



Mayor Jenny Wilson

2024 Proposed Budget Salt Lake County



Presented by Darrin Casper, CFO
October 24, 2023



2024 Budget Goals

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



2024 Budget Direction

- Stress tests at 5% of County Funding
- Requested organizations absorb cost increases where possible
- One-time capital requests considered
- Revised direction late – some vacant positions reduced



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 2.7%; national average at 3.8%⁽¹⁾
- Construction remains strong but expected to level
- Inflation moderating but still elevated (3.9% for West Urban CPI for September)
- Choppy waters ahead



Structural Analysis





2024 New Growth Summary

Key Funds—Compared to 2023 Adjusted Budget

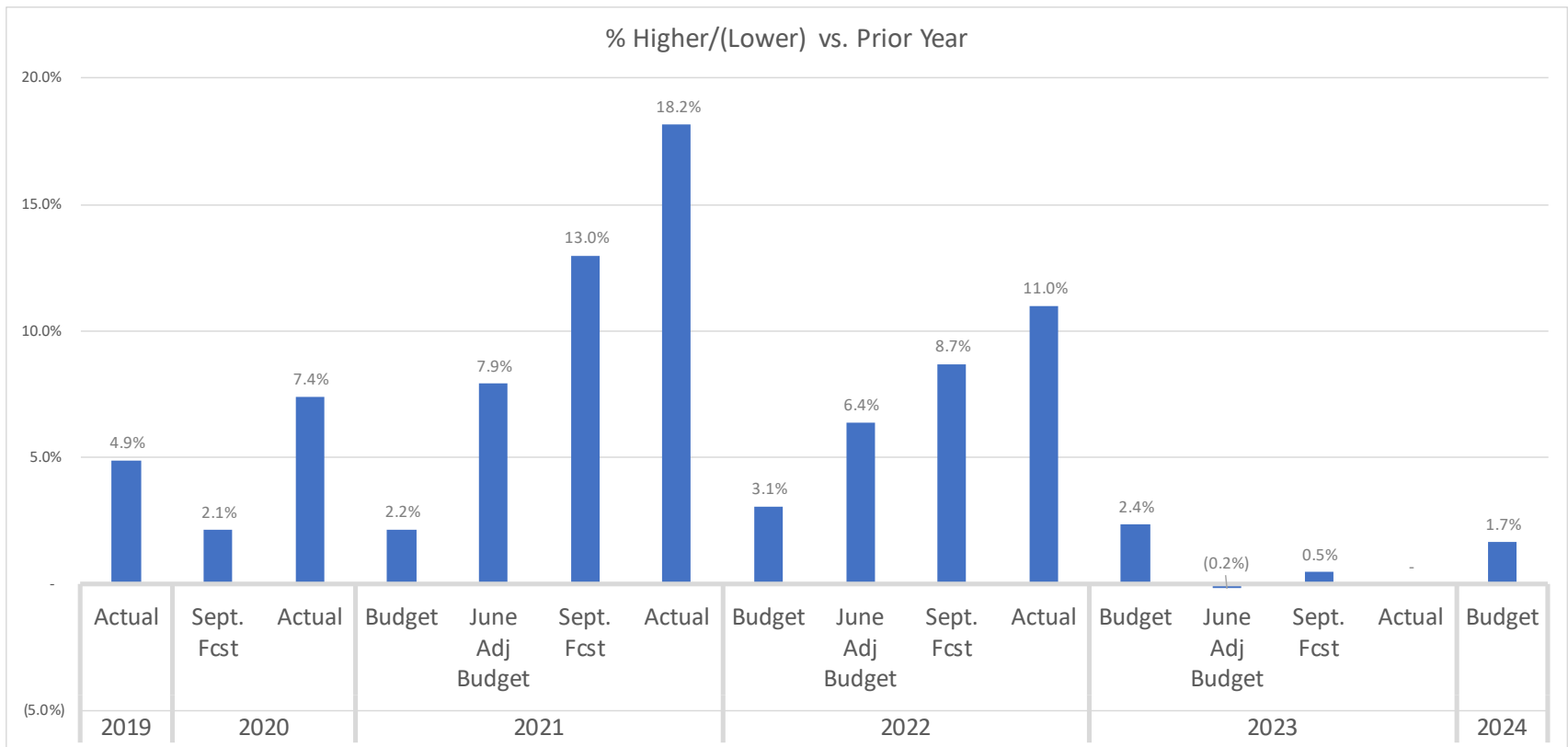
Fund (\$M)	Property Tax	Sales Tax	Motor Veh Fee In Lieu	Total New Growth
General	2.1	2.4	(0.43)	4.1
Flood Control	0.1		(0.02)	0.1
Health	0.2		(0.04)	0.2
Planetarium	0.0		(0.01)	0.0
Capital Improvements	0.1		(0.03)	0.1
Tax Administration	0.4		(0.07)	0.3
Subtotal	2.9	2.4	(0.59)	4.8
TRCC		1.6		1.6
Visitor Promotion		0.6		0.6
ZAP		0.6		0.6
Municipal Services		0.2		0.2
Transportation		0.4		0.4
Library	0.6		(0.13)	0.5
Total	3.5	5.8	(0.72)	8.6

* Excludes Debt Service Fund as well as funds that have immaterial amounts.



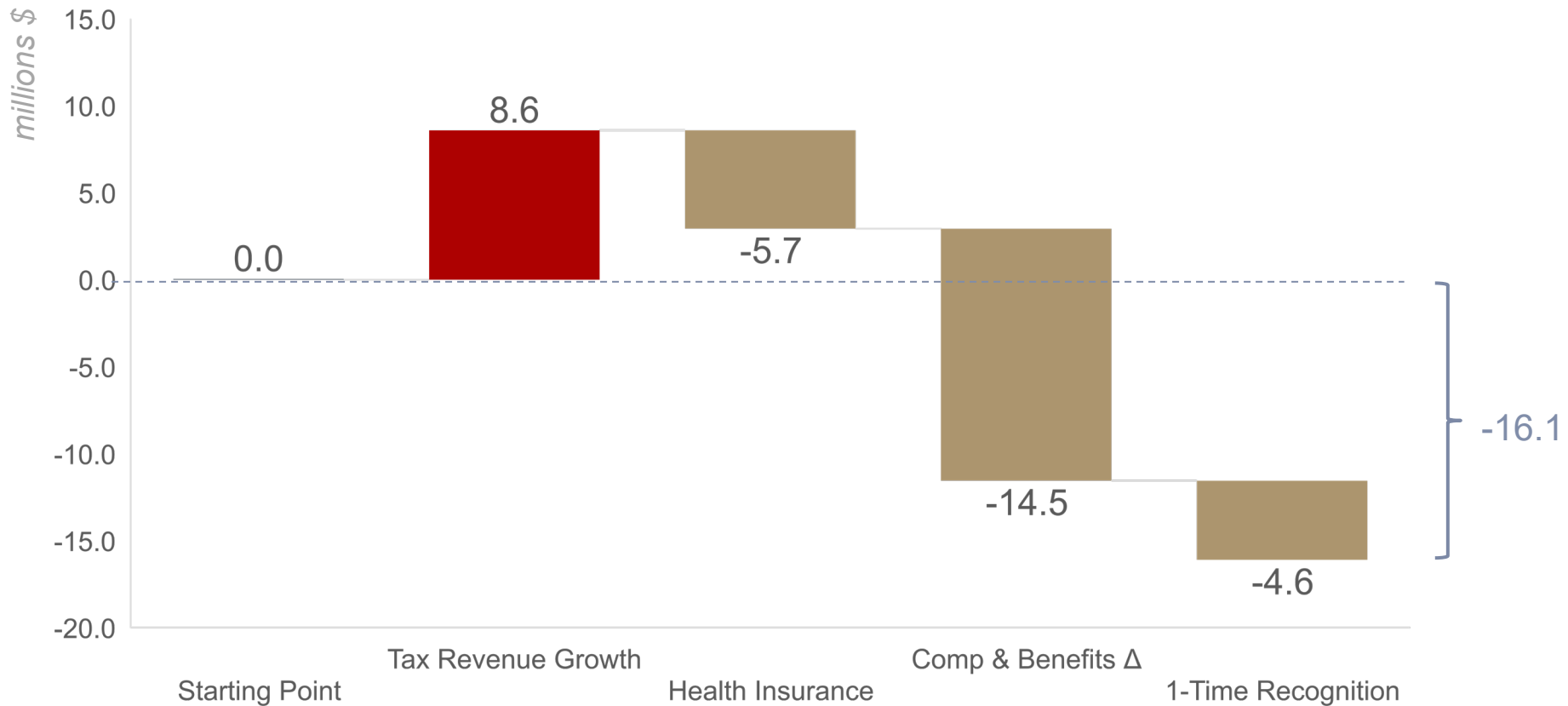
Sales Tax Projection History

County Option Sales Tax





Tax Revenue Growth in Context





Transfers to Tax Admin Fund

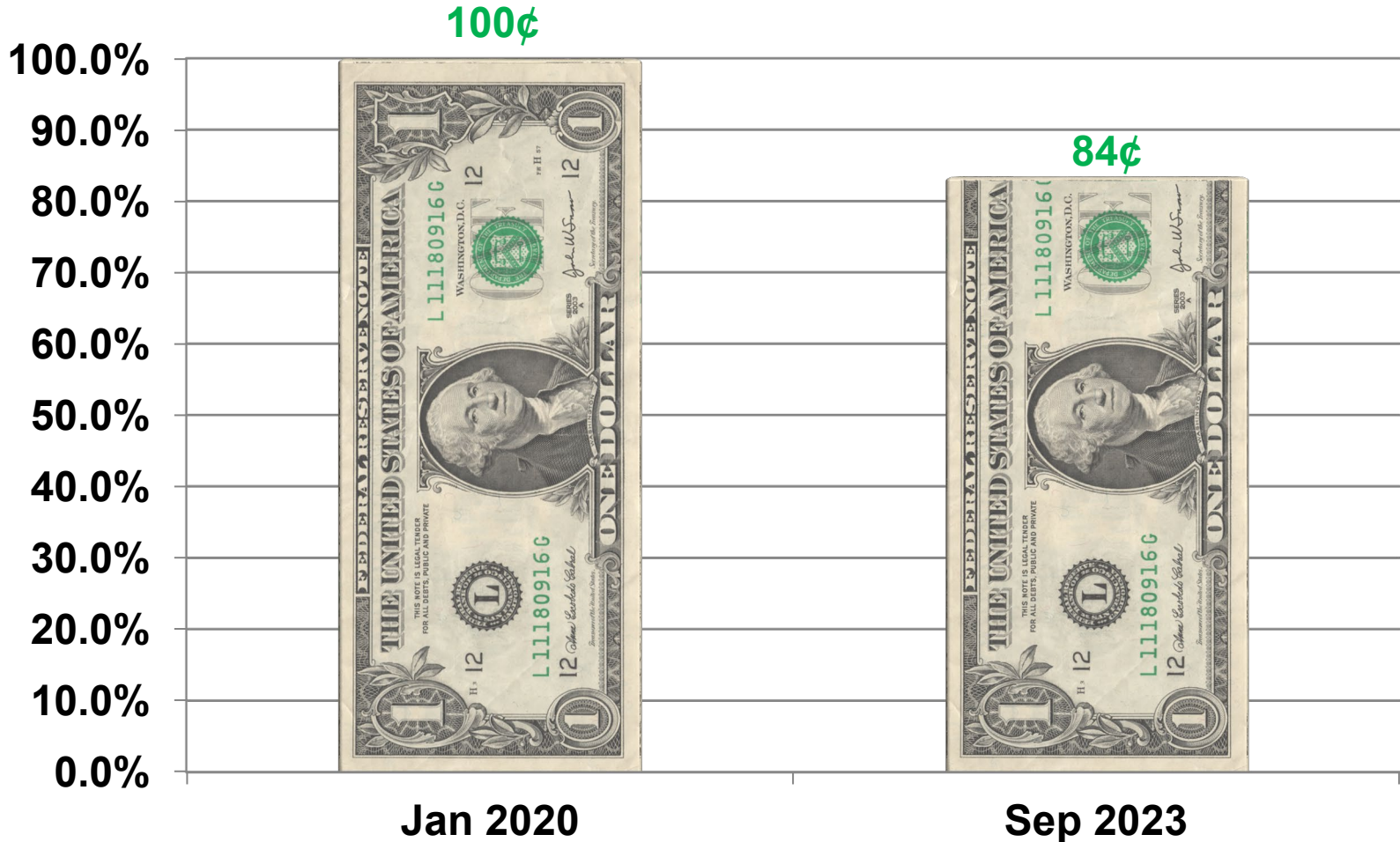
Transfers from the General Fund

- 2022 \$0.25 M
- 2023 \$1.15 M
- 2024 \$3.22 M



Purchasing Power Erosion Due to Inflation

(Since last Countywide property tax increase)

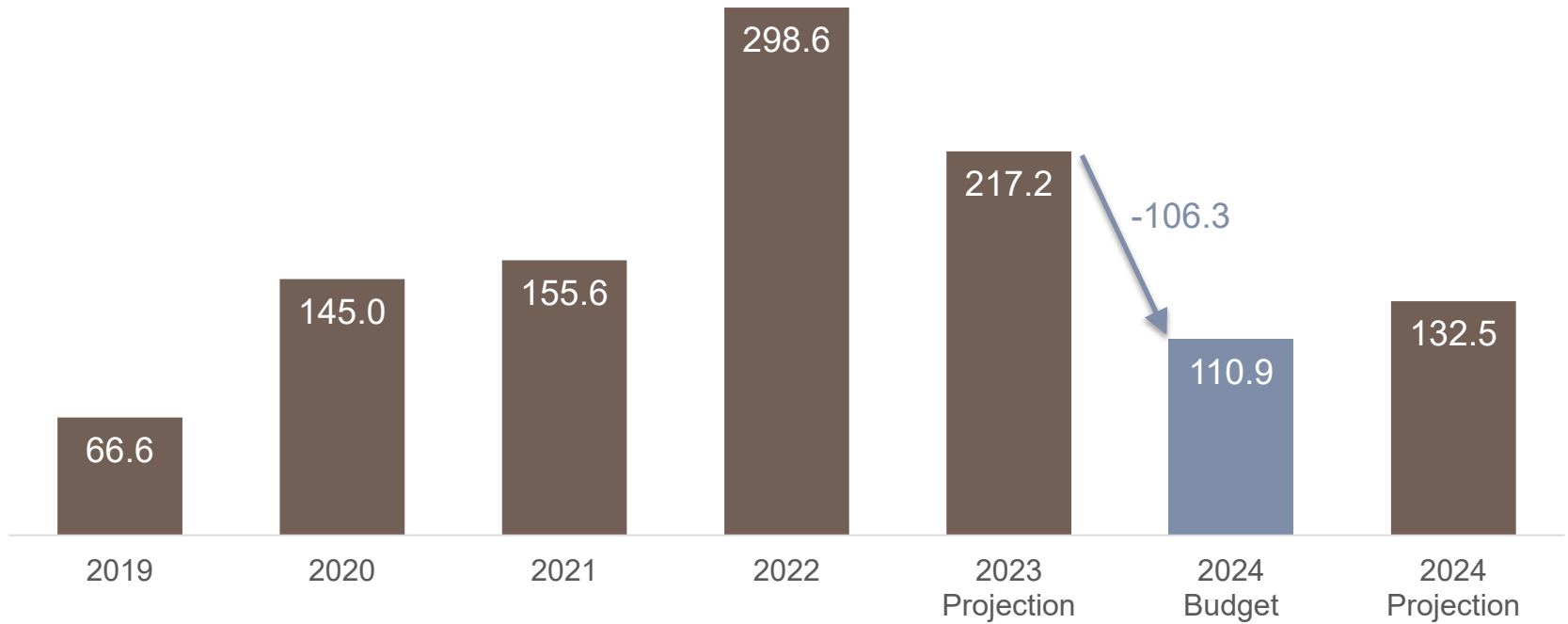


INFLATION INDEX: WEST URBAN CONSUMER PRICE INDEX - ALL URBAN CONSUMERS



Ending Unassigned Fund Balance General Fund

in millions \$





General Fund Structure Analysis

Reconciling the Draw Down

Budgeted draw on fund balance	(\$106.3M)
• One-time transformational initiatives	43.4M
• Funds assigned for jail construction	25.0M
• Capital projects (net)	8.5M
• 2024 Presidential Election	4.3M
• One-time compensation	2.8M
• One-time savings and other items	<u>(1.4M)</u>
• Budgeted structural deficit	(23.6M)
• Projected underspend	<u>21.5M</u>
• Estimated structural deficit	(\$2.1M)



2024 Proposed Budget





Tale of Two Budgets

- Tax funds are bordering on structural imbalance, however the beginning balances are still healthy
- Extremely limited funding for new ongoing requests beyond comp and benefits
- Ample money for capital projects and deferred maintenance
- Non countywide property tax funds in good shape



Proposed 2024 Budget Compensation & Benefits Package

- Salary/structure increase applied to structure and pay, effective 1/1/2024
 - 2.75% for merit employees, time-limited, elected, appointed, exempt
 - 4.00% for sworn employees (Sheriff & District Attorney)
- Merit increase
 - 2.75% for eligible sworn employees (Sheriff & DA), 1% longevity for top of grade
- Tiered one-time employee recognition payment (Jan 2024)

	Non-Sworn	Appointed (not Elected)
2%	Grades 8-14	If base pay <\$70,000
1.5%	Grades 15-17	If base pay \$70,000 to 100,000
1%	Grades 18+	If base pay \$100,000+

- \$1.2M Set-aside for market/equity adjustments is remaining from 2023
- 10% Health insurance increase (Employees in the High Deductible Plan will experience no increase)



Proposed 2024 Budget Compensation & Benefits Costs

in millions \$

Compensation and Benefits	Amount
Non-Sworn 2.75% Structure Increase with Pay Increase	\$8.3
Non-Sworn One-time Employee Recognition	4.6
Sworn 4% Market; 2.75% Merit (or 1% Longevity)	4.0
Indigent Legal Services 2.75% Increase	0.9
UFA and USU Extension Compensation Increase	0.1
Remaining Set-aside for Market Adjustments	1.2
Health Insurance Increase 10%	5.7
Total	\$24.7



Hiring Freeze

- Effective immediately
- Committee should be established to review requests to fill vacant positions
- Goal to gradually, naturally, bring down structural expenditures in a more strategic manner



Budget Reductions

- Eliminated some vacant positions

Organization	FTE
Aging and Adult Services	2
Youth Services Division	0.75
Criminal Justice Services	2
Health	4
Information Technology	2
Office of Regional Development	1
Parks	3
Recreation	1
Open Space	0.25
Clark Planetarium	1
Assessor	1
District Attorney	2
Sheriff - County Jail	8.5
Sheriff Court Services & Security	3
Recorder	1
Grand Total	32.5



Budget Reductions [cont.]

- Personnel: 3% negative budget for vacant positions (using contra-account)
 - No RIF, in conjunction with hiring freeze
 - Reduced expense but not FTE
 - Select funds only

Fund	Amount (\$k)
110 - General Fund	7,834
120 - Grant Programs Fund	383
250 - Flood Control Fund	129
340 - State Tax Administration Levy	514
370 - Health Fund	84
390 - Planetarium Fund	136
TOTAL	9,080



Budget Reductions [cont.]

- Operating Expense: 2% negative budget (using contra-account)
 - Excluded operations expense covered by grant or contract revenue
 - Tax Funds only

Fund	Amount (\$k)
110 - General Fund	\$1,708
120 - Grant Programs Fund	354
250 - Flood Control Fund	97
340 - State Tax Administration Levy	79
370 - Health Fund	213
390 - Planetarium Fund	36
TOTAL	\$2,486



Budget Reductions [cont.]

- 50% Reduction in Travel Budgets

Employee Travel	Amount
110 - General Fund	(\$347,368)
115 - Governmental Immunity Fund	(2,000)
120 - Grant Programs Fund	(38,092)
185 - SLCO Arts and Culture Fund	(20,000)
250 - Flood Control Fund	(9,462)
290 - Visitor Promotion Fund	(1,000)
310 - Zoos, Arts And Parks Fund	(3,000)
340 - State Tax Administration Levy	(21,000)
360 - Library Fund	(82,305)
370 - Health Fund	(281,427)
390 - Planetarium Fund	(25,750)
620 - Fleet Management Fund	(4,420)
650 - Facilities Services Fund	(6,250)
680 - Employee Service Reserve Fund	(66,300)
710 - Golf Courses Fund	(250)
726 - UPACA/Eccles Theater Fund	(15,018)
730 - Solid Waste Managemnt Facility	(250)
735 - Public Works and Other Servcs	(45,480)
Grand Total	(\$969,372)



Shift of Property Tax Rates

- Health Fund to General Fund
 - Rate moved: 0.000006
 - Property tax and MVFILT moved: \$1,048,802
- Flood Control Fund to General Fund
 - Rate moved: 0.000002
 - Property tax and MVFILT moved: \$349,600



ARPA Funding

- Expected to spend or encumber all remaining ARPA funds by the end of 2023
- Revenue is recognized as eligible expenses are incurred
- Ongoing quarterly reporting on projects and use of funds



Transformational Initiatives

2024 Budget and Multi-Year Plan

<i>in millions \$</i>	2021 Actual	2022 Actual	2023 Projection	2024 Projection	2025 Projection	2026 Projection	TOTAL
2023 June Adj. Budget / Projection	1.7	13.6	89.1	12.2	-	-	116.6
Changes	-	-	(73.8)	96.9	6.2	4.8	34.1
2024 Budget / Projection	1.7	13.6	15.3	109.1	6.2	4.8	150.8

2024 New Capital Project Request Highlights



in millions \$

Salt Palace - Structural Repair, Water Retention - South Parking	\$2.5
Salt Palace - Replace Ballroom Lighting with LED	\$0.9
Salt Palace - Replace HVAC Variable Frequency Drive Controllers	\$1.4
Salt Palace - Carpet Balance of Concourse space	\$0.9
Salt Palace - Seating Bleachers	\$0.9
TRCC Dimple Dell Park - Construct Lone Peak Trail	\$0.6
TRCC Holladay Lions RC - Replace Pool AHU & Boiler	\$1.5
TRCC South Jordan RC - Renovate Pool	\$1.0
Rose Wagner Theater - Preservation Funds - JW Sound System Upgrade	\$0.6
Arts & Culture - Two Way Radio-P25 Conversion Phase 1	\$0.6
Flood Control - Scott Ave Outfall Reconstruct	\$0.5
Flood Control - Wasatch Hollow Outfall Redesign	\$0.5
Health - South Main Clinic Roof Repair	\$0.9
ADC & SOB - Upgrade Video Storage Array and Replace Video Storage Sys	\$0.7
Eccles Theater - Carpet Replacement	\$0.6
Public Works - Salt Storage and Sweeper Debris at 3 Sites	\$6.0



TRCC Proposal

- Mayor's Proposed Budget aligns with Advisory Board recommendation
- Recommendation includes
 - 40% of TRCC revenues to Parks and Recreation ops
 - Funding for Parks and Recreation's Point of Sale system and My County Rec Pass programs
 - Initial funding for Southwest Valley Performing Arts Center
 - Use of one-time funds to increase capital projects and outside contributions

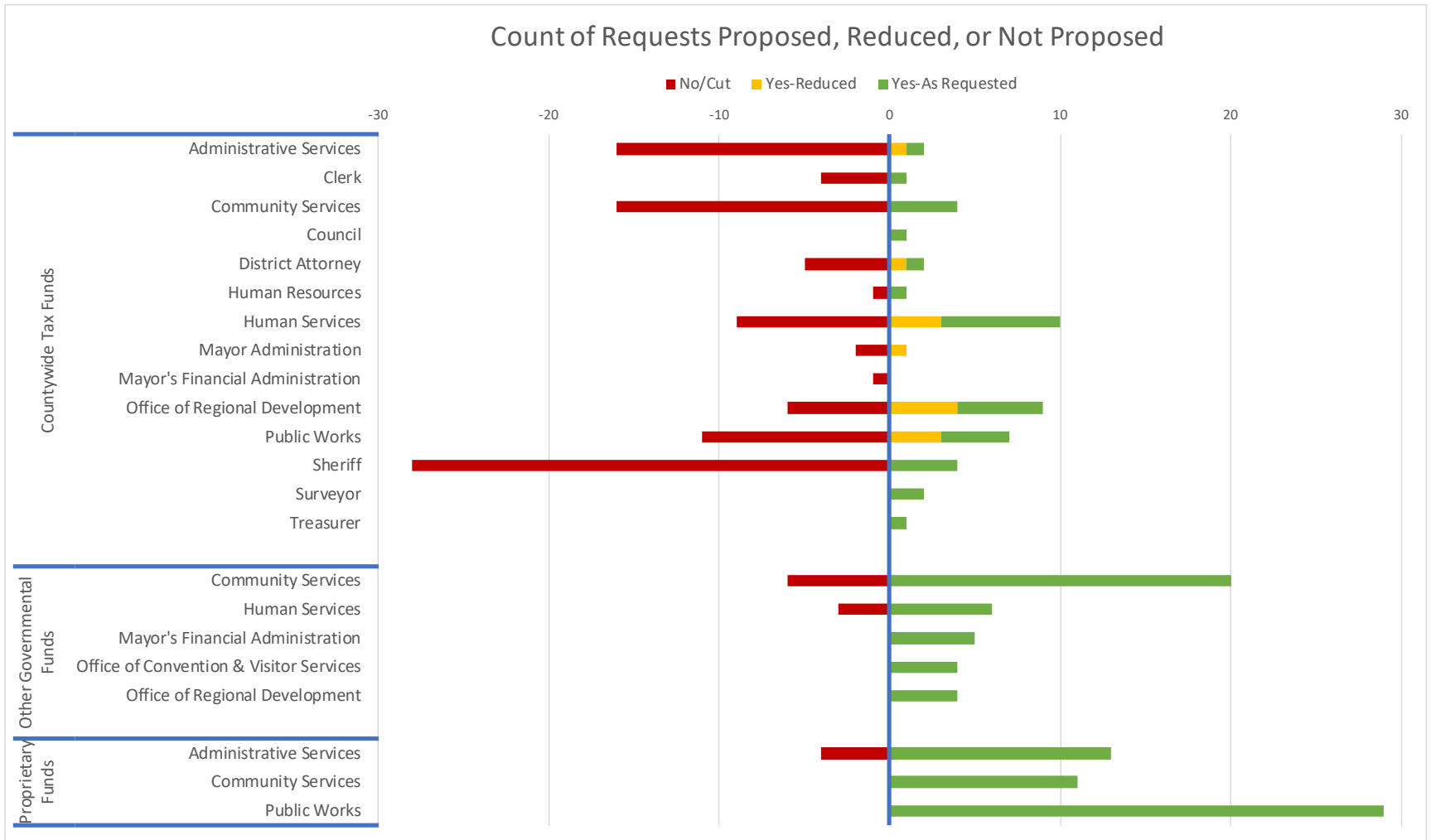


TRCC Transfers

- Arts & Culture \$6.7M
- Parks & Rec \$26.4M
- Equestrian Park \$0.7M
- Capital Improvement Transfers \$7.6M
- Equipment Replacement Transfers \$1.2M
- Debt Service Transfers \$1.6M
- Open Space Transfer \$0.5M



Proposed/Not Proposed





Proposed 2024 Budget

Admin Organizations

Mayor's Administration and CJAC Highlights

- ODI Smart Government initiative \$250k
- Office of Homelessness & Criminal Justice Reform Restructure
 - 6 TL FTE (\$614k) transferred from Mayor's Admin to CJAC
 - Budget neutral

Administrative Services Highlights – Facilities Management

- Energy Management Projects \$900k



Proposed 2024 Budget

Approved TAB Projects

Information Technology

- Cloud Data Protection \$66k
- Hardware and Software Maintenance (1/2) \$430k

Parks and Recreation

- Parks & Rec Point of Sale System \$501k

Employee Services Reserve Fund

- Performance Management Software \$150k

Tax Administration Fund

- PUMA project continuation \$1,364k



Proposed 2024 Budget

Human Services Dept

Opioid Settlement Fund Programming

		Amount (\$M)
Contribution to Volunteers of America	Expand residential beds for substance use disorder and mental health services	\$1.5
Community Bridge	Bring services to individuals overdosing that refuse to enter the emergency department	0.24
In-Home Disposal Program	Disposal kits and public education campaign for unused medications	0.5
1 FTE Senior Health Informaticist Position	Data collection, use and visualization to inform prevention and treatment provider initiatives	0.2
Total		\$2.4

Household Hazardous Waste Facility

- Opening Spring 2024
- +3 FTE and operating costs offset by fee revenue (\$0.8M)

Food Program Supervisor

- +1 FTE and related costs offset by fee revenue (\$143k)



Proposed 2024 Budget

Community Services Department

Operations Request Highlights:

- SLCo Arts and Culture
 - Many requests approved as they were funded by TRCC
- Parks & Recreation (TRCC funded)
 - My County Rec Pass (incl. 1 FTE, partial yr impact) \$1,195k
 - Point of Sale System (incl. 1 FTE) \$501k
- Library
 - Consultant for naming rights \$100k
 - Expanded hours \$290k
 - Eliminate late fees on young adult and children materials \$115k
 - Phone system, IT equipment and software upgrades \$719k
 - Hotspot Service \$25k



Proposed 2024 Budget

Regional Development

- Curtailed the Regional Project Fund to fund the \$179k county match needed for a \$5.7M HUD lead hazard reduction grant
- Utilized \$250k from county fund balance at UFA to fund county match for Wildfire Defensible Space Grant of \$1.0M
- Regional Projects Fund
 - Kem C. Gardner Policy Institute Membership \$50k
 - Kem C. Gardner Policy Institute Collaboration \$50k
 - Watershed Planning & Restoration Program Grant Match \$100k
 - Volunteer Income Tax Assistance (VITA)+ Clinic \$25k
 - Action Steps for Achieving Sustainability Goals for Government Operations \$100k
 - Regional Economic Development Strategy \$67k
 - Transportation & Land Use Connection (TLC) Grant Program \$300k



Proposed 2024 Budget

Proprietary Funds

- Because of limited impact on the Tax Funds, tried to get to “yes” as much as possible for proprietary funds
- Enterprise and Internal Services Funds were largely approved as requested
 - Fleet
 - Golf
 - Eccles Theater
 - Solid Waste Management
 - Public Works Enterprise Fund
 - Most of Facilities Services



Proposed 2024 Budget

Public Works

Flood Control

- Sell two excavators and lease (ongoing) \$80k
- Purchase dump truck with proceeds plus one-time \$60k



Proposed 2024 Budget

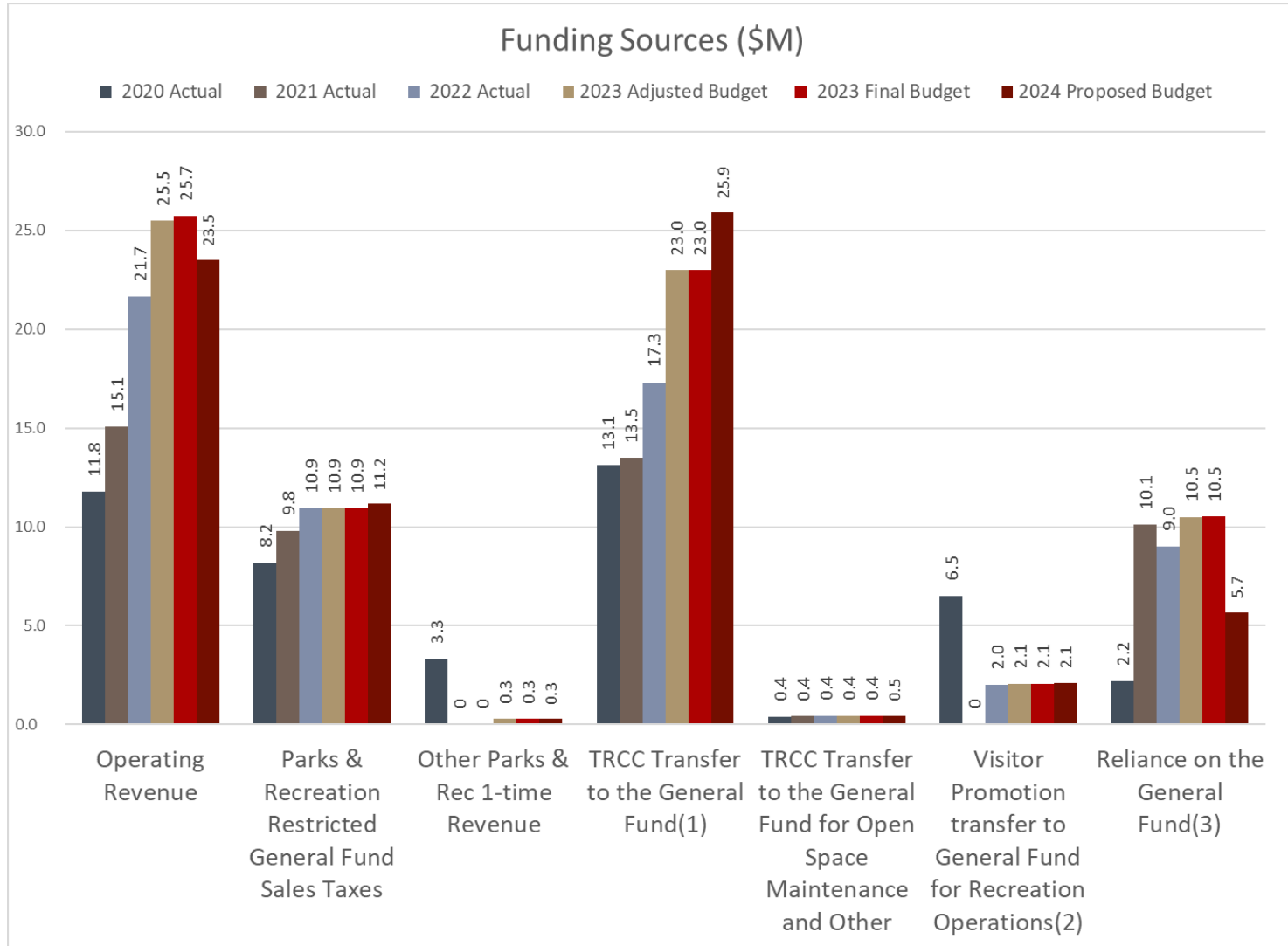
Other Elected Offices

Material Requests:

- Clerk
 - 2024 Primaries & General Elections \$4,296k
- Sheriff
 - Approved requested Sworn compensation \$3,887k
 - Requests that used restricted prisoner funds \$40k
- District Attorney
 - 2022 Comp Annualizations \$174k
- Assessor
 - PUMA project continuation \$1,364k



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 \$8.8M in 2022.

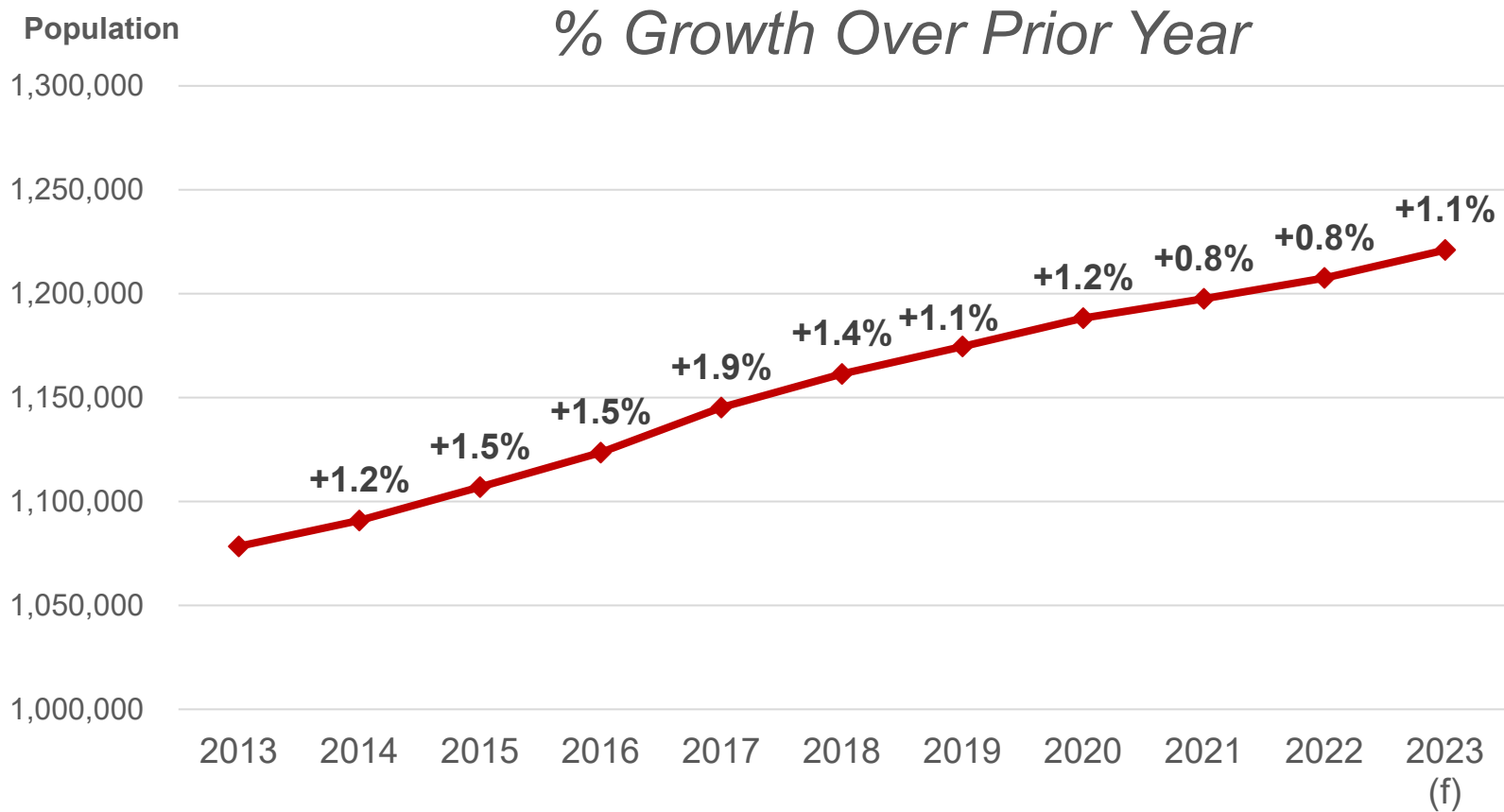


Analytics





County Population Growth Trend



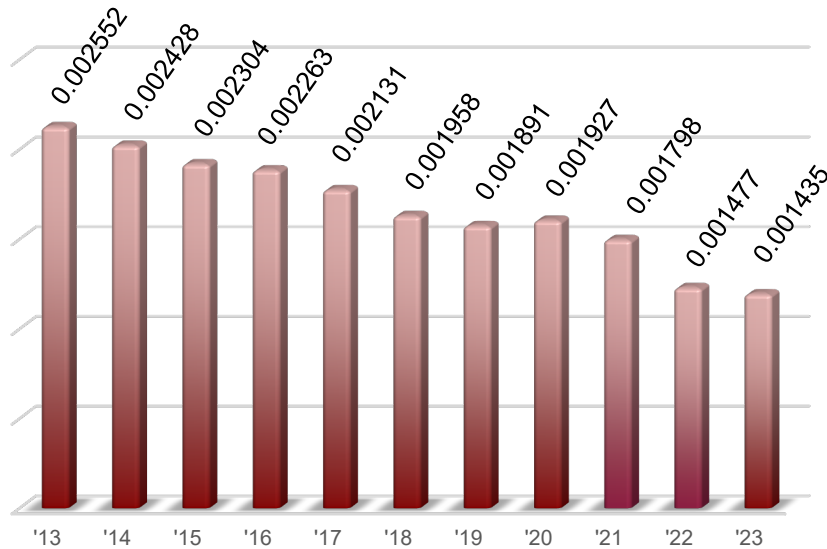
11.9% Cumulative Population Growth from 2013 to 2023



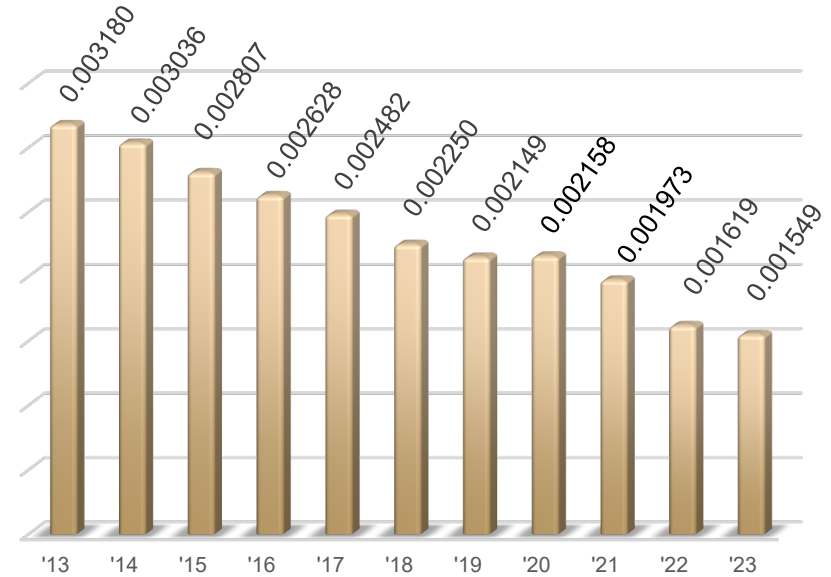
Declining Trend in Property Tax Rates

Countywide and Assessing & Collecting

Excluding Bond Debt Service and Judgment Levies



Including Bond Debt Service and Judgment Levies





2023 Year-End Adj. Budget FTE Changes

Organization	County Funding	Time Limited	Note
Mayor Administration		1	HUD Coordinated Entry
Office of Regional Development		1	FCC Grant Technical
District Attorney		1	State Funded Child & Family Specialist
Sheriff CW Invest Support/Svcs	4		1 Communications Manager, 3 Law Enforcement Bureau
Totals	4	3	



2024 Proposed Budget FTE Changes

	Grant Or Other Funding	County Funding	Enterprise Funds	Time Limited	Transfer	Notes
Mayor Administration					-6	6 Homelessness Program FTEs moved to CJAC
Criminal Justice Advisory Council					6	6 Homelessness Program FTEs from Mayor Admin
Regional Development				-1		-1 Vacant Position Cut – Lead Rehab Coordinator
Regional Development - ARPA				5		5 Workforce Inclusion & Successful Employment (WISE) program FTEs – ARPA/TI Funded
Criminal Justice Services		-2				-2 Vacant Position Cuts – Programming and Services Coordinator, Case Manager
Parks		-3			-2	-2 Transfer Outdoor Recreation Program to Recreation, -3 Vacant Position Cuts – (2 Irrigation Plumbing Specialist, 1 Program Mgr)
Recreation		1			2	-1 Vacant Position, 1 My County Rec Pass, 1 Replace Point of Sale System, 2 Transfer from Parks
Animal Services – Enterprise Fund			2		-16.7	-16.7 Transfer positions from PW Enterprise Fund to General Fund that were previously charged via interfund revenue/expense. +2 Field Officers
Animal Services – General Fund					16.7	Positions from PW Enterprise Fund offset by reduction in interfund expense. Includes 3 positions from Transformational Initiative Mobile Unit
District Attorney		-2				-2 Vacant Positions – Legal Secretary, Paralegal
Recorder		-1				-1 Vacant Position – Land Record Specialist



2024 Proposed Budget FTE Changes [cont.]

	Grant Or Other Funding	County Funding	Enterprise Funds	Time Limited	Transfer	Notes
County Jail & Court Svcs		-53.5				-41 Jail Cuts, -1 FTE Error Correction from YE Adjustment, -11.5 Vacant Positions – (1 Transcriptionist, 10 Deputy II, 3 Deputy I, 1 Jail Clerk)
Information Services		-2				Vacant Position Cut – Service Desk Specialist II, Computer Operator
Youth Services		-.75				Vacant Position Cut – Billing Specialist
Behavioral Health		1				Case Manager for New Recovery Support Services
Aging Services	-1	-6				-1 Grant funded, -4 Revenue Contracts, -2 Vacant Position Cuts – Volunteer, and Office Coordinators
Opioid Treatment & Prevention	1					Senior Health Informaticist
SLCO Arts & Culture				1		1 Engagement & Activations Mgr,
Assessor		-1				Vacant Position – Commercial Sales Analyst
Open Space		-.25				Vacant Position Cut
Library		3.75				-1 Position Reduction, 4.75 Extended Hours positions
Health	-29	-1				+3 Household Hazardous Waste expansion, +1 Food Program Supervisor. -4 vacant positions: Construct & Maint Spec II, Environ Hth Scientist, Office Spec, STD Health Investig, -29 other grant Time Ltd positions



2024 Proposed Budget FTE Changes [cont.]

	Grant or Other Funding	County Funding	Enterprise Funds	Time Limited	Transfer	Notes
Clark Planetarium		-1				-1 Vacant Position – Development Coordinator
Facilities Services					1	Move Courier from Gov Center Operations
Gov't Center Operations					-1	Move Courier to Facilities Services
UPACA/Eccles Theater			1			Ticketing Operations Manager
Totals	-29	-67.75	3	5	0	



Total FTE changes in 2024 Budget: -88.75
 Total FTE changes since 2023 June Adj. Budget: 7.00
 Total FTE in 2024 June Adjusted Budget: 4,256.87
 Total FTE in 2024 Proposed Budget: 4,175.12



Fund Summary

General Fund & Related

in millions \$

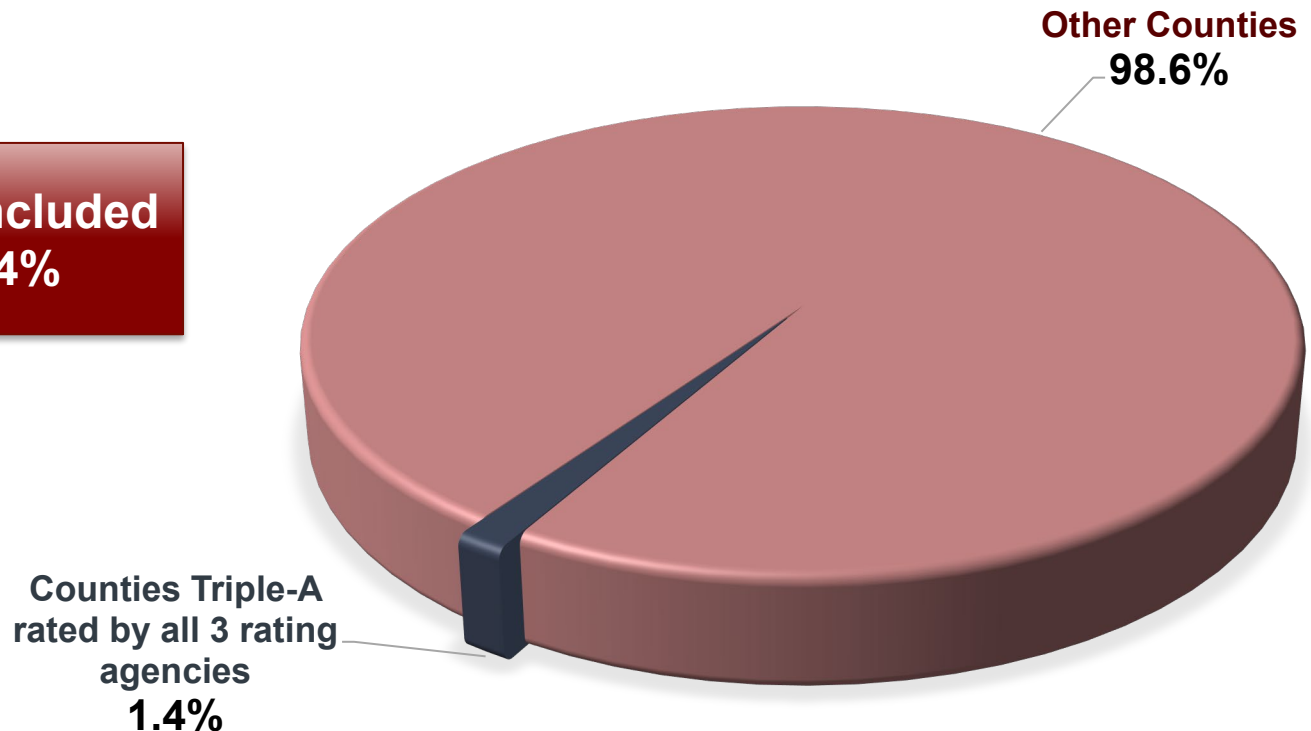
Budget Year 2024	Projected Beginning Balance	Budgeted Ending Balance	Projected Ending Balance
General Fund	217.2	110.9	132.5
Flood Control	21.3	.5	11.7
Health	23.0	16.2	21.1
Planetarium	1.7	0.7	1.2
Grant	12.8	.04	2.0
Tax Admin	4.8	1.7	3.1



Salt Lake County – Triple-A Rated

Staying Among Financially “Elite”!

**SL County included
in top 1.4%**





2024 Budget Recap

All Funds

- All funds are balanced
- General fund positioned to swiftly react to economic deterioration
- Assigned fund balance for future anticipated capital needs
- Net appropriations at \$1.9B





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

<https://slco.org/finance/budget/budget-documents/>





TRCC Proposed New Requests



<i>in thousands \$</i>		Expense
Outside Contributions (New)	Parks & Trails (8 projects)	\$4,421
	Cultural (3 projects)	\$216
	Convention (1 project)	\$500
	Tourism (1 project)	\$50
	Total:	\$5,187
Outside Contributions (Continued / Rebudgeted)	Long-term Interlocal Agreements (3 projects)	\$1,157
	Parks & Trails (2 projects)	\$519
	Cultural (1 projects)	\$2,000
	Total:	\$3,676
Capital Projects	Transfer Out to Arts & Culture Fund Capital Improvements	\$7,493
	Transfer Out to Open Space	\$500
	Transfer Out to Clark Planetarium Fund Exhibits & Capital	\$91
	Transfer Out for Equipment Repair & Replacement	\$1,176
	TRCC Capital Projects	\$7,112
	TRCC Equipment Repair and Replacement	\$1,403
	Total:	\$17,775