

THE BUDGET SUPPORTS THE MAYOR'S LIVABILITY AGENDA

With the input of Salt Lake City residents, Mayor Ralph Becker has outlined an agenda to guide Salt Lake City on a path to becoming a Great American City. Goals for sustainability, social justice, neighborhood vitality and education have helped shape our collective vision for where we live, work and recreate. As budget priorities are determined and the annual budget is developed, these goals, listed below, are considered by the City's administration.

1. [A Resilient Economy](#): Advocating for a balanced mix of economic activity in Salt Lake City and pursuing initiatives to bolster our business community.
2. [Salt Lake City in Motion](#): Working to further develop connections between the City's activity centers with a safe, clean and green travel network.
3. [A Wise Energy Future and Quality Environment](#): Aggressively investing in renewable energy technologies and efficiency upgrades and encouraging institutional behavioral changes.
4. [Innovation and Celebration of Salt Lake City Education](#): Bolstering the City's partnership with the Salt Lake City School District as it builds a culture of educational excellence through educational innovation, accountability and results.
5. [A Commitment to Equality and Opportunity](#): Elevating the protection of basic human rights for all Salt Lake City residents through policy, education, advocacy and celebration.
6. [Enhancing the Artistic and Cultural Life](#): Focusing on supporting and promoting a culturally engaged population in our City.



BUDGET SUMMARY AN OVERVIEW OF THE FY 2014 BUDGET

MAYOR

RALPH BECKER

CITY COUNCIL

DISTRICT 1 CARLTON CHRISTENSEN
DISTRICT 2 KYLE LAMALFA
DISTRICT 3 STAN PENFOLD
DISTRICT 4 LUKE GARROTT
DISTRICT 5 JILL REMINGTON LOVE
DISTRICT 6 CHARLIE LUKE
DISTRICT 7 SØREN SIMONSEN



SALT LAKE CITY

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SALT LAKE CITY BUDGET PROCESS OVERVIEW

The development of Salt Lake City's yearly budget is one of the most important functions of the government. It requires the efforts of both the executive and legislative branches. The City budget year runs on a fiscal year, from July 1 to June 30. Beginning in January, budget staff meet with department heads and budget managers to prepare recommendations for the Mayor's consideration. In March, each department head meets with the Mayor as he considers their proposals and the revenue he will have to expend. Decisions are finalized in April and the Mayor's Recommended Budget is presented to the City Council in early May. During May and early June, Council members study the budget, have briefings with each department and hold public hearings to determine if they wish to adopt the budget as presented by the Mayor or make changes. The final budget must be balanced with anticipated revenues. The Council votes on the final budget in June. During the fiscal year, there may be budget amendments to make adjustments to the adopted budget.

Adherent to Utah law, each year the County Auditor calculates a certified tax rate that will provide the same amount of property tax revenue as was charged in the previous year, excluding new growth. In general, as property values increase, the tax rate or levy will decrease, producing the same amount of revenue each year. If elected officials determine the City needs greater revenues than the certified tax rate will generate, the City must go through a process referred to as Truth in Taxation. This process includes public hearings and notices designed to make sure taxpayers know about the proposed tax increase and have the opportunity to voice their views.

Budget Challenges

Despite improvements in the economy, the effects of the recession are still being felt in the City. The City has tightened its belt, but each year some operational expenses beyond the City's control arise. This fiscal year, for example, pension increases alone have resulted in a nearly \$2 million increase in the budget. Other challenges include increases in fleet maintenance and replacement costs.

FY 2014 COUNCIL APPROVED BUDGET HIGHLIGHTS

\$765 Million
Total Citywide Budget

\$220 Million
General Fund Budget

\$25 Million
Capital Improvement Program Fund Budget

[Sales Tax Revenue Improvement](#)

Sales tax receipts dipped significantly during the recession, however, there has been positive growth for several quarters and revenues are on a path to pre-recession numbers.

[Tax Increase](#)

The City Council proposed and approved a property tax increase of \$8 million for the fiscal year beginning July 1, 2013.

[Dispatch Service for Sandy City](#)

The City is in the process of finalizing an agreement with Sandy City to provide police and fire dispatch for that community, resulting in efficiencies for both cities.

[Street Lighting](#)

FY 2014 will be the first full year street lighting will be managed through a stand-alone fund with a separate fee-based revenue source. A significant capital improvement plan will be implemented for the City's street lighting.

[Government Finance Officers Association Award](#)

Each year since 1983, Salt Lake City has met the Government Finance Officers Association (GFOA) criteria for the preparation and presentation of an outstanding budget.

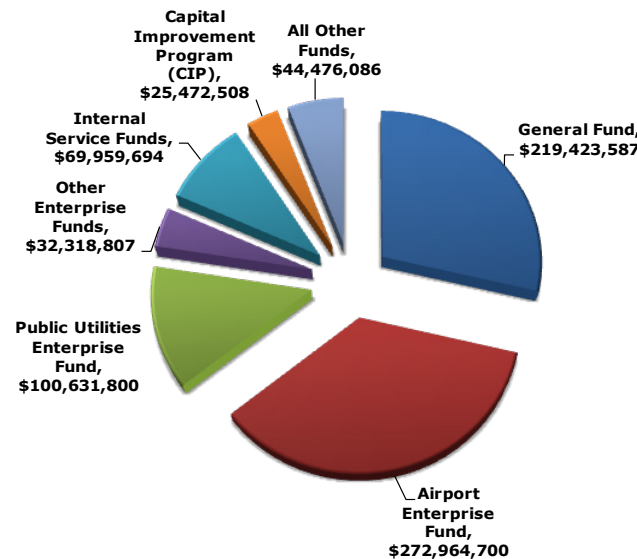


CITYWIDE BUDGET

Salt Lake City's budget is comprised of several different types of funds, including the General Fund, Enterprise Funds and Internal Service Funds. The General Fund is discussed in more detail on the following panels. Enterprise Funds, unlike the General Fund, are not supported by property or sales taxes. Revenues in these funds come primarily from fees charged for services provided. For instance, a large part of the Airport Fund revenues are derived from airline landing fees, concession fees and parking fees. The Public Utilities Fund revenues come primarily from fees charged to City residents and businesses for water, sewer and storm water services.

The City also has several internal service funds, such as Fleet and Information Management Services. Internal service funds exist to account for the financing of goods and services provided by one City agency or department to another.

\$765,247,182
Total Citywide Budget



GENERAL FUND OPERATING REVENUE

Where the Money Comes From

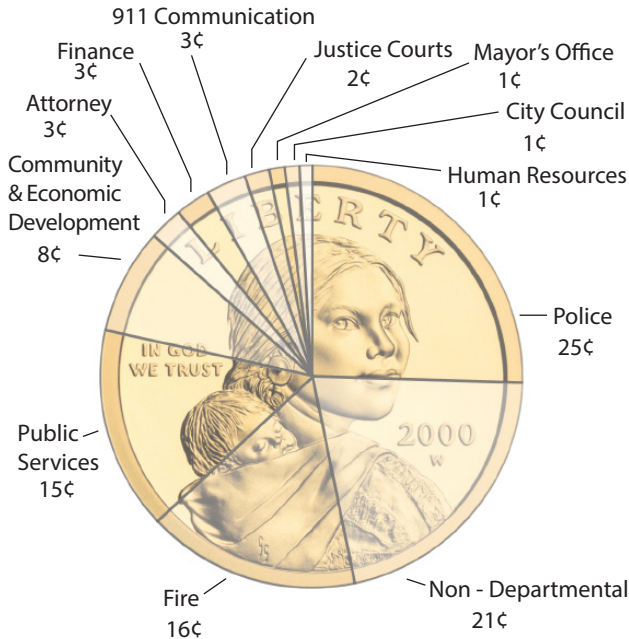


Detail of Revenue by Source

Source	FY 2014 Budget
Property Taxes	\$72,612,263
Sales and Use Taxes	55,020,055
Franchise Taxes	26,900,000
Licenses & Permits	19,324,811
Fines & Forfeitures	9,817,325
Intergovernmental	5,815,321
Charges & Fees	5,206,916
Parking	3,222,030
Other Revenues	21,504,866
Total Operating Revenues	\$219,423,587

GENERAL FUND OPERATING EXPENDITURES

Where the Money Goes



Detail of Expenditures by Department

Department	FY 2014 Budget
Police	\$55,855,165
Non-Departmental (Services and funding transfers outside department scope)	46,681,143
Fire	35,816,375
Public Services	33,878,518
Community and Economic Dev.	17,665,404
Attorney	5,662,926
Finance	5,772,708
911 Communications Bureau	6,818,063
Justice Courts	4,019,469
Mayor's Office	2,663,171
City Council	2,484,462
Human Resources	2,106,183
Total Operating Expenditures	\$219,423,587

CAPITOL IMPROVEMENTS PROGRAM (CIP) OVERVIEW

Salt Lake City's Capital Improvement Program (CIP) is a multi-year planning program for capital expenditures necessary to replace, rehabilitate or expand the City's public infrastructure. The construction, rehabilitation and/or expansion of streets, sidewalks, bridges, parks and public buildings are typical projects funded by the City's CIP. The Airport and Public Utilities enterprise funds and the Redevelopment Agency (RDA) also invest heavily in infrastructure expansion or rehabilitation.

Capital Improvements Program (CIP) Approval Process

Each year, applications requesting General Fund, Federal Community Development Block Grant and/or State Class C Road Fund funding are reviewed by the City's CIP Board, which consists of community residents and City staff. The Mayor considers the Board's input when deciding which projects and funding levels to recommend. The CIP Board and the Mayor also consider the City's 10-Year CIP Plan when making funding recommendations. The City's Enterprise Fund managers and the RDA also formulate CIP recommendations which are reviewed and endorsed by the Administration. All CIP budget recommendations are ultimately reviewed and approved by the City Council after study and deliberation.

Capital Improvement Program Projects

This fiscal year the Council approved approximately \$25 million in Capital Improvement Fund dollars for CIP projects. A portion of this funding will be used to service the debt on bonds the City has issued for projects such as the City's fleet facility and development of the North Temple Boulevard. The remaining amount will be used toward projects such as local streets reconstruction, traffic signal upgrades, park restroom construction and rehabilitation, and various facilities upgrades. Some examples of specific projects in recent years are listed below:

- \$300K in 2012 for East Capitol Boulevard Streetscape and Memory Grove Overlook Improvements
- \$450K in 2013 for Citywide Bike Lane Projects
- \$536K in 2010 for Local Streets Reconstruction in Districts 2 and 4
- \$375K in 2009 for Citywide Traffic Signal Systems Upgrades