax to TRCC Fund

Year	Original Budget	Actual	Actual % Change
2004	\$7,200,000	\$7,379,759	
2005	\$7,700,000	\$8,555,290	15.9%
2006	\$8,400,000	\$9,793,807	14.5%
2007	\$9,600,000	\$10,601,243	8.2%
2008	\$10,700,000	\$9,745,794	(8.1%)
2009	\$11,000,000	\$8,500,000	(12.8%)
2010		\$8,500,000	0.0%

Restaurant Sales Tax

1.00% tax to TRCC Fund

Year	Original Budget	Actual	Actual % Change
2004	\$11,400,000	\$12,333,723	
2005	\$12,600,000	\$13,304,696	7.9%
2006	\$13,500,000	\$14,431,702	8.5%
2007	\$15,000,000	\$15,847,424	9.8%
2008	\$16,500,000	\$15,839,168	(0.1%)
2009	\$16,800,000	\$14,900,000	(5.9%)
2010		\$14,800,000	(0.7%)

ZAP Sales Tax

0.1% tax to ZAP Fund

Year	Original Budget	Actual	Actual % Change
2004	\$15,400,000	\$16,293,984	
2005	\$16,200,000	\$17,680,067	8.5%
2006	\$18,100,000	\$19,995,639	13.1%
2007	\$20,500,000	\$21,337,139	6.7%
2008	\$20,600,000	\$18,215,876	(14.6%)
2009	\$19,800,000	\$16,100,000	(11.6%)
2010		\$15,700,000	(2.5%)

2010 FTE Request Changes

General Fund	FTE's
Council	(0.50)
Mayor Operations	(4.00)
Election Clerk	(2.50)
Auditor	(2.00)
Recorder	(0.44)
District Attorney	(11.15)
County Jail	(19.00)
Sheriff Court Svcs & Sec.	(5.00)
Sheriff Invest/Support Serv	(1.00)

General Fund	FTE's
Extension Services	(0.25)
Parks	(2.00)
Information Services	(3.00)
Real Estate	(0.38)
Human Resources	(1.00)
Facilities Management	(1.55)
Records Management	(1.00)
TOTAL-General Fund	(54.77)

2010 FTE Request Changes

Organization	FTE's
Youth Services	(2.50)
Aging Services	3.00
Mental Health	(1.00)
Comm. Res. & Develop.	0.75
Justice Courts	(2.90)
Sheriff Law Enfor.	(6.00)
Planning & Devel. Svcs.	(4.00)
Public Works Operations	(10.90)
Flood Control	(2.00)
Recorder-Tax Admin	(1.00)

Organization	FTE's
Assessor	(6.00)
Library	14.25
Solid Waste	(2.00)
Fleet Management	2.00
Facilities Services	(2.45)
Government Center Ops	4.00
Employee Service Res.	0.50
TOTAL COUNTY WIDE	(71.02)

2010 Current Year Sources and Uses

Governmental Funds

Source	Amount
Property Tax	\$194,320,000
Sales & Use Tax	\$106,400,000
Other Revenue	\$232,271,604
Fund Balance Transfers In	<u>\$7,887,287</u>
Total Current Sources	\$540,878,891
Expenditures	\$640,235,947
Fund Balance Transfers Out	<u>\$1,500,000</u>
Total Current Uses	\$641,735,947

2010 Current Year Sources and Uses

General Fund

Source	Amount
Property Tax	\$99,030,000
Sales & Use Tax	\$39,900,000
Other Revenue	\$79,081,928
Fund Balance Transfers In	<u>\$23,940,300</u>
Total Current Sources	\$241,952,228
Expenditures	\$222,691,772
Fund Balance Transfers Out	<u>\$32,488,085</u>
Total Current Uses	\$255,179,857

Compensation Adjustment Cost

2.75% Salary Reduction

Fund	Cost
General	\$3,228,583
Grant	\$500,178
Municipal Services	\$974,288
State Tax Admin	\$360,299
Library	\$447,942
Health	\$547,138
Other	\$594,433
TOTAL	\$6,652,861

Retirement Contribution Rates

	2009-2010	2010-2011	Increase
Contributory	13.65%	15.36%	1.71%
Non-Contributory	11.66%	13.37%	1.71%
Public Safety			
Contributory	24.76%	26.86%	2.10%
Non-Contributory	23.34%	25.83%	2.49%

Retirement Contribution Rates

Incremental Cost Increase for 2010

Fund	Cost
General	\$887,200
Grant	\$125,220
Municipal Services	\$281,064
State Tax Admin	\$87,556
Library	\$108,774
Health	\$135,900
Other	\$148,882
TOTAL	\$1,774,596

Employee Health Care

Incremental Cost Increase for 2010

Fund	Cost
General	\$1,620,807
Grant	\$304,005
Municipal Services	\$562,587
State Tax Admin	\$157,749
Library	\$271,731
Health	\$315,042
Other	\$339,138
TOTAL	\$3,571,059

Significant Budget Issues

- Declining revenues and continued economic uncertainty
- Structural imbalances in several funds
- Fund balance expectations above minimum reserve requirements
- Capital project requests

Budget and payroll streamlining resolution