

South Salt Lake City Council
Work Meeting Agenda

Public Notice is hereby given that the **South Salt Lake City Council** will hold a Work Meeting on **Wednesday, January 29, 2014** in the City Council Chambers, 220 East Morris Avenue, **commencing at 6:00 p.m.**, or as soon thereafter as possible.

Conducting: Irvin H. Jones, Jr., Council Chair

MATTERS FOR DISCUSSION:

1. Budget Discussion

THOSE MEETING AUXILIARY COMMUNICATIVE AIDS OR OTHER SERVICES FOR THIS MEETING SHOULD CONTACT CRAIG D. BURTON AT 801-483-6027, GIVING AT LEAST 24 HOURS' NOTICE.

CRAIG D. BURTON
CITY RECORDER
January 24, 2014

Each of the Deseret News and Salt Lake Tribune was advised of the Work Meeting of the Council to be held Wednesday, January 29, 2014 by fax transmittal of the foregoing agenda on Friday, January 24, 2014.

Dated this 24th day of January, 2014.

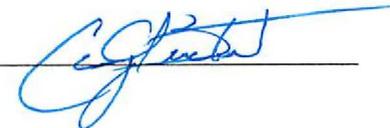


Craig D. Burton, City Recorder

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

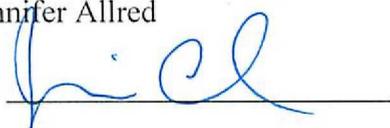
The undersigned, duly qualified and acting City Recorder of the City of South Salt Lake, does hereby certify that on the 24th day of January 2014, pursuant to Utah Code Annotated Section 52-4-202 (1953), as amended, there was posted (at least 24 hours prior to the meeting time) at the regular meeting place of the City Council of the City of South Salt Lake, written Notice of the Agenda of the Work Meeting of the Council, a copy of which is attached and incorporated herein as Exhibit "A." The undersigned does further certify that there was mailed or delivered to all persons shown on Exhibit "B," Notice of Agenda of the above mentioned work meeting, a copy of which is attached hereto and incorporated herein.

Name: CRAIG D. BURTON
Title: CITY RECORDER

Signature: 

Witnessed the 24th day of January, 2014 by

Name: Jennifer Allred

Signature: 



CITY COUNCIL

SHARLA BEVERLY
RYAN GOLD
IRVIN JONES
KEVIN D. RAPP
MIKE RUTTER
DEBBIE SNOW
ROY TURNER

220 E MORRIS AVE
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**CHERIE WOOD
MAYOR**

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CITY OF SOUTH SALT LAKE
CITY COUNCIL WORK MEETING

COUNCIL MEETING

Wednesday January 29, 2014
6:00 p.m.

CITY OFFICES

220 East Morris Avenue
South Salt Lake, Utah 84115

PRESIDING
CONDUCTING

Council Chair Irvin H. Jones, Jr.
Council Chair Irvin H. Jones, Jr.

COUNCIL MEMBERS PRESENT:

Sharla Beverly, Ryan Gold, Irvin H. Jones, Jr., Kevin Rapp, Michael Rutter,
and Debbie Snow

COUNCIL MEMBERS EXCUSED:

LeRoy Turner

STAFF PRESENT:

Mayor Cherie Wood
Lyn Creswell, City Attorney
Dennis Pay, Public Works Director
Sharen Hauri, Urban Design Director
Craig Burton, City Recorder

OTHERS PRESENT:

See Attached List

The meeting was to begin at 6:00 p.m. but started at 6:08 p.m.

Matters for Discussion

- 1. Budget Discussion.** Finance Director, Kyle Kershaw, reviewed a handout with the Council. A copy is attached to these minutes and incorporated by this reference. Mr. Kershaw reviewed the various City funds and what they are used for. He explained that the City Council approves all funds for the City and they also act as the RDA Board and approve all funds for the RDA.

There are two kinds of infrastructure that go along with the two types of governmental activities. They are general government and the enterprise infrastructure. All large infrastructure projects are contained in the Capital Improvements Fund. In this fund we try to allocate a portion of sales taxes to fund some of these items. The infrastructure expenditures in the Capital Fund have to complete with equipment purchases in the Capital Fund. There are vehicles, computer equipment, fire trucks, phone systems, security cameras, all kinds of things. We try to keep these things in the Capital Fund.

Equipment and infrastructure have to compete with each other for the limited dollars that are in there. In fiscal year 2013 about 23% of the total sales tax in the City was allocated to the Capital Improvements Fund which was about \$2.9 million dollars. Of that \$2.9 million, \$2.6 was used either for infrastructure or equipment with the other part being used to offset losses in the Ambulance Fund. Of the \$2.6 million, 51% was used for equipment purchases or upgrades and 49% was used for infrastructure. For last year's budget there was approximately \$12 million dollars of requests for \$3 million dollars of funding. It's a tough process staff goes through every year to give the Council the best recommendation they can.

Class C funds are the City's share of the gasoline taxes collected. Last year the City received about \$740,000 in receipts and spent about \$190,000. These funds are used for the matching requirement the City has on large projects.

Public Works Director, Dennis Pay, explained that the 300 East reconstruction project is about an \$8.6 million dollar project. It's 93% funded through federal funds. The City has a 7% match which is around \$550,000 to \$600,000 dollars. This project has been on the horizon and they have been saving the class C funds for it. There is also another project, the 3300 South commuter trail, the City has also received federal money for, and the match on that is about another \$500,000. Between those two projects they will spend a lot of the Class C funds this year.

Mayor Wood arrived at 6:40 p.m.

Mr. Kershaw explained the difference between a merit increase and a cost of living increase. A merit increase, where every employee is moved up one step, cost the general fund about \$450,000. A cost of living increase, since there's more flexibility, costs about \$130,000 for each one percent increase, with a 3% increase being about approximately \$390,000. The difference between the merit and the 3% cost of living increase is in a merit increase public safety gets a 4% increase. They will be talking about raises throughout the budget process. The Mayor's desire is to try and accommodate that and they're going to work hard and present the best option available to the Council.

Mr. Kershaw also explained the 2016 hold harmless situation. In 2006 the City was receiving about 75% of each dollar of sales tax that was generated within the City. That changed in 2006. At that time the law changed and the City now receives 50% of the tax generated at the point of sale and the other 50% goes into a bucket and it is divided out by state residential population. South Salt Lake's share of that is about one percent. In our case it was a significant loss of revenue. To soften the blow to municipalities like South Salt Lake the Legislature gave us ten years to try and grow out of it. The way they've done that is by guaranteeing to give us enough tax dollars to make us "whole" to the total amount we received before the new law went into effect; which was approximately \$10,974,000. The hold harmless contribution given to the City in 2013 was \$2,802,226. So the City has a gap of \$2.8 million dollars to address by the year 2016. Mr. Kershaw reviewed with the Council the possible ways of making up that money in 2016.

Council Chair Jones asked about the property tax increase that was made in 2006.

Mr. Kershaw explained that the large property tax increase was addressing the inadequate compensation of the employees as compared to other like type organizations. The increase was to help accommodate raises. It was the first time property tax had been raised in about fifty years. The City has not raised property taxes since then.

Mr. Kershaw also explained the certified tax rate that the Council adopts each year. The rate is adjusted each year, depending on the increase or decrease of property values, so that the amount of property tax generated stays relatively the same. If the Council decides they need more property tax they have to vote to raise the certified tax rate. Any new growth in the City, meaning new buildings built or new projects that come on the tax rolls will generate a growth in property tax revenue for the City.

Mr. Kershaw advised that residential property is assessed for property tax on 55% of its assessed value. Businesses, which include multi-family dwellings, are taxed on 100% of the value.

The Council took a 5 minute break and reconvened at 7:53 p.m.

Council Chair Jones reviewed the matrix of urgent needs that the Council had created with everyone's input. A copy is attached to these minutes and incorporated by this reference. He asked each member to better define what they mean in some of their responses on the matrix. For example, when they say water is important, what does that mean? Is that infrastructure or rates? He asked them all to go home and think about their responses and refine them.

Council Chair Jones then asked each member to express what they feel the purpose of city government is and the services that it should provide.

Council Member Rutter feels the City has a responsibility for safety, water, sewer, roads, and infrastructure. Those are his primary desires. They need to take care of those basic needs. He also feels it's important to listen to the businesses, who pay the majority of sales and property taxes and don't have a voice in the City, as well as the citizens to get a feel for what's happening in the City and so they can work together to make it go forward.

Council Member Snow feels a city exists to better the lives of its residents. The whole reason they have taxes is to bring together the resources of the masses to do things that we couldn't do on our own. There are core services, but if they have the money, they go beyond core services and develop education, arts, zoos, parks; all of those types of things.

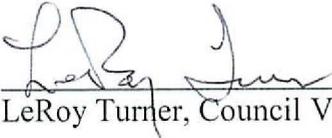
Council Member Beverly agreed with what has been said. Her biggest passion and focus is on the youth of the City. She wants to maintain the programs for the youth and expand them if possible. If they are not taking care of the children they are failing.

Council Member Gold said the city won't survive without residents and businesses to help with the taxes so it needs to be inviting. If they don't make the City inviting no one will come. No one wants to establish their business in an area that is slummy and crime ridden. Where the council puts the money that is collected and how much is collected is a fine balance. They don't want to make it a burden. The core services aren't pretty but they've got to keep tabs on the infrastructure.

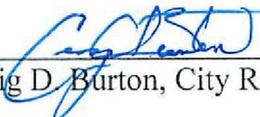
Council Member Rapp agreed with Council Member Gold. He feels they need emphasis on the infrastructure. Make sure the roads are good. He had complaints while campaigning about how bad Main Street is. They need to make sure they take care of the roads, make sure they're plowed. Make sure the sewer system is in good condition. It's very important. Police and Fire is important as well. Along with attracting people here they need to make sure they want to stay here by having the infrastructure in place. He feels infrastructure is the first priority. They also need to look at areas where money is excessively used and can be cut.

Council Chair Jones feels that as a Council they need to make sure they understand what their roll is as far as the government and how they represent the residents. Both the ones that live in homes and the ones in businesses. In his grandparents time there was little government and services but low taxes. Now, in his opinion, they have government in too many things. So he's always considering what their role as government is. He agrees that they need to provide the infrastructure and take care of the roads. That's one of the impressions the people get is how the roads are. Because of the afterschool programs our crime rate has dropped 60%. So they need to look at what is necessary and what is a positive impact of some of these programs that on face value may not seem valuable. Everything is a top priority it seems so the question becomes how to fund it without being oppressive. He believes the employees are doing an excellent job with all they are asked to do. He agrees with Council Member Rutter, they need to run the City like a business. They need to be in competition with the other cities, as far as employees go, otherwise they'll leave. They need to be in competition with the other cities as far as economic development and businesses. It's a tough balance. They need to do the best they can and use their best judgment in the coming year for the budget.

Meeting adjourned at 8:07 p.m.



LeRoy Turner, Council Vice-Chair



Craig D. Burton, City Recorder

Budget discussion outline – January 29, 2014

1. Governmental Funds (Governmental Activities)/Enterprise Funds (Business Type Activities)
(**exhibit A**)

a. Governmental Activities (**exhibit B**)

- i. Supported by general revenues or specific bonding/grants
- ii. Difficult to calculate an appropriate fee
- iii. Types of Governmental Funds

1. General Fund – revenue sources

- a. Taxes (80%)
 - i. Sales (55%)
 - ii. Property (26%)
 - iii. Energy Sales/Use (17%)
 - iv. Other (2%)
- b. Licenses & Permits (4%)
- c. Intergovernmental (6%)
- d. Charges for Services (2%)
- e. Fines/Forfeitures (5%)
- f. Miscellaneous/Rental Income (3%)

2. Capital Improvements Fund – revenue sources

- a. Sales taxes
- b. Grants
- c. Bonds/Loans
- d. Fund balance

3. Debt Service Funds – revenue sources

- a. Sales taxes
- b. Allocation from other funds

4. Redevelopment Fund – revenue sources

- a. Property tax increment
- b. Rental/miscellaneous

b. Business Type Activities (Enterprise Funds) (**exhibit C**)

- i. Financially it operates as a business
- ii. Specific service is identified/provided
- iii. Measurable fee for service is levied
 - 1. Water Utility Fund – water rates, connections fees
 - 2. Sewer Utility Fund – sewer rates, connections fees
 - 3. Ambulance Services Fund – transport fees
 - 4. Housing Fund – Community Development Block Grant (CDBG)
 - 5. Possible Solid Waste Collection (garbage) Fund
 - 6. Possible Storm Water Collection Fund
- iv. Revenues/Expenditures contained in one fund
- v. Separate budgets proposed and approved
- vi. Excess revenue remains within the activity which generated the excess balance
- vii. Excess funds can be accumulated and used for future projects and not transferred unless approved by a City Council
- viii. Effective tool for management and oversight by isolating each services financial transactions and results

2. Sinking Funds

- a. Method used for identifying and reserving funds for specific purposes
- b. Generally used for debt repayment and capital expenditures
- c. Most commonly seen with property tax levies for general obligation debt
- d. More practical to reserve funds in governmental and enterprise funds (**exhibit D**)

3. Infrastructure

- a. Governmental activities infrastructure
 - i. Streets and roads
 - ii. Curb, gutter, and sidewalk (concrete improvements)
 - iii. Street lighting
 - iv. Storm drain system
 - v. Public buildings
 - vi. Parks and open space
 - vii. Capital improvements fund infrastructure and funding
 1. Sales tax allocation
 2. Bonding
 3. Capital Grants
 4. Fund balance (savings)
 5. Competes with equipment upgrades and replacement for funding
 - viii. General fund infrastructure and funding
 1. Generally only maintenance items are approved
 2. Exception is Class C funding – construction/maintenance/shared projects matching requirements (**exhibit E**)
 - b. Business – Type activities (Enterprise Fund) infrastructure
 - i. Water system
 - ii. Sewer system
 - iii. No ambulance or housing fund infrastructure but there are equipment requirements
 - iv. Funding sources
 1. Infrastructure built into in rates/fees
 2. Reserves
 3. Bonding – revenue bonds
 4. Infrastructure grants – usually includes a matching requirement
-

4. Raises

- a. Structure and history (**exhibit F**) – Grade and Step organization
 - i. Merit increases
 1. Increases calculated on a step advancement
 2. Ideally based on performance
 - ii. Cost of living increases
 1. Usually based on market conditions and comparisons
 2. Amounts can be flexible
 3. Usually not based on performance (**exhibit G**)
 - iii. Budget impacts
 1. Merit increase of 1 step will cost the general fund approximately \$450,000
 2. Cost of living increase will cost the general fund approximately \$130,000/each 1%

5. 2016 challenge and plan
 - a. History and Background
 - i. Distribution changed in 2006
 - ii. Guarantee is approximately \$10,974,000 less admin fees of about \$90,000
(exhibit H)
 - iii. Extends to 2016
 - iv. Guarantee will not be extended past 2016
 - v. City was allowed to impose the .2% City Option sales tax
 - b. 2016 strategy **(exhibit I)**
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CITY OF SOUTH SALT LAKE
STATEMENT OF NET POSITION

(A)

JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 11,425,957	\$ 2,907,101	\$ 14,333,058
Taxes receivable	6,878,689	-	6,878,689
Accounts receivable - net	-	1,249,849	1,249,849
Miscellaneous receivables	49,545	-	49,545
Internal balances	1,540,418	(1,540,418)	-
Due from other governmental units	787,289	395,066	1,182,355
Property acquired for redevelopment	11,713,911	-	11,713,911
Deposits on property acquired for redevelopment	1,101,676	-	1,101,676
Deferred charges	216,319	19,458	235,777
Loans receivable	-	413,692	413,692
Investment in joint venture	-	5,154,087	5,154,087
Restricted cash and cash equivalents	4,369,723	978,244	5,347,967
Capital assets not being depreciated:			
Land	5,333,507	762,825	6,096,332
Construction in progress	149,199	-	149,199
Capital assets net of accumulated depreciation:			
Buildings	16,711,574	1,691,084	18,402,658
Improvements	2,475,380	9,447,436	11,922,816
Machinery and equipment	5,770,448	931,934	6,702,382
Infrastructure	14,676,667	-	14,676,667
TOTAL ASSETS	83,200,302	22,410,358	105,610,660
LIABILITIES:			
Accounts payable and accrued liabilities	1,986,123	478,614	2,464,737
Customer deposits payable	340,324	48,346	388,670
Accrued interest payable	207,088	18,336	225,424
Unearned revenues	2,148,927	24,976	2,173,903
Noncurrent liabilities:			
Due within one year	1,035,245	273,741	1,308,986
Due in more than one year	15,415,616	2,198,672	17,614,288
TOTAL LIABILITIES	21,133,323	3,042,685	24,176,008
NET POSITION:			
Net investment in capital assets	43,907,757	10,751,779	54,659,536
Restricted for:			
Capital projects	2,460,745	-	2,460,745
Debt service	-	978,244	978,244
Unrestricted	15,698,477	7,637,650	23,336,127
TOTAL NET POSITION	\$ 62,066,979	\$ 19,367,673	\$ 81,434,652

The notes to the financial statements are an integral part of this statement.

CITY OF SOUTH SALT LAKE

BALANCE SHEET – GOVERNMENTAL FUNDS

JUNE 30, 2013

B

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:					
Cash and cash equivalents	\$ 2,395,826	\$ 7,357,131	\$ 1,082,436	\$ 411	\$ 10,835,804
Receivables (net):					
Taxes	6,640,119	238,570	-	-	6,878,689
Miscellaneous	48,345	-	1,200	-	49,545
Interfund note receivable	-	2,356,689	-	-	2,356,689
Due from other governmental units	506,035	281,254	-	-	787,289
Property acquired for redevelopment	-	-	11,713,911	-	11,713,911
Deposits on property acquired for redevelopment	-	-	1,101,676	-	1,101,676
Cash and cash equivalents - restricted	<u>2,159,083</u>	<u>-</u>	<u>2,210,745</u>	<u>(105)</u>	<u>4,369,723</u>
TOTAL ASSETS	<u>\$ 11,749,408</u>	<u>\$ 10,233,644</u>	<u>\$ 16,109,968</u>	<u>\$ 306</u>	<u>\$ 38,093,326</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 780,041	\$ 709,966	\$ 13,209	\$ -	\$ 1,503,216
Salaries/payroll payables	479,964	-	2,552	-	482,516
Deposits	175,324	165,000	-	-	340,324
Interfund notes payable	-	-	812,609	-	812,609
Unearned revenue	<u>6,707,923</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,707,923</u>
TOTAL LIABILITIES	<u>8,143,252</u>	<u>874,966</u>	<u>828,370</u>	<u>-</u>	<u>9,846,588</u>
Fund Balances:					
Restricted for:					
Market Station urban renewal	-	-	2,210,745	-	2,210,745
Road projects	-	250,000	-	-	250,000
Assigned to:					
Debt service	-	-	200,251	306	200,557
Redevelopment	-	-	12,870,602	-	12,870,602
Other capital projects	-	9,108,678	-	-	9,108,678
Unassigned	<u>3,606,156</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,606,156</u>
TOTAL FUND BALANCES	<u>3,606,156</u>	<u>9,358,678</u>	<u>15,281,598</u>	<u>306</u>	<u>28,246,738</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 11,749,408</u>	<u>\$ 10,233,644</u>	<u>\$ 16,109,968</u>	<u>\$ 306</u>	<u>\$ 38,093,326</u>

CITY OF SOUTH SALT LAKE
STATEMENT OF NET POSITION

(C)

PROPRIETARY FUNDS

JUNE 30, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water Utility Fund	Sewer Utility Fund	Ambulance Services Fund	Housing Fund	Total	
ASSETS:						
Current assets:						
Cash and cash equivalents	\$ 43,441	\$ 1,871,389	\$ 226,367	\$ 765,904	\$ 2,907,101	\$ 590,153
Accounts receivable, net	500,962	191,831	380,168	22,412	1,095,373	-
Due from other governmental units	-	-	-	395,066	395,066	-
TOTAL CURRENT ASSETS	<u>544,403</u>	<u>2,063,220</u>	<u>606,535</u>	<u>1,183,382</u>	<u>4,397,540</u>	<u>590,153</u>
Noncurrent assets:						
Restricted cash and cash equivalents	947,494	30,750	-	-	978,244	-
Loans receivable	-	-	-	413,692	413,692	-
Other receivables	154,476	-	-	-	154,476	-
Capital assets:						
Land	302,098	2,316	-	458,411	762,825	-
Buildings	1,309,425	1,030,977	-	339,184	2,679,586	-
Improvements	11,869,988	4,836,736	-	-	16,706,724	-
Machinery and equipment	2,180,998	283,340	705,882	-	3,170,220	-
Less: accumulated depreciation	(7,524,882)	(2,415,415)	(393,148)	(152,631)	(10,486,076)	-
Investment in joint venture	-	10,859,474	-	-	10,859,474	-
Less: accumulated amortization	-	(5,705,387)	-	-	(5,705,387)	-
Deferred charges	19,458	-	-	-	19,458	-
TOTAL NONCURRENT ASSETS	<u>9,259,055</u>	<u>8,922,791</u>	<u>312,734</u>	<u>1,058,656</u>	<u>19,553,236</u>	<u>-</u>
TOTAL ASSETS	<u>9,803,458</u>	<u>10,986,011</u>	<u>919,269</u>	<u>2,242,038</u>	<u>23,950,776</u>	<u>590,153</u>
LIABILITIES:						
Current liabilities:						
Accounts payable	141,706	225,181	9,101	49,123	425,111	391
Salaries payable	20,878	6,444	26,181	-	53,503	-
Compensated absences	14,774	1,264	19,132	-	35,170	-
Accrued interest payable	18,336	-	-	-	18,336	-
Unearned revenue	-	-	-	24,976	24,976	-
Revenue bonds payable - current	154,000	84,571	-	-	238,571	-
TOTAL CURRENT LIABILITIES	<u>349,694</u>	<u>317,460</u>	<u>54,414</u>	<u>74,099</u>	<u>795,667</u>	<u>391</u>
Noncurrent liabilities:						
Customer deposits payable	48,346	-	-	-	48,346	-
Compensated absences	9,343	1,930	12,835	-	24,108	-
Interfund note payable	-	-	1,544,080	-	1,544,080	-
Revenue bonds payable	1,374,000	800,564	-	-	2,174,564	-
TOTAL NONCURRENT LIABILITIES	<u>1,431,689</u>	<u>802,494</u>	<u>1,556,915</u>	<u>-</u>	<u>3,791,098</u>	<u>-</u>
TOTAL LIABILITIES	<u>1,781,383</u>	<u>1,119,954</u>	<u>1,611,329</u>	<u>74,099</u>	<u>4,586,765</u>	<u>391</u>
NET POSITION:						
Net investment in capital assets	6,609,627	3,184,454	312,734	644,964	10,751,779	-
Restricted for debt service	947,494	30,750	-	-	978,244	-
Unrestricted	464,954	6,650,853	(1,004,794)	1,522,975	7,633,988	589,762
TOTAL NET POSITION	<u>\$ 8,022,075</u>	<u>\$ 9,866,057</u>	<u>\$ (692,060)</u>	<u>\$ 2,167,939</u>	<u>19,364,011</u>	<u>\$ 589,762</u>
ADJUSTMENT TO REFLECT THE CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS					<u>3,662</u>	
NET POSITION OF BUSINESS-TYPE ACTIVITIES					<u>\$ 19,367,673</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF SOUTH SALT LAKE
 BALANCE SHEET
 JUNE 30, 2013

(D)

CAPITAL IMPROVEMENTS FUND

ASSETS

40-1101-000	CASH	4,081,881.53	
40-1153-400	EQUITY - CAPITAL RESERVE	3,275,249.27	
40-1411-000	DUE FROM OTHER GOVT UNITS	519,823.57	
40-1490-000	INTERFUND NOTES RECEIVABLE	812,609.08	
40-1494-000	INTERFUND NOTE RECEIVABLE-AMBUL	1,544,080.00	
	TOTAL ASSETS		10,233,643.45

LIABILITIES AND EQUITY

LIABILITIES

40-2131-000	ACCOUNTS PAYABLE	709,965.45	
40-2173-000	DEPOSITS	165,000.00	
	TOTAL LIABILITIES		874,965.45

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

40-2951-000	ASSIGNED-CAPITAL PROJECTS	10,286,692.45	} Designated by Council
40-2961-400	ASSIGNED-RDA INTERFUND NOTE	812,609.08	
40-2961-500	ASSIGNED-AMBULANCE LOAN	1,544,080.00	
40-2961-700	RESTRICTED-ROAD PROJECTS	250,000.00	
	REVENUE OVER EXPENDITURES - YTD	(3,534,703.53)	

	BALANCE - CURRENT DATE	9,358,678.00	
	TOTAL FUND EQUITY		9,358,678.00
	TOTAL LIABILITIES AND EQUITY		10,233,643.45

Class "C" Funds Analysis 2012-13

Month	Beginning Balance	Receipts	Expenditures	PTIF Interest Rate	Earned Interest	Ending Class C Balance	Ending PTIF Balance
Jul-12	\$1,367,553.90	\$0.00	\$0.00	0.77690%	\$1,040.07	1,368,593.97	\$1,555,770.56
Aug-12	1,368,593.97	142,585.93	0.00	0.76840%	1,080.83	1,512,260.73	1,512,260.73
Sep-12	1,512,260.73	104,085.24	0.00	0.76770%	974.17	1,617,320.14	1,617,320.14
Oct-12	1,617,320.14	0.00	80.90	0.73820%	1,028.05	1,618,267.29	1,618,348.19
Nov-12	1,618,267.29	124,941.10	8,280.27	0.71360%	987.14	1,735,915.26	1,744,276.43
Dec-12	1,735,915.26	0.00	9,331.58	0.68130%	1,023.33	1,727,607.01	1,745,299.76
Jan-13	1,727,607.01	118,849.85	187.67	0.64100%	984.53	1,847,253.72	1,865,134.14
Feb-13	1,847,253.72	0.00	0.00	0.60360%	874.64	1,848,128.36	1,866,009.78
Mar-13	1,848,128.36	106,615.55	0.00	0.56600%	914.54	1,955,658.45	1,973,539.87
Apr-13	1,955,658.45	0.00	0.00	0.52220%	858.82	1,956,517.27	1,974,398.69
May-13	1,956,517.27	143,462.03	171,988.92	0.48350%	839.37	1,928,829.75	2,118,700.09
Jun-13	1,928,829.75	0.00	0.00	0.49770%	878.76	1,929,708.51	2,119,578.85
Total		\$740,539.70	\$189,869.34		\$11,484.25		

(7)

(F)

Salary Increase History
Since July 1, 2006

Effective Date Of Increase	Type Of Increase	Public Employee Increase	Public Safety Increase	Appointed Official Increase	City Council Increase	Mayor Increase
July 1, 2006 (1)	Market/Merit	12%	13%	6%	0%	0%
July 1, 2007 (1)	Market/Merit	6%	7%	3%	3%	3%
July 1, 2008	Merit	3%	3%	4%	0%	0%
July 1, 2009	None	0%	0%	0%	0%	0%
July 1, 2010	Bonus	1%	1%	1%	0%	1%
July 1, 2011	Merit	3%	4%	3%/4%	0%	3%
July 1, 2012	None	0%	0%	0%	0%	0%
July 1, 2013	None	0%	0%	0%	0%	0%
		25%	28%	17%/18%	3%	7%

(1) All positions were analyzed and adjusted to compare more favorably.

Comparison of Merit and Cost of Living Increases - Based on monthly salaries

Public Employee - Grade 14 Step 5

3% between steps

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2,260	2,328	2,398	2,470	2,544	2,620	2,699	2,780	2,863	2,949	3,037	3,128	3,222	3,319	3,418

Employees advance one step with merit increases:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2,260	2,328	2,398	2,470	2,544	2,620	2,699	2,780	2,863	2,949	3,037	3,128	3,222	3,319	3,418

Employees stay at same step but the step increases by 3% with a cost of living increase:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2,328	2,398	2,470	2,544	2,620	2,699	2,780	2,863	2,949	3,038	3,129	3,222	3,319	3,419	3,521

Public Safety - Police 1/Firefighter - Grade 1 Step 8

4 % between steps

1	2	3	4	5	6	7	8	9	10	11
2,863	2,978	3,097	3,220	3,349	3,483	3,623	3,768	3,918	4,075	4,238

Employees advance one step with merit increases:

2,863	2,978	3,097	3,220	3,349	3,483	3,623	3,768	3,918	4,075	4,238
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Employees stay at same step but the step increases by 3% with a cost of living increase:

2,949	3,037	3,159	3,285	3,417	3,553	3,696	3,843	3,997	4,157	4,323
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Tax Commission Distributions - Cash Basis

(H)

2012-2013	Total Distribution	Admin Fee Reductions	Final Distribution
May 12/Jul 12	621,416.57	(9,904.96)	611,511.61
Jun 12/Aug 12	845,717.97	(9,203.41)	836,514.56
Jul 12/Sep 12	590,400.71	(6,685.88)	583,714.83
Aug 12/Oct 12	689,334.44	(7,656.72)	681,677.72
Sep 12/Nov 12	736,483.88	(8,251.18)	728,232.70
Oct 12/Dec 12	655,700.07	(7,238.04)	648,462.03
Nov 12/Jan 13	618,639.88	(6,995.53)	611,644.35
Dec 12/Feb 13	777,587.40	(9,765.31)	767,822.09
Jan 13/Mar 13	610,617.23	(8,303.61)	602,313.62
Feb 13/Apr 13	605,750.44	(6,884.82)	598,865.62
Mar 13/May 13	797,764.22	(8,898.27)	788,865.95
Apr 13/Jun 13	622,567.73	(6,906.53)	615,661.20
	<u>8,171,980.54</u>	<u>(96,694.26)</u>	<u>8,075,286.28</u>
Hold Harmless Distribution	2,802,226.46		2,802,226.46
Final Distribution	10,974,207.00		10,877,512.74
Hold Harmless Guarantee	10,974,207.00		
Actual HH June 2013 Distrib.	2,802,226.46		

Estimated 2013-14

2013-2014	Total Distribution	Admin Fee Reductions	Final Distribution
May 13/Jul 13	686,374.46	(7,869.88)	678,504.58
Jun 13/Aug 13	817,510.87	(9,516.67)	807,994.20
Jul 13/Sep 13	678,702.68	(7,965.16)	670,737.52
Aug 13/Oct 13	701,967.08	(8,356.70)	693,610.38
Sep 13/Nov 13	794,168.77	(8,832.36)	785,336.41
Oct 13/Dec 13	706,748.61	(9,221.94)	697,526.67
Nov 13/Jan 14	655,758.27	(7,869.10)	647,889.17
Dec 13/Feb 14	824,242.64	(9,890.91)	814,351.73
Jan 14/Mar 14	647,254.26	(7,767.05)	639,487.21
Feb 14/Apr 14	642,095.47	(7,705.15)	634,390.32
Mar 14/May 14	845,630.07	(10,147.56)	835,482.51
Apr 14/Jun 14	659,921.79	(7,919.06)	652,002.73
	<u>8,660,374.98</u>	<u>(103,061.54)</u>	<u>8,557,313.44</u>
Estimated Hold Harmless Distrib	2,313,832.02		2,313,832.02
Final Distribution	10,974,207.00		10,871,145.46
Hold Harmless Guarantee	10,974,207.00		
Actual HH June 2014 Distrib.	0.00		

FY 2013-14
Actual
(Cash Basis)

FY 2013-14
Estimate
(Cash Basis)

Hold Harmless Distributions:

2009-10	3,283,208.90
2010-11	3,646,356.18
2011-12	2,972,192.53
2012-13	2,802,226.46
2013-14 Est.	2,313,832.02

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Hold Harmless/2016 Analysis

In 2006 the City was guaranteed approximately \$10,900,000 annually in sales tax distributions until 2016

Previous Hold Harmless Distributions:

2009-10	\$3,283,209
2010-11	\$3,646,356
2011-12	\$2,972,193
2012-13	\$2,802,226

The objective is to make up approximately \$2,802,000 by 2016.

Assuming the following annual sales tax growth, the hold harmless amount is reduced to:

	3%	4%	5%	6%	7%
2013-14	\$2,558,940	\$2,477,920	\$2,396,900	\$2,315,880	\$2,234,860
2014-15	\$2,308,588	\$2,140,877	\$1,971,545	\$1,800,593	\$1,628,021
2015-16	\$2,050,726	\$1,790,352	\$1,524,922	\$1,254,388	\$978,702

Possible items to help mitigate the Hold Harmless loss:

Sales tax bond retirement	\$355,000
Ambulance Service self sufficiency	\$250,000
Eliminate 3 grant funded PD positions	\$180,000
4% increase in City Option tax	\$300,000
Payroll reductions through attrition	\$400,000
Use Class C funds for salt/road materials	\$100,000
Storm Water Enterprise Fund	\$120,000
Total to be applied to loss	\$1,705,000

In addition, approximately \$2,400,000/year of City Option Tax remains available in 2016 for economic development purposes. Approximately \$1,000,000/year of that amount will be committed to Excise Tax Bond payments (RDA Project).

	Urgent	Less Urgent
More Important	<ul style="list-style-type: none"> Police Fire Water Sewer Roads Raises for Police, Fire, City Employees Increase Spending for Infrastructure-Sewer, Water, Roads, Lighting, Storm Continue Crime Decrease- More Officers? More Education? Increase Disproportionate Fee Assessments Trash Becomes Enterprise Fund FTE Property Manager to Maintain Building Assets Commercial Sewer Meters Impact Fees Storm Water FTE Study Explore Citizen's Preference for Clean Up (But No Trash in Gutters) City clean up Safety - Fire & PD 2016 / Hold Harmless (mentioned 3 times) Increase tax base through development Better Communication w/ residents Expand newsletter& FB to Twitter & mass texts Training new council members Eliminating or reducing debt (mentioned twice) Infrastructure Budget Reduce spending General Fund Reserves Safe Neighborhoods No tax / fee increase Economic development Sewer, Water, Roads Employee compensation Central Point development 	<ul style="list-style-type: none"> Code Enforcement City Cleanup Roads Youth Recreation Continue After School Programs Continue Code Enforcement Continue Community Connection Resident Driven Arts Council Continue Using ALJ Community Service Continue Freedom Fest- Not at Granite City Building Inventory- Condition, Repairs Needed Study Ambulance Options Increase Fund Balance Slowly Repurpose City Apartments Streetcar Corridor RDA- Economic Incentives Code enforcement After school programs Pre-school Cost of living raises to FT employees Communicate better with citizens
Less Important	<ul style="list-style-type: none"> Grant Funded Programs Some Youth Programs Neighborhood Advisory Councils Change City Activities and Programs to Resident Driven Resident Outreach/ Customer Service Similar to Julie's Business Outreach Logo Shirts Code enforcement Ladder truck Bike lanes Trash fees Granite High School 	<ul style="list-style-type: none"> Easter Egg Hunt Daddy/Daughter Dance Halloween Spooktacular Huck Finn Day Sr. Softball Funding for Chamber of Commerce Funding for City/Resident Activities City Signs at Freeway On Ramps Jordan River Corridor Clean Up Start "Adopt-A-Street" Program Join "Sister Cities" Program Mortgage Assistance Program Food / Water Adult recreation leagues Arts Council



South Salt Lake City Council
Work Meeting Agenda

Public Notice is hereby given that the South Salt Lake City Council will hold a Work Meeting on Wednesday, January 29, 2014 in the City Council Chambers, 220 East Morris Avenue, commencing at 6:00 p.m., or as soon thereafter as possible.

Conducting: Irvin H. Jones, Jr., Council Chair

MATTERS FOR DISCUSSION:

- 1. Budget Discussion

THOSE MEETING AUXILIARY COMMUNICATIVE AIDS OR OTHER SERVICES FOR THIS MEETING SHOULD CONTACT CRAIG D. BURTON AT 801-483-6027, GIVING AT LEAST 24 HOURS' NOTICE.

CRAIG D. BURTON
CITY RECORDER
January 24, 2014

Each of the Deseret News and Salt Lake Tribune was advised of the Work Meeting of the Council to be held Wednesday, January 29, 2014 by fax transmittal of the foregoing agenda on Friday, January 24, 2014.

Dated this 24th day of January, 2014.

[Handwritten signature of Craig D. Burton]
Craig D. Burton, City Recorder

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

The undersigned, duly qualified and acting City Recorder of the City of South Salt Lake, does hereby certify that on the 24th day of January 2014, pursuant to Utah Code Annotated Section 52-4-202 (1953), as amended, there was posted (at least 24 hours prior to the meeting time) at the regular meeting place of the City Council of the City of South Salt Lake, written Notice of the Agenda of the Work Meeting of the Council, a copy of which is attached and incorporated herein as Exhibit "A." The undersigned does further certify that there was mailed or delivered to all persons shown on Exhibit "B," Notice of Agenda of the above mentioned work meeting, a copy of which is attached hereto and incorporated herein.

Name: CRAIG D. BURTON
Title: CITY RECORDER

Signature: [Handwritten signature]

Witnessed the 24th day of January, 2014 by
Name: Jennifer Allred

Signature: [Handwritten signature]

CITY COUNCIL
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IRVIN JONES
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