



Mayor Jenny Wilson

2021 Proposed Budget Salt Lake County



Presented by Darrin Casper, CFO
October 20, 2020



2021 Budget Goals

- Stay fiscally conservative
 - Analyze structural balance
 - Budgeted General Fund balance at or above \$65M
- Prepare for uncertainty amidst COVID 19
- Make data-driven budget decisions
- Continue to focus on county employees
- Build fund balance to handle public health emergency expenditures



2021 Budget Direction

- Stress tests at 5% of County Funding
- New requests considered
- Relief from COVID contra accounts considered new requests



Council, 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

- Slight growth projected County-wide
- Salt Lake County unemployment at 5.9%; national average at 7.9%⁽¹⁾
- Construction remains strong but expected to level
- Certain economic segments expected to continue to struggle –travel/entertainment/restaurants
- In conference call with JP Morgan – stunned at relative health of Salt Lake County!



COVID-19 Budgeting

- Continue monthly revenue/expense updates
- Expect year-end adjustment in December
 - 2021 Estimated Budget \$36 million
 - County to use “presumption” to clear path for 100% of revenue to cover 2021 COVID budget
 - Funds not cleared to County to be delivered to other community partners



Still in the Woods

- No end in sight for COVID-19
 - Vaccine expected by March, but delivery may be in small quantities
 - Brake lights still on for economy
- CARES and federal stimulus in limbo
 - Revenue projections tried to account for this
 - Still may have an unpredictable impact on taxes

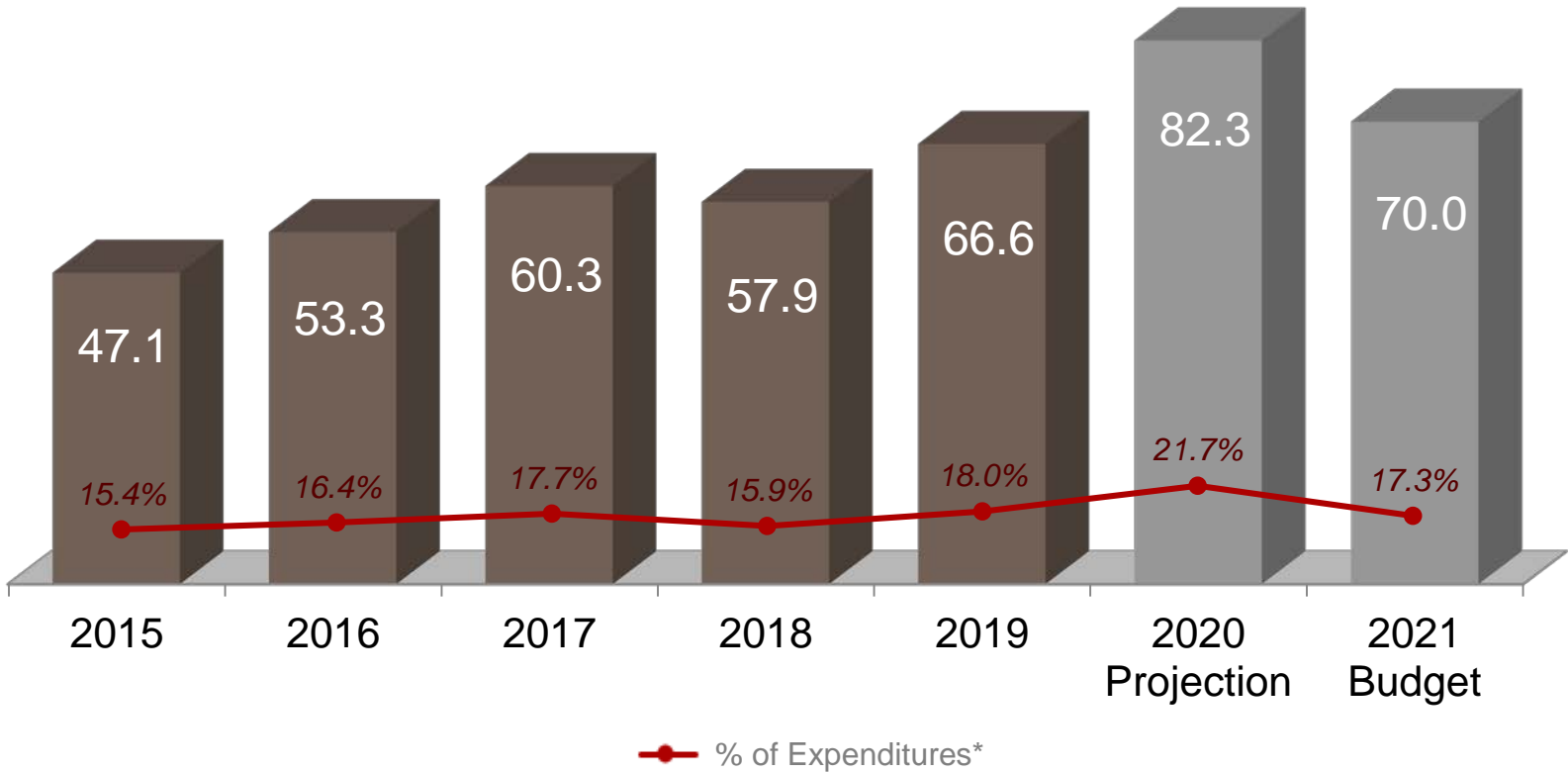
Structural Analysis





Unassigned Fund Balance General Fund

in millions \$



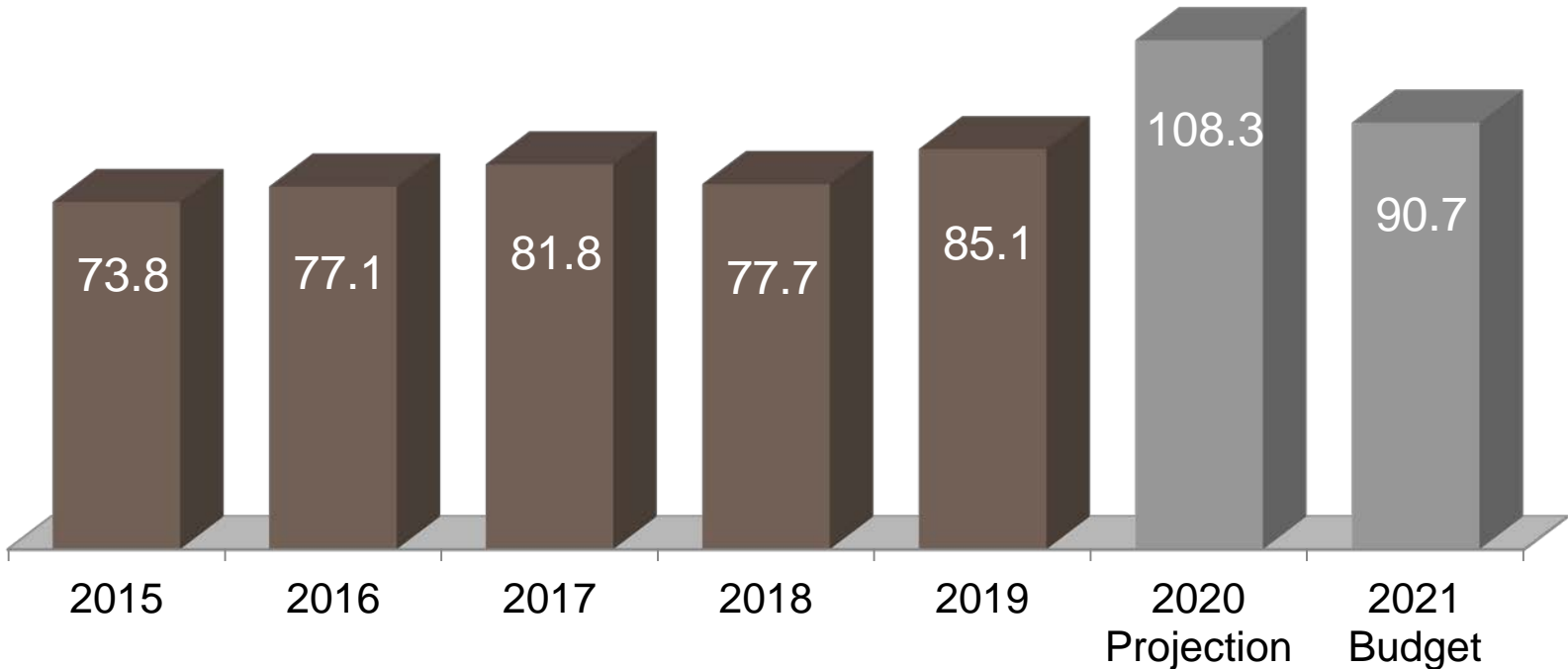
* Fund balance as a % of total expenditures, including fund transfers out to other funds. Includes only Fund 110.



Unassigned Fund Balance

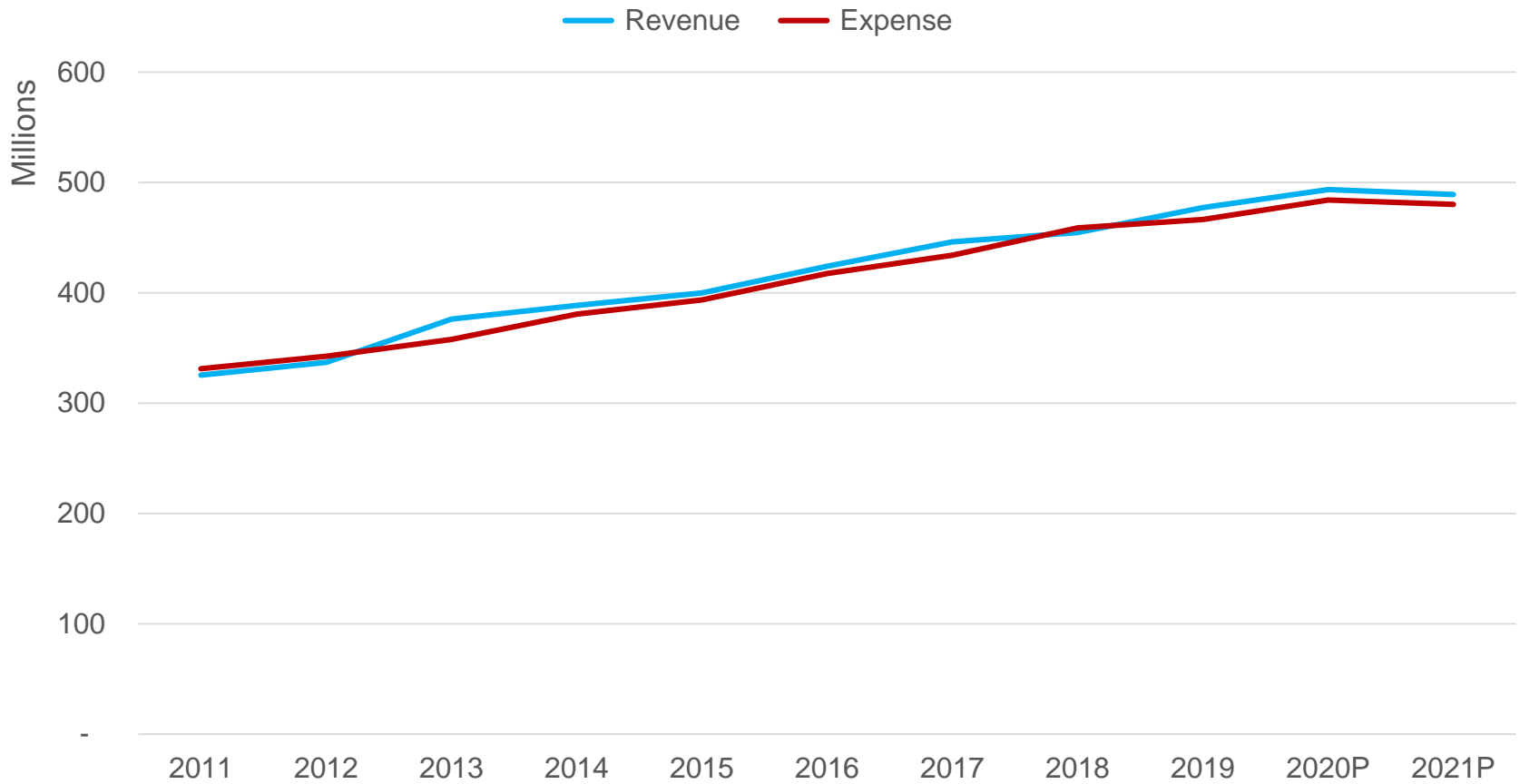
County-wide Tax Funds

in millions \$





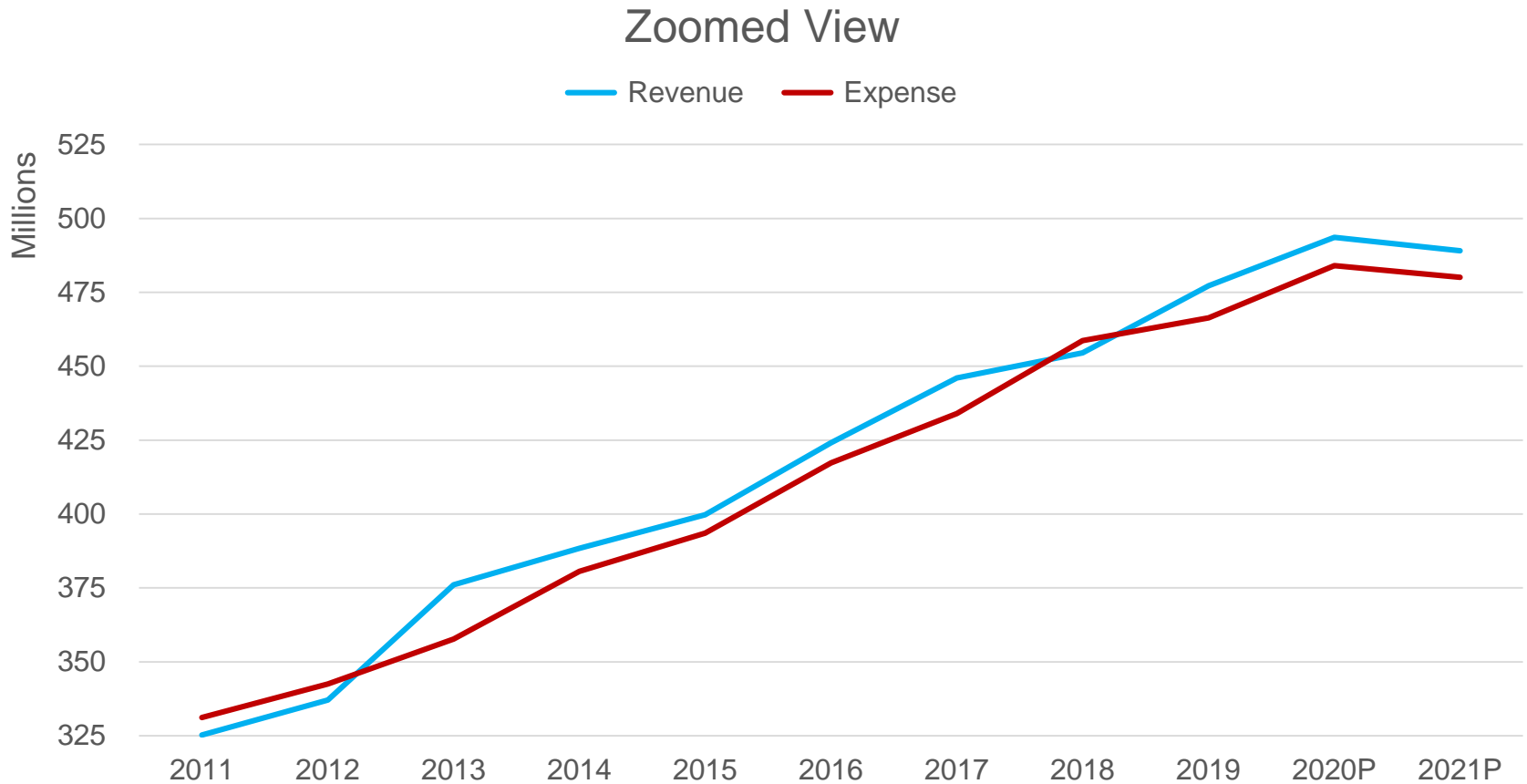
Revenue & Expense Trend



* 2020 and 2021 are projections based on historical variances to budget. Includes countywide tax rate funds other than the Bond Debt Service Fund.



Revenue & Expense Trend



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2021 Proposed Budget COVID Contra Accounts

- June Ops/Pers. contra cuts taken \$33M
- Proposed budget relief \$6.4M
 - \$3.8M 2020 ongoing type expense cuts restored plus \$3M in associated revenue
 - \$2.7M cuts were only one-time in 2020
- Continue to monitor and adjust in June



2021 Tax Revenue Growth

Key Funds—Compared to 2020 Adjusted Budget

Fund (\$M)	Property Tax New Growth	Sales Tax	Total
General	3.6	7.5	11.1
Flood Control	0.1		0.1
Health	0.4		0.4
Planetarium	0.1		0.1
Capital Improvements	0.2		0.2
Tax Administration	0.6		0.6
Subtotal	5.0	7.5	12.5
TRCC		10.7	10.7
Visitor Promotion		1.2	1.2
ZAP		0.9	0.9
Library	0.8		0.8
Total	5.9	20.3	26.2

2021 Proposed Budget





Material Fund Transfer Changes

From Fund	To Fund	For	\$M
General	UPACA/Eccles Theater	Operations subsidy	\$1.7
	Arts & Culture	Cultural Core - restore annual transfer	0.25
Visitor Promotion	General	Recreation operations subsidy eliminated (-\$6.5 vs. 2020, -\$2.0M vs. 2019)	(2.0)
	Rampton Salt Palace Conv Ctr	Operations subsidy (+\$2.5M vs. 2020, +0.3M vs. 2019)	2.5
Mountain America Expo Center	Rampton Salt Palace Conv Ctr	Reallocate fund balance for capital projects	1.4
TRCC	Rampton Salt Palace Conv Ctr	Operations subsidy	2.5
	General	Parks & Recreation subsidy reduction (+\$0.4 vs. 2020, -\$4.2 vs. 2019)	(4.2)
	Arts & Culture	Operations Subsidy (+\$0.5 vs. 2020, +\$2.7M vs. 2019)	2.7
	Salt Palace, Mtn America Expo C., Arts & Culture, Equestrian Park	Partial restoration - Life and Safety Capital Improvements and Equipment Replacement	1.1



Proposed 2021 Budget Compensation & Benefits Package

- 1.5% salary/structure increase for General
- 2.0% salary/structure increase for Trades
 - Longevity for Red-Lined Employees – up to 1%
- No health insurance increase to employees
- Additional Sheriff's Office Compensation
 - Sworn
 - Jail – Civilian Environmental Differential Pay
- Living Wage Permanent Employees – \$12 / hr



Proposed 2021 Budget

Sheriff

- Sheriff additional compensation \$2.6M
 - Jail Sworn Compensation
 - PSB Sworn Compensation
 - Civilian Environmental Pay
- Program shift to county from UPD (\$392K)
- Jail bed contracting and grant revenue adjustments \$513K
- Elimination of TL CCC Chief Position (\$211K)
- Reduction of Corrections Specialist FTE due to reclass (\$59K)
- Jail facility maintenance \$123K
- UPD request canyon graffiti \$25K



Proposed 2021 Budget

District Attorney

- Relief from COVID Contra \$1.12M
 - Enable planned phased hiring of prosecutors
 - Continuation of Year End request
- Salary annualization \$48K
- Other Justice Courts and technical \$33K



Proposed 2021 Budget

Assessor

- In grade/grade advancements \$ 104K
- Commercial Division market competitiveness \$94K
- Increase in Fleet vehicle replacement cost \$3K



Proposed 2021 Budget

Clerk – Proposed As Requested

- GIS licenses for reapportionment \$ 23K
- Personnel cost increase \$ 47K
- Revenue loss due to COVID-19 \$770K
- Rent Increase \$5K



Proposed 2021 Budget Recorder

- Propose 8 FTEs \$ 566K
 - Workload in office up 44%
 - Revenue up \$3.3 million over 2019
- Proposed phased hiring of FTEs to gauge need and account for possible demand change
- Restore COVID cut to replace server \$20K



Proposed 2021 Budget

Elected Offices – Proposed As Requested

- Council – personnel annualization adjustments \$17K
- Surveyor – restoration of COVID cuts, technical, and inflationary costs. Offset by new revenue (\$ 2K)
- Justice Courts – courtroom remodel, capital purchases \$561K
- Auditor No requests
- Treasurer No requests



Proposed 2021 Budget

New Operations

- Parks and Recreation
 - Magna Park
 - Wheeler Farm
 - MSD White City Trail
- Arts & Culture
 - Mid-Valley Performing Arts Center
- Library
 - Granite branch
 - Daybreak branch



Proposed 2021 Budget

Community Services Department

- County-wide roll-up for Community Services shows decreased county funding of (\$1.6M)
 - Combination of expense reductions and rev increases
 - Some new requests include:
 - 1 FTE for Magna park \$140K
 - Wheeler Farm opening \$68K
 - Draper Rec Ctr ops \$98K
 - Restore Arts operations \$121K
 - Cultural Core reinstated \$250K
 - Payroll allocations \$63K



Proposed 2021 Budget

Community Services Department

- Eccles Theater planned opening Sept 1
 - Operating loss expected of \$1.7 M
 - Transfer from General Fund to cover
- Golf – revs up, fund is healthy!
- Library
 - Granite and Daybreak Libraries Opening
 - 28 FTEs \$547K
 - Operations \$105K



Proposed 2021 Budget

Human Services Department

- 1 FTE HR Generalist transferred from HR
- Fee Reduction to CJS Clients
 - Fees cut in half
 - Policy call – fees pose a significant burden on clients
- Health Revenue Loss \$1M
 - Environmental health
 - Travel clinic



Proposed 2021 Budget

Criminal Justice Advisory Council

- Expungement Program Grant funded FTE
- Restoration of COVID cut FTE
(Policy & Project Coordinator) \$110K



Proposed 2021 Budget

Administrative Services Department

- IT software contractual increases \$ 119K
- Torus tax system 311K
- Mainframe virtual library 100K
- Application monitoring tool 100K
- MS licenses right-sizing 116K
- Forklift repair Records and Archives 7K
- GRAMA Workflow System 69K
- Fiscal Coord. 1 FTE - IT 82K
- Misc. COVID restorations 82K
- Revenue reduction 105K
- Salary adjustments 7K



Proposed 2021 Budget

Regional Development

- Restore Econ Development FTE \$ 87K
- Regional projects carryover 190K
- New regional projects 960K
 - Kem Gardner Policy Institute 100K
 - Community Service Navigator Program annual license 40K
 - Transportation and Land Use Connection (TLC) 300K
 - Urban Footprint Modeling Software 15K
 - Astronomy and Art Utah Sky 40K
 - Data and Budget Analyst 1-yr Time Limited FTE 127K
 - Finance and Real Estate Analyst 3-yr Time Ltd. FTE 157K
 - West Bench General Plan 46K
 - HB411 Community Renewable Energy Act 40K
 - eBus Air Monitoring 20K
 - RPT Consulting Support for MSD transition 50K
 - Water Quality Research 25K



Proposed 2021 Budget

Public Works County-wide Funding

- Restore COVID cut Heavy Equip FTE \$ 68K
- Restore MISC COVID cuts \$171K
- Animal Services County-wide patrol 3 FTEs \$400K
- Proprietary Funds
 - Solid Waste
 - Fleet Management
 - Public Works
- All matched expenditures with revenues
 - Reduced 17 vacant positions



Proposed 2021 Budget

Admin Organizations

- Mayor's Administration

- AmeriCorps grant transfer from ORD 1FTE (neutral) \$ 0K
- Granicus subscription \$ 26K
- Misc. COVID restoration \$125K
- ODI reorg/reclass \$ 15K
- Intern program upgrade \$ 20K

- Mayor's Finance

- Restore misc. COVID cuts \$ 77K
- Employee Communication software \$ 29K



Proposed 2021 Budget

Human Resources

- Personnel base adj./COVID restore \$ 241K
- Transfer FTE to CJS (1 FTE)
- Compensation Mgt System \$ 28K
- Applicant Tracking System \$290K



Energy Management 2020 Estimated Savings

- Rate adjustments and/or efficiencies from 2017 baseline:
 - Electricity \$1,718K
 - Natural Gas \$ 526K
- 2020 savings heavily impacted by COVID shutdowns
 - Savings not fully repeatable in post-COVID shutdown years



Energy Management 2021 Projects

- Projects:

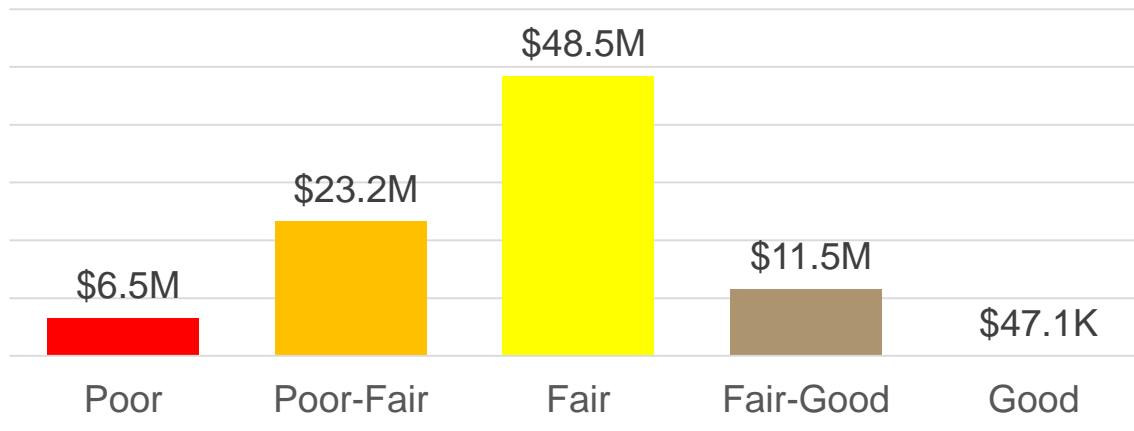
- Advanced Rooftop Controls \$100K
- LED & Motion Sensors \$500K
- HVAC Upgrades \$500K



High IRR, Positive NPV, and Rocky Mtn. Power Incentives

Poor & Poor-Fair HVAC equip. past end of useful life

HVAC Asset Report (2017) - End of Useful Life



Year	Total
2021	\$7,124,249
2022	\$796,302
2023	\$1,088,343
2024	\$10,253,782
2025	\$4,831,436
2026	\$18,438,695
2027	\$1,289,757
2028	\$27,048,334
2029	\$7,358,791
2030	\$2,230,927



TRCC Proposal

- Mayor's Proposed Budget aligns with Advisory Board recommendations
- Recommendation includes
 - 37% of TRCC revenues to Parks and Rec ops
 - \$1.8M of county funding to capital maintenance
 - Partially restored the equipment replacement program
 - Proposed ending fund balance \$3.1M



TRCC Operations & New Requests

- Operations
 - Arts & Culture \$6.6M
 - Parks & Rec 13.9M
 - Equestrian Park 1.4M
 - C. Rampton Salt Palace Convention Center 2.5M
 - Capital Improvement Transfers 0.7M
 - Equipment Replacement Transfers 0.7M
 - Debt Service Transfers 1.7M
- Interlocal Agreements 1.1M
- Government Contributions 0.7M
- Outside Organization Contributions 0.1M
- Cultural Facilities Support Program (CFSP) 0.1M
- Salt Lake County Capital Projects 4.4M
- Salt Lake County Equipment Replacement 0.7M
- Revenue Offsets
 - Miller Family 2.0M
 - Transportation Fund 0.9M

TRCC Proposed New Requests



in thousands \$

City/Government Requests	Sandy Amphitheater	\$456.5
	Sugarhouse Park	\$220
	Visit Salt Lake	\$450
	Taylorsville City Open Space at Taylorsville Plaza	\$700
	Murray City Pool Lifeguard	\$20
Outside Organization Requests	Friends of Tracy Aviary – Jordan River Nature Center	\$100
Cultural Facilities Support Program Requests	CFSP – Murray Theatre Renovation	\$121



TRCC Proposed New Capital Project Requests

<i>in thousands \$</i>		Expense	Revenue
Capital Projects (\$3.097M net from TRCC funds)	Valley Regional – Softball Complex Ph 1	\$3,505	\$2,000
	Rose & Yellowfork Canyon Trails	405	405
	Jordan River Area Ph 1	245	245
	Jordan River Trail Stabilization	150	150
	Cardiff By-Pass Trail	100	100
	Bonneville Shoreline Trail - Westside Segment	20	20
	JRT Water Hazards	500	-
	ADA Transition Plan – Tranche 2	48	-
	JL Sorenson RC Pool Deck Repair	47	-
	Wheeler Farm Regrade/Gravel Path Surface	53	-
	Gene Fullmer RC Replace Chiller	160	-
	Indirect Costs	158	-
	Parks Equipment Replacement	187	-
	Recreation Equipment Replacement	439	-
	Total:	\$6,017	\$2,920



Analytics

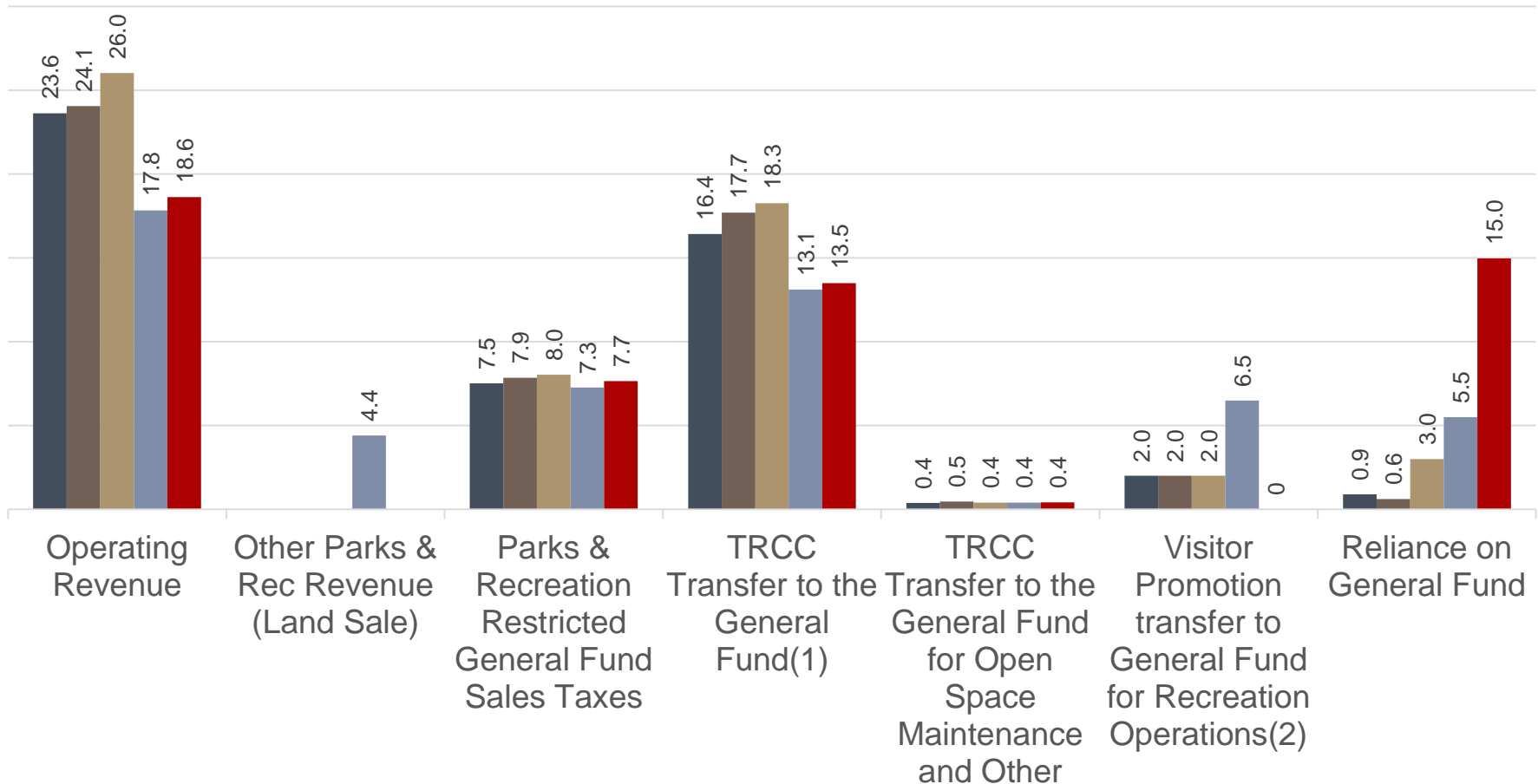




Parks and Recreation

Funding Sources (\$M)

■ 2018 Actual ■ 2019 Actual ■ 2020 Budget ■ 2020 Adjusted Budget ■ 2021 Budget

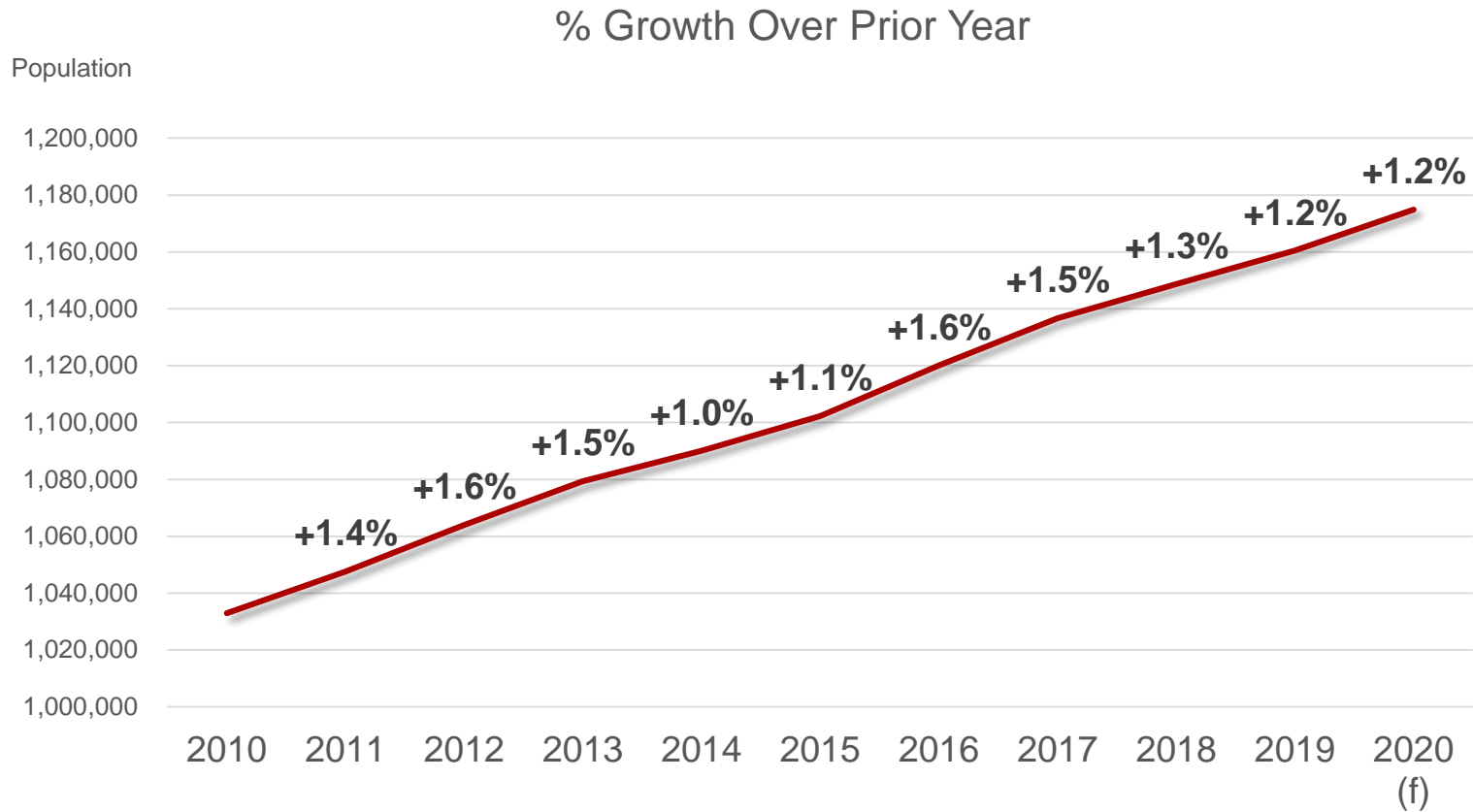


(1) TRCC fund transfers to Parks & Recreation operations, currently at the maximum recommended by the TRCC Advisory Board.

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



County Population Growth Trend



13.7% Cumulative Population Growth from 2010 to 2020



2021 Selected New Capital Maintenance or Construction Projects

in millions \$

Calvin Rampton Salt Palace Convention Center	\$1.4
TRCC - Capital Projects	\$6.0
Capital Improvements Fund	\$6.4
Mountain America Expo Center	\$0.5
Flood Control	\$2.4
Clark Planetarium	\$0.2



2021 New Capital Project Request Highlights

in millions \$

Salt Palace Parking System	\$0.7
Salt Palace Fire and Security Panel	\$0.5
Millcreek Overflow JSL Canal	\$0.5
Surplus Canal – Storm Drain Countywide	\$1.0
CGC Parks & Recreation Remodel	\$0.8
ADC Water Heat Exchanger	\$0.7
ADC Roof Repair	\$0.7
Metro Jail Lobby Security Upgrade	\$0.6
Shooting Range Sand Trap and Timber Replacement	\$0.6
Replace Roof on Christmas Box House	\$0.5
Justice Courts Remodel Additional	\$0.5



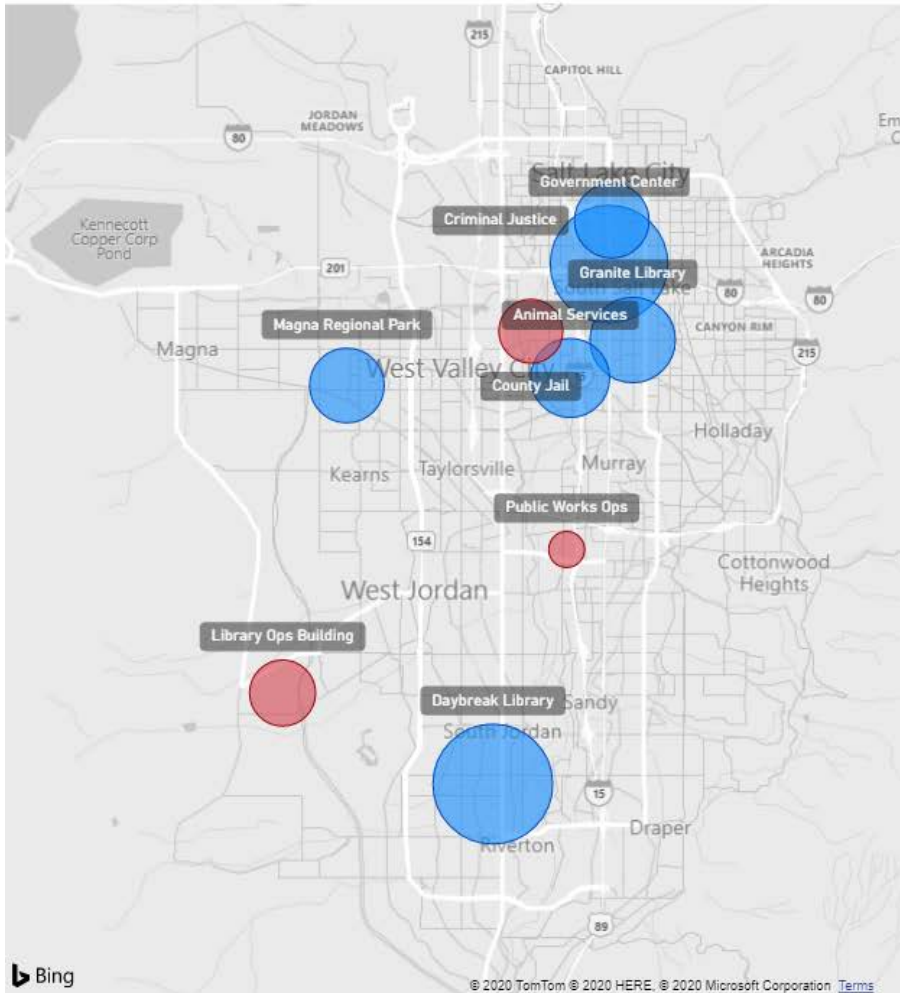
2021 FTE Changes

Organization	New	New Time Limited	Time Limited Ended	Time Limited to Non-TL	Vacant Reductions	Transfers In	Transfers Out
Mayor Administration						1	
CJAC		1	-1				
Regional Development		2	-1	1			-1
Criminal Justice Services						1	
Library	28				-3		
Parks	1						
Animal Services	3						
Public Works Operations					-17		
Information Services	1						
Human Resources							-1
Facilities						1	
Government Center Operations							-1
Recorder	4						
Recorder – Tax Administration	4						
Sheriff Jail					-4		
Sheriff Public Safety Bureau (Txfr from UPD contract to FTE)	11						
Totals	52	3	-2	1	-24	3	-3

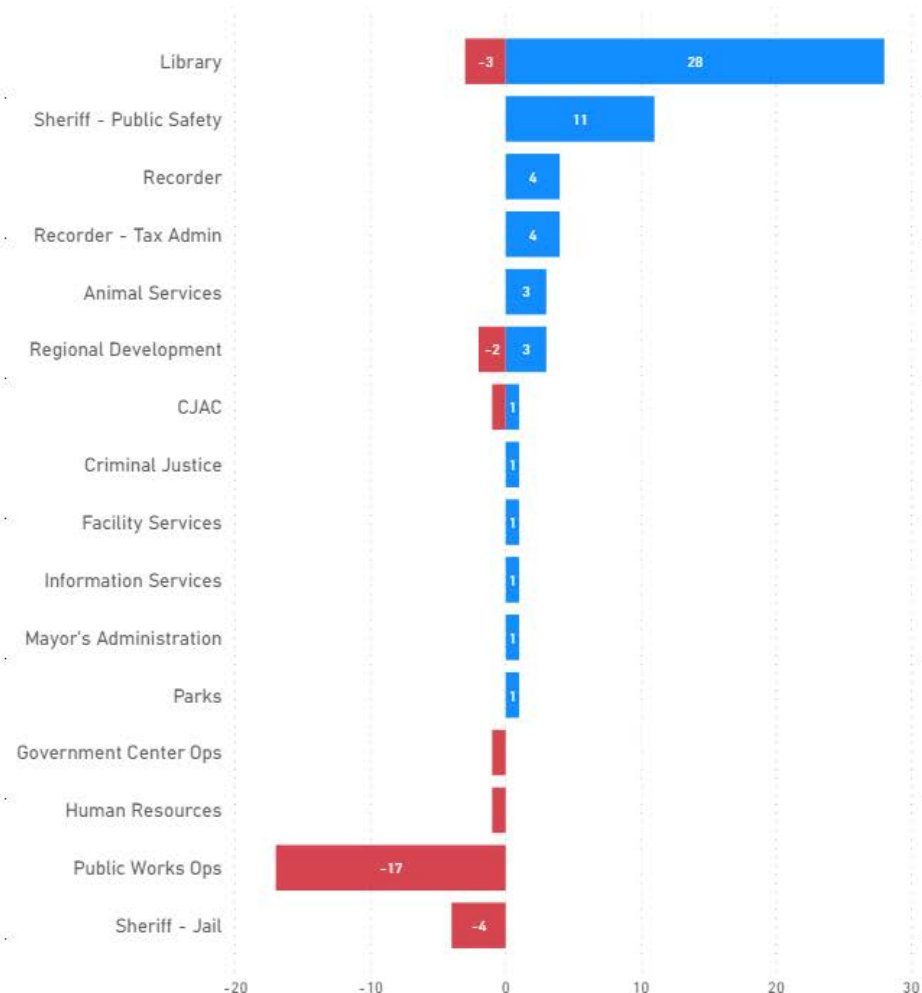


FTE Changes by Location

FTEs by Location



+/- FTE Change by Organization





Fund Summary

General Fund & Related

in millions \$

Budget Year 2021	Projected Beginning Balance	Budgeted Ending Balance	Projected Ending Balance
General Fund	82.3	69.9	89.9
Flood Control	2.8	1.4	1.6
Health	13.3	11.1	12.1
Planetarium	0.9	0.4	0.5
Grant	3.3	0.4	3.6
Tax Admin	4.8	4.1	4.7



General Fund Structural Analysis

in millions \$

Budget Year	Budget Ending Balance		Actual Ending Balance	Variance to Adopted Budget
	Adopted	June		
2016	32.4	36.4	53.3	20.8
2017	33.2	43.1	60.3	27.1
2018	39.7	46.8	57.9	18.1
2019	37.8	39.1	66.6	28.8
2020	41.2	72.3	82.3*	41.1*
2021	69.9*	n/a	89.9*	20.0*

* Projected.



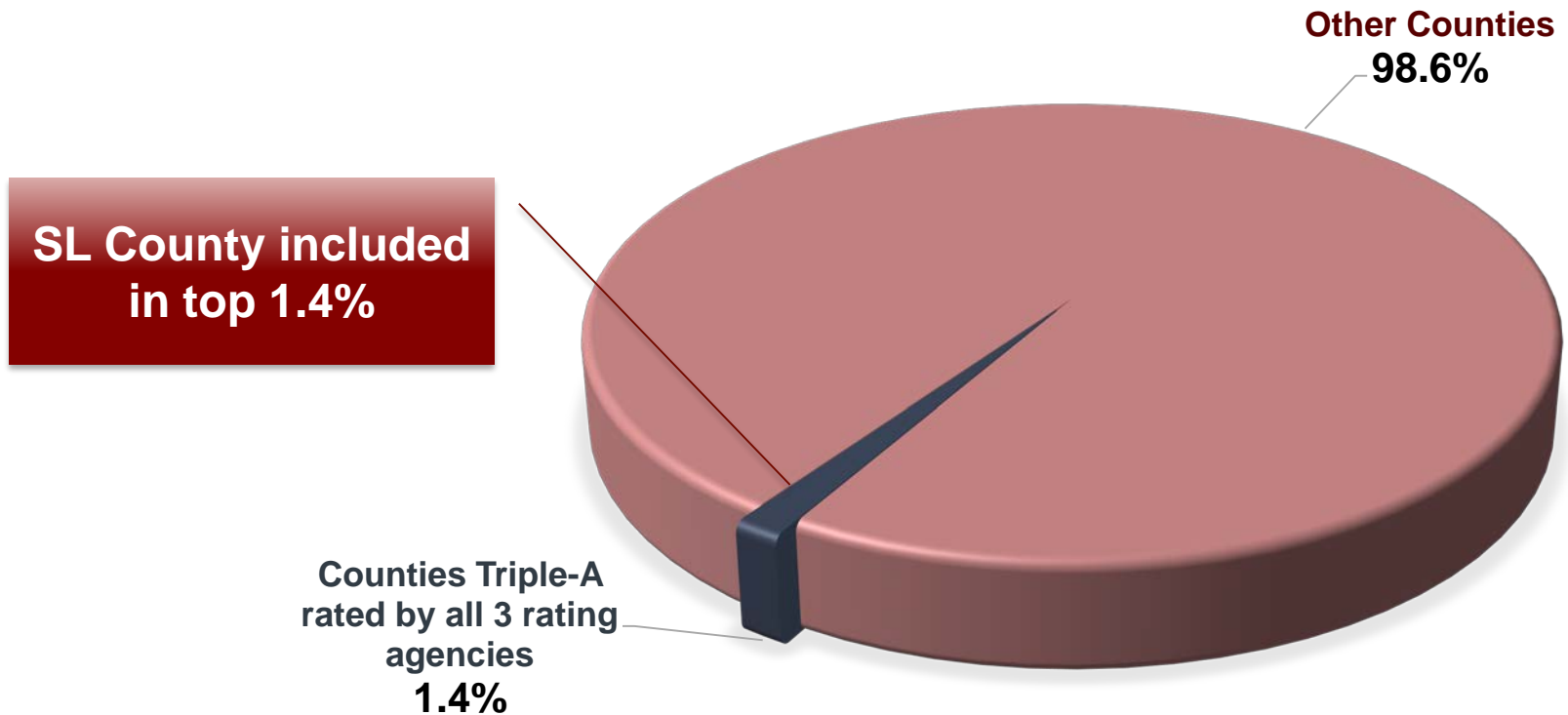
2021 Financing Plans

- MBA Lease Revenue Bonds – Library Projects Tranche 2
- TRANS – June/July timeframe
- On the lookout for refundings



Salt Lake County – Triple-A Rated

Staying Among Financially “Elite”!





2020 Budget Recap

All Funds

- All funds are balanced
- Opens new facilities for Library, Parks & Recreation, and Arts & Culture
- General fund strongly bolstered to be able to swiftly react to economic deterioration
- Net appropriations at \$1.3 B
- Ongoing Monitoring
 - Restoration of COVID contra-accounts
 - COVID operating budgets with corresponding additional revenues
 - TRCC and other capital project restoration
 - Compensation and benefits





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

<http://slco.org/mayor-finance/budget/2021-budget-information/>

