

**Mayor Ben McAdams**

# **2018 Proposed June Budget**

**June 5, 2018**

# Mayor McAdams June Budget Presentation

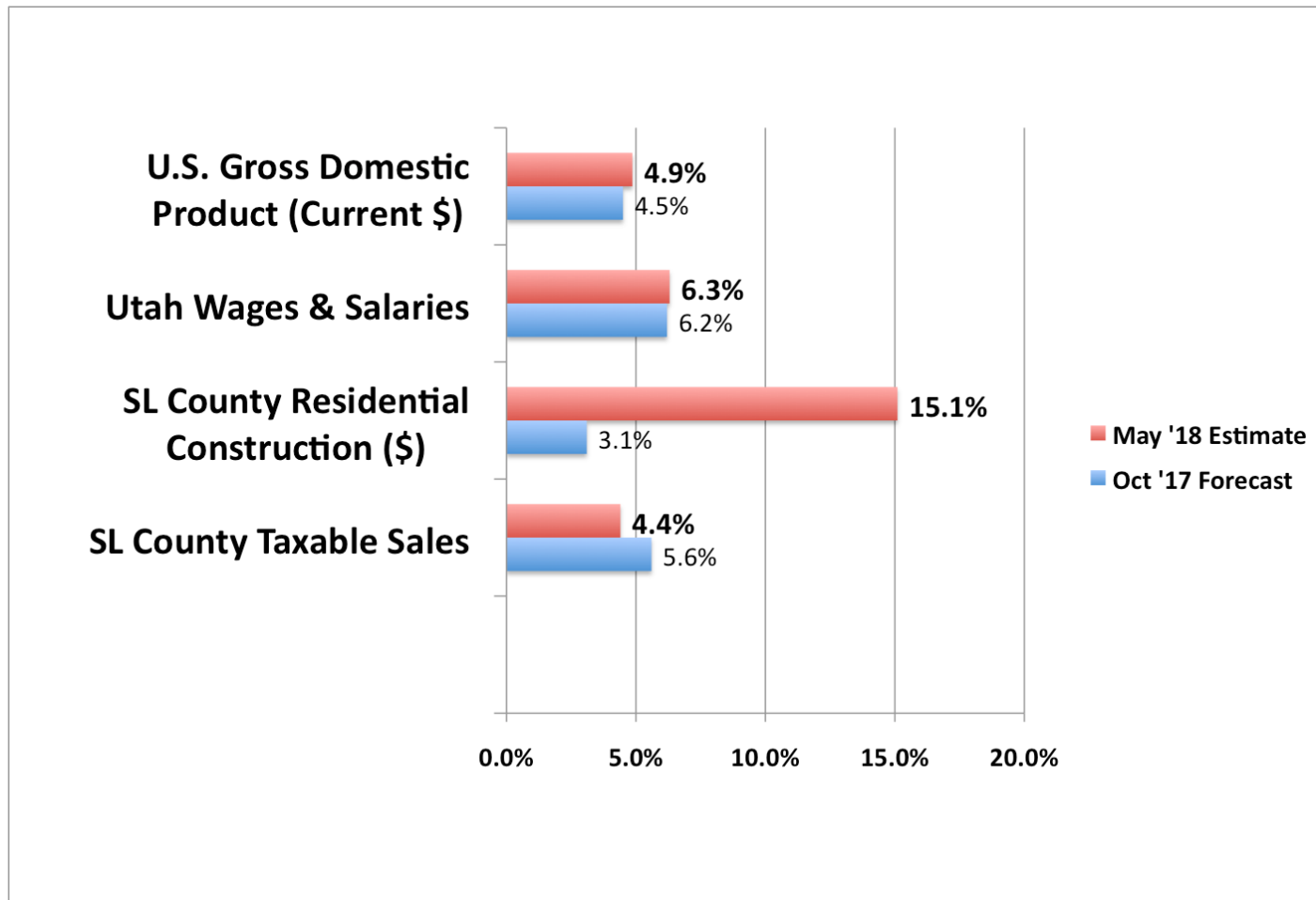
- Doug MacDonald & Scott Smith – Economic Overview
- Rod Kitchens – Revenue Update
- Darrin Casper – Proposed Budget Adjustments

Doug MacDonald / Scott Smith

# **ECONOMIC OVERVIEW**



# 2018 Projections: Current vs. October



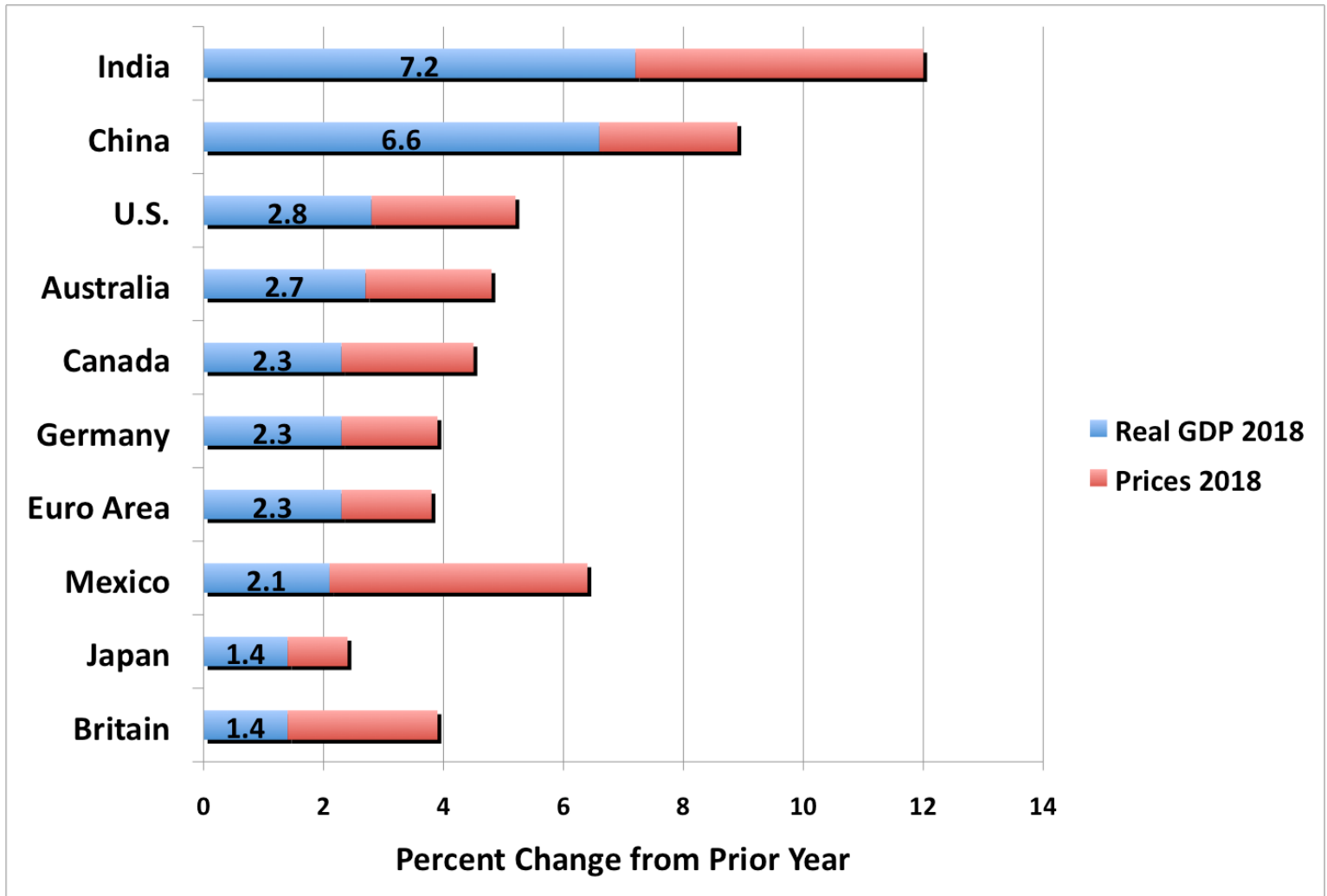


# The World





# World Real Growth Up 3.4% in 2018



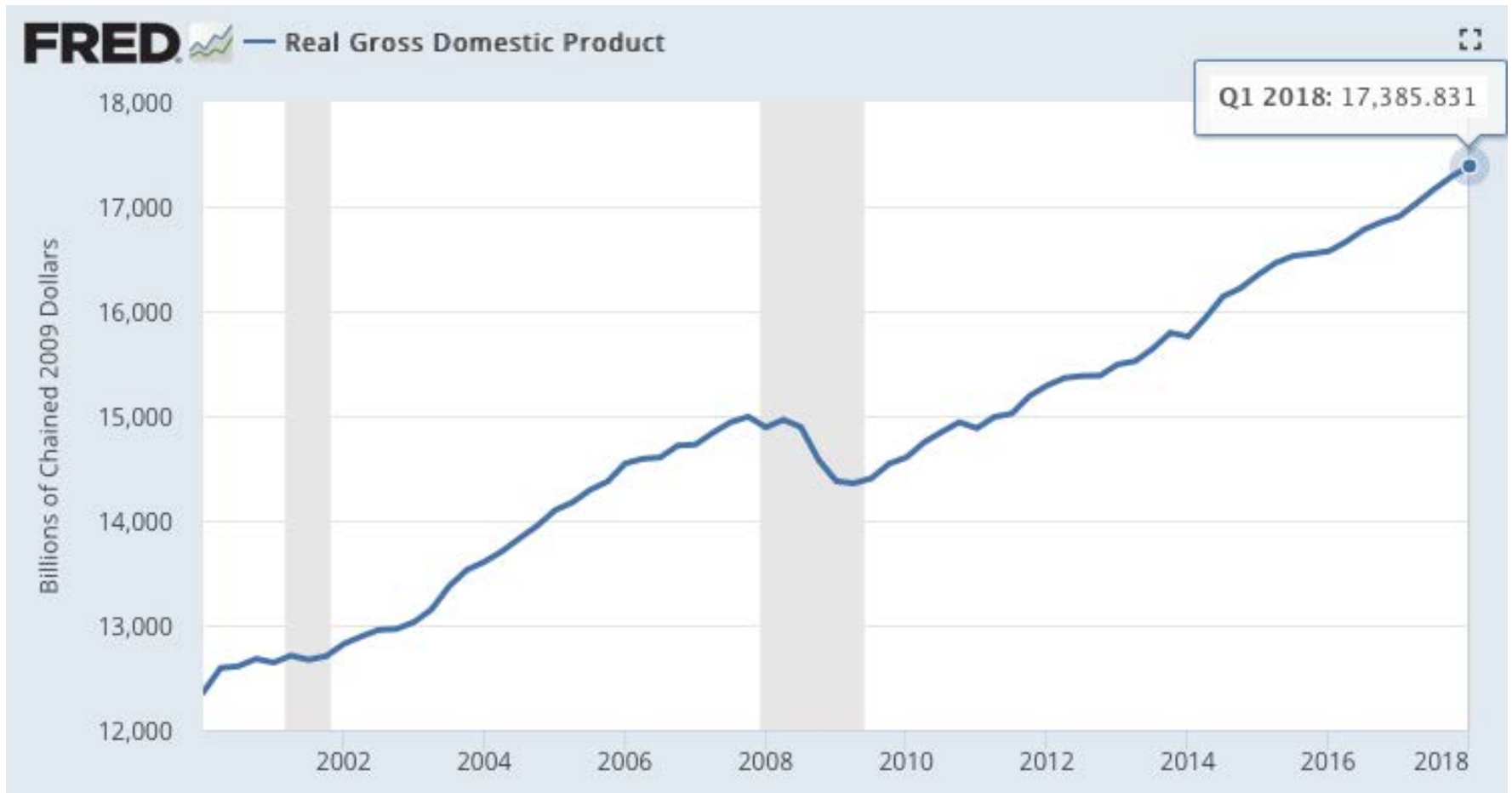


# The Nation





# U.S. GDP up 2.8% in 2018



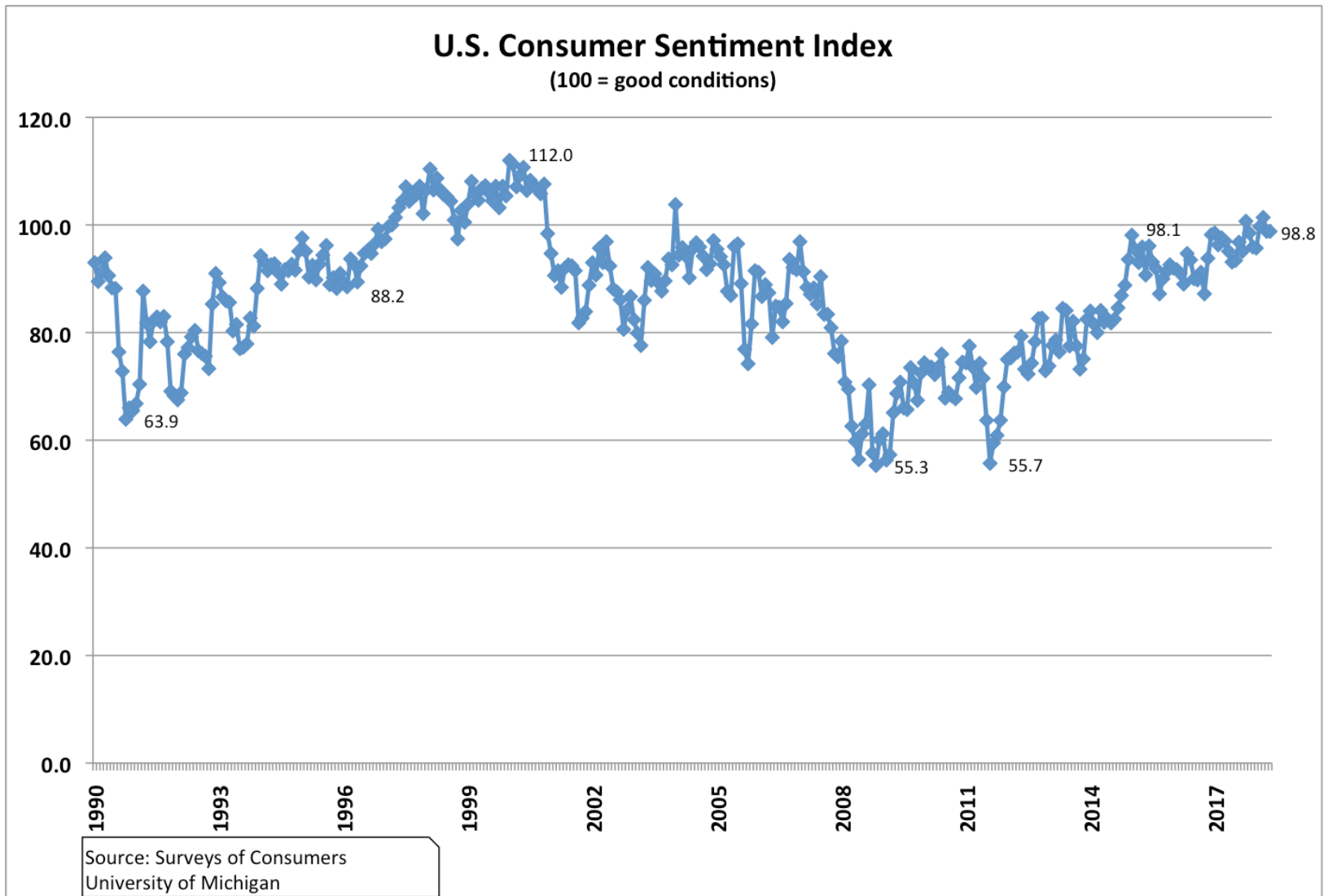


## 2018 U.S. growth improves to 2.8%

- The U.S. is in the middle of the pack—principal drivers of growth are:
  - domestic demand
  - business equipment
- Prospects for consumer spending (70% of GDP, growing 2.4%) still look pretty good, thanks to:
  - solid jobs and income growth
  - relatively low interest rates
  - high home prices
- Capital spending on structures and equipment will improve 7.2% in 2018



# Consumers Still Confident

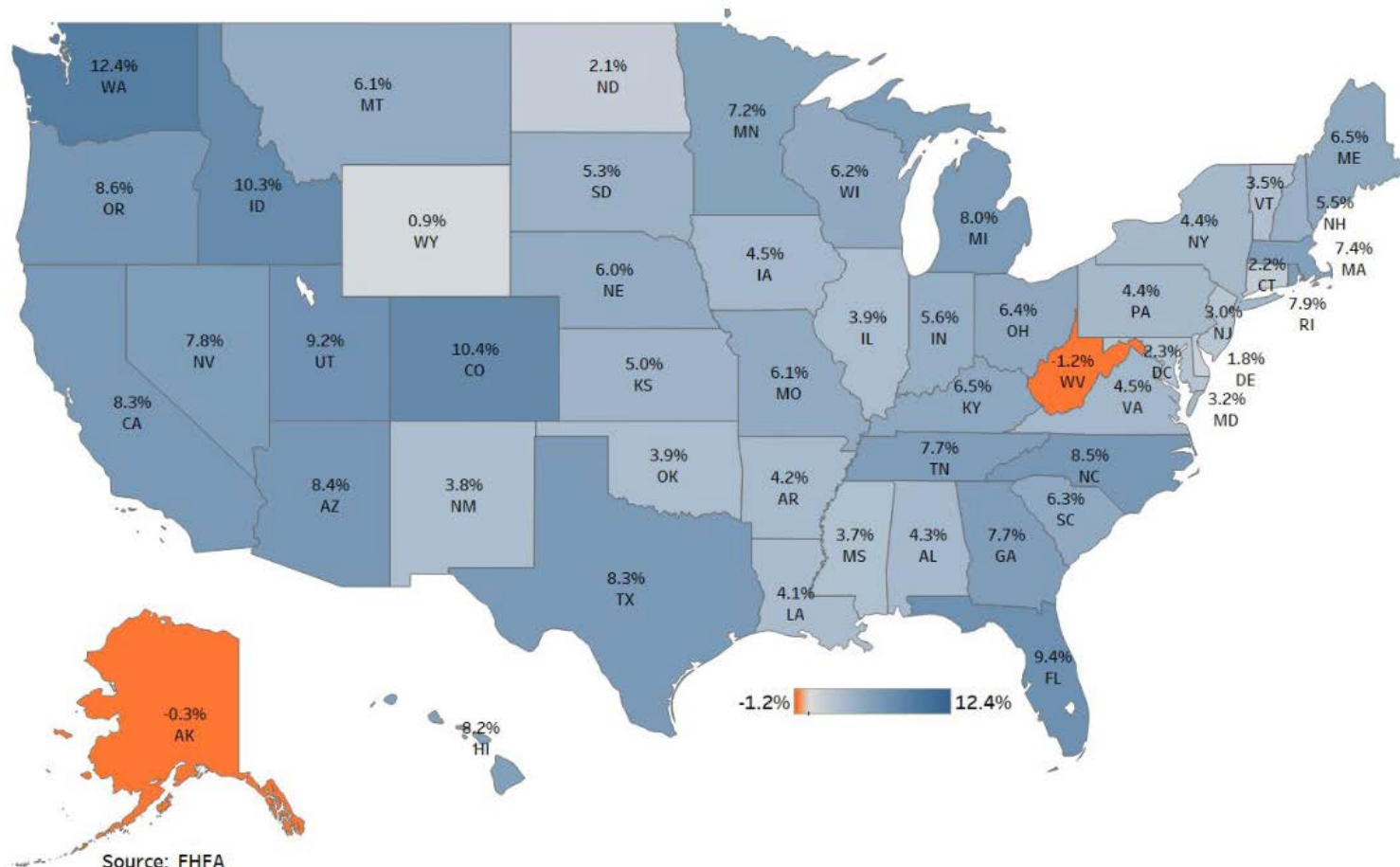




# Consumer Sentiment Boosted Utah Home Price Increases +9.4% in 2017

**Four-Quarter Price Change by State: Purchase-Only Index (Seasonally Adjusted)**

U.S. Four-Quarter Appreciation = 6.6% (2016Q2-2017Q2)





# Job Gains & Consumer Sentiment Boosted Home Prices in 2017

## Percent Increase in Median Sales Price of Single Family Homes (152 Metropolitan Areas)

| Metropolitan Area                       | 2005             | 2017             | % Chg.       |
|-----------------------------------------|------------------|------------------|--------------|
| 1. Bismarck, ND                         | \$124,900        | \$242,300        | 94.0%        |
| 2. Austin-Round Rock, TX                | \$163,800        | \$308,000        | 88.0%        |
| <b>3. Salt Lake City, UT</b>            | <b>\$173,900</b> | <b>\$305,700</b> | <b>75.8%</b> |
| 4. Dallas-Fort Worth-Arlington, TX      | \$147,600        | \$255,200        | 72.9%        |
| 5. Denver-Aurora-Lakewood, CO           | \$247,100        | \$424,500        | 71.8%        |
| 6. Boulder, CO                          | \$348,400        | \$593,200        | 70.3%        |
| 7. San Antonio-New Braunfels, TX        | \$133,900        | \$222,600        | 66.2%        |
| 8. Houston-The Woodlands-Sugar Land TX  | \$143,000        | \$235,600        | 64.8%        |
| 9. San Jose-Sunnyvale-Santa Clara, CA   | \$744,500        | \$1,183,400      | 59.0%        |
| 10. Portland-Vancouver-Hillsboro, OR-WA | \$246,600        | \$389,100        | 58.9%        |

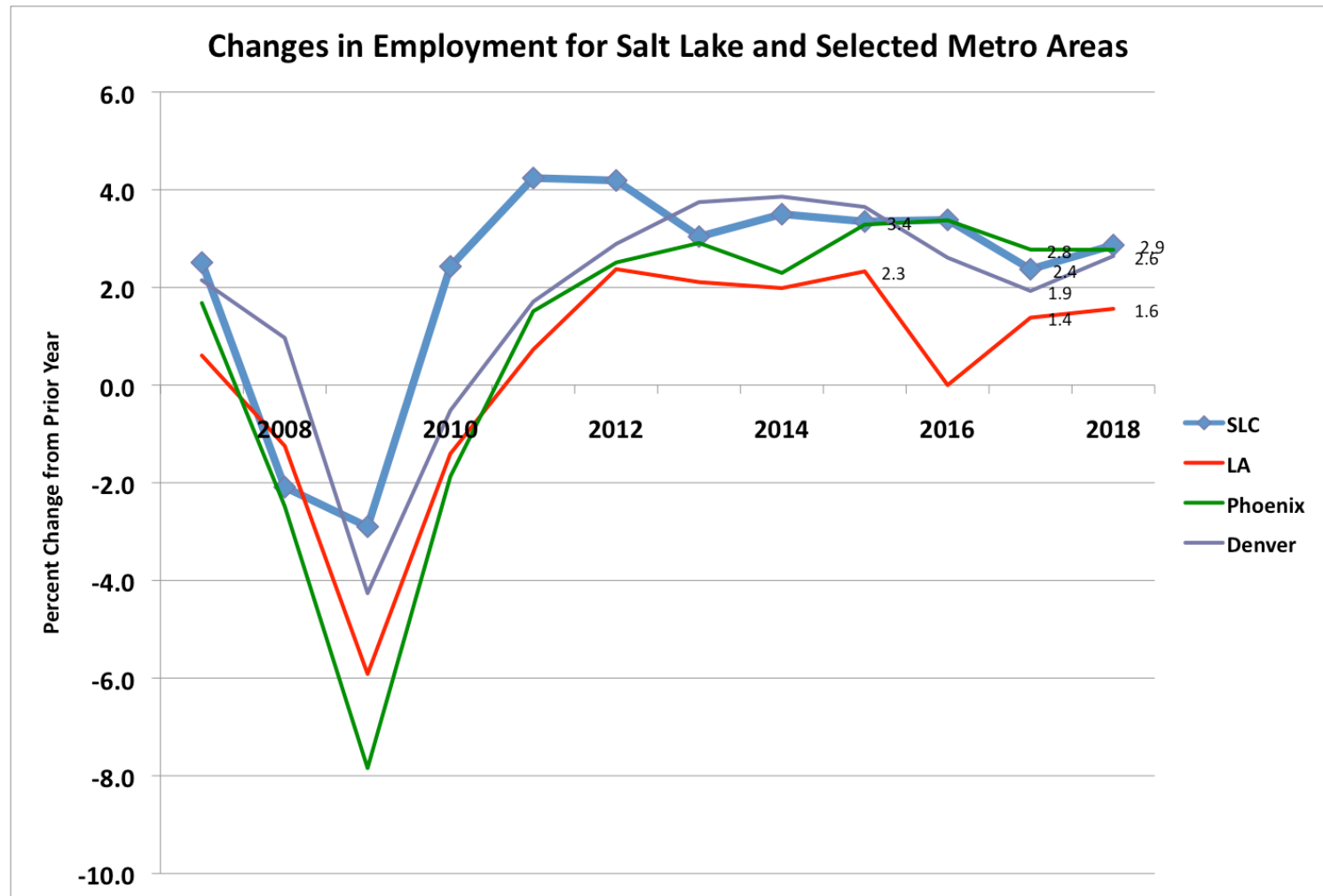


# The County Economy





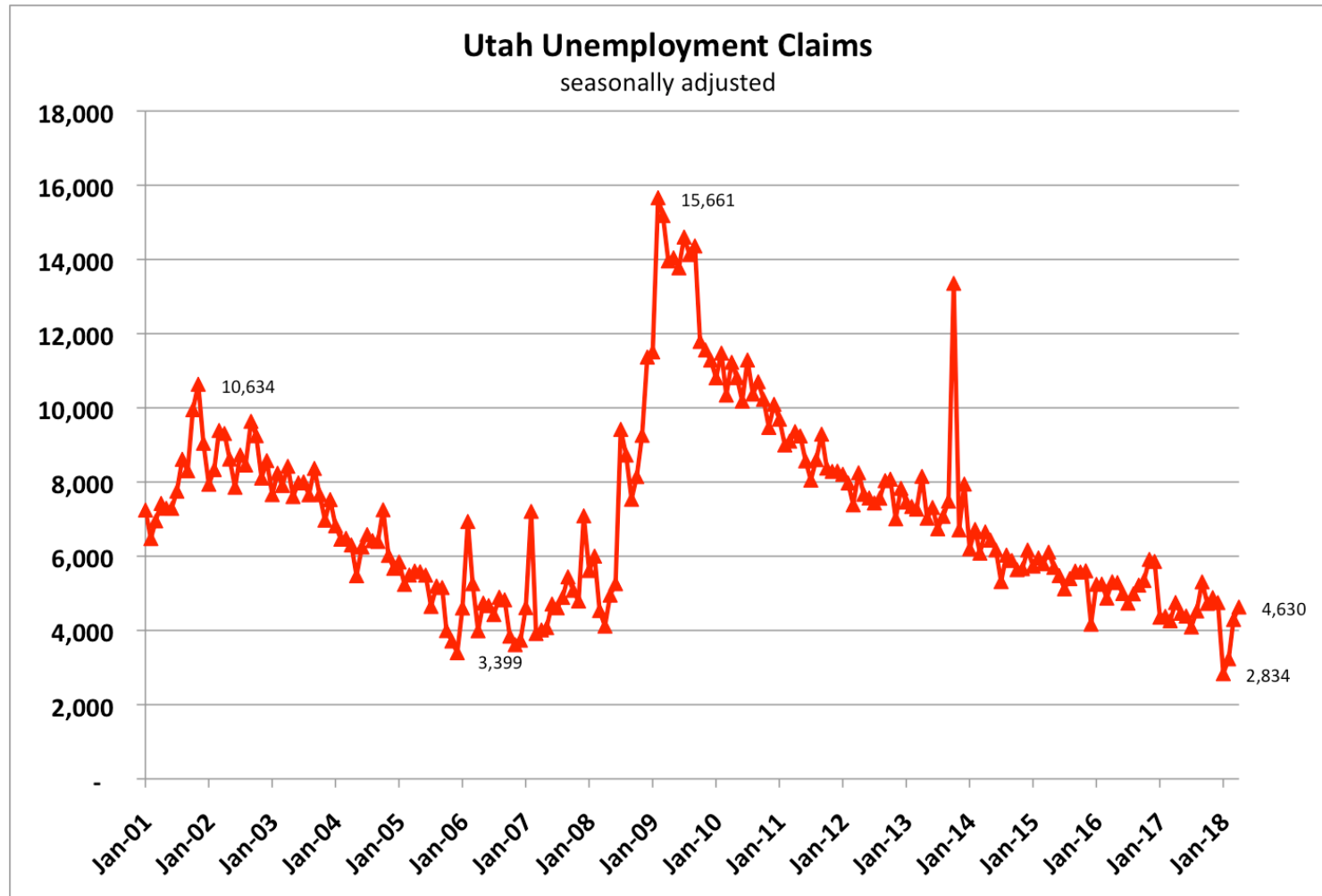
# Salt Lake Metro Job Growth Leads LA, Phoenix & Denver





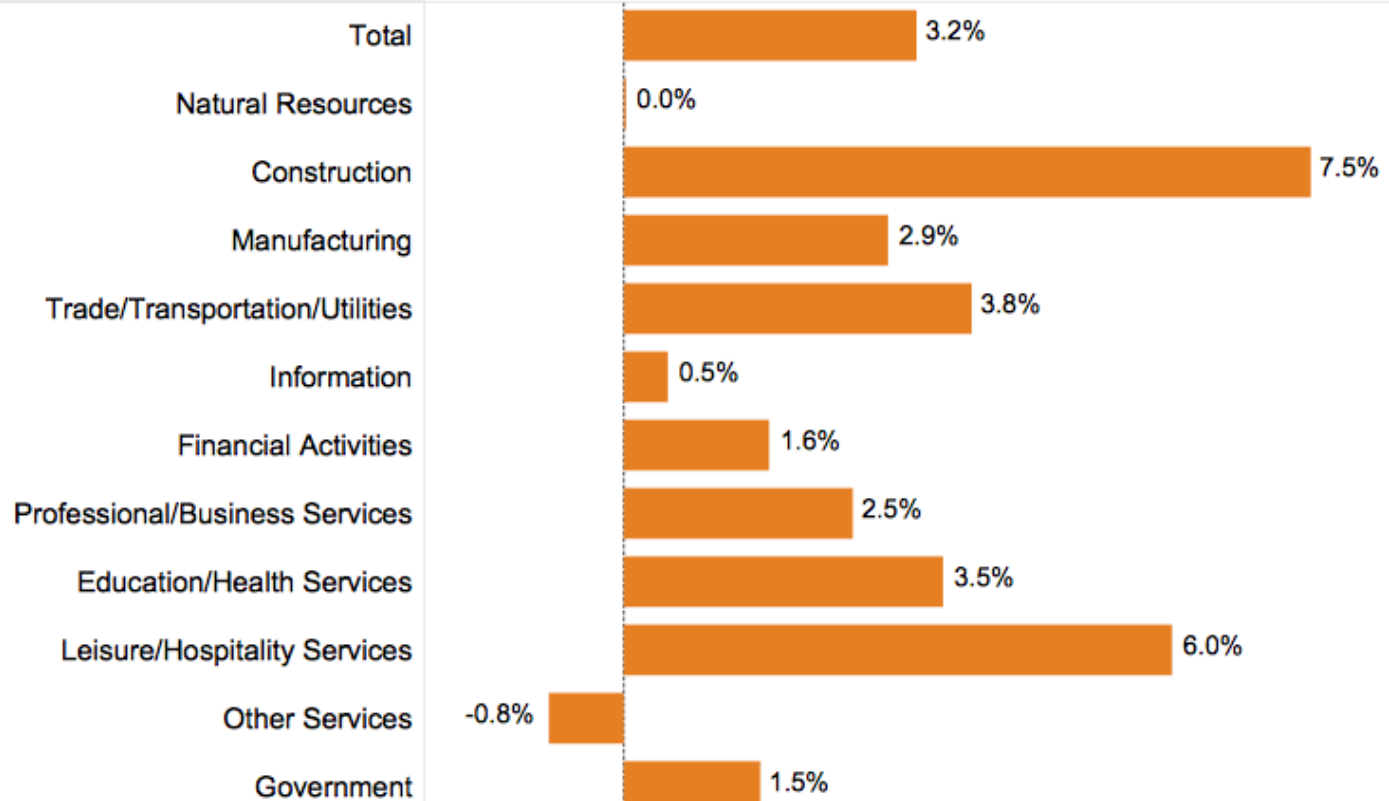
# Unemployment Claims Down to 2006 Level

(6 Month Leading Indicator for Jobs)



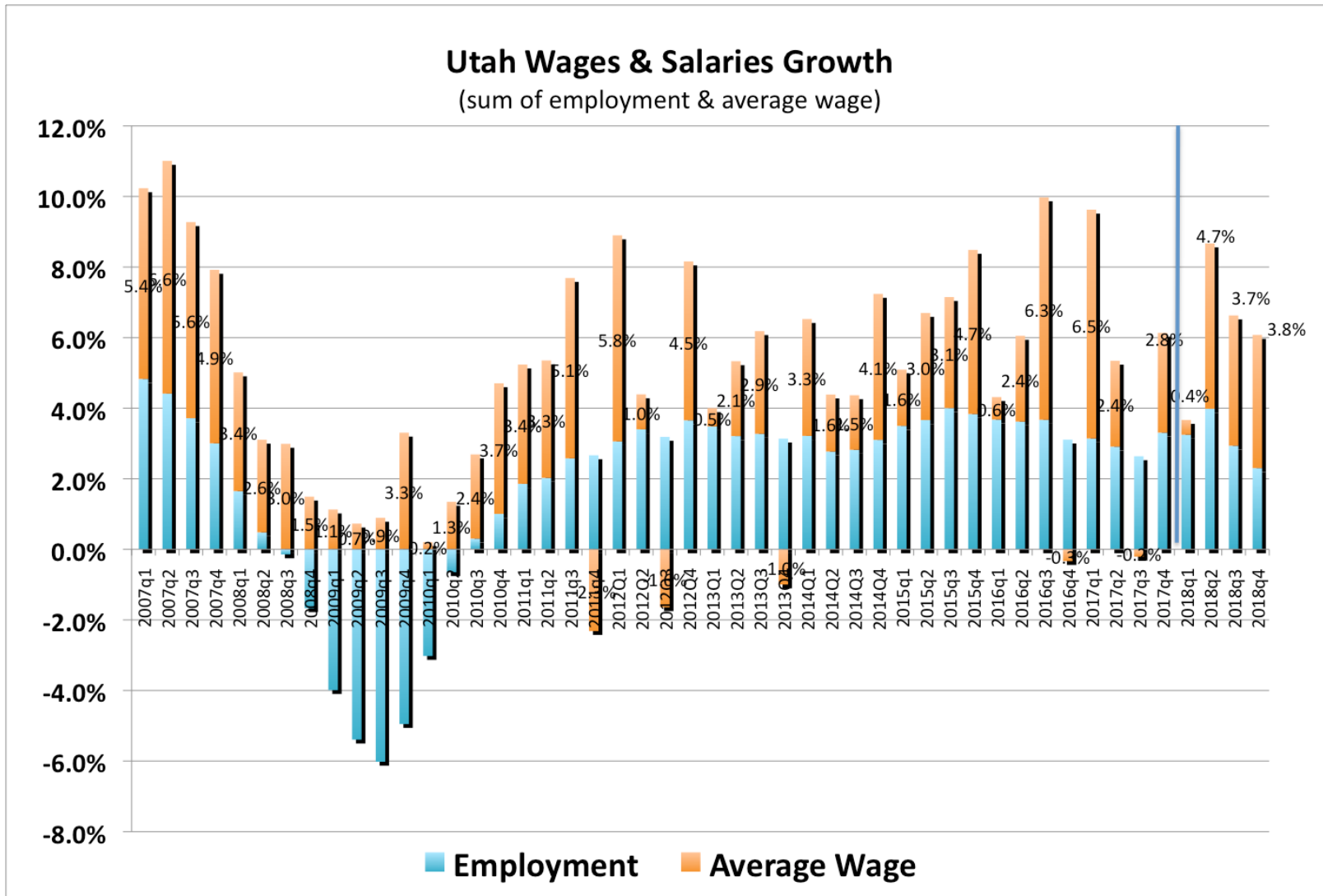


## Utah Nonfarm Industry Profiles February 2017 - 2018 Percent Change





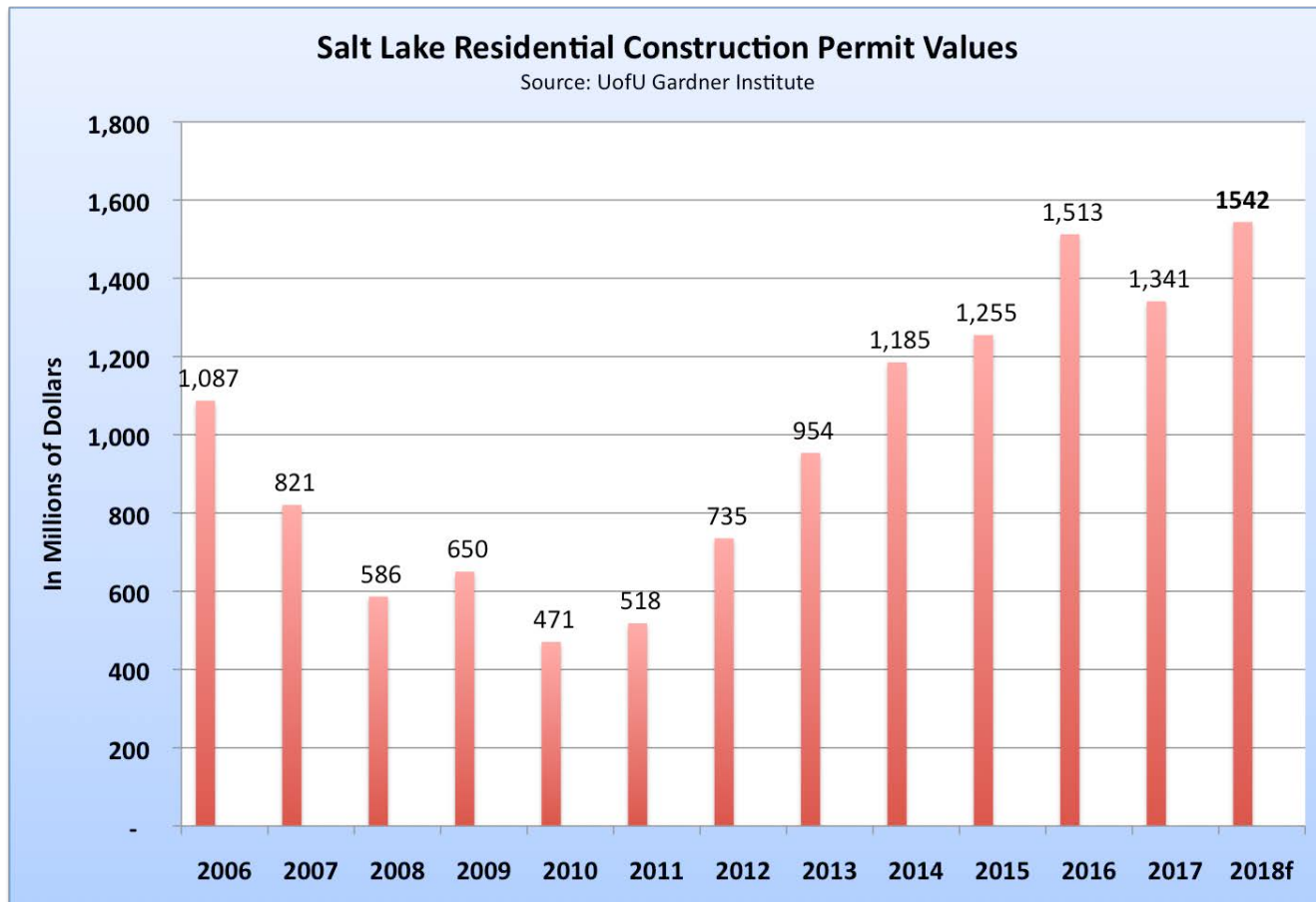
# Utah Wages will be up 6.3% in 2018





# The County Economy

After an 11% decline last year, Salt Lake County new residential construction will be up 15% in 2018



# Salt Lake County Construction

January - March 2018

| County/City             | New Dwelling |                  | New Residential  |                  | New Nonresidential |                  | Additions/Alterations/Repairs Residential |                  | Nonresidential   |                  | Total Construction |                  |
|-------------------------|--------------|------------------|------------------|------------------|--------------------|------------------|-------------------------------------------|------------------|------------------|------------------|--------------------|------------------|
|                         | Units        | % Change 2017-18 | Value (\$000)    | % Change 2017-18 | Value (\$000)      | % Change 2017-18 | Value (\$000)                             | % Change 2017-18 | Value (\$000)    | % Change 2017-18 | Value (\$000)      | % Change 2017-18 |
| <b>SALT LAKE COUNTY</b> |              |                  |                  |                  |                    |                  |                                           |                  |                  |                  |                    |                  |
| Alta                    | 0            | 0.0              | 0.0              | 0.0              | 0.0                | 0.0              | 0.0                                       | 0.0              | 0.0              | 0.0              | 0.0                | 0.0              |
| Bluffdale               | 408          | 482.9            | 45,812.0         | 173.6            | 8,606.0            | 102.3            | 162.0                                     | -82.0            | 37.0             | -17.8            | 54,617.0           | 148.9            |
| Draper                  | 47           | 88.0             | 17,513.3         | 94.5             | 26,750.9           | 18.7             | 591.1                                     | -26.8            | 450.4            | -68.6            | 45,305.7           | 34.1             |
| Midvale                 | 55           | 587.5            | 8,759.4          | 332.8            | 22,005.4           | 10499.9          | 676.8                                     | -0.2             | 1,189.9          | -64.1            | 32,631.5           | 424.3            |
| Murray                  | 187          | 434.3            | 34,020.9         | 286.8            | 3,233.0            | -89.8            | 364.4                                     | -33.9            | 2,069.3          | -66.2            | 39,687.6           | -15.6            |
| Riverton                | 66           | -12.0            | 14,049.0         | -23.6            | 3,081.6            | 111.0            | 446.9                                     | -31.0            | 2,784.6          | 1632.8           | 20,362.1           | -1.4             |
| Salt Lake City          | 260          | -28.0            | 34,669.0         | -35.8            | 60,363.5           | -67.0            | 8,988.1                                   | 6.4              | 53,162.4         | -8.1             | 157,183.0          | -48.2            |
| Sandy                   | 66           | 8.2              | 10,976.9         | 9.9              | 969.0              | 16.8             | 800.0                                     | 19.3             | 24,450.5         | 1475.7           | 37,196.4           | 185.3            |
| South Jordan            | 366          | 134.6            | 72,807.0         | 80.9             | 10,528.0           | -86.0            | 591.0                                     | -68.9            | 5,311.0          | -27.9            | 89,237.0           | -28.5            |
| South Salt Lake         | 0            | 0.0              | 0.0              | 0.0              | 0.0                | 0.0              | 0.0                                       | 0.0              | 0.0              | 0.0              | 0.0                | 0.0              |
| West Jordan             | 212          | 128.0            | 42,711.9         | 79.2             | 6,827.8            | 28.5             | 834.9                                     | 20.4             | 780.0            | -72.3            | 51,154.6           | 56.6             |
| West Valley City        | 50           | 38.9             | 13,276.8         | 205.1            | 43,424.4           | 732.2            | 860.7                                     | 79.7             | 7,480.9          | -71.0            | 65,042.8           | 81.3             |
| Taylorsville            | 17           | 88.9             | 3,078.5          | -1.1             | 367.3              | -61.9            | 567.3                                     | -74.4            | 1,617.5          | 0.1              | 5,630.6            | -28.8            |
| Herriman                | 370          | -11.9            | 68,847.0         | -3.9             | 7,967.4            | 150.5            | 705.4                                     | 5.6              | 272.0            | 2.6              | 77,791.8           | 2.7              |
| Holladay                | 1            | -50.0            | 319.0            | -64.4            | 482.0              | 218.6            | 781.7                                     | 108.2            | 542.0            | 431.4            | 2,124.7            | 39.4             |
| Cottonwood Heights      | 12           | 0.0              | 3,955.0          | 0.0              | 389.9              | 0.0              | 719.4                                     | 0.0              | 211.0            | 0.0              | 5,275.3            | 0.0              |
| Other Salt Lake Co      | 14           | 133.3            | 3,527.9          | 95.7             | 1,247.4            | -0.2             | 1,498.6                                   | 5.2              | 542.3            | 266.9            | 6,816.2            | 47.4             |
| Millcreek               | 393          | 0.0              | 38,532.2         | 0.0              | 5,086.2            | 0.0              | 2,002.4                                   | 0.0              | 2,191.4          | 0.0              | 47,812.2           | 0.0              |
| <b>Total</b>            | <b>2,524</b> | <b>86.0</b>      | <b>412,855.8</b> | <b>55.9</b>      | <b>201,329.8</b>   | <b>-40.0</b>     | <b>20,590.7</b>                           | <b>0.6</b>       | <b>103,092.2</b> | <b>-5.1</b>      | <b>737,868.5</b>   | <b>1.2</b>       |
| <b>STATE TOTAL</b>      |              |                  |                  |                  |                    |                  |                                           |                  |                  |                  |                    |                  |
|                         | 6,350        | 24.9             | 1,270,320.2      | 29.4             | 471,917.0          | -22.3            | 59,427.6                                  | -50.5            | 194,036.4        | -6.8             | 1,995,701.2        | 4.1              |





# Car & Truck Sales – Strong from 2014 to 2017

but the State's first three months were up 0.9%



| Salt Lake County<br>\$Billion |         | % Chg. |
|-------------------------------|---------|--------|
| 2014                          | \$ 2.63 | 5.6%   |
| 2015                          | \$ 2.83 | 7.1%   |
| 2016                          | \$ 3.01 | 6.3%   |
| 2017                          | \$ 3.22 | 7.2%   |
| 1Q 2018 Utah                  | \$ 1.55 | 0.9%   |



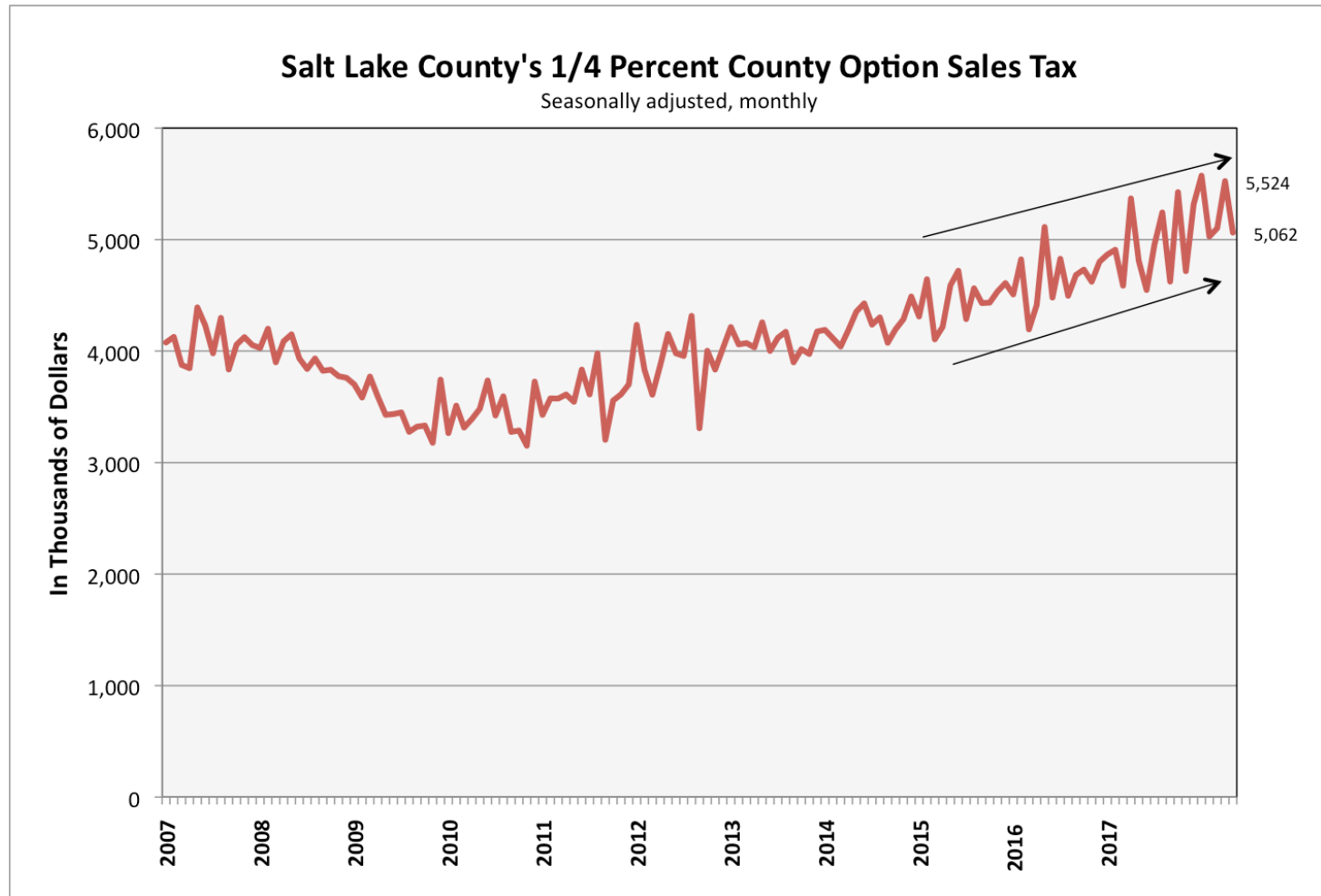
# Salt Lake County Taxable Sales

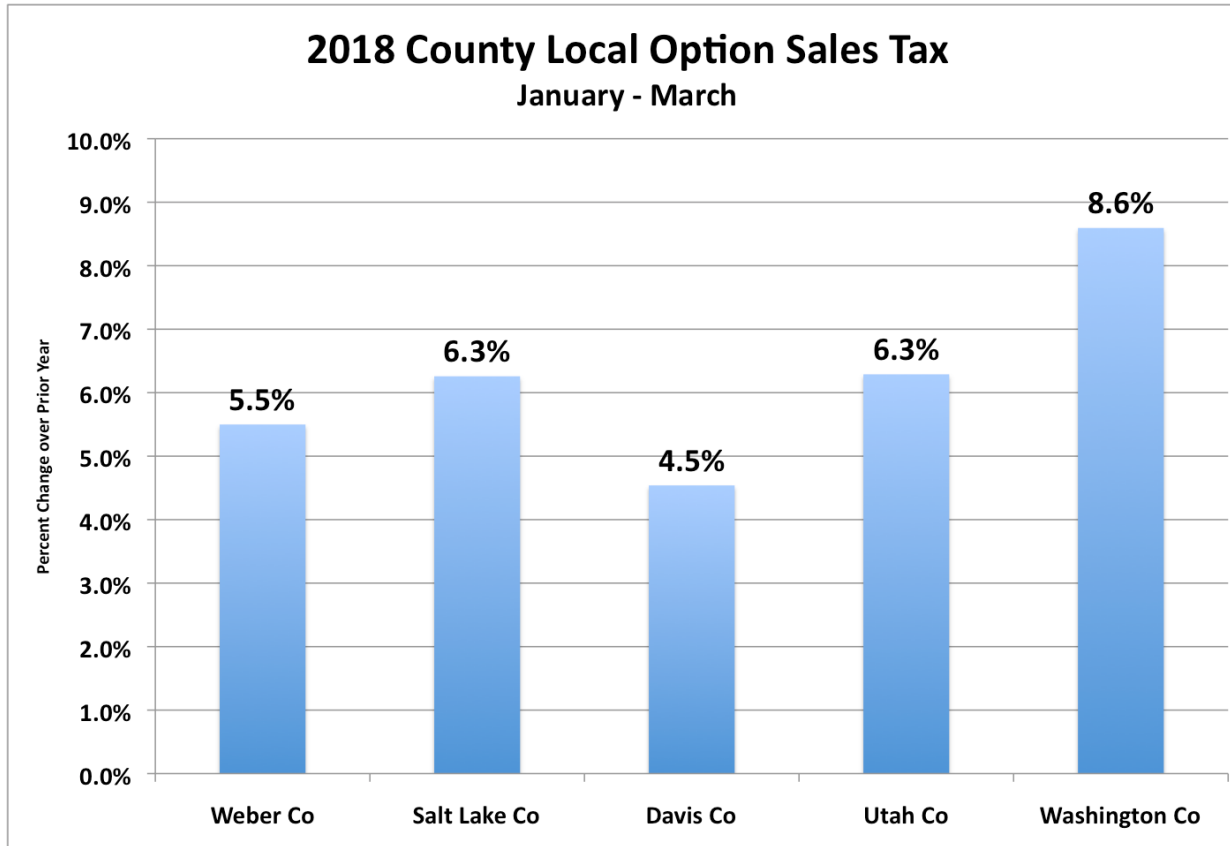
## 4th Quarter 2017

| (these 9 sectors account for 58% of all taxable sales) | Sales in Million \$ | % Change From Prior Year |
|--------------------------------------------------------|---------------------|--------------------------|
| Retail – Motor Vehicle                                 | \$ 776              | 6.0 %                    |
| Retail – General Merchandise                           | 718                 | 4.6                      |
| Retail – Groceries                                     | 568                 | 1.7                      |
| Retail – Building                                      | 365                 | 17.2                     |
| Non-store Retailers                                    | 176                 | 104.5                    |
| Services – Restaurants                                 | 579                 | 5.9                      |
| Services – Accommodations                              | 127                 | 6.9                      |
| Bus. Inv. - Manufacturing                              | 286                 | 10.1                     |
| Bus. Inv. - Wholesale Durables                         | 598                 | 15.0                     |
| <b>Total</b>                                           | <b>\$ 7,229</b>     | <b>8.0 %</b>             |



# Seasonally Adjusted Sales Tax Continues Upward Trend





Washington  
County  
leads

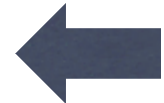
SL County  
and Utah  
counties  
strong





# June 2018 Economic Model Projection

| <b>Baseline</b>                                     | <b>CY 2018</b> |
|-----------------------------------------------------|----------------|
| Utah Taxable Sales (RAWG Feb 2018)                  | 6.80%          |
| SL County Taxable Sales (Econowest)                 | 4.36%          |
| Population Impact                                   | -0.28%         |
| <b>E-Commerce Sales Base Loss</b>                   | <b>-0.26%</b>  |
| <b>Est. Growth in SLCo. Distribution</b>            | 5.04%          |
| Actual 0.25% Sales Tax (CY2018 is YTD for 3 months) | 6.26%          |



Rod Kitchens

# **REVENUE UPDATE**

# Revenue Update

## 2018 Proposed June Budget

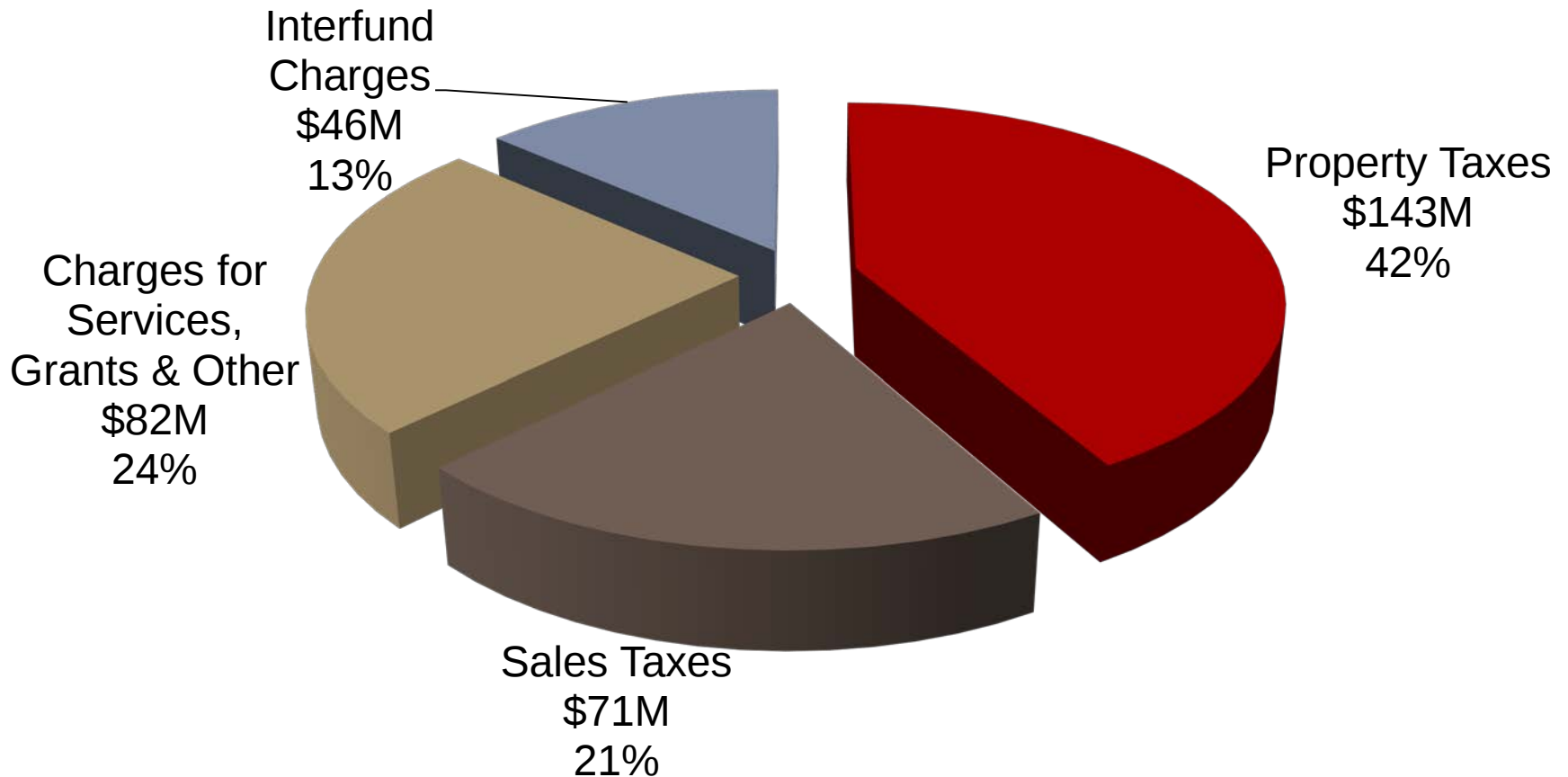
- Sales Taxes
- Property Taxes
- Motor Vehicle Fee-in-Lieu of Taxes
- Recorder Fees
- Summary



# 2018 Major Revenues

## General Fund

\$343M Total

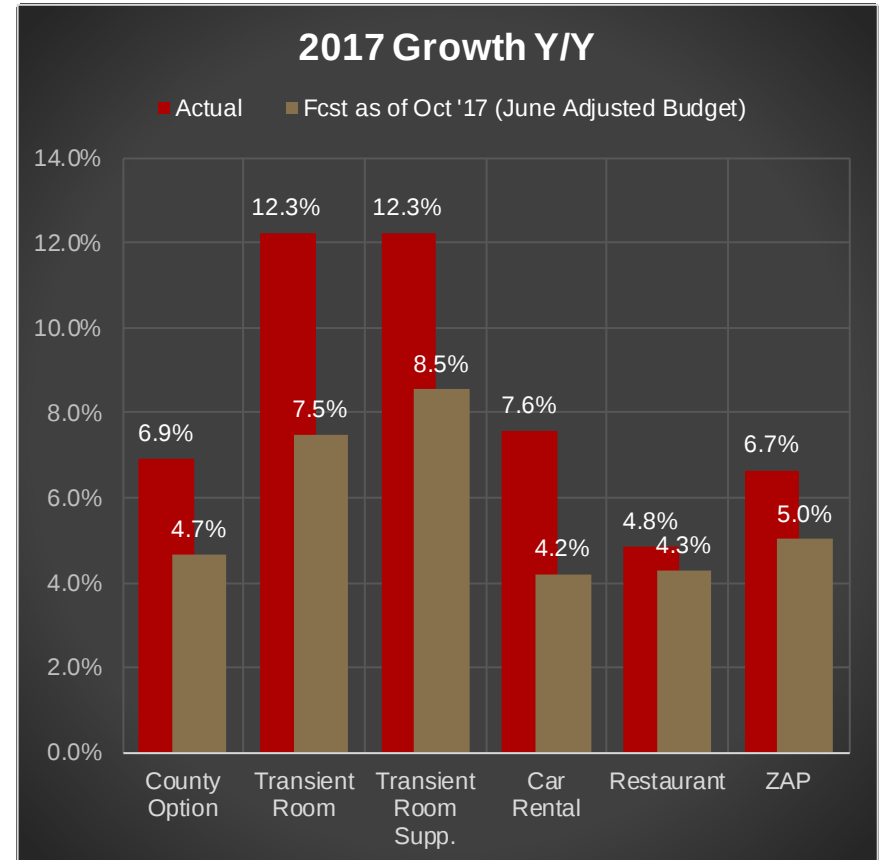
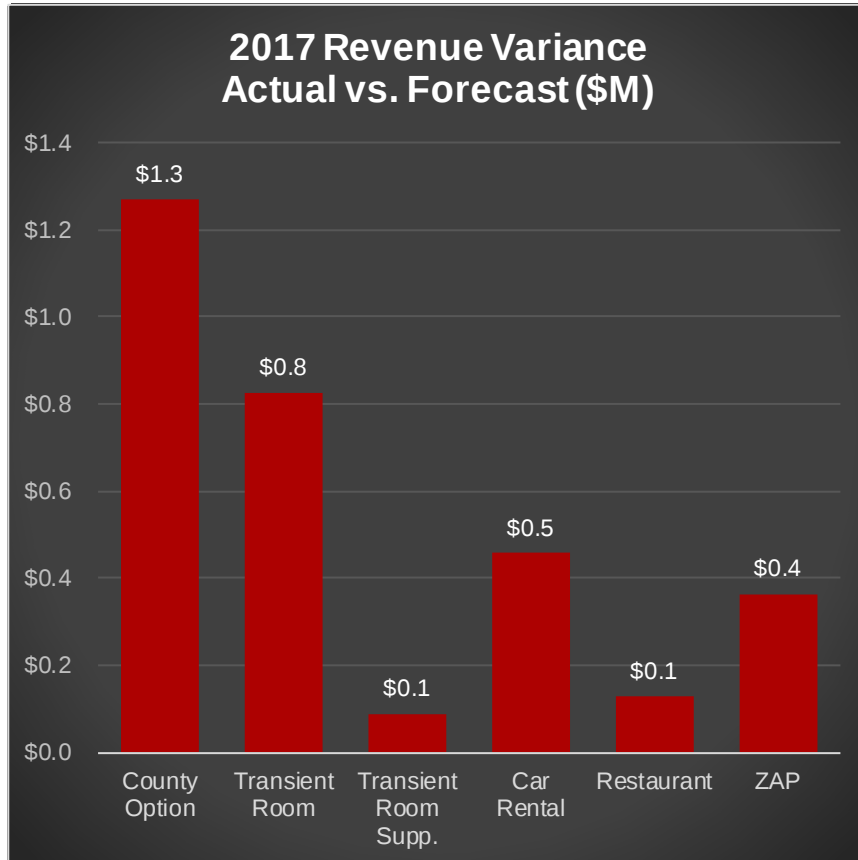


# 2018 Sales Tax Revenue

- Projected new growth for 2018 based on local and national economic indicators, including
  - Wage and employment growth
  - Consumer Confidence
  - Vehicle sales and other leading indicators
- Information available from the Tax Commission on a two-month lag
  - Currently have actuals through March 2018
  - April information not available until June 21<sup>st</sup>
- Projections vetted with the Revenue Committee
- Local Option Sales Tax
  - Salt Lake County portion estimated with limited data and will need refinement as more data becomes available
  - Revenue and expenditure budgets in this area will require flexibility and constant monitoring

# 2017 Sales Taxes

## Actual vs. Forecast





# June 2018 Sales Tax Projection

| Sales Tax (\$M)      |                           | 2018<br>Adjusted<br>Budget | 2018<br>Adopted<br>Budget | <i>Change</i> |             |
|----------------------|---------------------------|----------------------------|---------------------------|---------------|-------------|
| County Option        | General Fund              | 63.7                       | 62.7                      | 1.0           | 1.6%        |
| Transient Room       | Visitor Promo Fund        | 20.1                       | 19.6                      | 0.5           | 2.6%        |
| Transient Room Supp. | TRCC Fund                 | 2.8                        | 2.7                       | 0.1           | 3.7%        |
| Car Rental           | TRCC Fund                 | 14.7                       | 14.4                      | 0.3           | 2.1%        |
| Restaurant           | TRCC Fund                 | 25.0                       | 25.0                      | -             | -           |
| ZAP                  | ZAP & General F.          | 25.1                       | 24.6                      | 0.5           | 2.0%        |
| Local Option         | Unincorp SLC <sub>o</sub> | 6.8                        | 6.2                       | 0.6           | 9.6%        |
| <b>TOTAL</b>         |                           | <b>158.2</b>               | <b>155.2</b>              | <b>3.0</b>    | <b>1.9%</b> |



# June 2018 Sales Tax Projection

| Sales Tax by Fund (\$M) |                      | 2018<br>Adjusted<br>Budget | 2018<br>Adopted<br>Budget | Change |      |
|-------------------------|----------------------|----------------------------|---------------------------|--------|------|
| General Fund            | County Option        | 63.7                       | 62.7                      | 1.0    | 1.6% |
|                         | ZAP                  | 7.4                        | 7.3                       | 0.1    | 2.0% |
|                         | TOTAL                | 71.1                       | 70.0                      | 1.1    | 1.6% |
| Visitor Promo Fund      | Transient Room       | 20.1                       | 19.6                      | 0.5    | 2.6% |
| TRCC Fund               | Transient Room Supp. | 2.8                        | 2.7                       | 0.1    | 3.7% |
|                         | Car Rental           | 14.7                       | 14.4                      | 0.3    | 2.1% |
|                         | Restaurant           | 25.0                       | 25.0                      | -      | -    |
|                         | TOTAL                | 42.5                       | 42.1                      | 0.4    | 1.0% |
| ZAP Fund                | ZAP                  | 17.7                       | 17.3                      | 0.4    | 2.0% |
| Unincorp SLCo           | Local Option         | 6.8                        | 6.2                       | 0.6    | 9.6% |
| TOTAL                   |                      | 158.2                      | 155.2                     | 3.0    | 1.9% |



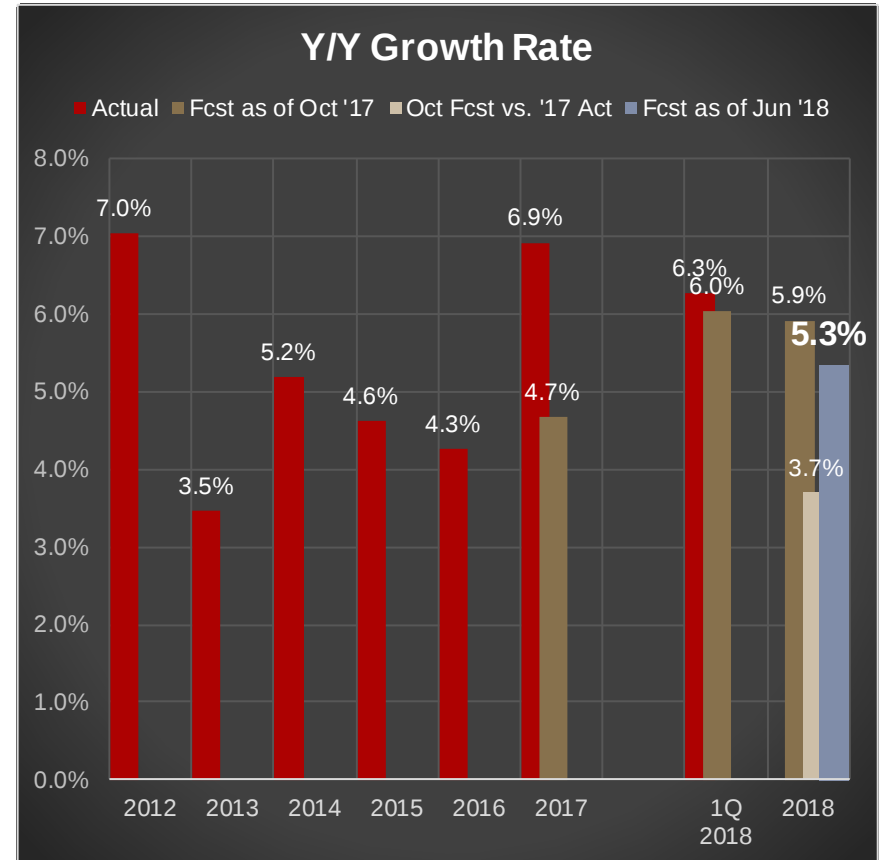
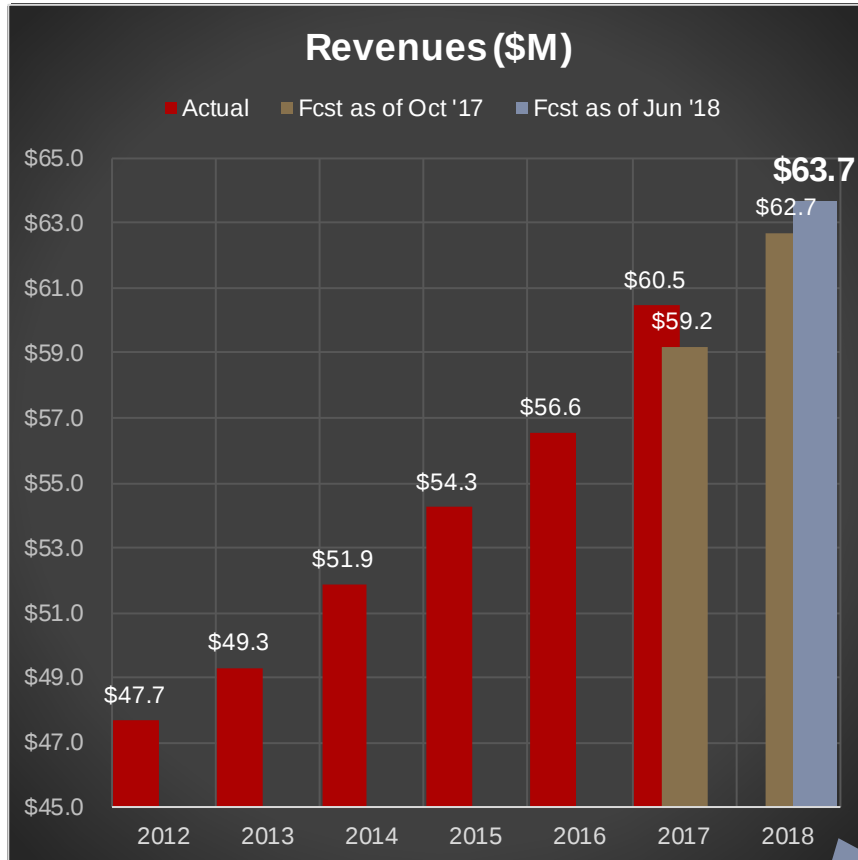
# June 2018 Sales Tax Projection

| Sales Tax (\$M)      |                    | 2018<br>Adjusted<br>Budget | 2017<br>Actual | <i>Change</i> |             |
|----------------------|--------------------|----------------------------|----------------|---------------|-------------|
| County Option        | General Fund       | 63.7                       | 60.5           | 3.2           | 5.3%        |
| Transient Room       | Visitor Promo Fund | 20.1                       | 19.4           | 0.7           | 3.5%        |
| Transient Room Supp. | TRCC Fund          | 2.8                        | 2.7            | 0.1           | 4.1%        |
| Car Rental           | TRCC Fund          | 14.7                       | 14.6           | 0.1           | 1.0%        |
| Restaurant           | TRCC Fund          | 25.0                       | 23.8           | 1.2           | 4.9%        |
| ZAP                  | ZAP & General F.   | 25.1                       | 23.8           | 1.3           | 5.6%        |
| Local Option*        | Unincorp SLCo      | 6.8                        | 12.4           | (5.6)         | (45%)       |
| <b>TOTAL</b>         |                    | <b>158.2</b>               | <b>157.1</b>   | <b>1.1</b>    | <b>0.7%</b> |

\* Local Option Sales Taxes began to be distributed to Metro Townships in the county beginning in July 2017. 1Q 2017 also included some Millcreek taxes.

# County Option Sales Tax

(0.25% tax — to General Fund)

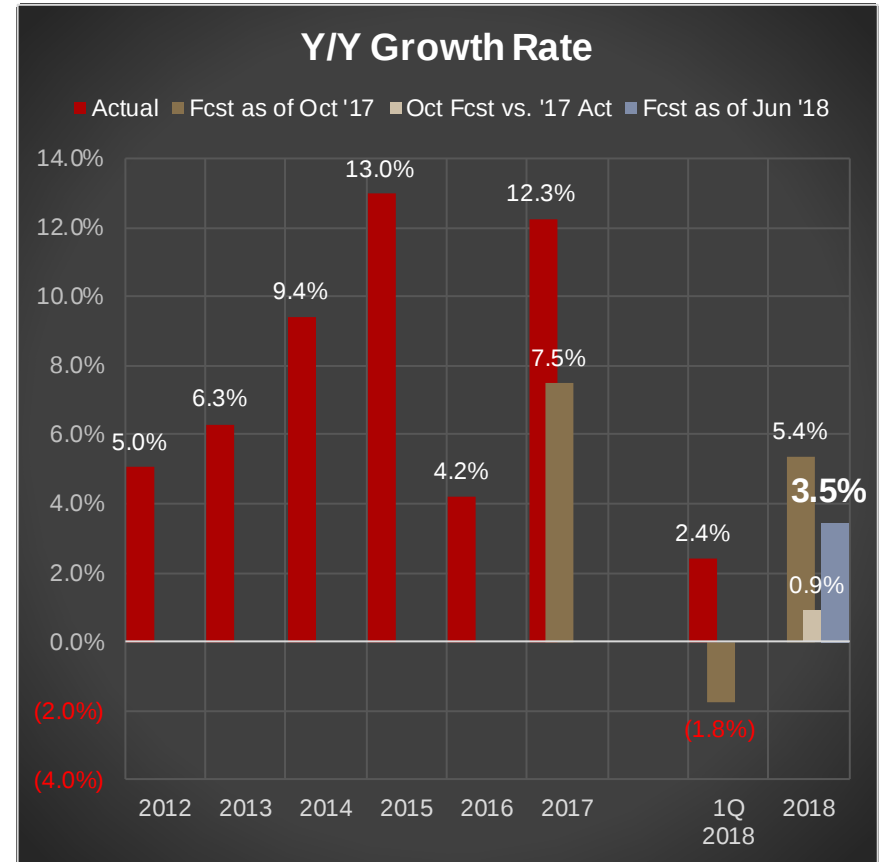
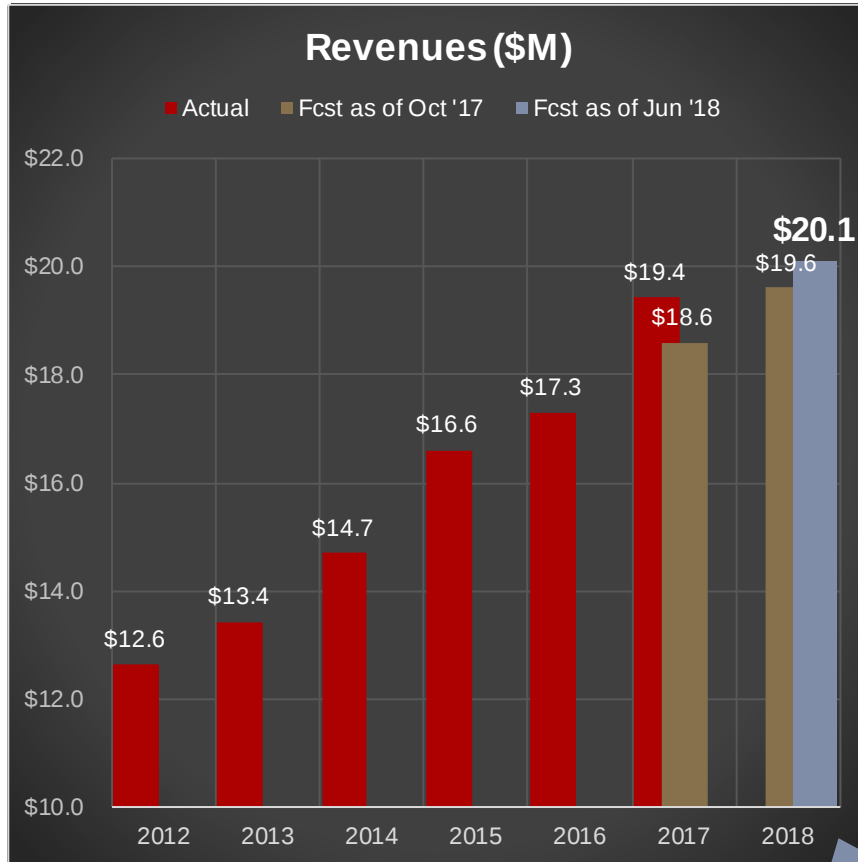


Increasing 2018  
Forecast \$1M



# Transient Room Tax

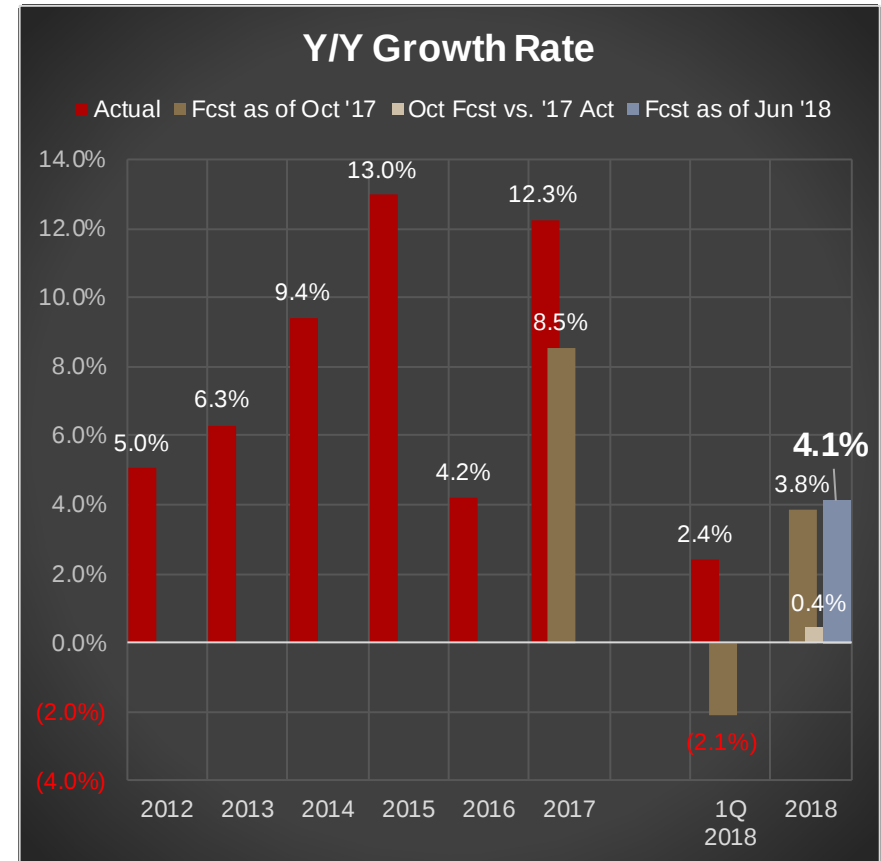
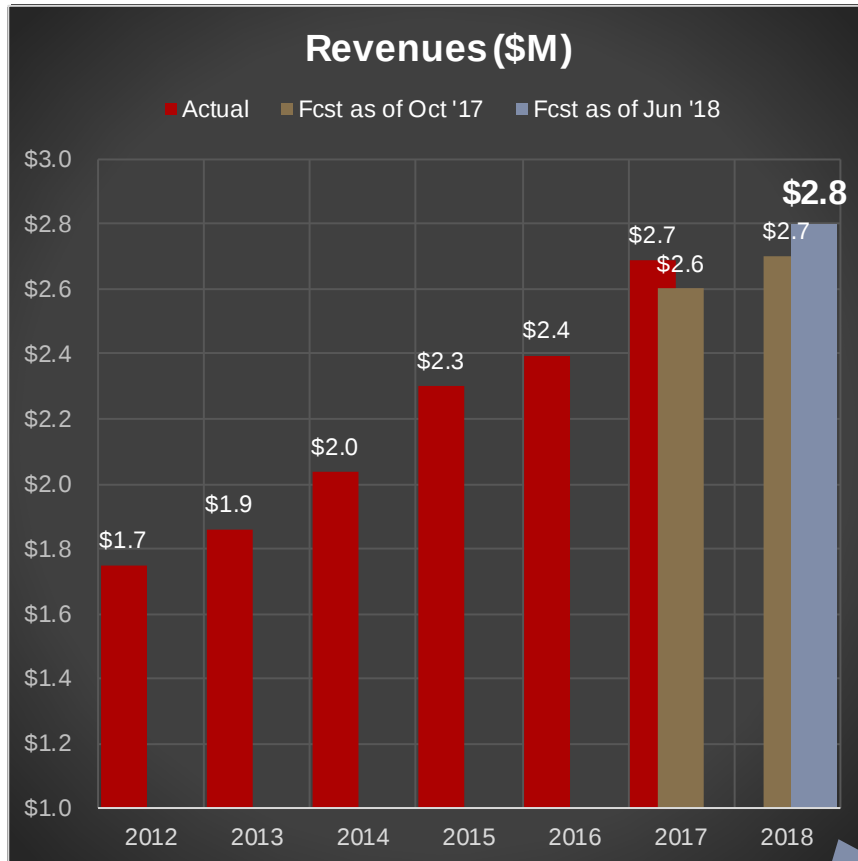
(4.25% tax to Visitor Promotion Fund)



Increasing 2018  
Forecast \$500k

# Transient Room Tax - Supplemental

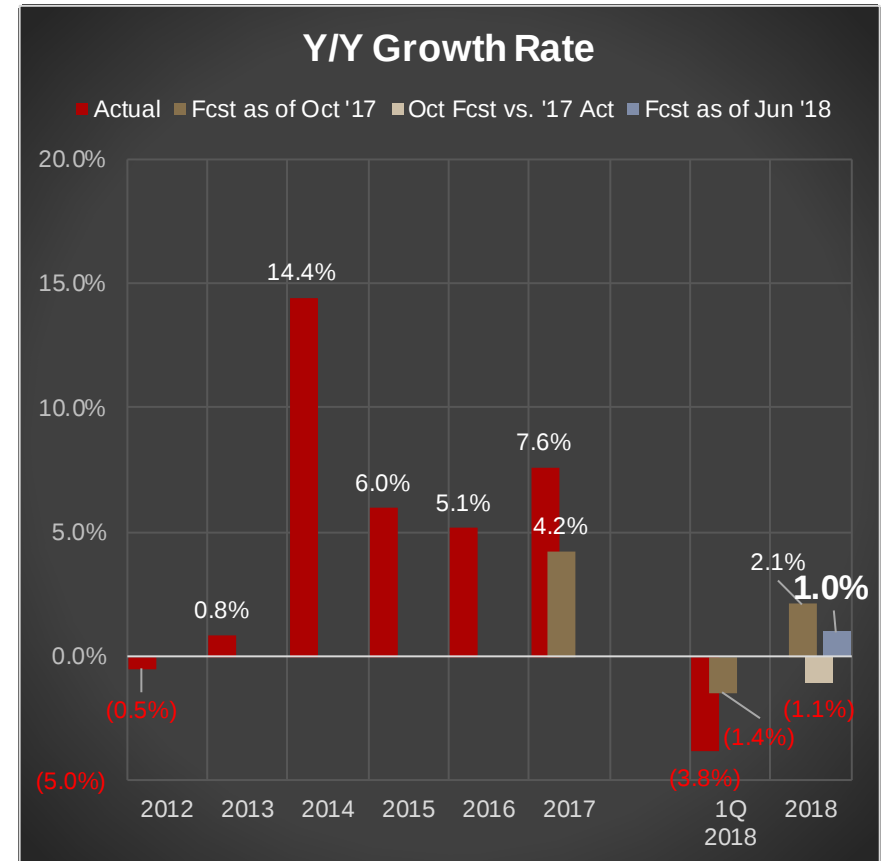
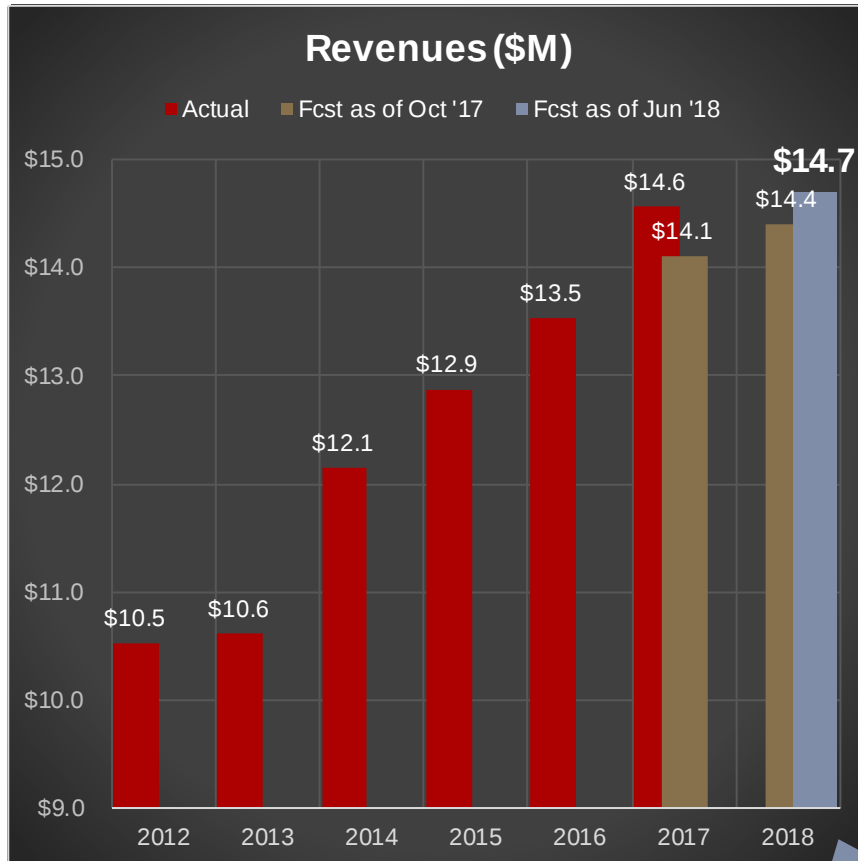
## (0.5% tax to TRCC Fund)



Increasing 2018  
Forecast \$100k

# Car Rental Tax

(3% & 4% tax to TRCC Fund)

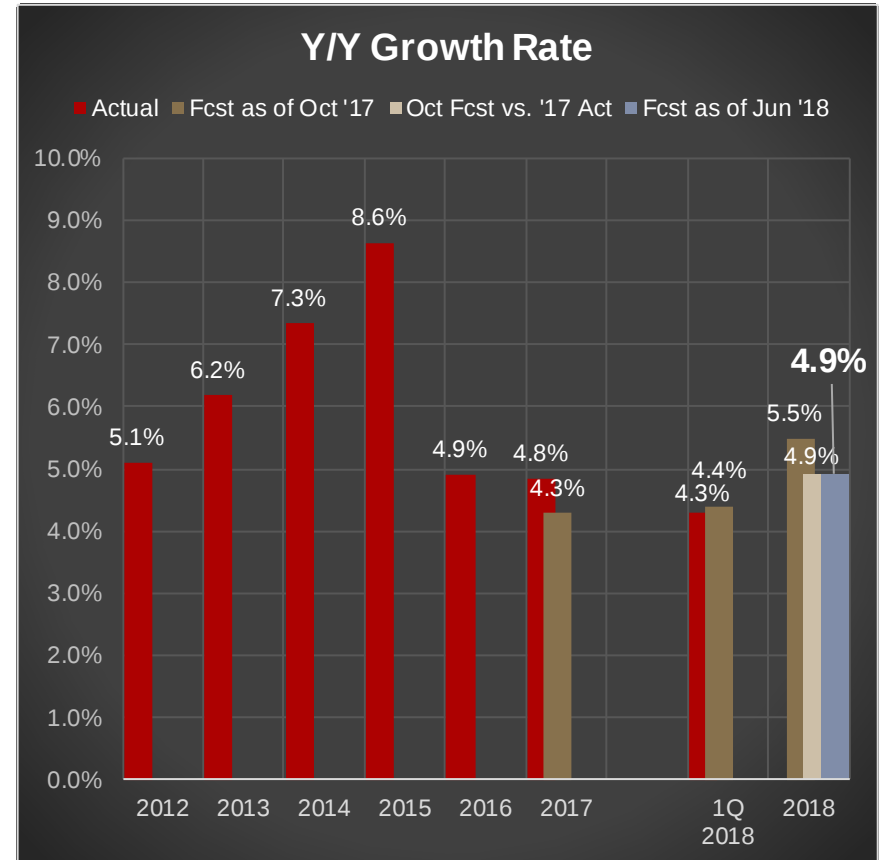
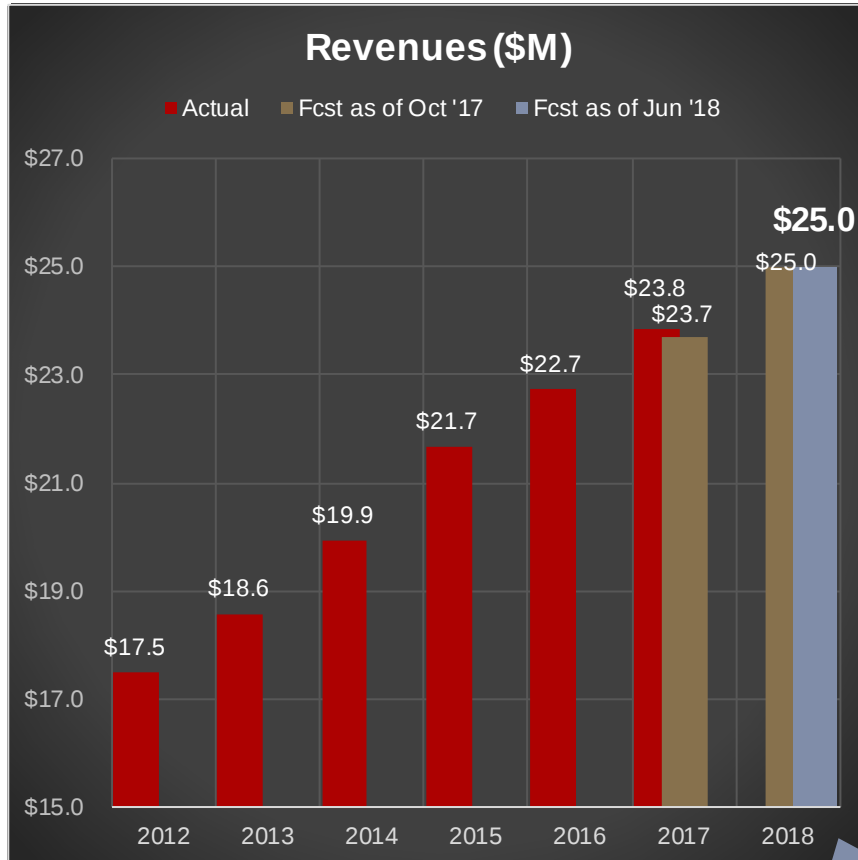


Increasing 2018  
Forecast \$300k



# Restaurant Tax

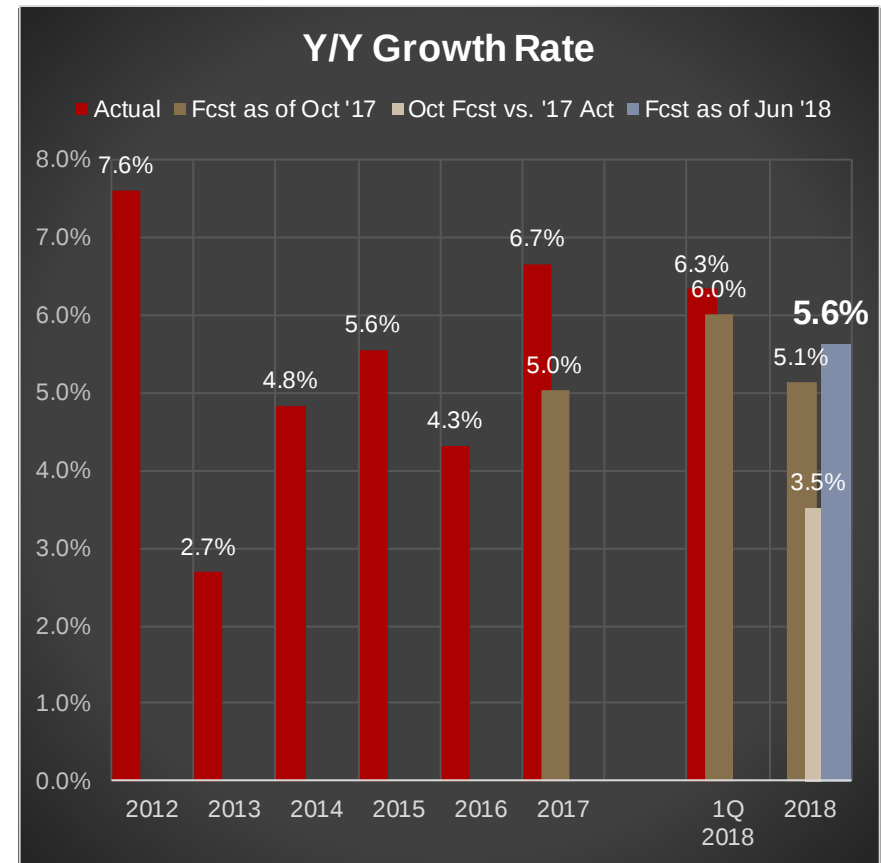
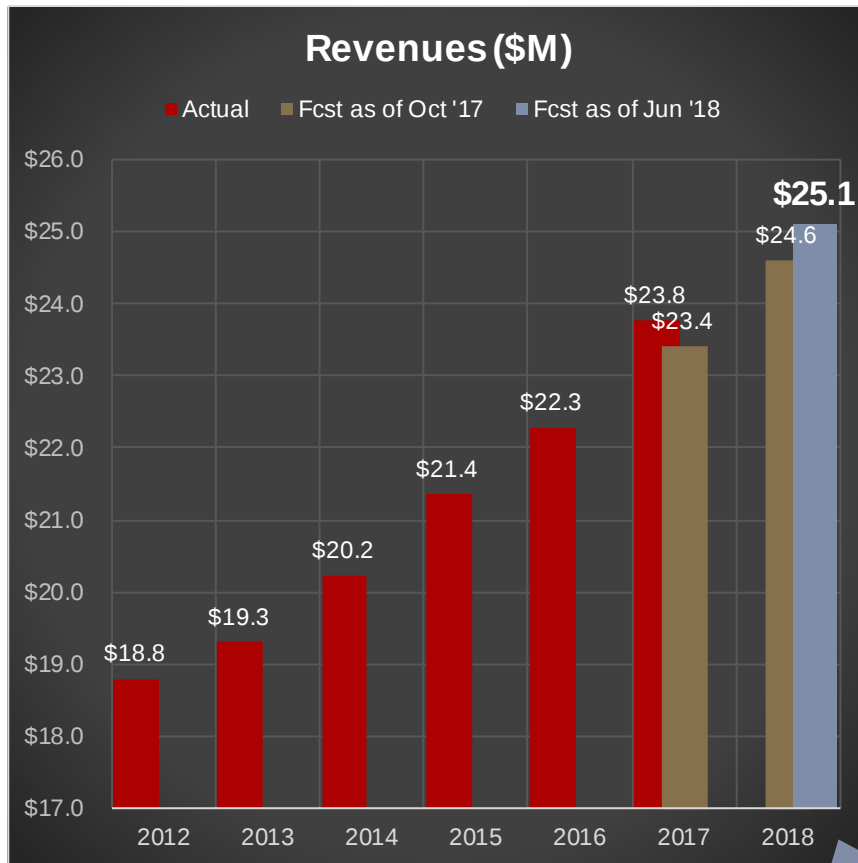
## (1% tax to TRCC Fund)



No Increase  
to 2018 Forecast

# Zoo, Arts, & Parks Tax

(0.1% tax to ZAP Fund and General Fund\*)



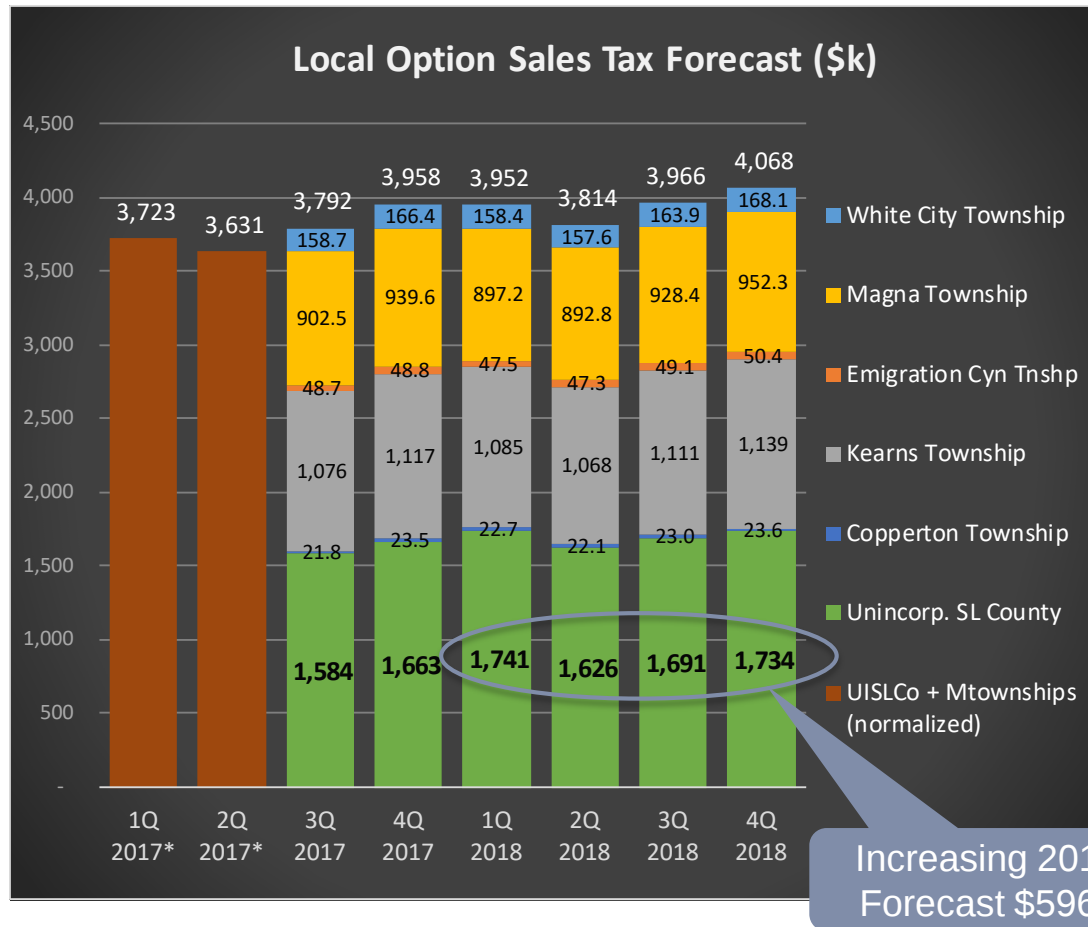
Increasing 2018 Forecast \$500k

\* Approximately 70.5% to ZAP fund and 29.5% to General Fund for Recreation



# Local Option Sales Tax

(1% tax to Unincorporated Municipal Services Fund)

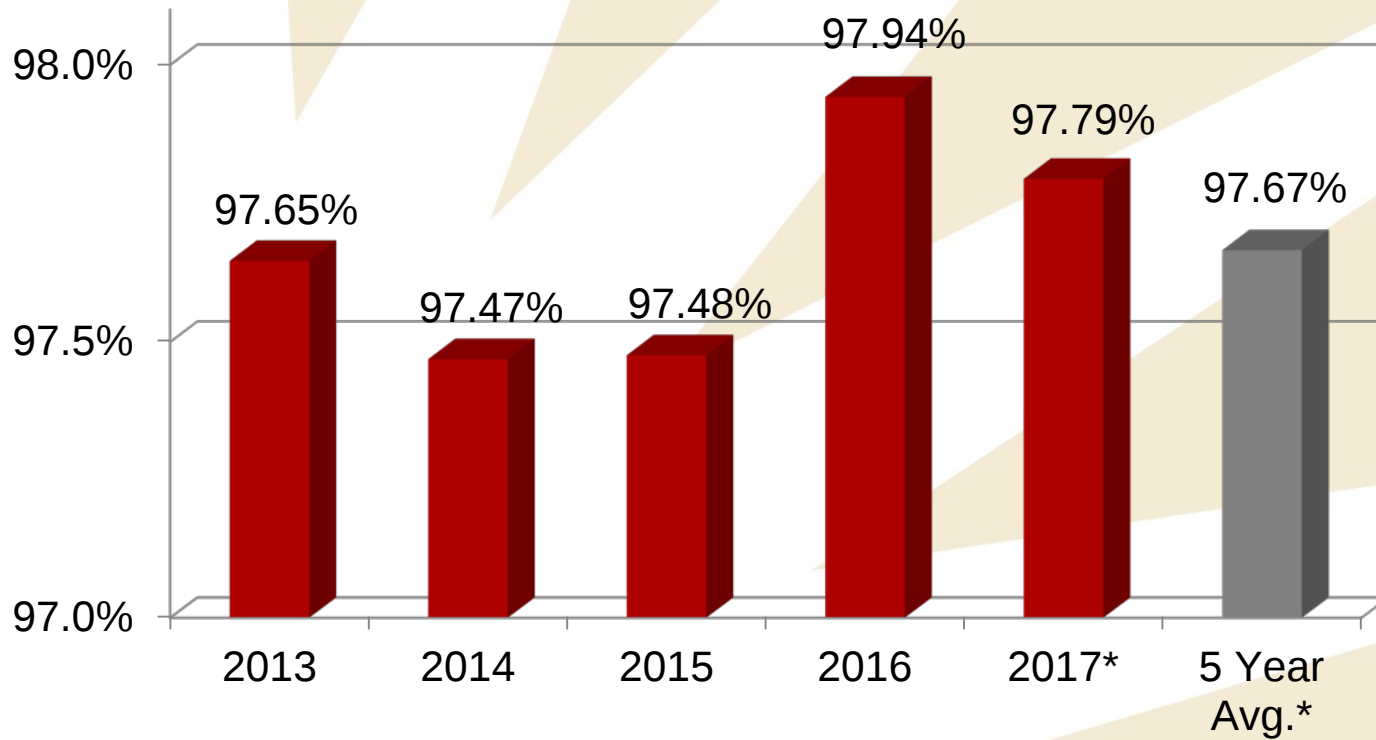


- Forecast for Unincorporated Salt Lake County increased by \$596k to \$6.792M
- Forecast done in whole, after excluding Millcreek
- Including Townships, total **2018 forecast is 4.61% higher** than '17
- Breakout of Unincorporated SL County from the Townships based on 9 months of actuals (Jun 2017-Mar 2018), but will require flexibility and constant monitoring
- 2017 normalized to exclude estimated amounts for Millcreek and a large tax refund
- Metro Township Local Option sales taxes do not go to SLCo, but may indirectly impact the county through public works contracting.

# PROPERTY TAX REVENUES

# Collection Rates

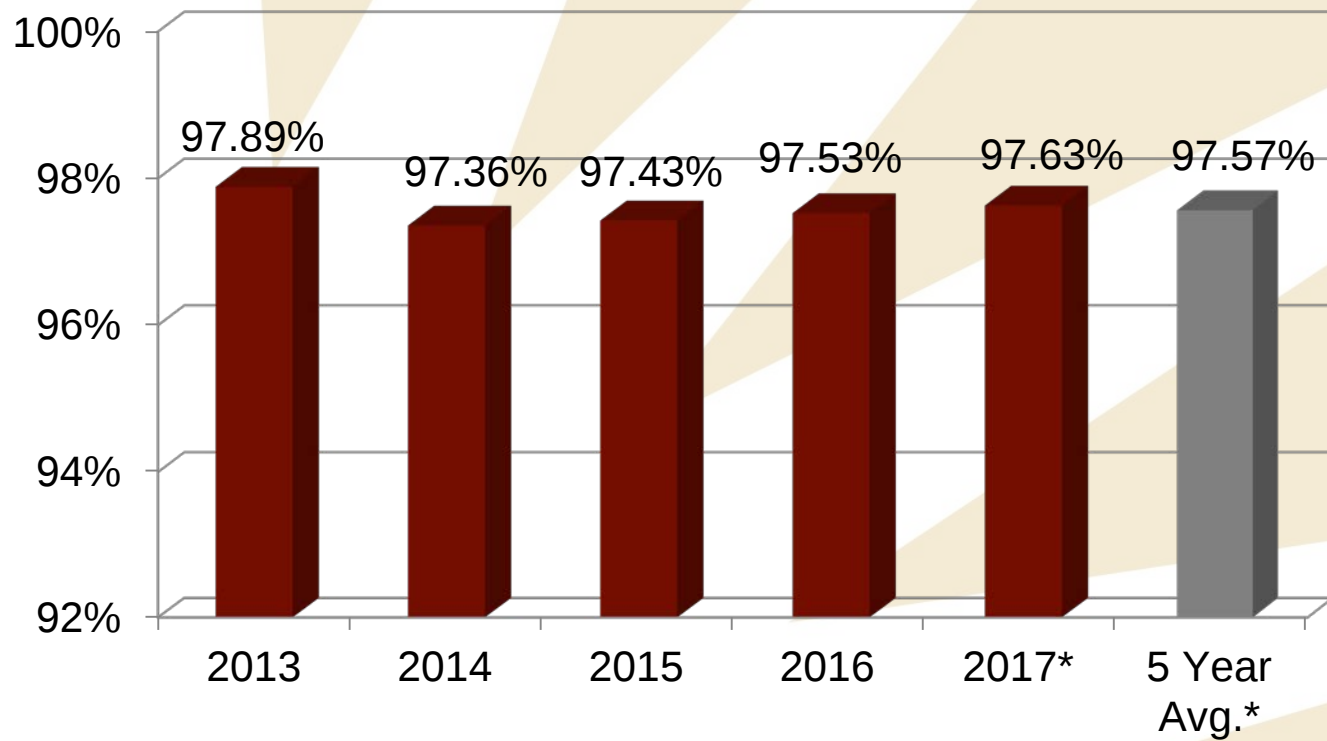
## Countywide



\* Still Preliminary as of 6/5/2018

# Collection Rates

Library

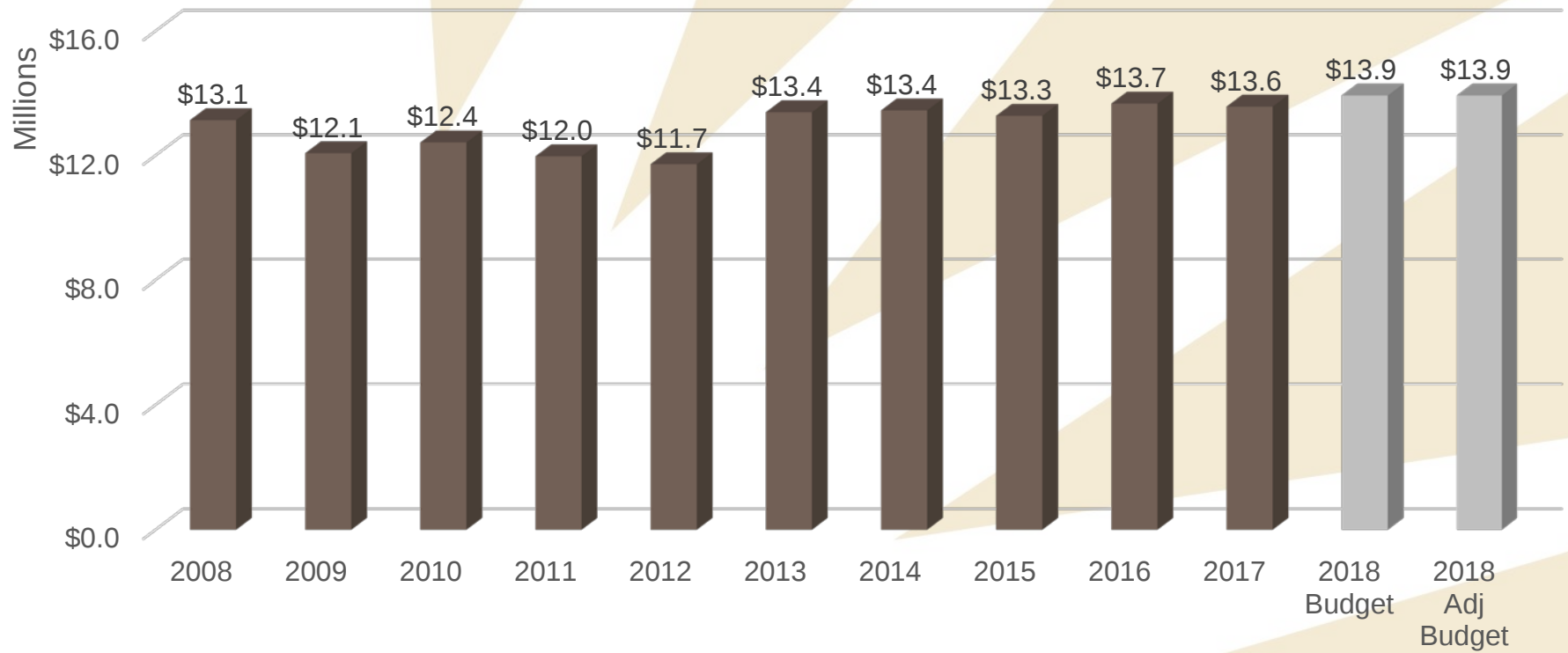


\* Still Preliminary as of 6/5/2018

# MOTOR VEHICLE FEE-IN-LIEU

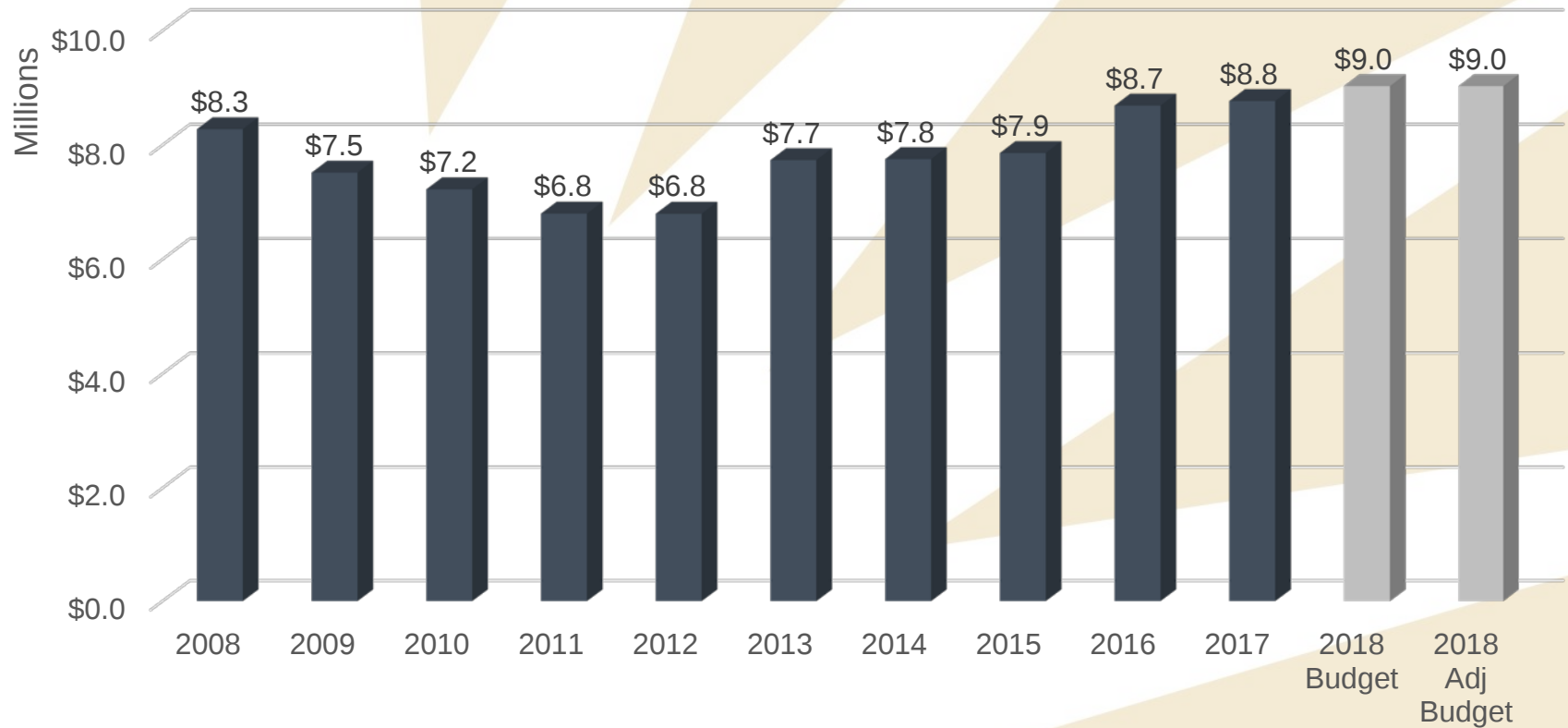
# Motor Vehicle Fee-In-Lieu

## Countywide Funds



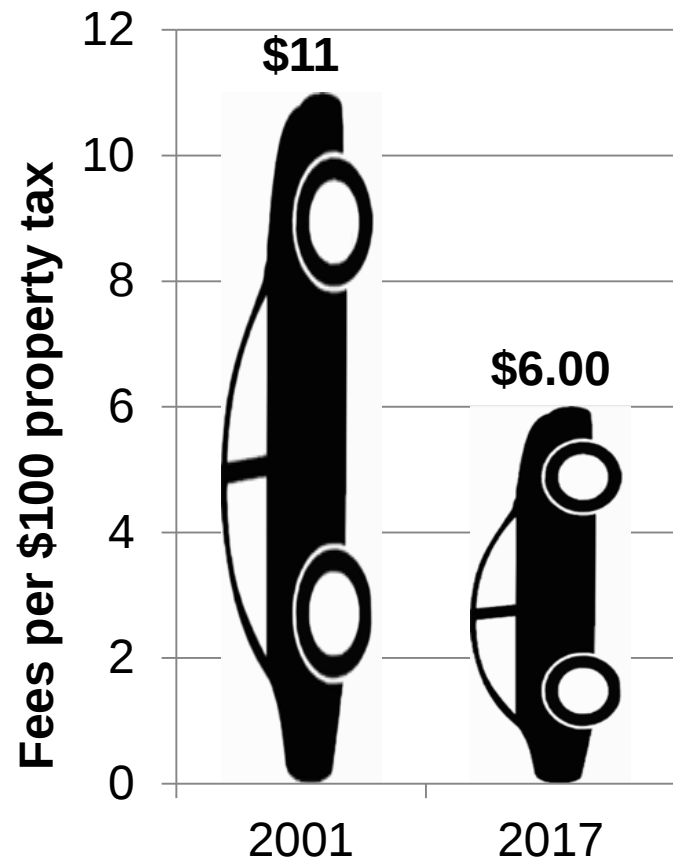
# Motor Vehicle Fee-In-Lieu

## General Fund



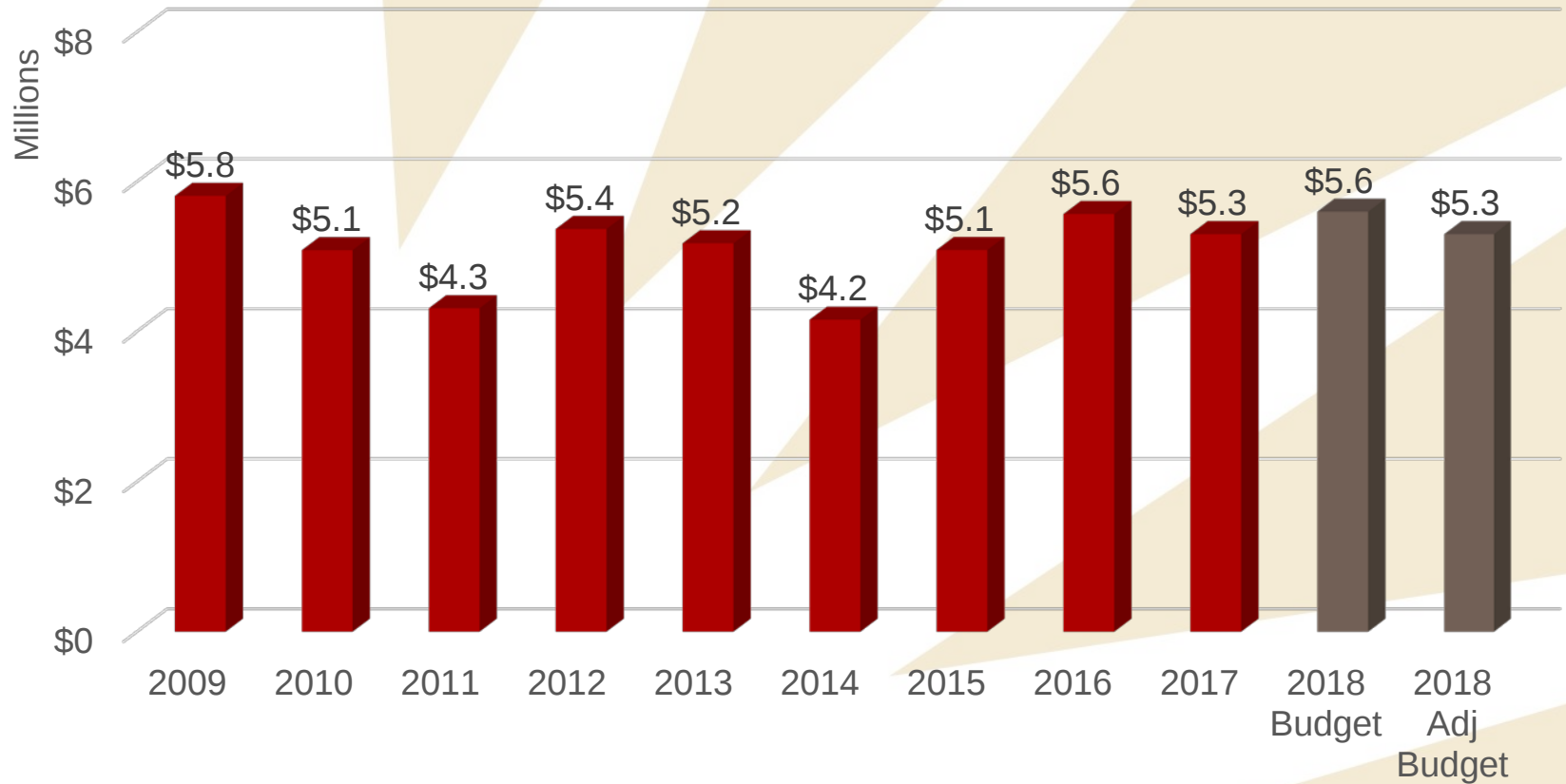
# Structural and Economic Decline in Motor Vehicle Fees

- Age-based fee not increased for inflation
- Has decreased from \$11 per \$100 of property tax in 2001 to a projected \$6.00 per \$100 of property tax in the General Fund in 2018
- Will be consumed by inflation unless the legislature increases the fee schedule



# RECORDER FEE REVENUES

# Recorder Revenue



Reduced 2018  
Forecast \$300k

# Revenue Summary

- Second half of 2017 sales taxes stronger than projected
- Increased 2018 sales tax projection by \$3M
- Property tax revenue and rates not final until next week
- Economy is strong but some uncertainties could be a risk to revenues

# **June Budget 2018**

# **The Future We Choose**

Mayor Ben McAdams

Presented by Darrin Casper

# Mayor's 2018 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 or higher
- Presentation to cover
  - FTE issues
  - New requests
  - Analysis/structural balance/big picture
  - Budget adjustments with policy implications



# Note Regarding Property Taxes

- Tax rates are not final at this stage, but are likely to be final by June 14th
- The proposed budget could be altered by changes in the tax rates
- The Mayor is proposing the certified tax rates with no tax increase

# 2018 June Budget

## Mayor's Office

(\$000's)

| Department  | Description                                                                                                                                                                                                                                         | County Funding |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>TRCC</b> | <b>Capitol Theatre Remodel Phase 2</b><br>2018 funding for elements of Capitol Theatre Remodel Phase 2 originally planned for 2019, which require additional lead time                                                                              | \$1,485        |
|             | <b>Trails Projects and Related Infrastructure</b> <ul style="list-style-type: none"> <li>Utah &amp; Salt Lake Canal \$400K</li> <li>Rose &amp; Yellow Fork Canyons \$125K</li> <li>Big Water to Elbow Fork \$50K</li> <li>Dog Lake \$25K</li> </ul> | \$0            |
|             | <b>Butler Park Pickleball Courts</b>                                                                                                                                                                                                                | \$0            |

# 2018 June Budget

## Mayor's Office

(\$000's)

| TRCC Reconciliation                                                        | County Funding |
|----------------------------------------------------------------------------|----------------|
| Increased Revenues & Transfers Into Fund                                   | \$488          |
| Added Expenses & Transfers Out of Fund                                     | (\$1,661)      |
| Misc. Fund Balance 2017 True-ups and TRCC related capital project true-ups | \$2,313        |
| <b>Higher Ending Fund Balance Than Original Adopted Budget</b>             | <b>\$1,140</b> |

# 2018 June Budget

## Solid Waste

(\$000's)

| Department  | Description                                                                                                               | County Funding |
|-------------|---------------------------------------------------------------------------------------------------------------------------|----------------|
| Solid Waste | Transfer Station Adjustment<br>Enables the program to continue through 2018 while the City and County study the operation | \$1,335        |

# Eccles Theater Pre-Opening Funds

- Appropriates surplus pre-opening funds contributed by SLC for the Eccles Theater
- \$153,683

# Visitor Promotion Fund

- Increased transfer from the County's portion of the Visitor Promotion Fund to Visit Salt Lake - \$350,000
- Enables Visit Salt Lake to partner with Salt Lake Community College on a hospitality scholarship/certificate program
  - Provides a direct benefit to the hospitality industry and career path opportunities to students

# Mountain America Expo Center

- \$446,589 for early buyout offer from The Superlative Group, Inc.
- The discount is greater than the County's cost of capital and is a sound financial decision

# Exigent Capital Projects

- Calvin L. Rampton Salt Palace boiler repair - \$25k
- South Mountain Golf Course clubhouse repair - \$55k

# Information Technology

(\$000's)

| Department | Description                                                      | Revenue | Expense | County Funding |
|------------|------------------------------------------------------------------|---------|---------|----------------|
| IS         | Discontinued HB3 Grant from the State of UT (95k ongoing impact) | (\$90)  | -       | \$90           |

# Office 365 Subscription Increases

| Fund               | June Request    |
|--------------------|-----------------|
| General            | \$18,302        |
| Grant              | \$13,096        |
| Flood              | \$1,221         |
| Tax Administration | \$277           |
| Health             | \$20,476        |
| Fleet              | \$55            |
| Solid Waste        | \$55            |
| <b>Total</b>       | <b>\$53,482</b> |

# 2018 June Budget

## County Clerk

(\$000's)

| Department     | Description         | Revenue | Expense | County Funding |
|----------------|---------------------|---------|---------|----------------|
| Election Clerk | 2018 Petition Costs |         | \$40    | \$40           |

# 2018 June Budget

## Assessor

(\$000's)

| Elected  | Description                     | County Funding |
|----------|---------------------------------|----------------|
| Assessor | Darwin System Incentive Payment | \$45           |

# 2018 June Budget

## Sheriff

(\$000's)

| Description                                                                                                           | FTE      | Revenue      | Expense        | County Funding |
|-----------------------------------------------------------------------------------------------------------------------|----------|--------------|----------------|----------------|
| Jail: Deputy II & Deputy II Sergeant                                                                                  | 2        |              | \$125          | \$125          |
| Sheriff: Commensurate Reduction in CW Law Enforcement UPD Contract                                                    |          |              | (\$125)        | (\$125)        |
| Sheriff: Reduction in CW Law Enforcement UPD Contract                                                                 |          |              | (\$321)        | (\$321)        |
| Jail: Reclassification of an existing Corrections Captain position to a Deputy Chief.<br>*Ongoing impact of \$24,500. |          |              |                | \$0*           |
| Jail: State COP Revenue True-Up                                                                                       |          | \$278        |                | (\$278)        |
| Jail: Utilizing restricted fund balance for Psychiatrist and Consultant and medical EHR software                      |          |              | \$110          | \$0            |
| <b>Total</b>                                                                                                          | <b>2</b> | <b>\$278</b> | <b>(\$211)</b> | <b>(\$599)</b> |

- The Mayor proposes Legislative Intent for year-end retention incentives for Jail employees recommended by the Sheriff—\$2,000 per employee to be paid in December 2018. Covered by under-expend.

# 2018 June Budget Compression Adjustment

| Fund                                     | Compression<br>(May 17th<br>Model) | 2018 Adopted<br>Budget | June 2018<br>Budget<br>Adjustment |
|------------------------------------------|------------------------------------|------------------------|-----------------------------------|
| 110--GENERAL FUND                        | 1,639,090                          | 2,209,575              | (570,485)                         |
| 120--GRANT PROGRAMS FUND                 | 510,891                            | 384,537                | 126,354                           |
| 185--FINE ARTS FUND                      | 60,358                             | 35,942                 | 24,416                            |
| 235--UNINCORP MUNICIPAL SERVICES FUND    | 0                                  | 139                    | (139)                             |
| 250--FLOOD CONTROL FUND                  | 42,237                             | 29,179                 | 13,058                            |
| 280--OPEN SPACE FUND                     | 191                                | 390                    | (199)                             |
| 310--ZOOS ARTS AND PARKS FUND            | 671                                | 1,989                  | (1,318)                           |
| 340--STATE TAX ADMINISTRATION LEVY FUND  | 151,944                            | 174,774                | (22,830)                          |
| 370--HEALTH FUND                         | 733,032                            | 303,587                | 429,445                           |
| 390--PLANETARIUM FUND                    | 67,754                             | 27,280                 | 40,474                            |
| 620--FLEET MANAGEMENT FUND               | 50,933                             | 40,697                 | 10,236                            |
| 650--FACILITIES SERVICES FUND            | 143,695                            | 70,248                 | 73,447                            |
| 680--EMPLOYEE SERVICE RESERVE FUND       | 500                                | 3,037                  | (2,537)                           |
| 710--GOLF COURSES FUND                   | 114,418                            | 31,250                 | 83,168                            |
| 726--ECCLES THEATER                      | 22,682                             | 14,939                 | 7,743                             |
| 730--SOLID WASTE MANAGEMNT FACILITY FUND | 59,844                             | 38,145                 | 21,699                            |
| 360--LIBRARY FUND                        | 425,233                            | 284,846                | 140,387                           |
| 735--PUBLIC WORKS & OTHER SERVCS FUND    | 263,808                            | 224,910                | 38,898                            |
| <b>TOTAL</b>                             | <b>4,287,281</b>                   | <b>3,875,464</b>       | <b>411,817</b>                    |

# 2018 June Budget FTE Changes

| Fund         | Elected Official/Organization      | INTERIM    | JUNE         | TOTAL FTEs   |
|--------------|------------------------------------|------------|--------------|--------------|
| General      | Mayor Administration               | (1.0)      | -            | (1.0)        |
|              | Criminal Justice Advisory Council  | 1.0        | -            | 1.0          |
|              | Parks                              | -          | (1.0)        | (1.0)        |
|              | Recreation                         | 1.0        | 1.0          | 2.0          |
|              | Clerk - Election Clerk             | -          | (1.0)        | (1.0)        |
|              | Sheriff - County Jail              | 1.0        | 2.0          | 3.0          |
| Grant        | Youth Services Division            | -          | 1.0          | 1.0          |
| Public Works | Community Development & Engagement | 2.0        | -            | 2.0          |
|              | Township Engineering Services      | -          | (7.0)        | (7.0)        |
| <b>Total</b> |                                    | <b>4.0</b> | <b>(5.0)</b> | <b>(1.0)</b> |

# Fund Balance Transfer Changes

| Description                                                    | Amount      |
|----------------------------------------------------------------|-------------|
| From General Fund:                                             |             |
| To Capital Improvements Fund for CJS and LDA Bldg Study 70,000 |             |
| To Grant Fund for interest true up 200,000                     |             |
| To Health Fund to meet minimum reserve 617,000                 |             |
| To Grant Fund for Kennedy After School 33,353                  |             |
| To Tax Fund to meet minimum reserve 500,000                    | \$1,420,353 |
| From Grant Fund:                                               |             |
| To Capital Improvements Fund for YS Fence                      | \$89,855    |
| From TRCC Fund:                                                |             |
| To Capital Theater Fund for capital projects                   | \$1,485,419 |
| From Recreation Bond Project Fund:                             |             |
| To General Fund to close fund 430                              | \$10,859    |
| From Capital Improvements Fund:                                |             |
| To TRCC Fund for SLC Sports Complex Pool Boiler                | \$60,000    |

# Fund Balance

## General Fund

- 2017 Projected Ending Fund Balance \$54.0M

### Major Variances from Projection

|                                     |      |
|-------------------------------------|------|
| – General Operations Underspend     | 1.5M |
| – General & Personal Property Taxes | 1.2M |
| – RDA Property Taxes                | 1.1M |
| – Sales Taxes                       | 1.1M |
| – Personnel Unit Underspend         | 0.9M |
| – Other                             | 0.4M |

- 2017 Ending Fund Balance \$60.2M

### Add Previously Assigned Funds to Unassigned

|                   |     |
|-------------------|-----|
| – Net Adjustments | 63K |
|-------------------|-----|

- 2018 Beginning Balance \$60.3M

# 2018 Ending Fund Balances

| \$M           | Original Adopted Budget |            | June Adjusted Budget* |            | Change |            |
|---------------|-------------------------|------------|-----------------------|------------|--------|------------|
|               | Budget                  | Projection | Budget                | Projection | Budget | Projection |
| General       | 39.7                    | 50.3       | 45.6                  | 58.3       | 5.9    | 8.0        |
| Flood Control | 0.6                     | 2.3        | 1.7                   | 4.8        | 1.1    | 2.5        |
| Health        | 2.6                     | 6.3        | 2.3                   | 6.3        | (0.3)  | 0.0        |
| Planetarium   | 1.0                     | 1.2        | 0.8                   | 1.6        | (0.2)  | 0.4        |
| Tax Admin     | 1.8                     | 2.7        | 1.5                   | 4.4        | (0.3)  | 1.7        |
| Library       | 9.3                     | 11.2       | 6.9                   | 8.0        | (2.4)  | (3.2)      |
| TRCC          | 3.1                     | 3.6        | 4.2                   | 4.3        | 1.1    | 0.7        |

# Other Matters

- OPEB
  - Third annual report to be submitted after the June Budget
  - Third year of operations of the new trust resulted in a positive accumulation of \$300k, a decline from the prior year
  - OPEB rates increased to operating organizations with FTEs to (1) stay ahead of inflation, and (2) increase the contribution to the irrevocable trust as recommended by the Board of Trustees
- Finance
  - AAA renewed by all 3 rating agencies
  - TRANS - \$55M in July
  - Estimated \$65M of MBA debt for Libraries, in Fall

# Summary

- Funds are budgeted or projected to end at or above minimum reserves as required by policy
- The General Fund remains particularly strong
- Economy continues to grow, but at a slower pace
- Finances of Salt Lake County remain in excellent condition



# 2018 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](http://www.SLCo.org)