

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.

A Resilient Economy

Advocating for a balanced mix of economic activity in Salt Lake City and pursuing initiatives to bolster our business community.

Salt Lake City in Motion

Working to further develop connections between the City's activity centers with a safe, clean and green travel network.

A Wise Energy Future and Quality Environment

Aggressively investing in renewable energy technologies and efficiency upgrades and encouraging institutional behavioral changes.

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.

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.

Enhancing the Artistic and Cultural Life

Focusing on supporting and promoting a culturally engaged population in our City.



BUDGET SUMMARY

An Overview of the Fiscal Year 2016 Budget

MAYOR

Ralph Becker

CITY COUNCIL

- DISTRICT 1 - James Rogers
- DISTRICT 2 - Kyle LaMalfa
- DISTRICT 3 - Stan Penfold
- DISTRICT 4 - Luke Garrott
- DISTRICT 5 - Erin Mendenhall
- DISTRICT 6 - Charlie Luke
- DISTRICT 7 - Lisa Adams



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. Beginning in March, each department head meets with the Mayor as he considers their proposals and the revenue the City 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.

In accordance with Utah law, each year the County Auditor calculates a certified tax rate that will provide the same amount of property tax revenue as was budgeted by Salt Lake City 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 notices and hearings designed to ensure taxpayers know about the proposed tax increase and have the opportunity to voice their views.

Budget Challenges

The FY 2015-16 budget marked a positive change for Salt Lake City. The City projects continued positive growth in sales tax and building permit revenue. These and other upward trends have allowed the City to maintain a balanced budget and meet the needs of its residents.

This positive change in revenue welcomed as the City continues to face challenges in meeting ongoing CIP needs, maintaining golf courses and meeting the ongoing maintenance, upkeep and replacement of its fleet and IT infrastructure.

FY 2016 COUNCIL APPROVED BUDGET HIGHLIGHTS

\$1.7 Billion Total
Citywide Budget

\$255 Million General
Fund Budget

\$24.9 Million
Capital Improvement Program Fund Budget

Public Safety Staffing Increase

The Salt Lake City Police Department has received an additional 25 full-time equivalent positions in this year's budget. This staffing increase will raise the number of officers patrolling the streets. In addition, this increase will also allow for increased outreach and expanded support for the homeless population by helping to link them with available services. Finally, the budget will dedicate additional personnel toward addressing the growth in forensic science and evidence processing needs.

Urban Forestry Program Enhancement

Additional funding has been added to the City's Urban Forestry program. This funding will enhance the Forestry division's capacity to respond to service requests and other forestry needs throughout the City. Tree planting and pruning will also be increased to a level that will better sustain the City's urban forest.

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.

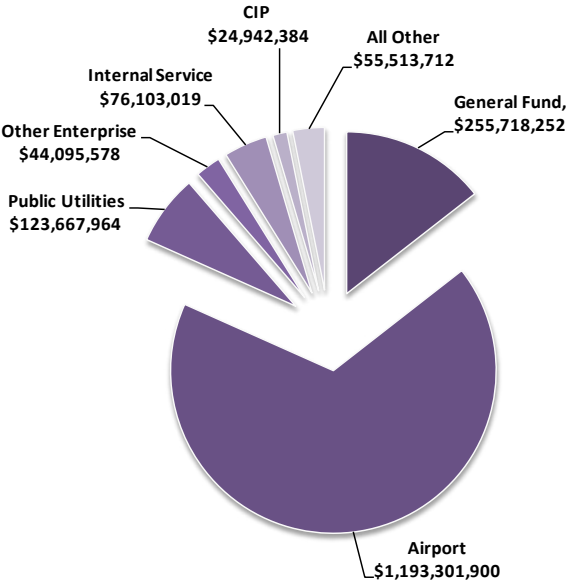


CITYWIDE BUDGET

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, storm water and street lighting services.

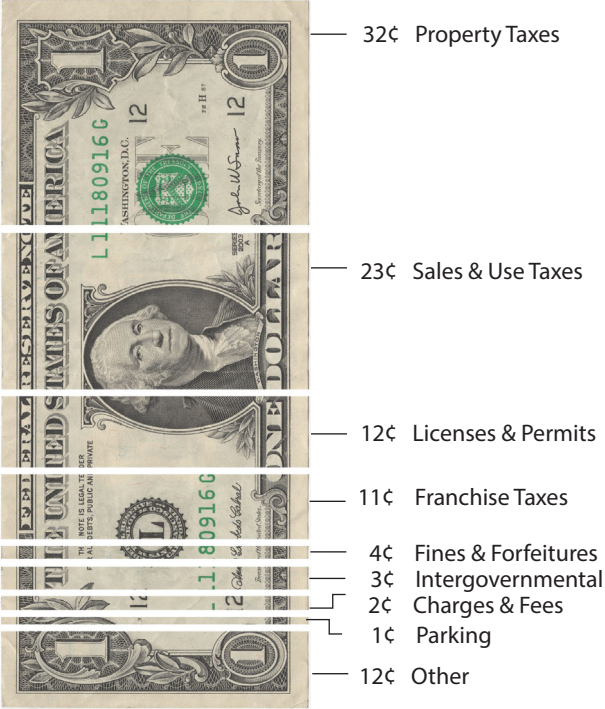
The City also has several internal service funds, including Fleet and Information Management Services. Internal service funds exist to account for the financing of goods and services provided by one City agency or department to another.

\$1,772,082,029
Total Citywide FY 2016 Budget



GENERAL FUND OPERATING REVENUE

Where the Money Comes From

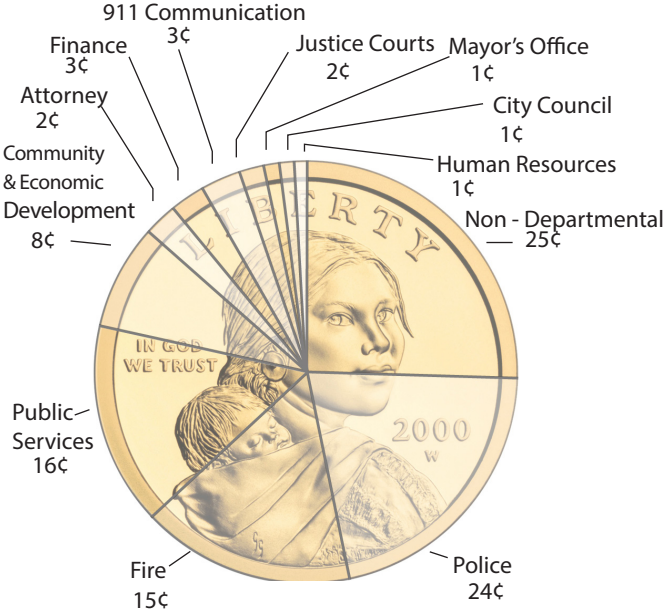


Detail of Revenue by Source

Source	FY 2016 Budget
Property taxes	\$82,286,018
Sales & Use taxes	57,980,816
Licenses & permits	29,260,399
Franchise taxes	28,195,886
Fines & forfeitures	9,325,921
Intergovernmental	6,551,766
Charges & fees	5,562,367
Parking	2,957,486
Other revenue	33,597,593
Total Operating Revenues	\$255,718,252

GENERAL FUND OPERATING EXPENDITURES

Where the Money Goes



Detail of Expenditures by Department

Department	FY 2016 Budget
Non-Departmental (Services and funding transfers outside department scope)	\$63,242,683
Police	61,398,082
Public Services	39,871,059
Fire	38,014,377
Community & Economic Development	21,287,931
Finance	7,048,562
911 Communications Bureau	6,958,662
Attorney	5,935,022
Justice Courts	4,164,966
City Council	2,882,471
Mayor's Office	2,646,130
Human Resources	2,268,307
Total Operating Expenditures	\$255,718,252

CAPITAL 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 \$24.9 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 Streetcar/Greenway projects. 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:

- \$479K in 2011 Fire Station #2 HVAC & Water Line Replacement
- \$153K in 2013 for International Peace Gardens Restoration
- \$200K in 2014 for Sidewalk Rehabilitation, Concrete Sawing & Slab Jacking
- \$140K in 2015 for the University to Downtown Bikeway