



Mayor Jenny Wilson

2023 Proposed Budget Salt Lake County



Presented by Darrin Casper, CFO
October 25, 2022



2023 Budget Goals

- Stay fiscally conservative
 - Scrutinize structural balance
 - One time v. ongoing expenses
 - Understand impact of federal \$ on structure
 - Budgeted General Fund balance above \$180M
- Focus on capital maintenance/
improvements and employee compensation



2023 Budget Direction

- Stress tests at 5% of County Funding
- Requested organizations absorb cost increases where possible
- One-time capital requests considered
- ARPA requests considered



Committees and Boards

- Board of Health
- Total Rewards Advisory Committee
- TRCC Advisory Board
- Technology Advisory Board
- Capital Projects Prioritization Committee
- Revenue Committee
- And Others



Economic Outlook

- Slow growth projected County-wide
- Salt Lake County unemployment at 2.0%; national average at 3.5%⁽¹⁾
- Construction remains strong but expected to level
- Inflation elevated (8.2% for West Urban CPI for August)
- Choppy waters ahead



Structural Analysis





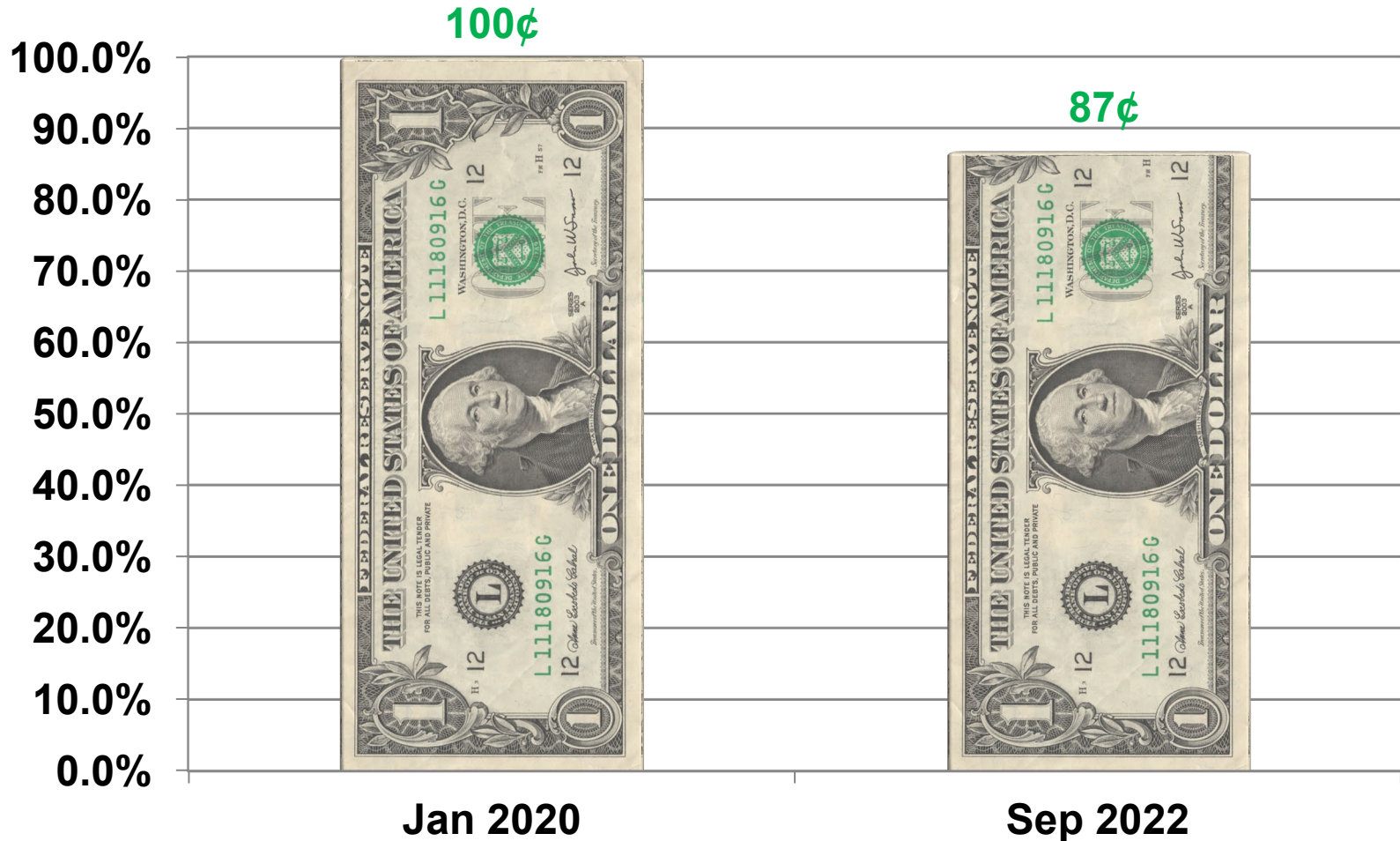
Grant and Tax Admin Funds

- Grant fund transfers in from GF
 - 2022 \$32.2 M
 - 2023 \$36.6 M
- Tax Administration fund from GF
 - 2022 \$250 K
 - 2023 \$670 K



Purchasing Power Erosion Due to Inflation

(Since last Countywide property tax increase)

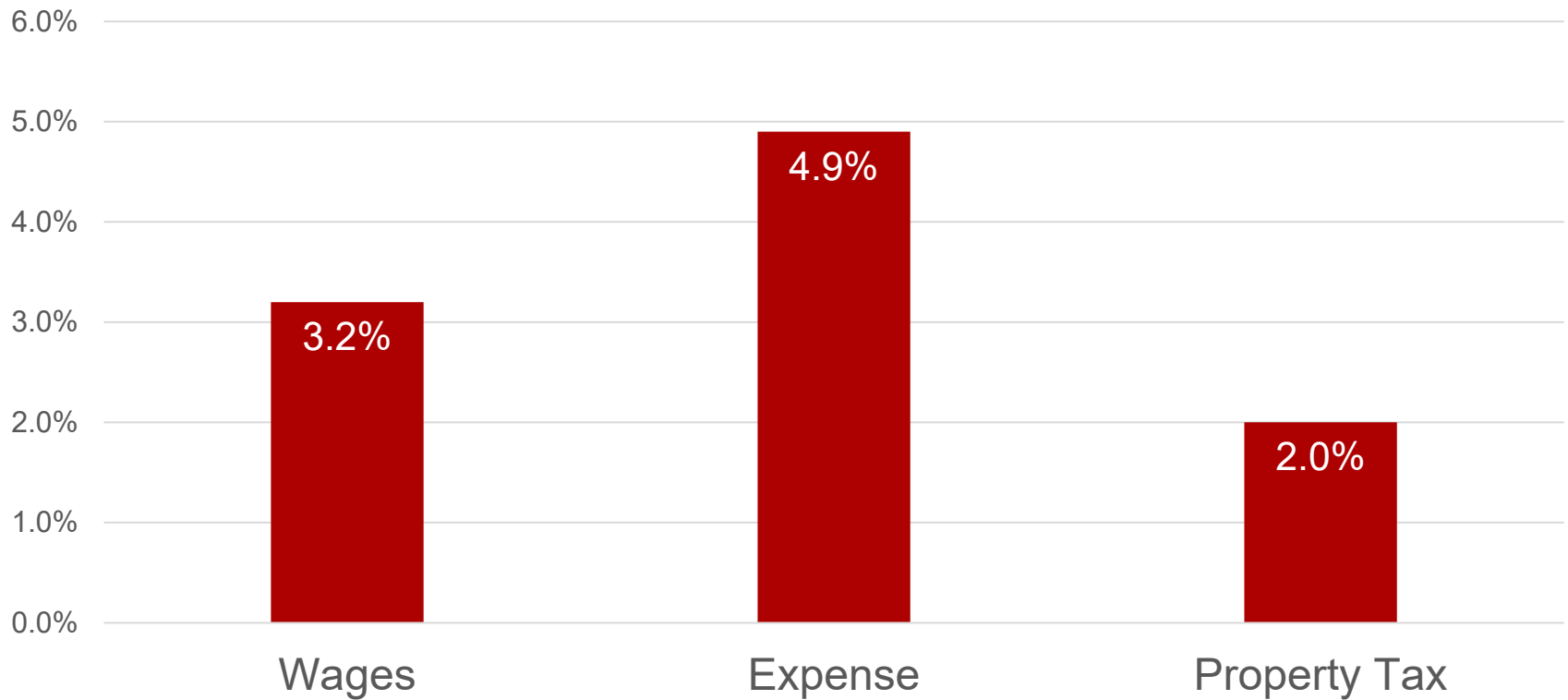


INFLATION INDEX: WEST URBAN CONSUMER PRICE INDEX - ALL URBAN CONSUMERS



Library Fund

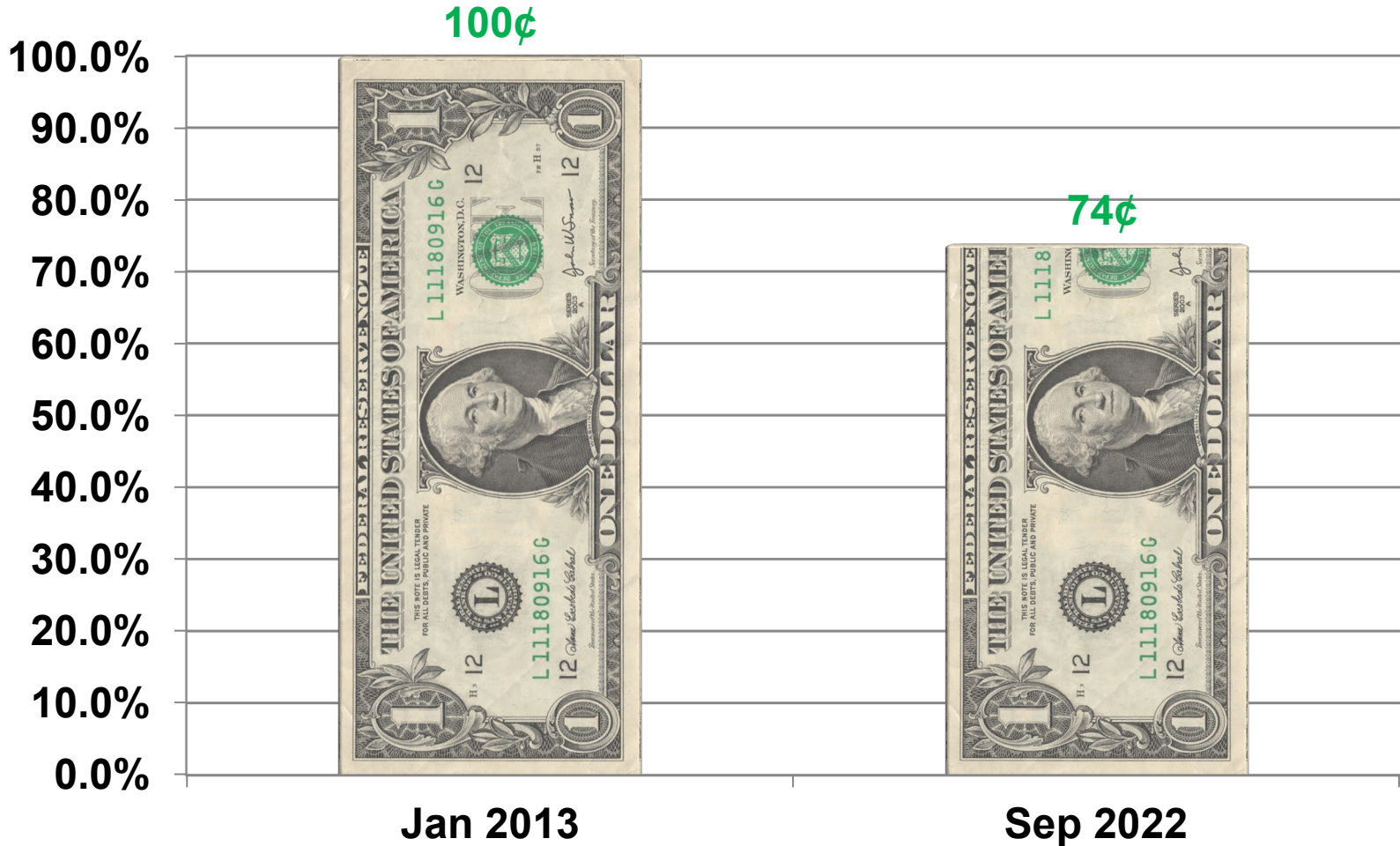
10 Year Compound Annual Growth Rates





Purchasing Power Erosion Due to Inflation

(Since last Library property tax increase)



INFLATION INDEX: WEST URBAN CONSUMER PRICE INDEX - ALL URBAN CONSUMERS



Library Fund

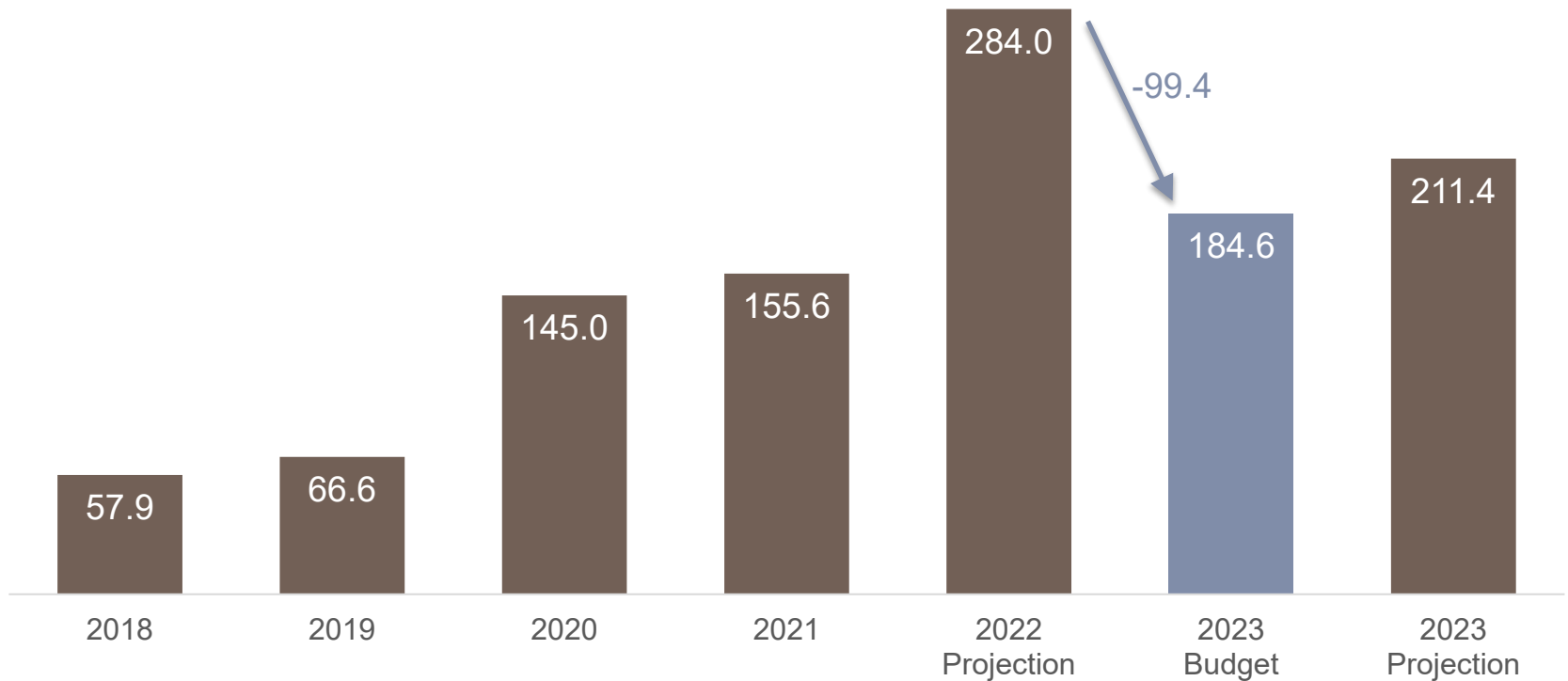
- Library structural deficit \$10.1M
 - Debt service \$3.7M
 - New library operations \$2.3M
 - Inflation component \$4.1M

Proposing a 25.65% tax increase to yield \$11.2M in additional revenue



Ending Unassigned Fund Balance General Fund

in millions \$



* Fund balance as a % of total expenditures, including fund transfers out to other funds. Includes only Fund 110.



General Fund Structure Analysis

- Reconciling \$99.4M draw
 - One-time transformational initiatives \$60.3M
 - One-time comp/retention 6.1M
 - Open Space transfer 2.5M
 - Other one-time items 4.2M
 - Budgeted structural deficit (26.3M)
 - Average underspend pre-pandemic 23.7M
 - Estimated structural deficit (\$2.6M)



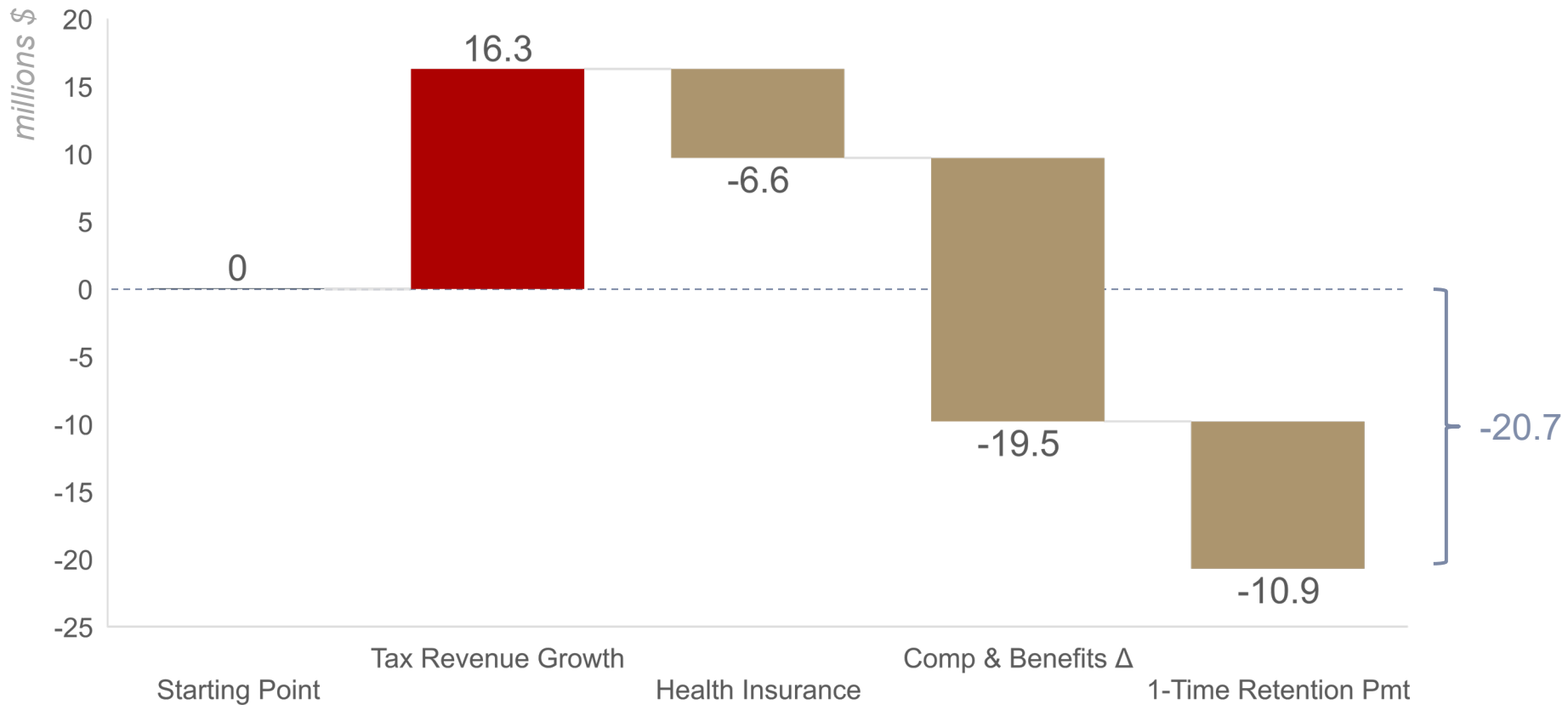
2023 New Growth Summary

Key Funds—Compared to 2022 Adjusted Budget

Fund (\$M)	Property Tax	Sales Tax	Motor Veh Fee In Lieu	Total New Growth
General	3.1	4.7	(0.37)	7.4
Flood Control	0.1		(0.02)	0.1
Health	0.3		(0.04)	0.3
Planetarium	0.1		(0.01)	0.1
Capital Improvements	0.2		(0.02)	0.1
Tax Administration	0.6		(0.06)	0.5
Subtotal	4.3	4.7	(0.51)	8.5
TRCC		3.5		3.5
Visitor Promotion		1.6		1.6
ZAP		1.2		1.2
Municipal Services		(0.1)		(0.1)
Transportation		0.8		0.8
Library	0.7		(0.09)	0.6
Total	5.1	11.8	(0.61)	16.3



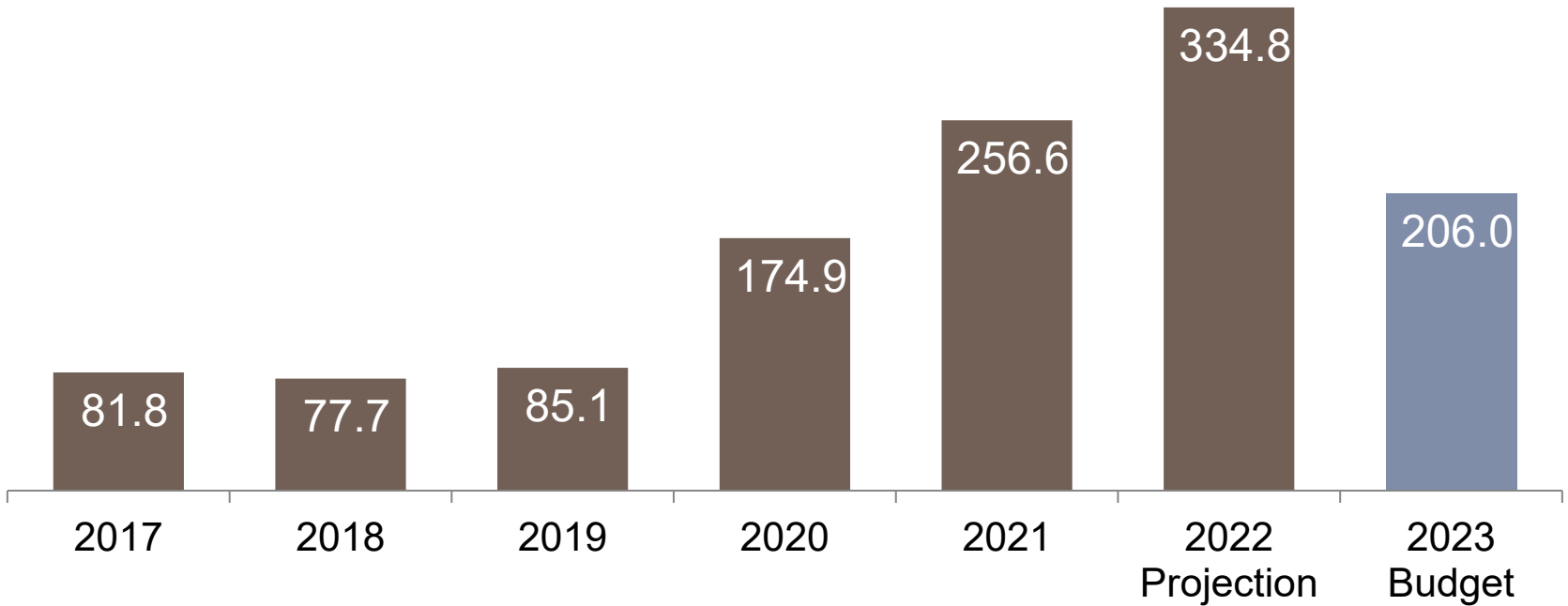
Tax Revenue Growth in Context





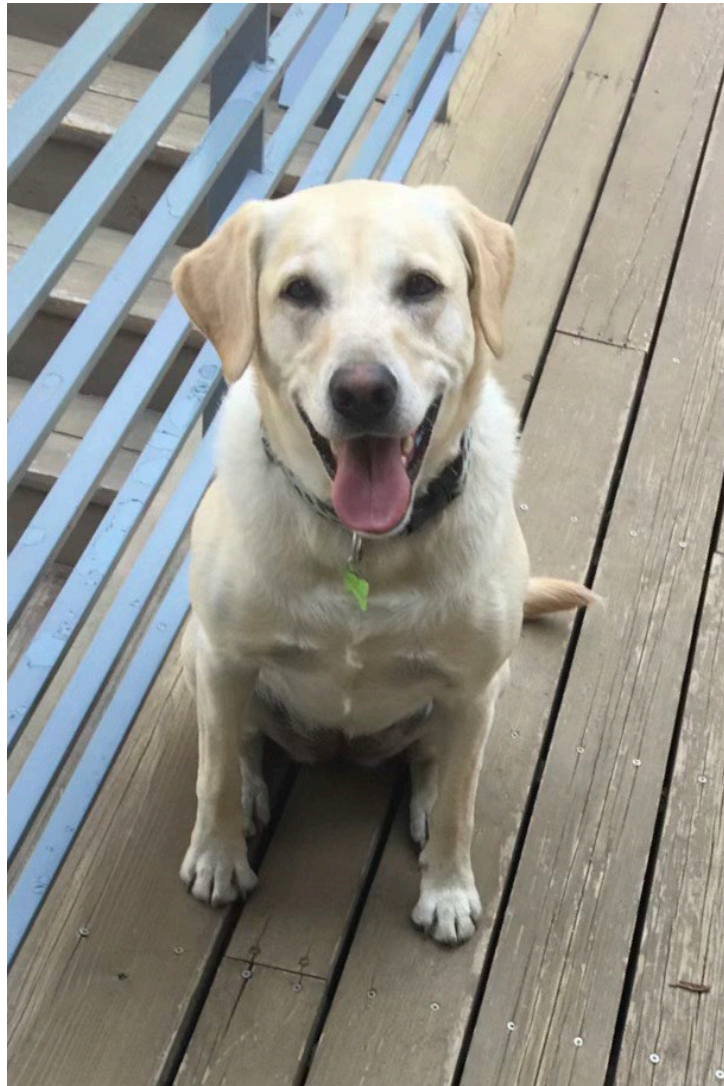
Unassigned Fund Balance County-wide Tax Funds

in millions \$





2023 Proposed Budget





Tale of Two Budgets

- Tax funds are bordering on structural imbalance, however the beginning balance is experiencing record health
- Ample money for capital projects and deferred maintenance
- Extremely limited funding for new ongoing requests beyond comp and benefits



Tackling Deferred Maintenance From Major Sources

- Transformational Initiatives \$53.5M
- Capital Improvement \$8.7M
- TRCC \$14.4M
- TRCC capital transfers \$2.9M
- Visitor Promotion Fund \$2.9M
- Flood Control \$2.2M
- Library \$1.5M



ARPA Funding

2023 Budget and Multi-Year Plan

<i>in millions \$</i>	2021 Actual	2022 Budget	2023 Proposed	2024 Plan	TOTAL
Prior Approved ARPA Projects	2.9	20.3	39.7	11.3	74.3
New ARPA Project Proposed			1.4	1.4	2.8
Revenue Replacement – Library Fund		10.0			10.0
Revenue Replacement – General Fund	59.3	65.0	13.6*		137.9
Total Charge to ARPA	62.3	95.3	54.7	12.7	225.0

Total w/o GF Rev. Repl. 2.9 30.3 41.2 12.7 87.1

* Not included in the 2023 Proposed Budget. To be assessed in 2023.



ARPA Funding

Next Steps

- Determine allocation between revenue replacement and projects
- Revenue is recognized as eligible expenses are incurred
- Monitor Federal / legislative changes
- Ongoing quarterly reporting on projects and use of funds



Transformational Initiatives

2023 Budget and Multi-Year Plan

<i>in millions \$</i>	2022 Estim.	2023 Proposed	2024 Plan	TOTAL
Prior Approved Transformational Initiatives	48.0	2.2	2.0	52.2
New Transformational Initiatives Proposed		58.4	0.8*	59.2
Total	48.0	60.6	2.8	111.4

* Potentially 27M+

2023 New Capital Project Request Highlights



in millions \$

Salt Palace Chiller Replacement	\$12.5
Salt Palace Replace Main Cooling Towers	\$1.9
Salt Palace Interior Paint Project	\$0.5
Clark Planetarium MARS Exhibit	\$0.4
Flood Control Sewage Canal Improvement	\$5.0
Flood Control Copper Midas Confluence Repair	\$0.5
Capital Improvements Sheriff's Office Shooting Range	\$1.2
Capital Improvements ADC Jail Kitchen Remodel & Equip Replacement	\$7.6
Capital Improvements ADC Jail Waste Tank, Probe & Panel Upgrade	\$0.9
Capital Improvements DA Building Security Enhancements	\$1.6
Capital Improvements Tenth East Senior Center Remodel	\$9.8
Fleet Managed Capital Projects Concrete Repair & Car Wash	\$0.6
Public Works Operations Salt Storage & Sweeper Debris	\$6.0
TI Youth Svcs Water Efficient Landscaping	\$2.1
Aging Svcs – TI Senior Center projects	\$7.8
Animal Services Community Adoption Center & Pet Park	\$0.5



TRCC Proposal

- Mayor's Proposed Budget aligns with Advisory Board recommendations
- Recommendation includes
 - 40% of TRCC revenues to Parks and Recreation ops
 - Reduction of the equestrian subsidy due to the agreement for the USU Bastion Agricultural Center
 - Fully funded the equipment replacement programs
 - Use of one-time funds to increase capital projects and outside contributions



TRCC Transfers

- Arts & Culture \$6.5M
- Parks & Rec \$23.4M
- Equestrian Park \$0.9M
- Capital Improvement Transfers \$2.9M
- Equipment Replacement Transfers \$0.9M
- Debt Service Transfers \$1.7M
- Open Space Transfer \$2.5M*

* To match General Fund Open Space Transfer



TRCC Proposed New Requests



<i>in thousands \$</i>		Expense
Outside Contributions (New)	Parks & Trails (13 projects)	\$4,569
	Cultural (12 projects)	\$4,898
	Convention (1 project)	\$500
	Tourism (1 project)	\$5
	Total:	\$9,972
Outside Contributions (Continued / Rebudgeted)	Long-term Interlocal Agreements (3 projects)	\$1,140
	Parks & Trails (5 projects)	\$2,017
	Cultural (3 projects)	\$7,137
	Total:	\$10,293
Capital Projects	Transfer Out to Equestrian Park Capital	\$4
	Transfer Out to Arts & Culture Fund Capital Improvements	\$2,166
	Transfer Out to Open Space	\$2,500
	Transfer Out to Clark Planetarium Fund Exhibits & Capital	\$764
	Transfer Out for Equipment Repair & Replacement	\$947
	TRCC Capital Projects	\$14,400
	Total:	\$20,781



Proposed 2023 Budget Compensation & Benefits Package

- Salary/structure increase applied to structure and pay, effective 1/1/2023
 - 4% Merit, time-limited, elected, appointed, exempt
 - 7% Sworn employees (Sheriff & District Attorney)
- Multi-tiered one-time compensation/retention, split into 2 tranches (Jan 2023 & July 2023)

	Non-Sworn	Sworn	Appointed	Elected
4%	Grades 8-14	Grades 14-18	If base pay <\$70,000	-
3%	Grades 15-17	Grades 23-32	If base pay \$70,000 to 100,000	-
2%	Grades 18+	Grades 37-39	If base pay \$100,000+	All

- \$3M Set-aside for market/equity adjustments in General Fund Statutory and General
- 13% Health insurance increase (employees in the High Deductible Plan will experience no increase)



Proposed 2023 Budget Compensation & Benefits Package

in millions \$

Compensation and Benefits	Amount
Structure Increase with Pay Increase	\$16.0
One-time Retention/Compensation	10.9
Set-aside in Stat. & Gen. for Market Adj.	3.0
LDA Market Adjustment	0.8
Health Insurance	6.6



Proposed 2023 Budget

Sheriff

- Jail Investigations Sgt. & vehicle (1 FTE) \$200K
- Jail Inv Sgt. Offset (UPD contract reduction) (\$187K)
- New PSB Deputy for Aging Services support (1 FTE) \$137K
- Jail Internal Affairs vehicle \$44K
- PSB Sergeant reclassification \$32K
- PSB revenue true-up (increase) \$118K



Proposed 2023 Budget

District Attorney

- eProsecutor Case Mgt System – additional funding \$219K
- Camp Hope partnership (one-time) \$90K
- DA-Tax compensation adjustment annualization \$58K
- Grant-funded FTE reduction (-0.5 FTE) (\$24K)
- Gov't Immunity property insurance premium increase \$250K



Proposed 2023 Budget Clerk

Proposed As Requested:

- Compensation adjustments annualization \$164K
- Voter information cards & confirmations \$51K
- Replacement credit card readers \$5K



Proposed 2023 Budget

Other Elected Offices

- Assessor – PUMA tax system \$732K, personnel annualization \$748K
- Auditor – Audit software, peer review, postage, & annualization \$96K
- Council – travel increase, hearing officer comp adjustment \$40K
- Justice Courts – Comp adjustments, courtroom remodel \$110K
- Recorder – Software true-ups, services adjustments \$70K
- Surveyor – TI reduction, operations adjustments (\$17K)
- Treasurer – Tax notice postage/printing increase \$20K



Proposed 2023 Budget

Admin Organizations

Mayor's Administration Highlights

- The Other Side Village Homeless Housing (TI) \$2M
- High Needs/Medical Services Housing (c/o from '22) \$6M
- ODI Smart Government initiative (TI) \$500K
- Convert COC Temp to Time Limited position (1 FTE) \$69K
- ODI Transformational project true-up (TI) (\$25K)



Proposed 2023 Budget

Admin Organizations [cont.]

Criminal Justice Advisory Council

- Reentry & Reintegration Project true-up (TI) \$8K

Human Resources

- Organizational Development Specialists (2 TL FTE) \$239K
- Pay Equity Tool \$88K



Proposed 2023 Budget

Human Services Dept

Highlights:

- Aging Svcs – Compensation adjustment annualization \$300K
- BHS – HMHI Receiving Center (\$1.0M from restriction) \$0 net
- CJS – Compensation adjustment annualization \$135K
- Health
 - Utah AIDS Foundation contribution (Transformational Init.) \$2.0M
 - Grant true-up reductions (-40 TL FTEs, -0.5 FTE) (\$180K)
 - Fee revenue increase proposal (\$486K)
 - ARPA Vaccination Needs Project Reduction (-16 TL FTEs) (\$2.1M)
 - NFP/TCP expansion (\$258K Rev/\$258K Exp, 4 TL FTEs) \$0 net



Proposed 2023 Budget

Human Services Dept

Highlights (cont.):

- Indigent Legal
 - Contract & compensation increases \$1.0M
 - ARPA project true-up \$217K
 - Rule 8 contracts rebudget (\$575K Rev/\$575K Exp) \$0 net
- Youth Services
 - Compensation adjustment annualization \$250K



Proposed 2023 Budget

Administrative Services Department

Highlights:

- Facilities Services
 - Energy Management Projects \$860K
 - Employee equity adjustments \$363K
 - Grade increase for Labor and Carpenter Trade \$134K
 - Request to Eliminate Personnel Contra Account \$188K
 - Downtown Security Assessment \$50K
- Information Technology
 - Cyber Security Analyst (1 FTE) \$131K
 - Identity Access Management System \$310K
- Telecommunications
 - 8800 Series Phones \$225K
 - County-Wide Video Conferencing Equipment \$350K



Proposed 2023 Budget

Administrative Services Department [cont.]

Technology Advisory Board Projects Not Approved:

- Cloud Data Protection \$165K
- Hardware & Software Maintenance & Subscription \$207K
- Network Team 1 FTE \$130K
- Enterprise Justice Case Management 1 FTE \$190K
- Addressing System Consulting Support \$11K
- Purchasing Card Auditing Software \$25K
- Website Enhancements \$77K
- HR Case Management Tool \$50K
- Environmental Data Collection 1 FTE \$171K



Proposed 2023 Budget

Regional Development

• SLCo Pre-Apprenticeship Program - NEW (1 FTE; ARPA)	\$1.4M
• Accountant Position - Grade 15 (1 FTE)	\$129K
• Data Capture & Analysis to Facilitate Energy Efficiency Conservation Block Grant Allocation	\$12.2K
• Transfer Position to Records Management (-1 FTE)	(\$68.7K)
• Reduction in GF Expense due to New Grant	(\$29.9K)
• Grant Revenue True-Up to Reflect Actuals	\$383K
• Revenue True Up Non-Grant	\$78K
• Community Outreach Specialist FTE Reduction (-1 FTE) (position previously funded by the MSD)	(\$0)

Proposed 2023 Budget

Regional Development [cont.]

- Regional Projects Fund
 - Kem C. Gardner Policy Institute Membership \$50K
 - Kem C. Gardner Policy Institute Collaboration \$50K
 - Transportation & Land Use Connection (TLC) Grant Program \$300K
 - SAMi software expansion \$200K
 - Public Finance Collaboration \$195K
 - SLCo Growth Conversations Support \$76.5K
 - Research on Opportunity Costs of Inefficient TOC Development \$110K
 - Utah Foundation Research & Program Evaluation \$50K
 - Transfer to RE Division to support SLCo's Public RE Asset Initiative \$75K
 - GIS Projects with the SLCo Surveyor's Office \$15K
 - ESRI HUB Subscription \$31K
 - National Assoc. for County Community & Econ. Dev. Conf. \$25K
 - Utah Housing Coalition Annual Conference \$7.5K



Proposed 2023 Budget Transportation “Choice” Fund

in thousands \$

Transportation "Choice" Fund (\$20.2M in Projects)	3900 S Widening & Reconstruction buffered bike lanes	\$3,000
	3900 South multi-use Commuter Trail	\$800
	3900 South multi-use path/sidewalk (13-16")	\$100
	Jordan River Water Trail and Parkway Trail Maintenance	\$100
	Onyx Lane Safe Sidewalk	\$405
	Phase 1 Welby Jacob Canal Trail	\$2,000
	Primavera Trail Connection multi-use trail to JRP	\$100
	S. Birch Drive sidewalks and bike lanes	\$800
	6200 South pedestrian sidewalk connection	\$50
	Rose Creek Trail Connector	\$850
	Midas Creek Trail Extension	\$800
	Juniper Canyon Trail Head	\$420
	Wasatch Blvd Shared Use Path	\$4,500
	Wasatch Blvd Buffered Bike Lane	\$600
	Bengal Blvd Protected Pedestrian Trail	\$600
	Highland Drive Protected Pedestrian Trail	\$500
	FLAP Match for Upper Millcreek Canyon Road	\$3,000
	Contingency	\$1,562
SLCo Trail Maintenance (ongoing)	\$1,299	



Proposed 2023 Budget

Public Works

Highlights:

- Countywide Funding
 - Surplus Canal Rehab (Transformational Initiative re-budget) \$11M
 - Sewage Canal and Tributary Improvement (Transformational Initiative) \$5M
 - Canals and Drainage Infrastructure Projects \$6M
 - UFA Emergency Mgmt Salary and COLA Increase \$33K
 - Reduce Canyon Contribution (\$647K)
 - Countywide UPDES Transfer to Flood Control (1 FTE) (\$166K)
 - Eliminate Flood Control personnel contra-account \$128K
 - All Other Requests
- Proprietary Funds
 - Animal Services
 - Mobile Community Pet Support Program (TI, 3 TL FTE) \$739K
 - Community Adoption Center and Pet Park (TI) \$500K
 - Fee schedule revenue increase (contract) (\$261K)



Proposed 2023 Budget

Public Works [cont.]

– Public Works	
• Salt storage and sweeper debris at 3 sites (TI)	\$6.0M
• Accountant 1 FTE (Rev \$105K, Exp \$99K)	\$6K
• Increase in materials, subcontracted services and temp. employees	\$904K
• Increases for Vehicle & Equipment costs	\$285K
• Increase for Equity Adjustments & Insurance True-ups	\$266K
• Personnel/Operational Under Expend	(\$500K)
• Market Salary Request - Vacant Positions (Rev/Exp \$65K)	\$0 net
– Solid Waste	
• Proposed Rate Increases	(\$554K)
• Revenue and Expense Adjustments (Rev \$1.1M Exp \$1.3M)	\$223K
• Owners Distributions (ongoing)	\$960K
– Fleet Management	
• Concrete repair outside fleet shops and replace car wash (TI)	\$600K

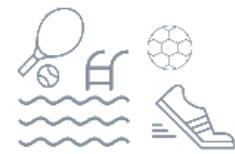


Proposed 2023 Budget

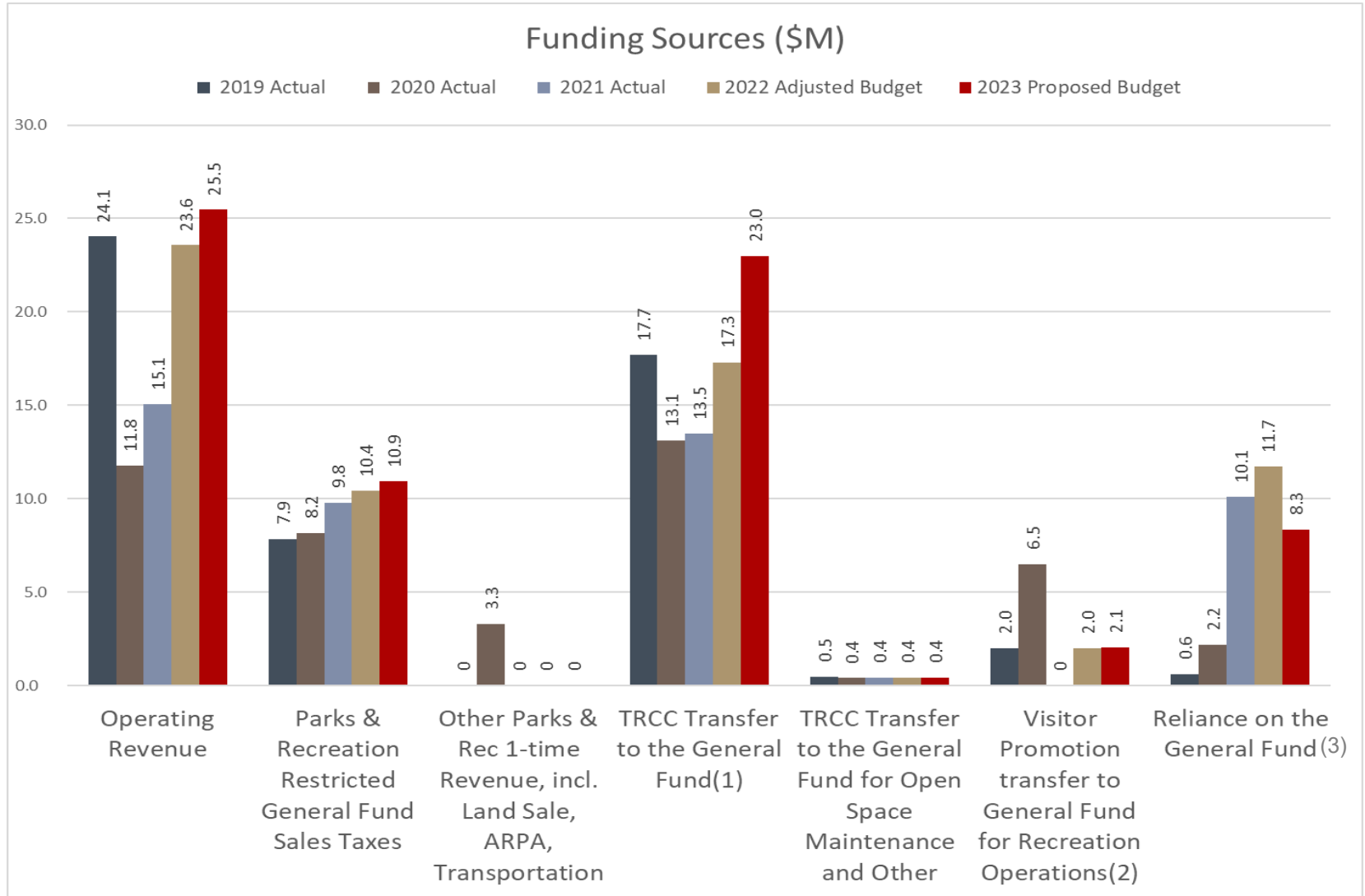
Community Services Department

Operations Request Highlights:

- SLCo Arts and Culture
 - Cultural Core (spend accumulated fund balance from prior transfers) \$50K
 - Centro Civico Matching Grant (Transformational Initiative) \$350K
- UPACA / Eccles Theater
 - Arts for All \$111K
 - Pilot Projects (Venue Activation, Public Art, Arts Venue Util.) \$62K
- Parks
 - Senior Project Manager (1 TL FTE) \$160K
 - Bingham Creek Regional Park Annual Budget True-up \$134K
 - Project Managers (2 TL FTE TI Project) \$275K
 - Trail Maintenance (6 FTE) \$80K
- Library
 - Time-Limited Project Manager (1 FTE) \$114K
 - Reduction in custodial FTE (-2 FTE) \$112K



Parks and Recreation



(1) TRCC fund transfers to Parks & Recreation operations, currently at the maximum recommended by the TRCC Advisory Board.

(2) Visitor Promotion fund transfer to the General Fund for Recreation operations subsidy.

(3) Of the amounts shown, ARPA funded \$10.0M in 2021 and is estimated to be approximately \$8.5M in 2022.



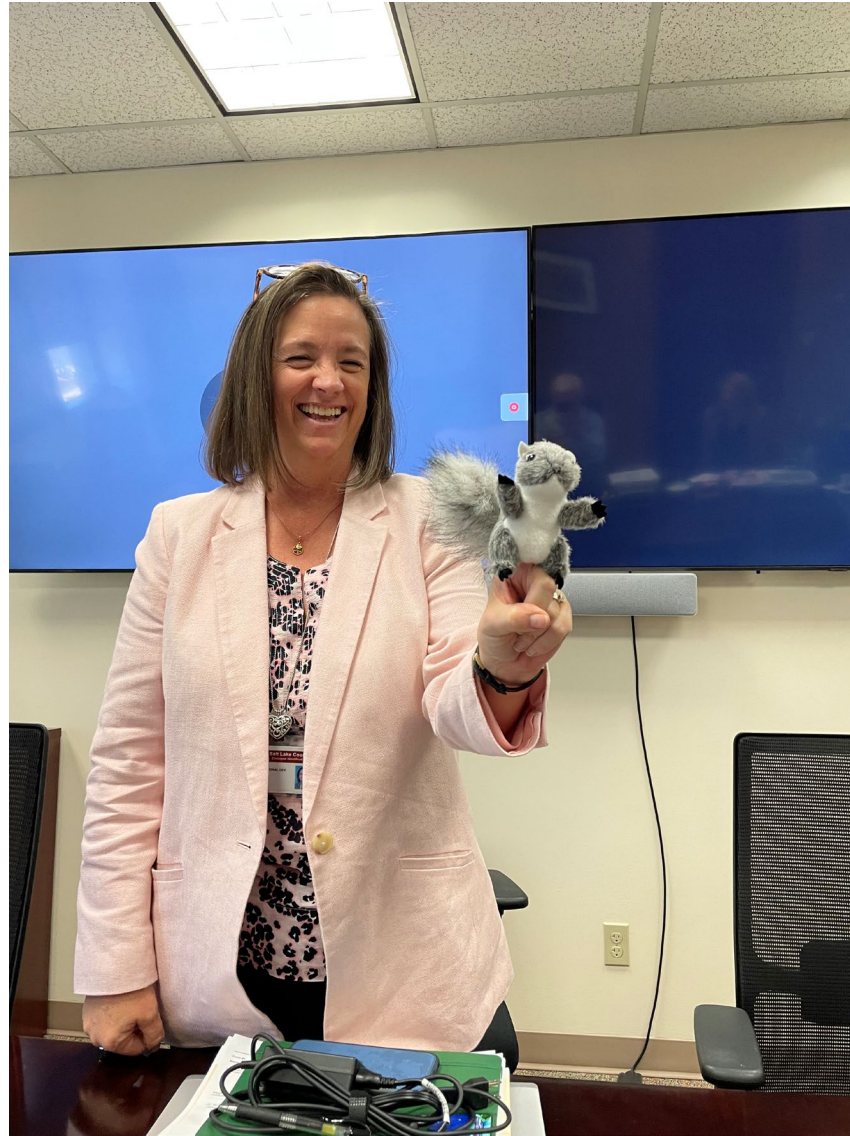
Technical Adjustment

GASB 96 Subscription-Based Information Technology Arrangements (SBITA)

- Technical accounting entries with net zero impact, \$4.5M in total appropriations, offset by \$4.5M in revenue
- Goes into effect 1/1/2023, impacting 15 organizations in the county
- Required to recognize an asset and liability for subscription-based IT arrangements
- Three parts:
 - 1) Add right-to-use-subscription assets
 - 2) Appropriation unit shift (operations to capital)
 - 3) SBITA amortization expense

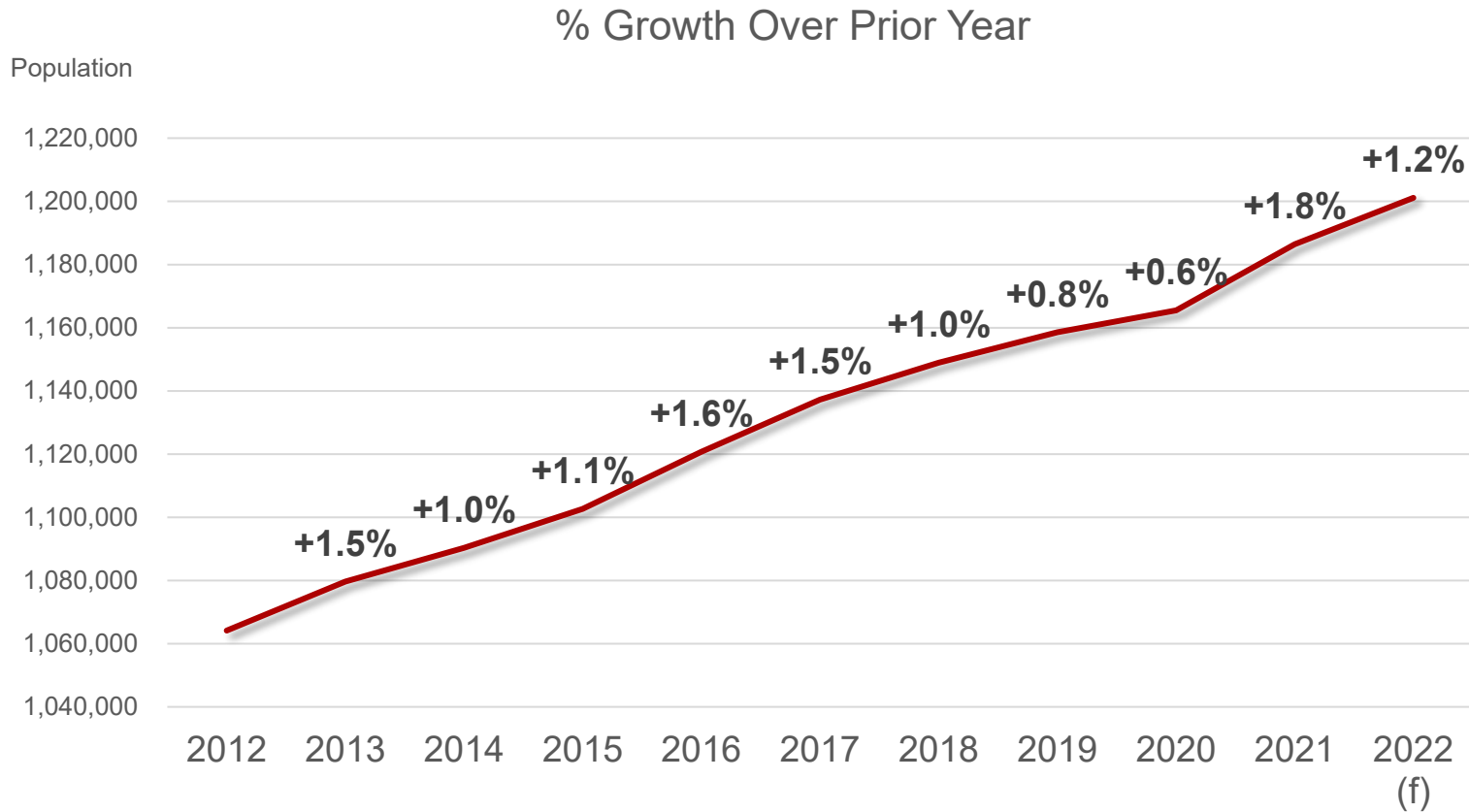


Analytics





County Population Growth Trend



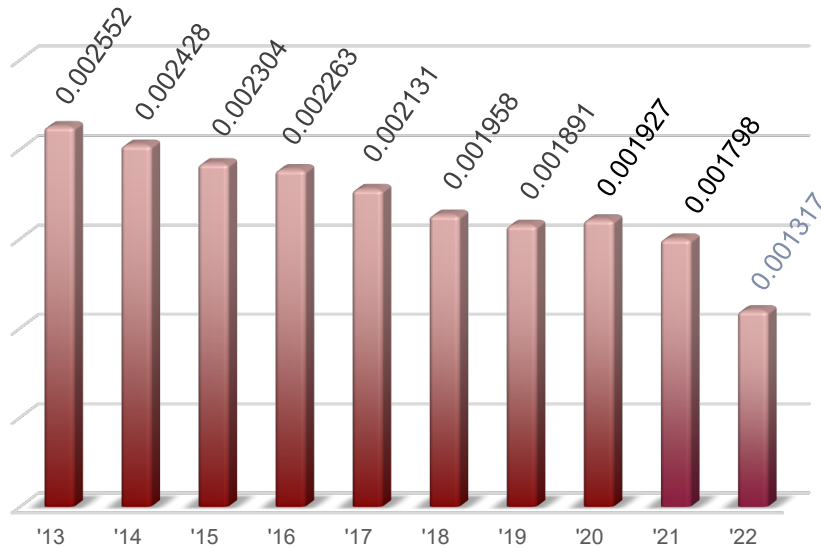
12.9% Cumulative Population Growth from 2012 to 2022



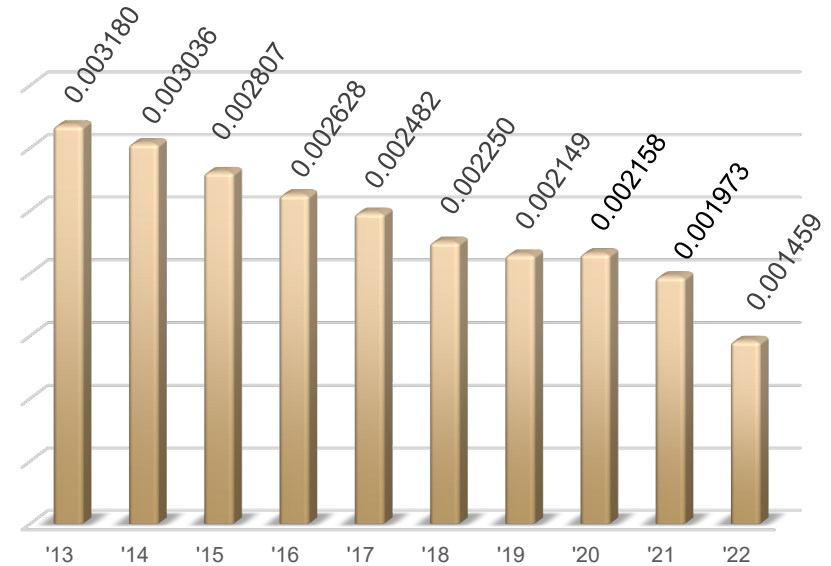
Declining Trend in Property Tax Rates

Countywide and Assessing & Collecting

Excluding Bond Debt Service and Judgment Levies



Including Bond Debt Service and Judgment Levies

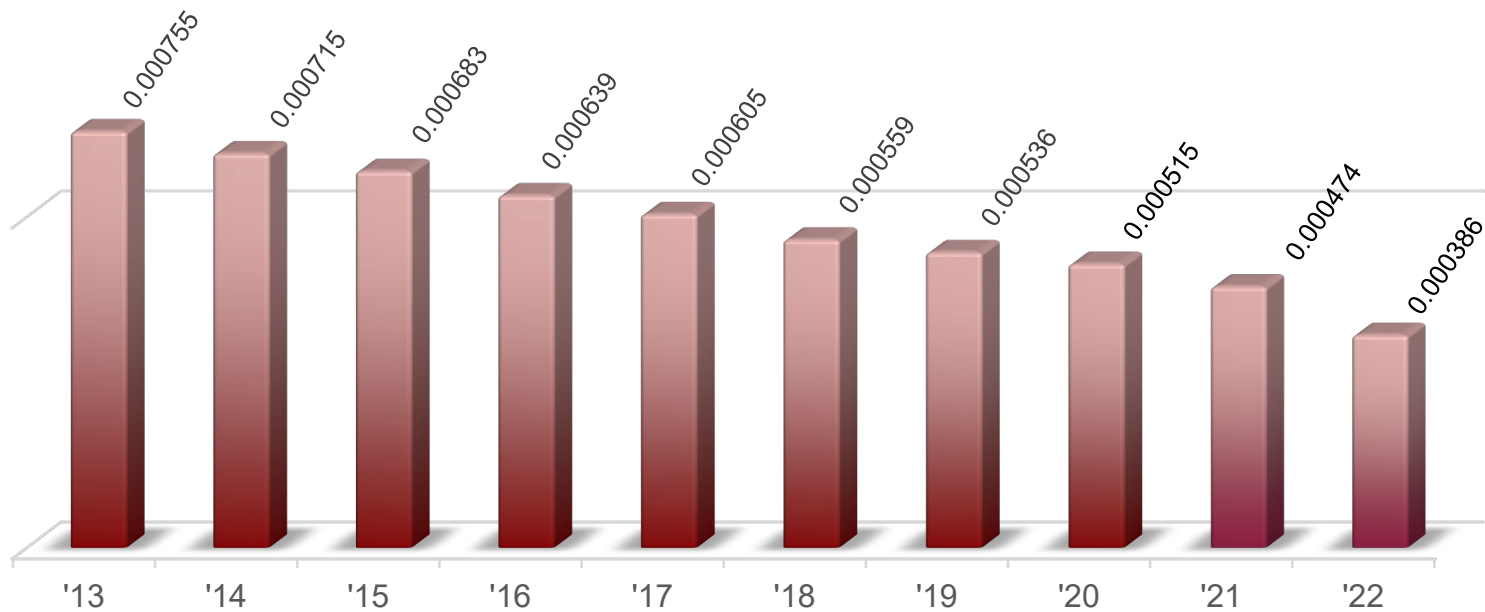




Declining Trend in Property Tax Rates

County Library Levy

Excluding Judgment Levies





2022 Year-End FTE Changes

Organization	County Funding	Time Limited	Note
Mayor Administration	1		Brand Manager
Mayor Financial Admin		-1	Accounting & Budget Support
Regional Development		1	Loan & Compliance Analyst
Sheriff - Jail		1	Utah Dept of Health – COVID Mitigation grant
Youth Services		4	Youth Service ASP Coordinators (4 TL)
Health	6	.75	MPS (6), .75 Suicide Prevention Prgm
Totals	7	5.75	



2023 Proposed Budget FTE Changes

	County Funding	Enterprise Funds	Time Limited	Transfer	Notes
Mayor Administration			1		Convert temp to Time-Limited
Regional Development	1		0	-1 TL	Accountant 1, Community Outreach Specialist -1 TL (MSD funded), Pre-Apprentice TL 1 (ARPA), transfer 1 TL to Records Mgt
Millcreek Canyon		0.75			Tollbooth attendant .75 funded by tolls
Parks	6		3		Sr Project Mgr 1, TI Proj Mgr 2, Trail Maint. 6
Recreation	1				On-boarding & retention
Information Technology	1				Cyber Security Analyst
Human Resources			2		Org Development Specialist 2
Records Management				+1 TL	Transfer from ORD
Auditor				0	Move position from GF to Tax Admin Fund
Assessor			-1		TL Transformational Initiative
District Attorney			-0.5		Reduce grant funded FTE
Sheriff	2				Jail Investigations Sergeant 1, PSB Deputy for Aging Services 1
Youth Services			-1		TL Position -1
Aging & Adult Services	0.5		0.5		Public Nurse change from TL to Merit 0.5, TL Intake Worker Grant 1
SLCO Arts & Culture	1				EMT Supervisor



2023 Proposed Budget FTE Changes [cont.]

	County Funding	Enterprise Funds	Time Limited	Transfer	NotesSheriff
Animal Services			3		Mobile Pet Support ARPA 3
Public Works Engineering	1				Accountant 1
Flood Control	1				UPDES Transfer
Library	-2		1		Custodial -2, Project Mgr TL 1
Health	-0.5		-73.5		NFP Expansion (grant) TL 2, Tobacco Control TL 2, FTE TL -1, FTE Reduction -.5, Contract Tracers TL -39, ARPA Vaccination Project TL -16; ARPA: Health TL -21.5 expiring
Planetarium	2				CP Education 1, CP Guest Services 2 .5 FTEs
Eccles Theater		1			Arts for All 1
Solid Waste		2			FTEs 2
Totals	14	3.75	-65.5	0	



Total FTE from 2023 Budget -47.75
 Total FTE from 2022 Year-End Budget Adjustments: 12.75
 Total FTE in 2023 June Adjusted Budget: 4,285.12
 Total FTE in 2023 Proposed Budget: 4,250.12



Fund Summary

General Fund & Related

in millions \$

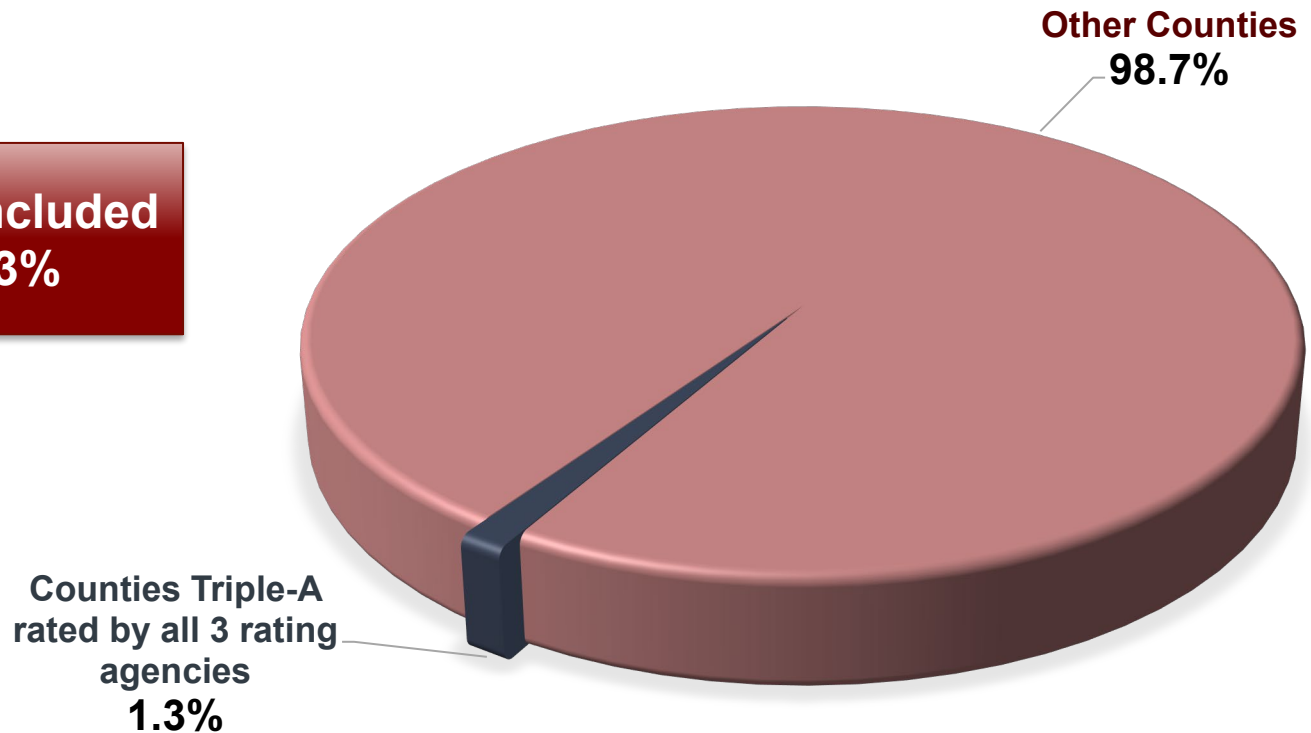
Budget Year 2023	Projected Beginning Balance	Budgeted Ending Balance	Projected Ending Balance
General Fund	284.0	184.6	211.4
Flood Control	16.4	.4	8.8
Health	25.2	17.3	19.9
Planetarium	1.6	0.6	1.1
Grant	11.6	.2	1.9
Tax Admin	6.6	1.6	3.5



Salt Lake County – Triple-A Rated

Staying Among Financially “Elite”!

**SL County included
in top 1.3%**





2023 Budget Recap

All Funds

- All funds are balanced
- General fund strongly bolstered to be able to swiftly react to economic deterioration
- Net appropriations at \$1.9B
- Additional room to consider one-time projects





Mayor's Proposed Budget Book, including this presentation, is available online:

<http://slco.org/mayor-finance/budget/2023-budget-information/>

