

DRAFT CONFIDENTIAL MEMO

Canyon Contribution

Overview

This memo relates to the “Canyon Contribution” (in the amount of \$3,175,713) that Salt Lake County currently provides to the UFA to cover costs for fire and medical emergency services in Big Cottonwood Canyon (BCC), Little Cottonwood Canyon (LCC) and Millcreek Canyon. In particular, the memo addresses the portion of the Canyon Contribution that relates to the Town of Brighton.

Details

See Attachment 1 for detailed figures.

- Currently there is a \$4,191,498 shortfall (the “Total Shortfall”) between the cost of services in these canyons and the revenue collected through the UFSA mill levy (prior to factoring in the additional amount covered by UFSA that is attributable to Brighton, Alta and Unincorporated). The Total Shortfall is currently covered as follows:
 - County: \$3,175,713 (i.e., the Canyon Contribution); and
 - Additional UFSA contribution to the mill levy: \$1,015,785
 - Break out of UFSA payment:
 - a. Brighton: \$316,232
 - b. Alta: \$389,776
 - c. Unincorporated: \$309,777 (covers portions of BCC, LCC and Millcreek Canyon)
- \$1,604,238 of the Canyon Contribution is attributable to the area within Brighton (the “Brighton Shortfall”).
- No portion of the Total Shortfall that relates to the Town of Alta is covered by the County.

Recommendation for County 2023 Budget

The Brighton Shortfall would be reduced, but the reduction should take place in a “feathered” manner over a 12-month period in order to provide UFA/UFSA and Brighton the opportunity to address the Brighton Shortfall.

Proposal

Maintain the current level of the Canyon Contribution for the first 6 months of 2023, but then reduce it for the remaining 6 months to eliminate the direct County portion of the Brighton Shortfall (although picking up 50% of the costs attributable to Unincorporated areas that are currently covered by the additional UFSA revenue). This will result in UFSA/Brighton needing to “cover” an additional annual amount of \$647,231 for calendar year 2023 (which can be addressed in the FY23/24 UFA/UFSA’s and/or Brighton’s respective June budget processes). Possible options to address the issue include 1) spreading the costs over the UFSA members, 2) Brighton contributes additional revenue to the UFA budget via interlocal agreement or otherwise, 3) the County restores any portion of the Canyon Contribution cut, or 4) services are reduced.

Breakdown of Proposal

SLCo FY23 (subject to County Council Approval)

- SLCO Canyon Contribution Adjusts July 1, 2023 (3-handed- current staffing levels)
 - Jan – Jun 2023 \$1,587,857 (includes 6 months of Brighton Shortfall)
 - Jul – Dec 2023 \$940,626 (no Brighton Shortfall, but adjusted to cover portion of Total Shortfall attributable to Unincorporated currently covered by UFSA)
 - **Total for 2023 \$2,528,483**

Anticipated SLCO FY24 (subject to County Council Approval)

- SLCO Canyon Contribution reduced by \$1,294,461 for a new total Canyon Contribution of \$1,881,252 (no Brighton Shortfall, but adjusted to cover portion of Total Shortfall attributable to Unincorporated currently covered by UFSA)
 - Jan – Jun 2024 \$940,626
 - Jul – Dec 2024 \$940,626
 - **Total for 2024 \$1,881,252**

Option to expand to 4-person crew

UFSA is considering converting the BCC and LCC stations from a 3-handed crew model to a 4-handed crew model. As that conversation moves forward, consideration should be given to how it might affect the current analysis.

Attachment 1
2023 Proposal and Possible 2024 Proposal for Canyon Contribution (3-handed crew)

Canyon Contribution Assessment						
Status Quo						
	LCC (Alta)	LCC (Unincorporated)	BCC (Brighton)	BCC (Unincorporated)	Millcreek (Unincorporated)	Total
Total Cost to Provide Service (3-Handed)	895,866	1,623,376	2,661,177	496,718	110,629	5,787,766
Property Tax/Motor Vehicle Revenue Collected	506,090	259,176	740,707	67,323	22,972	1,596,268
Shortfall (3-Handed)	389,776	1,364,200	1,920,470	429,395	87,657	4,191,498
Covered by SLCo	-	1,139,564	1,604,238	358,689	73,222	3,175,713
Covered by UFSA	389,776	224,636	316,232	70,706	14,435	1,015,785
50% Current Contribution	1,587,857					
50% Brighton Shortfall	802,119					
Total Shortfall Attributable to Unincorporated	309,777			1,920,470		
50% Shortfall Attributable to Unincorporated	154,889					
Proposed Contribution 2023		Reduction to SLCo from Status Quo				
1st 6 mths (status quo: 50% Current Contribution)	1,587,857	-				
2nd 6 mths (50% Current Contribution less 50% of Brighton Shortfall plus 50% Shortfall Attributable to Unincorporated)	940,626	647,231		-		
Total for Full Year	2,528,483	647,231				
Possible Option 2024		Reduction to SLCo from Status Quo				
Full Year: Current Contribution less Brighton Shortfall plus Unincorporated Shortfall	1,881,252	1,294,461				