



2019 BUDGET IN BRIEF

TABLE OF CONTENTS

Table of Contents	1
Mayor’s Message to the Citizens of Salt Lake County.....	2
Elected Officials.....	3
Profile of Salt Lake County	4
County Structure	6
Economic Outlook	7
County Financial Condition.....	8
Net Budget Calculation.....	9
Property Taxes.....	10
Budget Overview	12
Sources of Funds.....	12
Uses of Funds	13
Administrative Overhead/Indirect Costs	23
Full-Time Equivalent Employees (FTEs).....	24
Capital Projects.....	26
County Debt	28
Statistical Indicators	30
Glossary	32
Want to Know More?	34



Public Works Administration Building

Cover photo courtesy of Salt Lake County Surveyor’s Office

MAYOR'S MESSAGE TO THE CITIZENS OF SALT LAKE COUNTY



On behalf of Salt Lake County, I am pleased to present this Budget in Brief for 2019. This summary provides important financial information that is intended to present a clear picture of our county's financial health, as well as highlight some of our top priorities and a look ahead to future challenges.

Salt Lake County's financial position remains strong. We are among an elite few counties in the nation that hold a triple A bond rating from all ratings agencies on general obligation bonds. We balance our budget by working across party lines and we look for continued improvement in efficient and effective service delivery.

Salt Lake County is enjoying a strong economy, which is the best way to provide opportunity for our residents and keep taxes low. Many businesses see in Utah a high quality of life with a well-educated workforce, where residents find opportunity to move up the economic ladder. As the crossroads of the west, our state is well-positioned to compete in the global economy.

Our economic team will continue to work hard to build strong relationships with local municipalities and businesses. Expertise and collaboration lead to a stronger business community and better outcomes for residents.

We all know that in a growing economy and in a county with a fast-growing population like ours, our tax rate will go down even though revenues stay flat. But our responsibilities are never flat.

First and foremost, our responsibility is to the taxpayers of Salt Lake County. Our responsibilities also include providing and maintaining our parks for a growing population, and the responsibility to public safety and public health. At Salt Lake County, we pull together to make data-driven decisions, getting the most value for our taxpayer's dollars. We make bipartisan progress to expand opportunities for all residents, wherever they live throughout the county. We collaborate across our organization to maximize the impact of our programs and services.

At Salt Lake County, we rally around shared goals for better public safety, trails and transportation, open space, health care, and education.

We've made tremendous gains in criminal justice reform. We tackle this tough issue from all sides – looking for long-term solutions that will reduce crime and improve safety. We've expanded treatment for drug addiction, found stable housing, and provided an avenue through the court system for willing individuals to recover, move past convictions, and start new lives.

The Parks & Recreation team is making progress – chipping away at bond projects approved by voters. At least 65 of those bond projects are now complete and the funding is going towards new recreation facilities, trails, and to update existing parks and amenities.

This year, thanks to County Council support, we hired the County's first ever energy manager. The goal is to cut energy use by one million kilowatt hours in 2019 - an estimated savings of up to \$120,000. We're also finding efficiencies in our natural gas use so that, in 2020, we'll have a combined savings of at least \$450,000 annually.

As Mayor, I have been given the incredible and serious job of guarding precious tax dollars. Of using those hard-earned dollars on things that build up, and improve, and benefit our community.

We honor public scrutiny and transparency, and we come together – Republicans and Democrats – because we share the same goal of serving the residents of Salt Lake County by providing access to opportunities and improving the quality of life for this generation and for generations to come.

As a thriving metropolitan area, Salt Lake County is leading the way forward on jobs and economic growth, public safety, fiscal discipline and accountable government.

Sincerely,

Jenny Wilson
Salt Lake County Mayor



ELECTED OFFICIALS

County Mayor.....	Jenny Wilson
(Current Term: 2019-2020)	JWilson@slco.org
County Council:	
At-Large A.....	Shireen Ghorbani
(Current Term: 2019-2020)	SGhorbani@slco.org
At-Large B.....	Richard Snelgrove (Chair)
(Current Term: 2017-2022)	RSnelgrove@slco.org
At-Large C.....	Jim Bradley
(Current Term: 2019-2024)	JBradley@slco.org
District 1.....	Arlyn Bradshaw
(Current Term: 2019-2022)	ARBradshaw@slco.org
District 2.....	Michael Jensen
(Current Term: 2017-2020)	MHJensen@slco.org
District 3.....	Aimee Winder Newton
(Current Term: 2019-2022)	ANewton@slco.org
District 4.....	Ann Granato
(Current Term: 2019-2020)	AGranato@slco.org
District 5.....	Steve DeBry
(Current Term: 2019-2022)	SLDeBry@slco.org
District 6.....	Max Burdick
(Current Term: 2017-2020)	MBurdick@slco.org
County Assessor.....	Kevin Jacobs
(Current Term: 2015-2020*)	KJacobs@slco.org
County Auditor.....	Scott Tingley
(Current Term: 2019-2022)	STingley@slco.org
County Clerk.....	Sherrie Swensen
(Current Term: 2019-2022)	SSwensen@slco.org
District Attorney.....	Sim Gill
(Current Term: 2019-2022)	SGill@slco.org
County Recorder.....	Rashelle Hobbs
(Current Term: 2019-2020*)	RHobbs@slco.org
County Sheriff.....	Rosie Rivera
(Current Term: 2019-2022)	RRivera@slco.org
County Surveyor.....	Reid J. Demman
(Current Term: 2015-2020*)	RDemman@slco.org
County Treasurer.....	K. Wayne Cushing
(Current Term: 2015-2020*)	KWCushing@slco.org

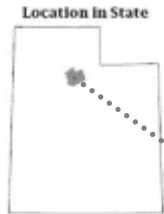
* In 2014, the County Assessor, Recorder, Surveyor, and Treasurer were each elected to a one-time, six-year term that expires in 2020, so that half of the County's elected officials will be elected in each of the subsequent even numbered County election years.

PROFILE OF SALT LAKE COUNTY

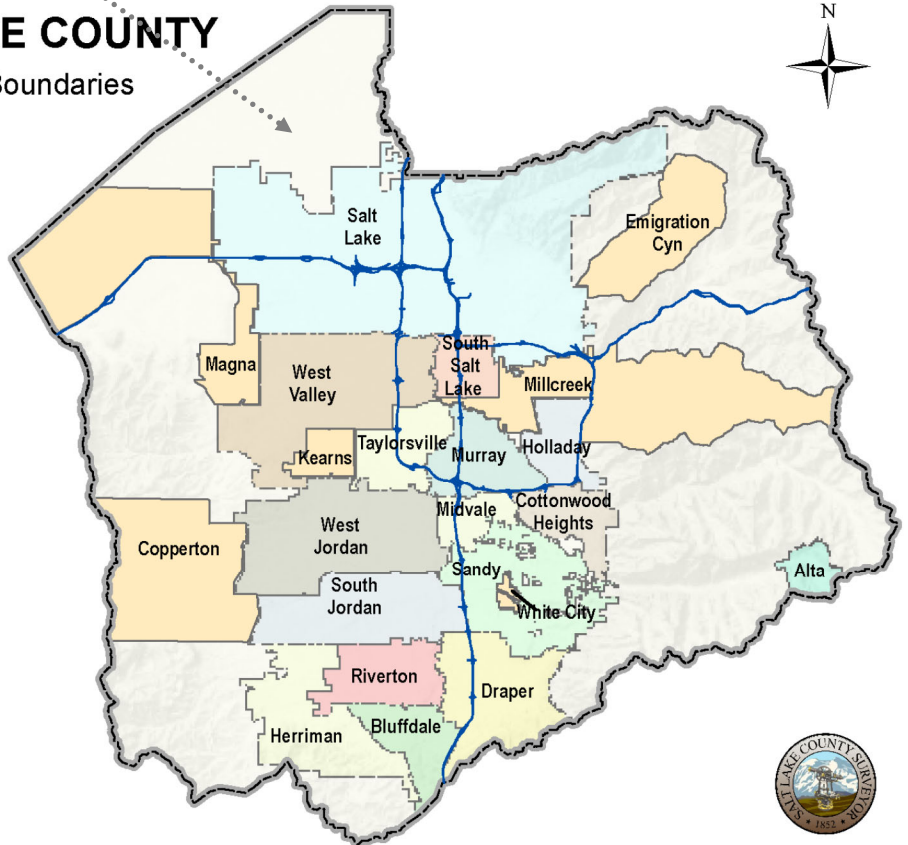
Salt Lake County comprises an area of 742 square miles. It is bordered on the west by the Great Salt Lake (one of the largest inland bodies of water in the United States) and the Oquirrh Mountains, and on the east by the Wasatch Mountains.

Salt Lake County is the most populous county in the state of Utah, with a population of 1.150 million, which represents approximately 36% of the total State population. The City and County area, often referred to as "the Crossroads of the West", is one of the largest metropolitan areas between Phoenix and the Canadian border, north to south, and between Denver and California, east to west. Over the past several years the growth and change in population, business, and industry have brought a national and international reputation to the Salt Lake Valley. The Salt Lake area received further worldwide attention in February 2002 as host of the Olympic Winter Games.

Salt Lake County is home to 16 incorporated cities, 5 metro townships, and one town, ranging in population from approximately 400 to about 201,000. The first city was incorporated more than 160 years ago, while the most recent voted in November 2015 to incorporate. City governments provide municipal services such as garbage collection and disposal, snow plowing, street and sidewalk improvements, animal control services, and planning and zoning services to their residents, and Salt Lake County provides those same services to the Greater Salt Lake Municipal Services District and components of those services to cities on a contract basis.



SALT LAKE COUNTY
Municipal Boundaries



Salt Lake County - Municipal Boundaries & Unincorporated County

PROFILE OF SALT LAKE COUNTY (CONT.)

The County’s government is structured as a Council—Executive form, where the executive is elected and is referred to as Mayor. There are nine part-time council members, three voted at-large to staggered six-year terms, and six are elected by district with staggered four-year terms. The County Mayor’s term is four years. There are eight other elected officials who have independent authority defined by statute: the Assessor, Auditor, Clerk, District Attorney, Recorder, Sheriff, Surveyor and Treasurer.

The County provides a diversified range of regional countywide services, as well as certain municipal-type services. County services include:

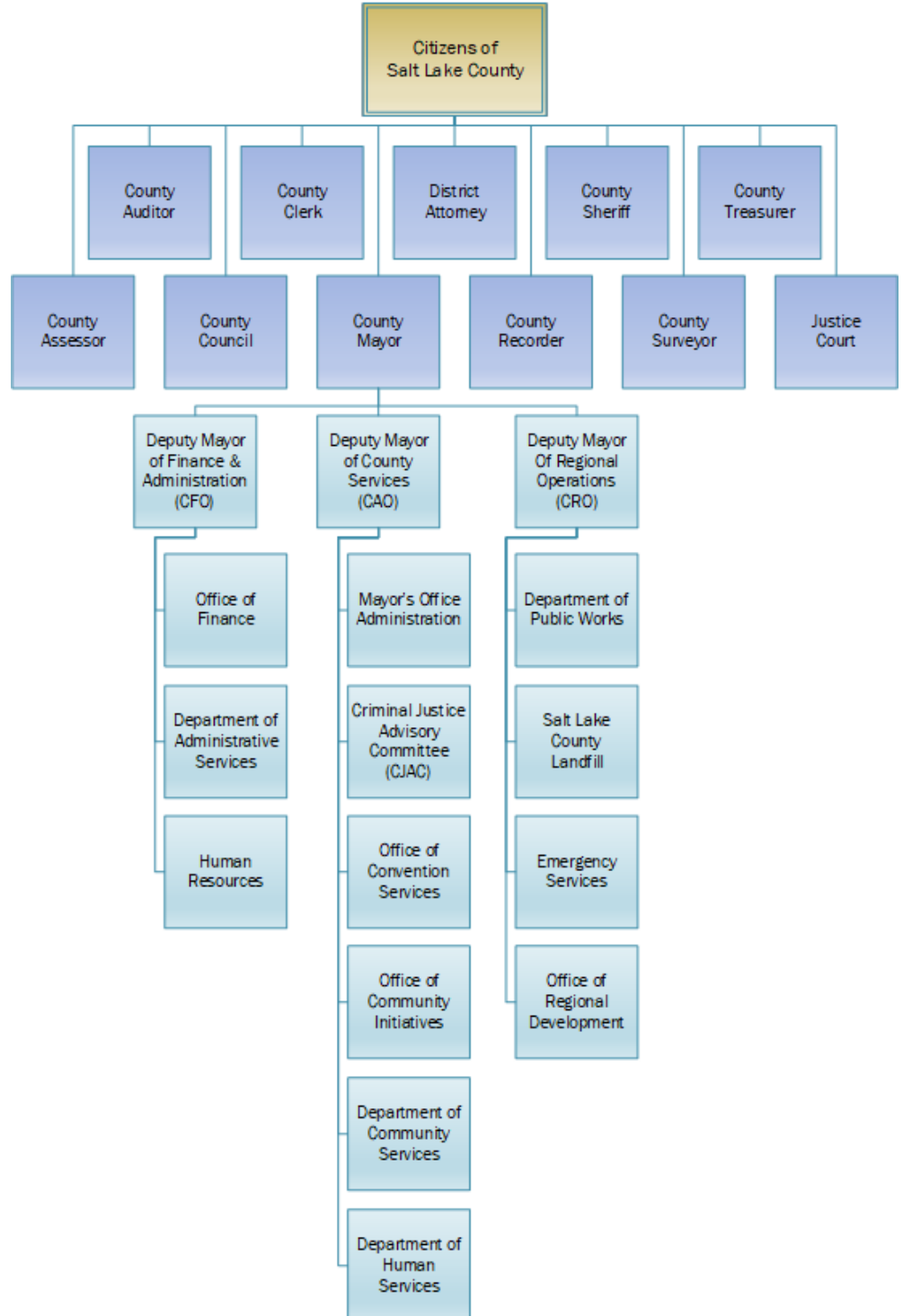
- ❖ Human Services – public health services, behavioral health, aging & adult services (senior centers, meals on wheels, etc.), and youth services.
- ❖ Community Services – parks and recreation, arts & culture venues (Abravanel Hall, Capitol Theater, Rose Wagner Performing Arts Center, Eccles Theater), golf courses, Clark Planetarium, and the library system (except for Murray City and Salt Lake City, which each maintain their own library systems).
- ❖ Public Safety – felony and misdemeanor prosecution by the District Attorney’s Office; incarceration (jail), protective services, and law enforcement services provided by the Sheriff’s Office; pretrial and probation services provided by Criminal Justice Services; and Justice Courts.
- ❖ Municipal Services – business licenses, street lighting, traffic engineering, road construction and maintenance, animal services, planning, zoning, and development services.
- ❖ Other – Property tax assessing and collecting, surveying, flood control, solid waste management, recording, elections, marriage licenses, passports, visitor promotion and convention services (Calvin L. Rampton Salt Palace Convention Center, Mountain America Exposition Center), and ordinance enactment and enforcement.



Salt Lake County Health Department Community Outreach

COUNTY STRUCTURE: ORGANIZATIONAL OVERVIEW

Salt Lake County's elected officials other than the Mayor each function as independent administrators of their departments. The County Mayor has three Deputy Mayors who oversee each of the major functional areas of the County. Information about the departments and sub-department organizations within these major functional areas is presented on pages 13-16 in the Budget Overview section of the Budget In Brief.



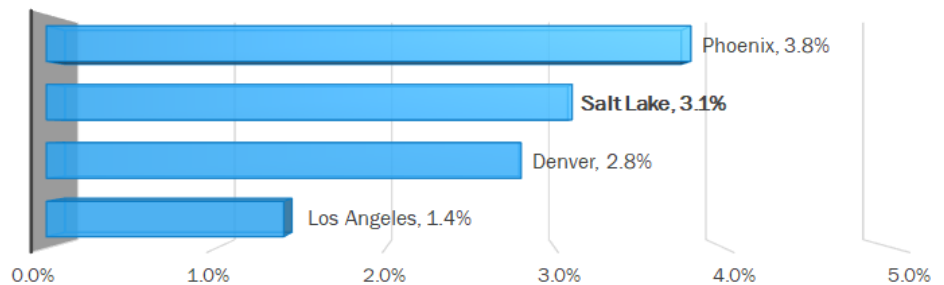
ECONOMIC OUTLOOK



Salt Lake County’s economy continued to expand into its eighth consecutive year in 2018, boosted by an expanding U.S. economy, which grew 2.9%. Currently, most of the economic indicators in the County are still positive, but some important ones are beginning to slow in their growth, including employment and taxable sales. Residential construction, which fell 10% in 2017, rebounded 15% in 2018. Recently in the U.S., consumer confidence dipped but is still in positive territory, and the money supply became tighter as short-term interest rates approached long-term rates.

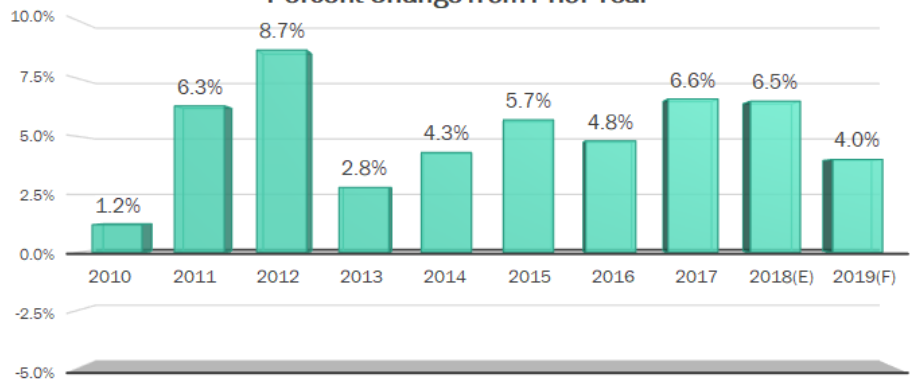
Salt Lake County employment grew more than 3% in four out of five years between 2012 and 2016. Commensurately, the County’s unemployment rate fell from 5% to 3% in the same time period. Utah’s job growth increased respectively 2.5% and 2.4% in 2017 and 2018, not enough to pull the unemployment rate down further from its 3.1% rate. Still, the County’s 3.1% unemployment rate is well below the national rate of 3.9%. Job growth of 3.1% in the Salt Lake Metropolitan Area (which includes Salt Lake, Summit and Tooele counties) was higher than the Los Angeles and Denver metropolitan areas in 2018. The Phoenix job market surged ahead of the rest in 2018.

2018 Employment Growth in Selected Western Metropolitan Areas
Percent Change from Prior Year



Salt Lake County taxable sales grew 6.5% in 2018, very close to 2017’s rate. Growth in total wages of more than 6% and surging residential construction drove taxable sales up. Exempting short-life mining and manufacturing purchases will dampen the County’s taxable sales growth in 2019, despite the inclusion of more taxable sales from Internet sellers and continued strong wage growth.

Salt Lake County Taxable Sales
Percent Change from Prior Year



COUNTY FINANCIAL CONDITION: PRESENT AND FUTURE

Current Financial Condition

The fiscal health of Salt Lake County remains as strong as ever. The County's bond rating remains one of the strongest in the world, with all three major rating agencies giving Salt Lake County the highest possible rating of AAA on its underlying General Obligation debt. Salt Lake County is currently one of only 45 out of 3,142 counties and county-equivalent government entities to have Aaa/AAA/AAA ratings from all three major credit rating agencies, effectively placing it in the top 1.4% of all counties in terms of creditworthiness.

Salt Lake County expects to maintain Fund Balance reserves that are at or above policy required minimums. The projected ending fund balances for selected funds are summarized in the table below:

FUND	PROJECTED 2019 ENDING FUND BALANCE (MILLIONS)	MINIMUM RESERVE (MILLIONS)
General Fund	\$55.8	\$35.6
Flood Control Fund	4.6	0.5
Health Fund	4.3	2.4
Library Fund	10.1	2.4
State Tax Admin Levy Fund	2.6	1.5
TRCC Fund	2.6	1.4

The 2019 Adopted Salt Lake County budget is fiscally responsible, ensuring that adopted expenditures match available sources of funds, and preserving essential services for citizens.

Budget Challenges

Salt Lake County faces several ongoing budget challenges that make it more difficult to achieve structural balance over the long term. Much of the County's expected annual budget challenges revolve around inflation and what is often referred to as the *downward bias of property taxes*. Currently, Utah's system of setting property tax rates does not allow the rates to offset the increased costs resulting from inflation. As a result, our property tax revenues grow more slowly than the combined impact of population-driven increases in service demand and inflationary cost increases. Over time, the overall reduction in purchasing power of funds available may reduce the County's services to its citizens.

Other budget challenges the County faces include:

- ❖ **CDRAs** - Community Development and Renewal Agencies (CDRAs) divert increased County property tax revenue from project areas to provide incentives for development within the project area.
- ❖ **Sales Tax Volatility** - Sales tax revenues tend to grow during times of local economic expansion and decline during economic downturns, making it difficult to rely on sales tax revenues as a primary or new source of funding to cover inflationary cost increases for County programs or new requests.
- ❖ **Asset Maintenance & Renewal** - The County has an ongoing need to maintain, restore, and/or replace its physical assets to protect the County's initial investment in those assets and to ensure that safe and adequate County facilities are available for the benefit of the County's citizens.

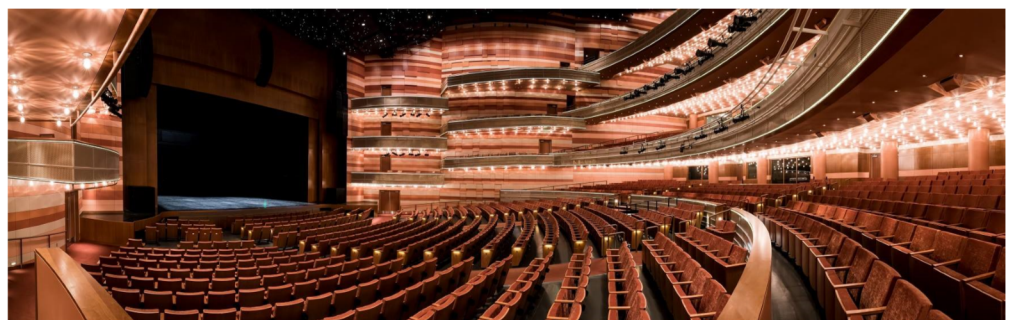
NET BUDGET CALCULATION

Salt Lake County’s adopted budget for all funds is \$1.50 billion. Included in this amount are the budgets for the County’s three internal service funds and various interfund charges. Since internal service funds are used to account for services provided by one County agency to other County agencies (rather than to the general public), the costs are essentially double-budgeted and should be adjusted to clarify the overall budget picture. Internal service and enterprise funds also only budget for operating expenses; consequently, capital purchases should be added back to the budget.

After adjusting the adopted budget for these internal service and interfund charges, and for the excluded capital purchases, the 2018 adopted net budget is \$1.37 billion.

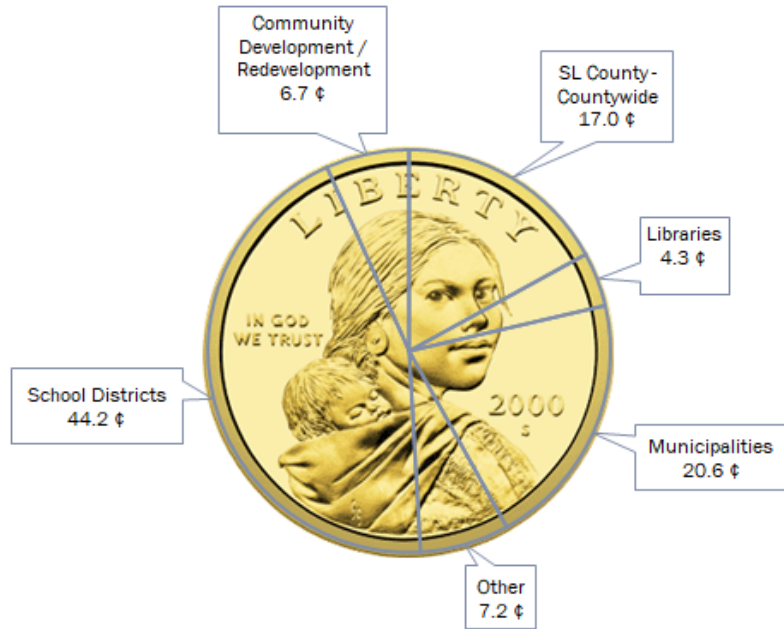
2019 NET BUDGET CALCULATION FOR SALT LAKE COUNTY (MILLIONS)

FUND NAME	2019 ADOPTED BUDGET	ADD: BAL. SHEET PURCHASES	LESS: INTERNAL CHARGES	2019 ADOPTED NET BUDGET
General Fund	\$356.3		(\$50.4)	\$306.0
State Tax Administration Levy Fund	30.1		(0.1)	30.0
Employee Service Reserve Fund	55.6	3.2	(53.6)	5.2
Grant Programs Fund	154.6		(3.8)	150.8
Library Fund	47.3		(0.4)	46.9
Health Fund	47.0		(0.1)	46.9
Economic Development Fund	23.3		(2.3)	21.0
TRCC: Tourism, Rec, Cultural & Conventioi	27.4			27.4
Rampton Salt Palace Convention Center	31.2			31.2
Visitor Promotion Fund	17.7			17.7
Zoos, Arts, & Parks Fund	22.2			22.2
Public Works & Other Services Fund	55.1	7.9	(10.5)	52.5
Fleet Management Fund	24.0	16.4	(12.5)	27.9
Facilities Services Fund	20.1	3.5	(20.3)	3.4
Flood Control Fund	11.0		(1.0)	10.0
Solid Waste Management Fund	13.5	17.4	(2.3)	28.6
Bond Debt Service Fund	28.7			28.7
Capital Improvements Fund	12.5			12.5
Transportation Preservation Fund	283.8		(0.4)	283.4
TRCC Bond Projects Fund	46.1			46.1
Parks & Recreation GO Bond Fund	59.0			59.0
Library MBA Bond Projects Fund	59.4			59.4
All Other Funds	88.7	3.5	(14.6)	77.6
Totals:	\$1,514.8	\$52.1	(\$172.4)	\$1,394.5



Eccles Theater Interior

PROPERTY TAXES



ALLOCATION OF PROPERTY TAXES COLLECTED BY SALT LAKE COUNTY

Salt Lake County's tax levy is only part of your total property tax bill. On average, the County keeps about 17 cents of each property tax dollar it collects for countywide services, and about 4 cents for library services outside of Salt Lake City and Murray City. Municipalities (cities and towns) receive almost 21 cents to pay for police, fire, road maintenance and other services. Community development and renewal agencies (also known as redevelopment agencies), which are controlled by municipalities, receive about 7 cents. School districts receive the largest share of the property tax at about 44 cents, and all of the other taxing entities such as special improvement, water and sewer, and mosquito abatement districts receive about 7 cents of each property tax dollar.

PROPERTY TAX CALCULATION - EXAMPLE

Current Utah law gives homeowners a break on property tax by way of the residential exemption. Most other kinds of property are taxed at their full fair market value. This example is based on 2018 tax rates.

PRIMARY RESIDENTIAL PROPERTY

Appraised Market Value	-	45% Residential Exemption	=	Taxable Value	X	Countywide Tax Rate	=	Taxes Due
\$ 300,000	-	\$ 135,000	=	\$ 165,000	X	0.002259	=	\$ 372.74

BUSINESS PROPERTY

Appraised Market Value	=	Taxable Value	X	Countywide Tax Rate	=	Taxes Due
\$ 300,000	=	\$ 300,000	X	0.002259	=	\$ 677.70

PROPERTY TAXES (CONT.)

HOW SALT LAKE COUNTY USES ITS SHARE OF YOUR PROPERTY TAXES



**SL County -
Countywide**
17.0¢

General Public Services - 3.7 cents - Elections, assessment and taxation, flood control, education, economic development, legal counsel, support functions, and those functions required by law.

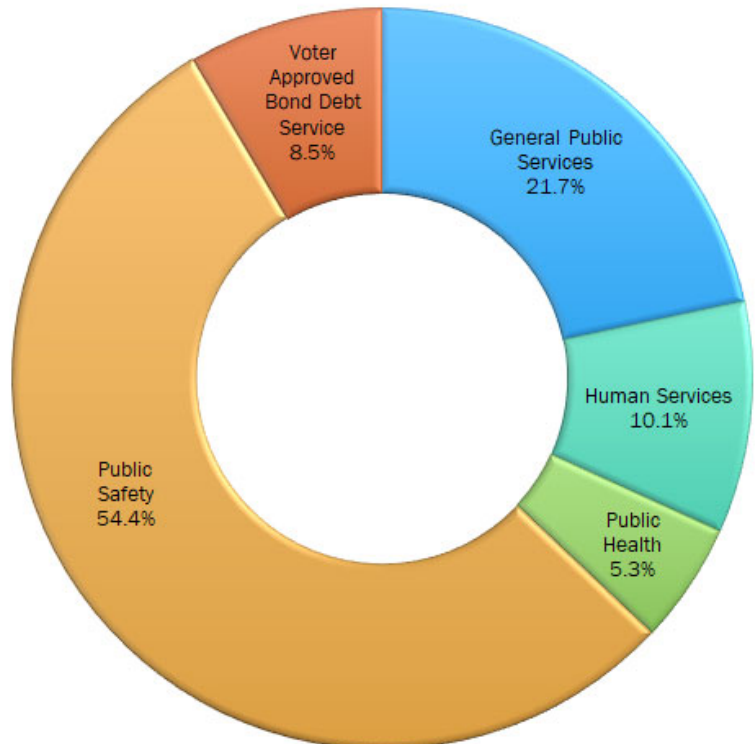
Human Services - 1.7 cents - Support services for abused and neglected children, treatment for substance abuse and mental illness, and services to help seniors live independently.

Public Health - 0.9 cents - Disease prevention, environmental protection, and family health support.

Public Safety - 9.3 cents - Jails, criminal prosecution, alternatives to incarceration, court security, and indigent legal expense.

Voter Approved Bond Debt Service - 1.4 cents - Debt service for several bond projects that include major facilities like the county jail and nonprofit community projects like the Children’s Museum of Utah, Hogle Zoo, Tracy Aviary, and Utah Museum of Natural History.

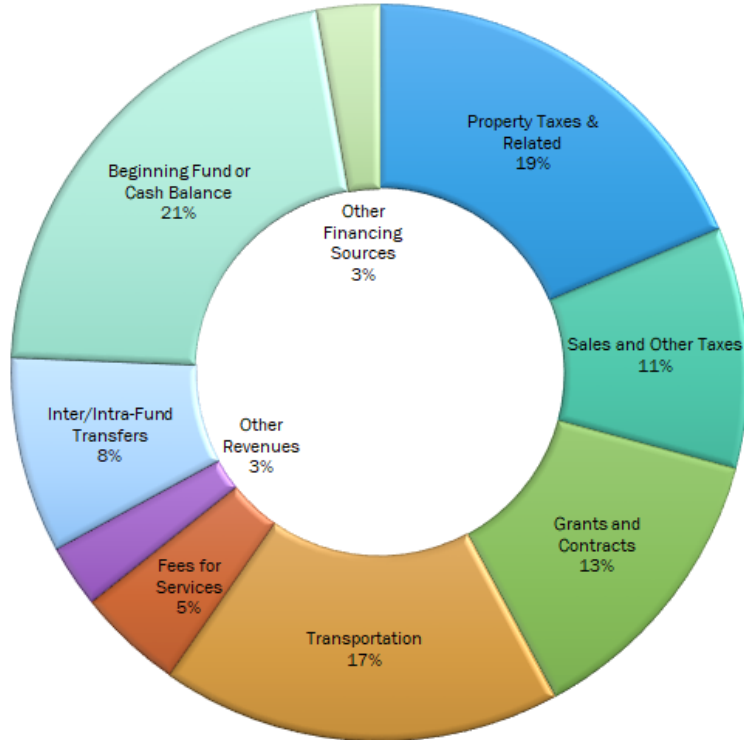
SALT LAKE COUNTY PROPERTY TAX ALLOCATION



BUDGET

OVERVIEW: GOVERNMENT-WIDE SOURCES OF FUNDS

2019 ADOPTED BUDGET:
GOVERNMENT-WIDE SOURCES OF FUNDS
\$1,698.8 MILLION

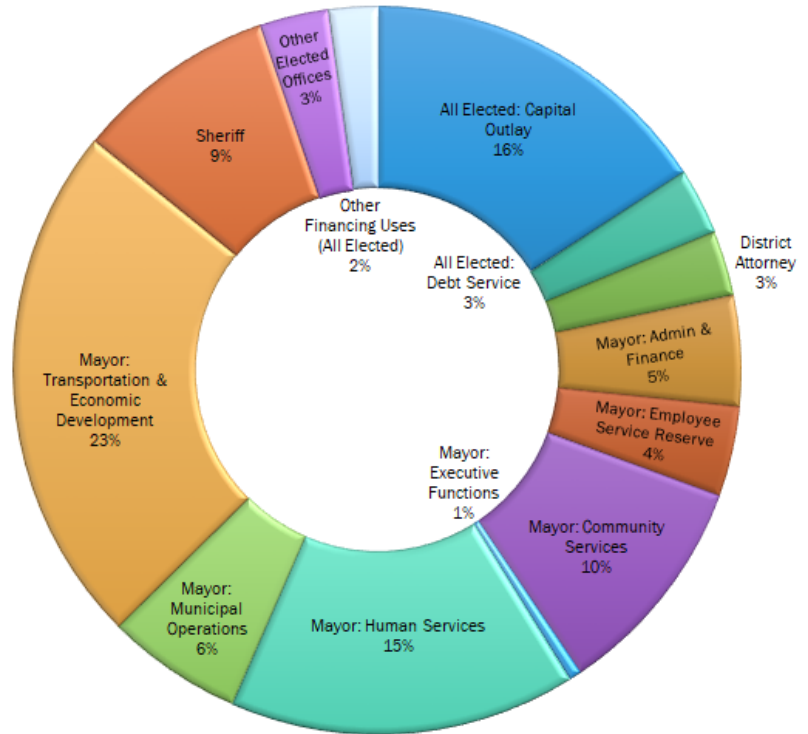


REVENUES AND OTHER SOURCES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
Property Taxes & Related	\$303.7	\$311.8	\$316.5
Sales and Other Taxes	156.1	172.2	179.9
Grants and Contracts	204.1	229.1	218.7
Transportation	246.4	218.7	298.4
Fees for Services	75.8	80.5	78.3
Other Revenues	175.7	50.6	47.3
Inter/Intra-Fund Transfers	125.9	144.0	145.9
Beginning Fund or Cash Balance	-	339.2	366.1
Revenues & Fund Balance:	\$1,287.7	\$1,546.1	\$1,651.2
Other Financing Sources	211.8	110.6	47.5
Total Revenues & Other Sources:	\$1,499.6	\$1,656.7	\$1,698.8

BUDGET

OVERVIEW: GOVERNMENT-WIDE USES OF FUNDS — BY ELECTED OFFICE

2019 ADOPTED BUDGET: GOVERNMENT-WIDE
USES OF FUNDS - BY ELECTED OFFICE
\$1,548.8 MILLION



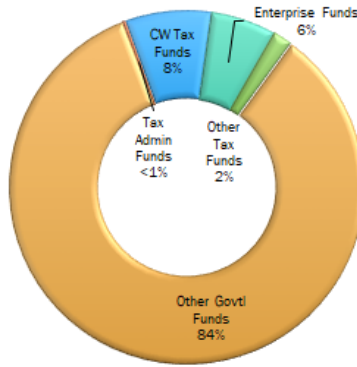
EXPENDITURES AND OTHER USES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
All Elected: Capital Outlay	\$121.0	\$247.8	\$245.8
All Elected: Debt Service	51.1	49.9	45.7
Assessor	13.5	14.1	14.5
Auditor	4.3	5.8	6.0
Clerk	5.6	7.0	5.3
County Council	3.7	4.5	4.6
District Attorney	37.8	43.4	44.5
Justice Courts	1.5	1.9	1.9
Mayor: Admin & Finance	62.5	76.5	76.4
Mayor: Community Services	135.4	148.6	154.4
Mayor: Employee Service Reserve	50.8	59.6	61.9
Mayor: Executive Functions	6.9	8.5	8.6
Mayor: Human Services	215.7	235.6	238.6
Mayor: Municipal Operations	77.5	100.3	93.4
Mayor: Transport & Econ Devel	267.1	369.8	360.0
Recorder	6.5	6.4	6.7
Sheriff	112.9	130.7	138.7
Surveyor	2.9	3.3	3.4
Treasurer	4.6	4.6	4.7
Expenditures:	\$1,181.2	\$1,518.3	\$1,514.8
Other Financing Uses (All Elected)	61.8	3.6	33.9
Total Expend. & Other Uses:	\$1,243.0	\$1,521.9	\$1,548.8

BUDGET

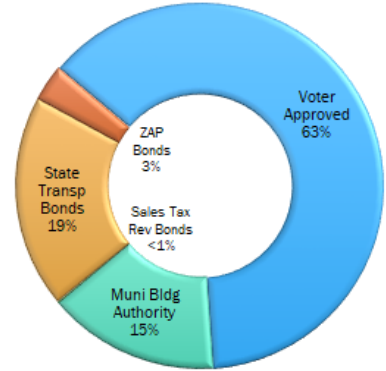
OVERVIEW:

GOVERNMENT-WIDE USES OF FUNDS — BY ELECTED OFFICE (CONT.)

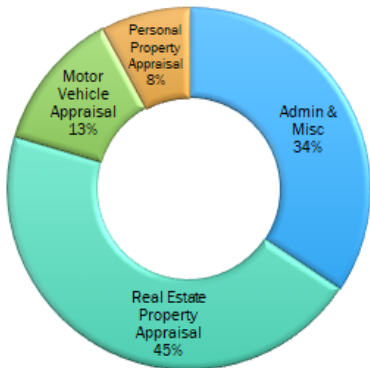
ALL ELECTED: CAPITAL OUTLAY
\$245.8 MILLION



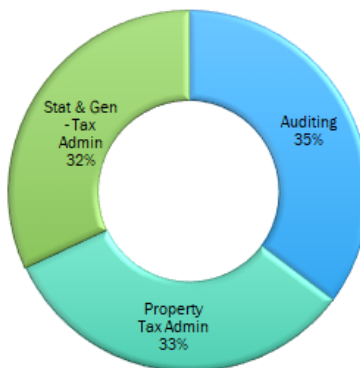
ALL ELECTED: DEBT SERVICE
\$45.7 MILLION



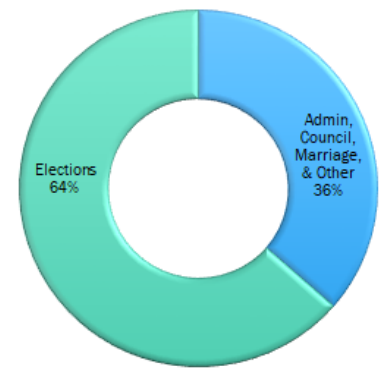
ASSESSOR
\$14.5 MILLION



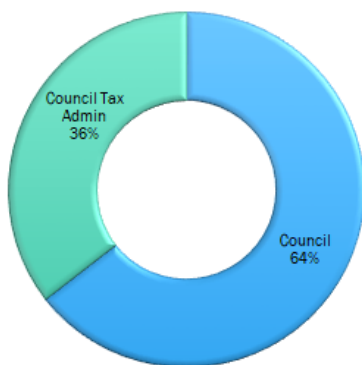
AUDITOR
\$6.0 MILLION



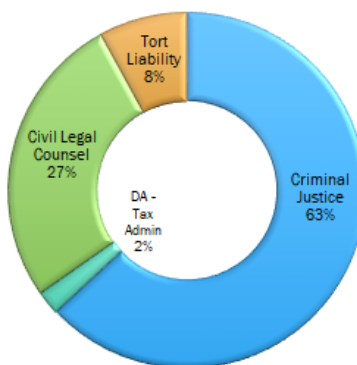
CLERK
\$5.3 MILLION



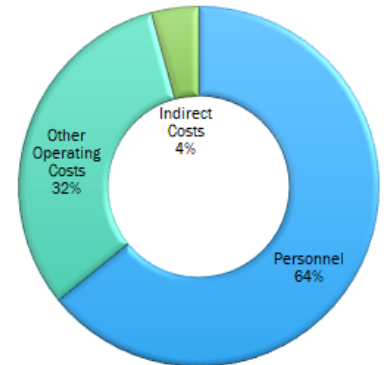
COUNCIL
\$4.6 MILLION



DISTRICT ATTORNEY
\$44.5 MILLION

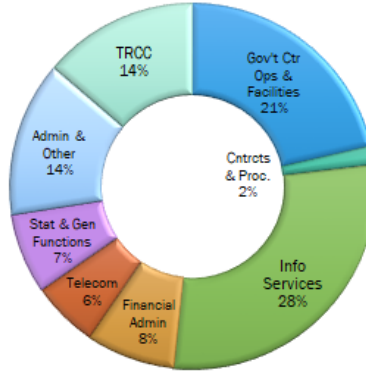


JUSTICE COURT
\$1.9 MILLION

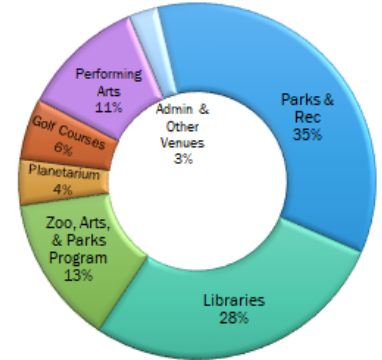


BUDGET OVERVIEW: GOVERNMENT-WIDE USES OF FUNDS — BY ELECTED OFFICE (CONT.)

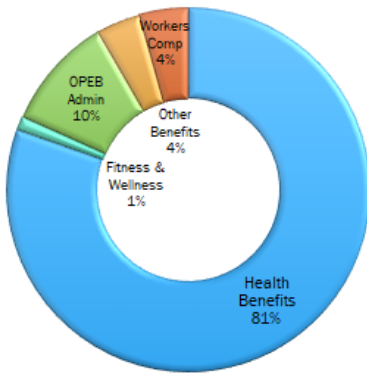
MAYOR: ADMINISTRATIVE SERVICES & FINANCE
\$76.4 MILLION



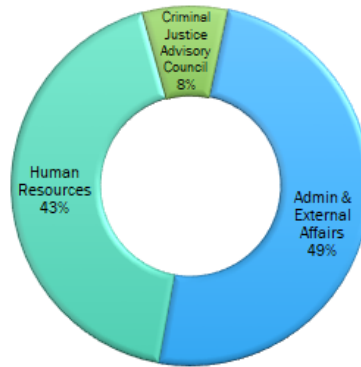
MAYOR: COMMUNITY SERVICES
\$154.4 MILLION



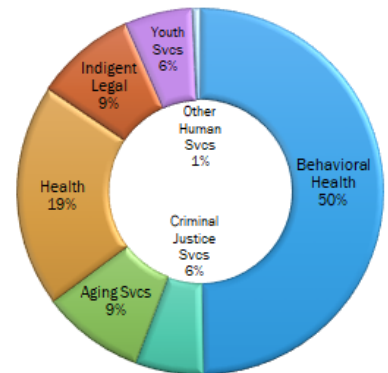
MAYOR: EMPLOYEE SERVICE RESERVE
\$61.9 MILLION



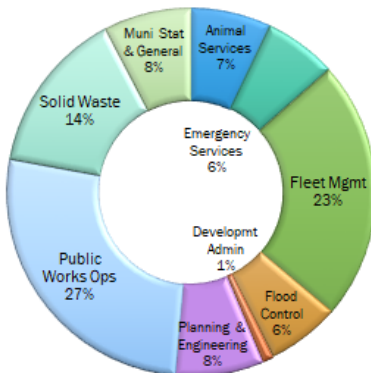
MAYOR: EXECUTIVE FUNCTIONS
\$8.6 MILLION



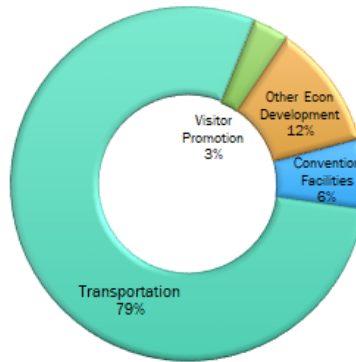
MAYOR: HUMAN SERVICES
\$238.6 MILLION



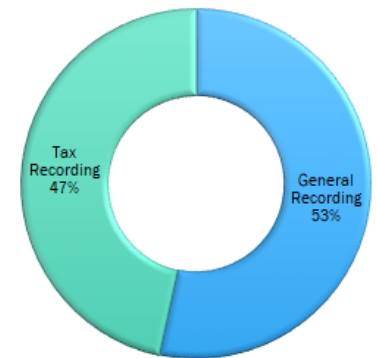
MAYOR: MUNICIPAL OPERATIONS
\$93.4 MILLION



MAYOR: TRANSPORTATION & ECONOMIC DEVELOPMENT
\$360.0 MILLION



RECORDER
\$6.7 MILLION

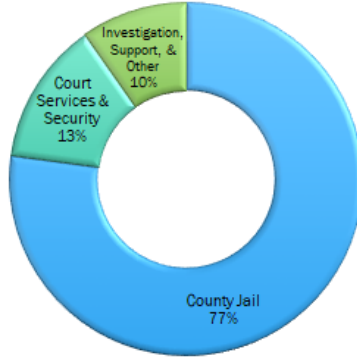


BUDGET

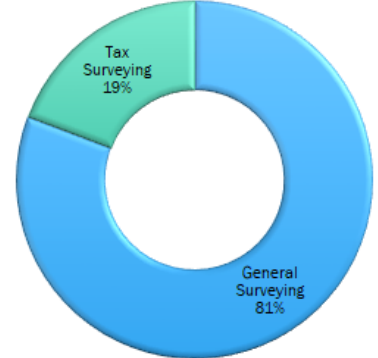
OVERVIEW:

GOVERNMENT-WIDE USES OF FUNDS — BY ELECTED OFFICE (CONT.)

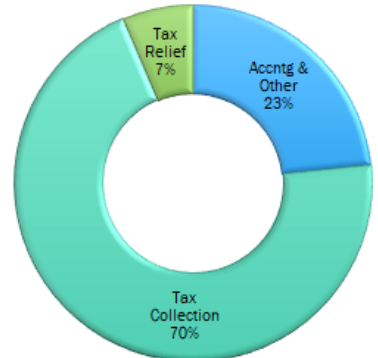
SHERIFF
\$138.7 MILLION



SURVEYOR
\$3.4 MILLION



TREASURER
\$4.7 MILLION

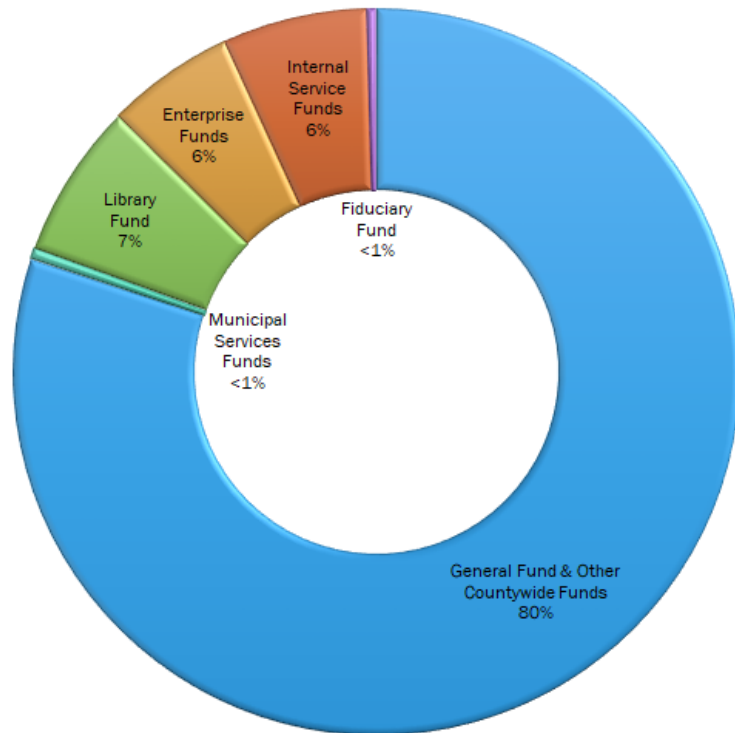


Adult Detention Complex - Salt Lake County Sheriff's Office

BUDGET OVERVIEW: GOVERNMENT-WIDE USES OF FUNDS — BY LEGALLY SEGREGATED BASIS

Salt Lake County government has one of the more complicated budgets to understand, largely stemming from the 56 separate funds managed by the County. Different funds are established in many cases as required by law, and in some cases to further management objectives. The funds established by law are required by state statute. This is usually due to revenues authorized by the state for a specific use, or alternatively because there are different taxpayers contributing to a particular service, necessitating a segregation of funds. Policymakers must understand when balancing budgets that the General Fund can't be used to solve budget problems in the Library or Municipal Services funds because they are not funded by the same taxpayers. Likewise, Library funds can't be transferred to the General Fund. Consequently, another way to view the government-wide budget is by segregated uses of revenues. The chart below illustrates the same total appropriations from page 13, but divided up according to use instead of by elected official. The graphs on pages 18-22 further illustrate the spending by type of service provided to citizens.

2019 ADOPTED BUDGET: GOVERNMENT-WIDE USES OF FUNDS - LEGALLY SEGREGATED BASIS
\$1,548.8 MILLION

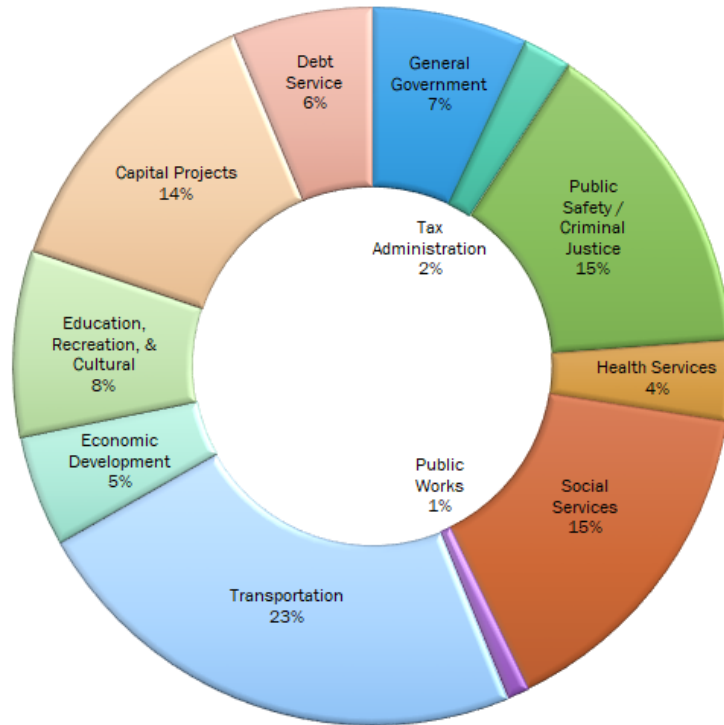


USES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
General Fund & Other CW Funds	\$1,043.2	\$1,202.0	\$1,239.4
Municipal Services Funds	2.6	15.8	7.8
Library Fund	41.8	112.3	106.6
Enterprise Funds	71.4	91.7	89.0
Internal Service Funds	79.7	94.0	99.7
Fiduciary Fund	4.3	6.0	6.3
Totals:	\$1,243.0	\$1,521.9	\$1,548.8

BUDGET OVERVIEW: GENERAL FUND & OTHER COUNTY-WIDE FUNDS USES OF FUNDS

The General Fund and other County-wide funds account for functions and services provided on a County-wide basis. Subdivisions within this category can often be linked with a fund other than the General Fund, but they share the common purpose of providing services on a County-wide basis.

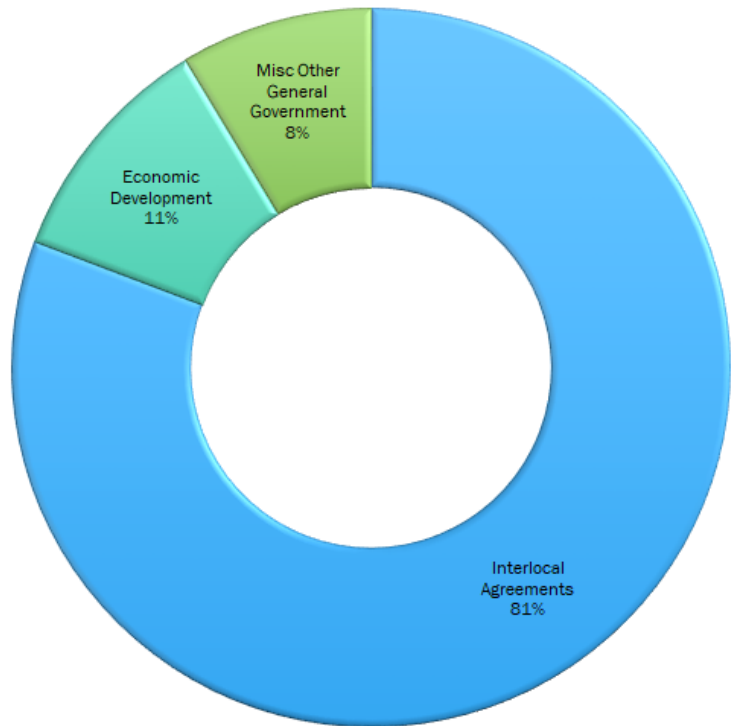
2019 ADOPTED BUDGET: GENERAL FUND & OTHER CW FUNDS - USES OF FUNDS
\$1,239.4 MILLION



USES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
General Government	\$73.3	\$90.7	\$86.6
Tax Administration	24.2	26.5	27.1
Public Safety / Criminal Justice	149.6	172.9	181.9
Health Services	38.1	44.4	45.2
Social Services	174.5	192.6	190.3
Public Works	8.3	12.4	12.5
Transportation	236.7	286.4	284.1
Economic Development	54.0	66.3	62.3
Education, Recreation, & Cultural	92.0	99.4	103.8
Capital Projects	110.5	160.6	167.2
Debt Service	82.1	49.9	78.4
Totals:	\$1,043.2	\$1,202.0	\$1,239.4

BUDGET OVERVIEW: MUNICIPAL SERVICES FUNDS USES OF FUNDS

2019 ADOPTED BUDGET: MUNICIPAL SERVICES
FUNDS - USES OF FUNDS
\$7.8 MILLION

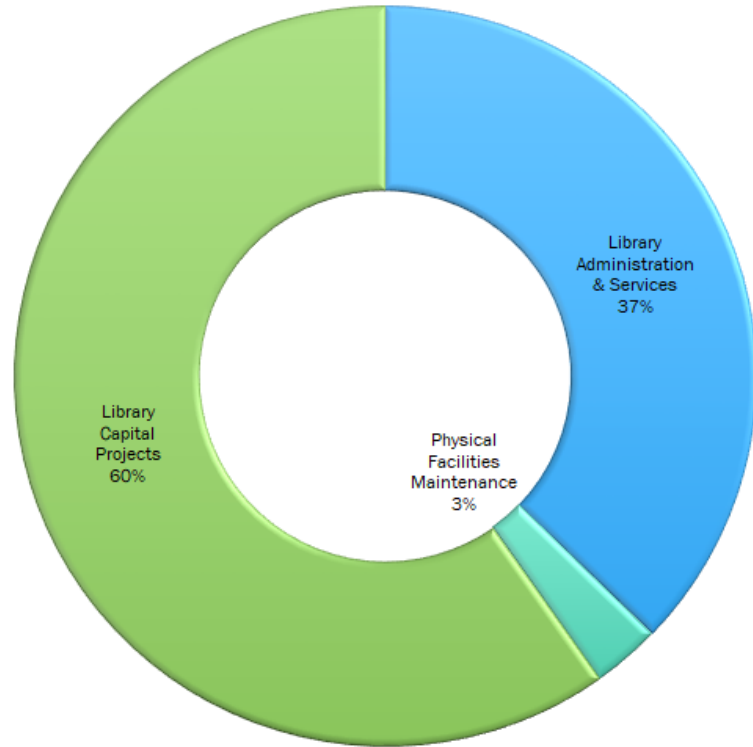


USES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
Interlocal Agreements	\$0.0	\$7.3	\$6.3
Economic Development	2.3	0.9	0.8
Misc Other General Government	0.0	7.5	0.7
Capital Projects	0.3	0.0	0.0
Totals:	\$2.6	\$15.8	\$7.8

Prior to 2017, city-type municipal services for residents of the unincorporated areas of Salt Lake County, as well as cities and townships that contract with the County to provide certain municipal services, were accounted for in either the County's Municipal Services Fund or the Municipal Service District Fund. Beginning in 2017, administrative, planning, animal control, public works, and justice court costs are being accounted for in the County's Public Works & Other Services Enterprise Fund (see page 22).

BUDGET OVERVIEW: LIBRARY FUND USES OF FUNDS

2019 ADOPTED BUDGET:
LIBRARY FUND - USES OF FUNDS
\$106.6 MILLION



USES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
Library Administration & Services	\$35.6	\$38.7	\$39.7
Physical Facilities Maintenance	2.7	2.9	3.2
Library Capital Projects	3.5	70.8	63.8
Totals:	\$41.8	\$112.3	\$106.6

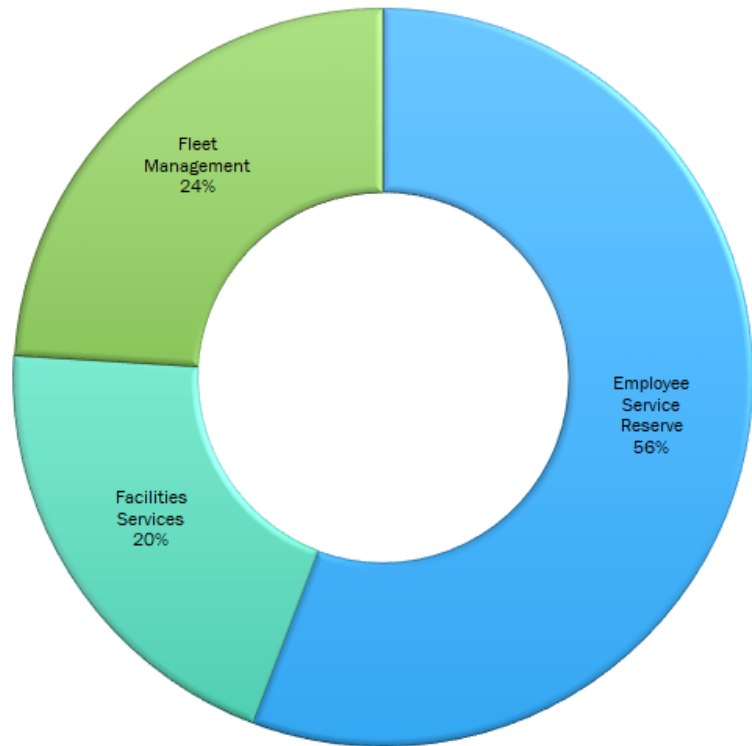
The County’s Library Fund provides community library facilities and services for the unincorporated County, the County’s metro townships, and all of the municipalities within the County, with the exceptions of Salt Lake City and Murray City, which each have their own library systems. Over 4.5 million people visit the various County libraries annually, checking out over 15 million items, and tens of millions more access the Salt Lake County library system by using its web services.

The large increase in the Library Capital Projects budget in 2018 is due to an initiative to construct several new or relocated County libraries and a library facilities shop structure, beginning in 2018. Subsequent to adoption of the Library Fund 2018 budget, the County Council approved a budget adjustment to move these projects from the Library Fund into a dedicated bond-funded capital projects fund. The 2019 Library Fund budget is \$47.2 million, and the 2019 budget amount for the bond-funded library capital projects fund is \$59.4 million, for a total Library budget of \$106.6 million.

BUDGET OVERVIEW: INTERNAL SERVICE FUNDS USES OF FUNDS

Internal service funds are established to provide certain support services to County departments and divisions. Salt Lake County's employee service reserve (statutory and non-statutory employee benefits management), facilities services and fleet management are operated from internal service funds.

2019 ADOPTED BUDGET:
INTERNAL SERVICE FUNDS - USES OF FUNDS
\$99.7 MILLION



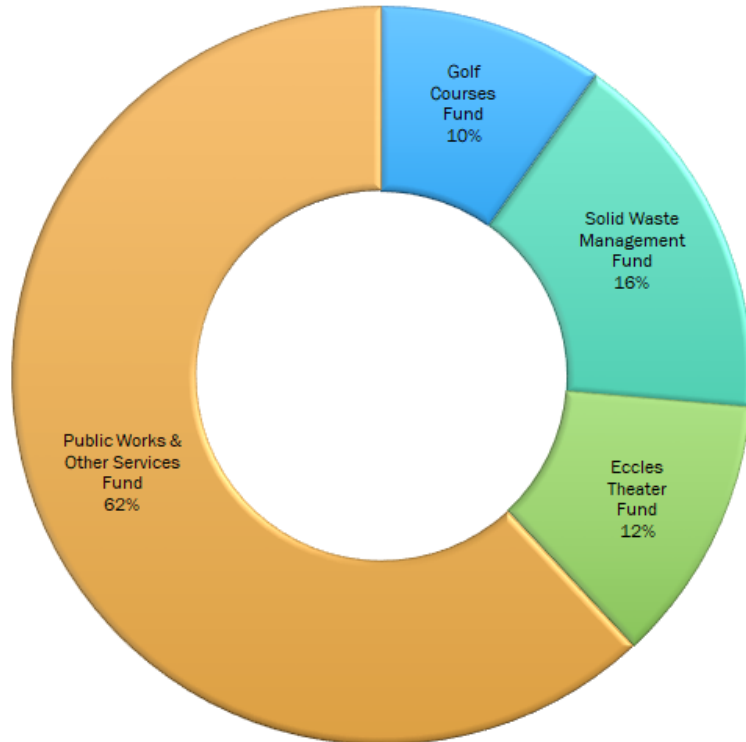
USES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
Employee Service Reserve	\$46.5	\$53.6	\$55.6
Facilities Services	16.2	20.2	20.1
Fleet Management	17.0	20.2	24.0
Totals:	\$79.7	\$94.0	\$99.7

BUDGET

The County uses Enterprise funds to account for operations that are financed and operated in a manner similar to private business enterprises.

OVERVIEW: ENTERPRISE FUNDS USES OF FUNDS

2019 ADOPTED BUDGET:
ENTERPRISE FUNDS - USES OF FUNDS
\$89.0 MILLION

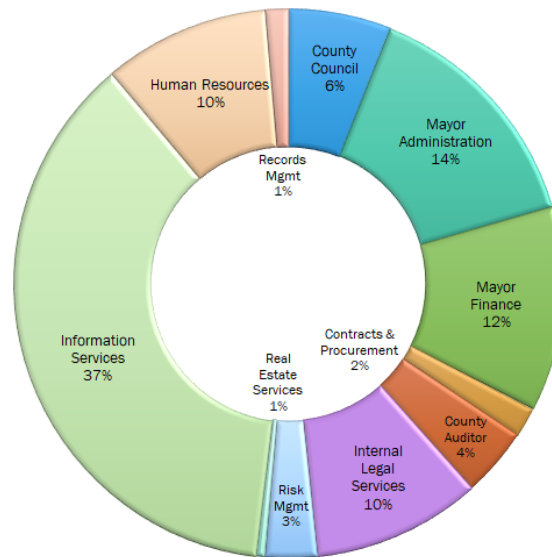


USES OF FUNDS	2017 ACTUALS (MILLIONS)	2018 FINAL BUDGET (MILLIONS)	2019 ADOPTED BUDGET (MILLIONS)
Golf Courses Fund	\$7.8	\$8.8	\$8.7
Solid Waste Management Fund	15.1	18.1	14.7
Eccles Theater Fund	7.9	8.8	10.4
Public Works & Other Svcs Fund	40.7	56.1	55.1
Totals:	\$71.4	\$91.7	\$89.0

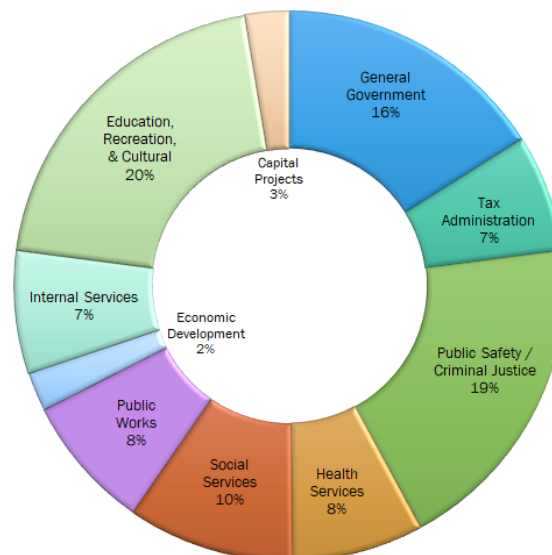
BUDGET OVERVIEW: ADMINISTRATIVE OVERHEAD & OTHER INDIRECT COSTS

Certain County administrative departments provide essential services to other County departments. The costs associated with these services are internally allocated to the other County departments as administrative overhead. Allocating administrative overhead costs to departments that primarily serve the unincorporated County and the County library system avoids double-taxation of taxpayers who receive these same services from their city governments. Allocating overhead costs also provides more accurate cost information for grants and contracts, as well as for the services the County provides its citizens.

2019 ADOPTED BUDGET:
SOURCES OF OVERHEAD COSTS
\$41.0 MILLION

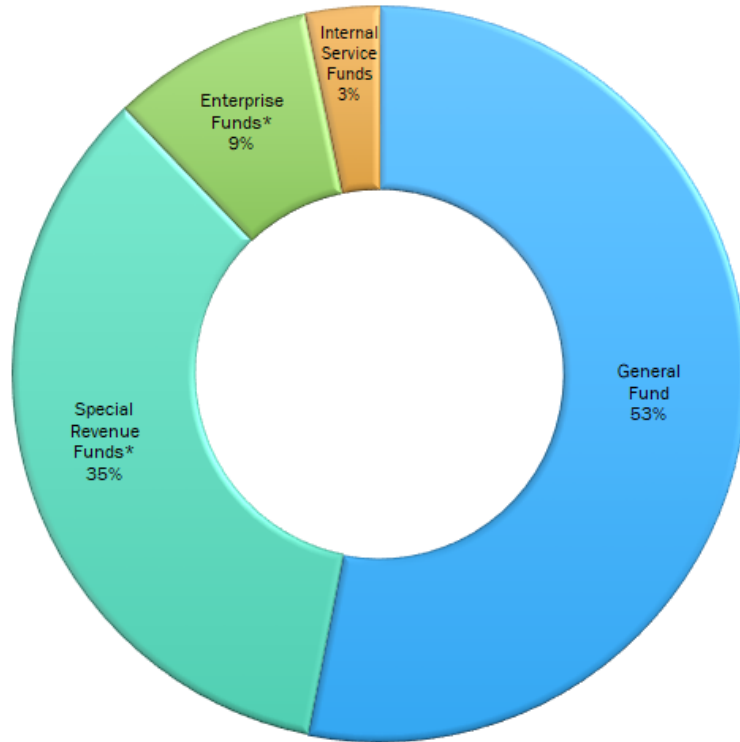


2019 ADOPTED BUDGET:
SHARE OF OVERHEAD COSTS ALLOCATED
BY FUNCTIONAL CATEGORY
\$41.0 MILLION

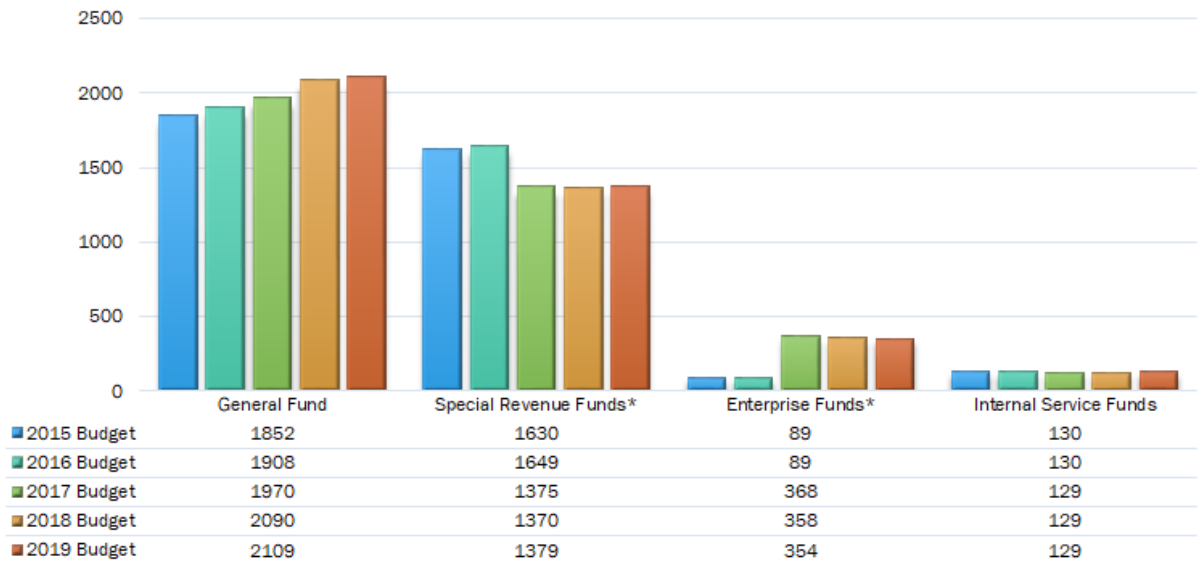


BUDGET OVERVIEW: FULL-TIME EQUIVALENT EMPLOYEES

2019 ADOPTED BUDGET:
FULL-TIME EMPLOYEES BY FUND TYPE
3,971 FTEs



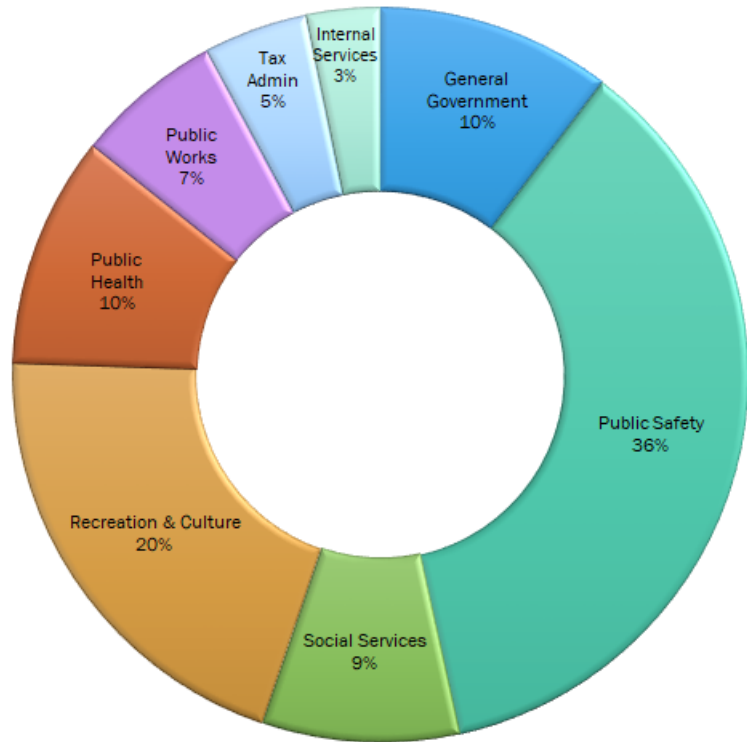
FULL-TIME EMPLOYEES BY FUND TYPE



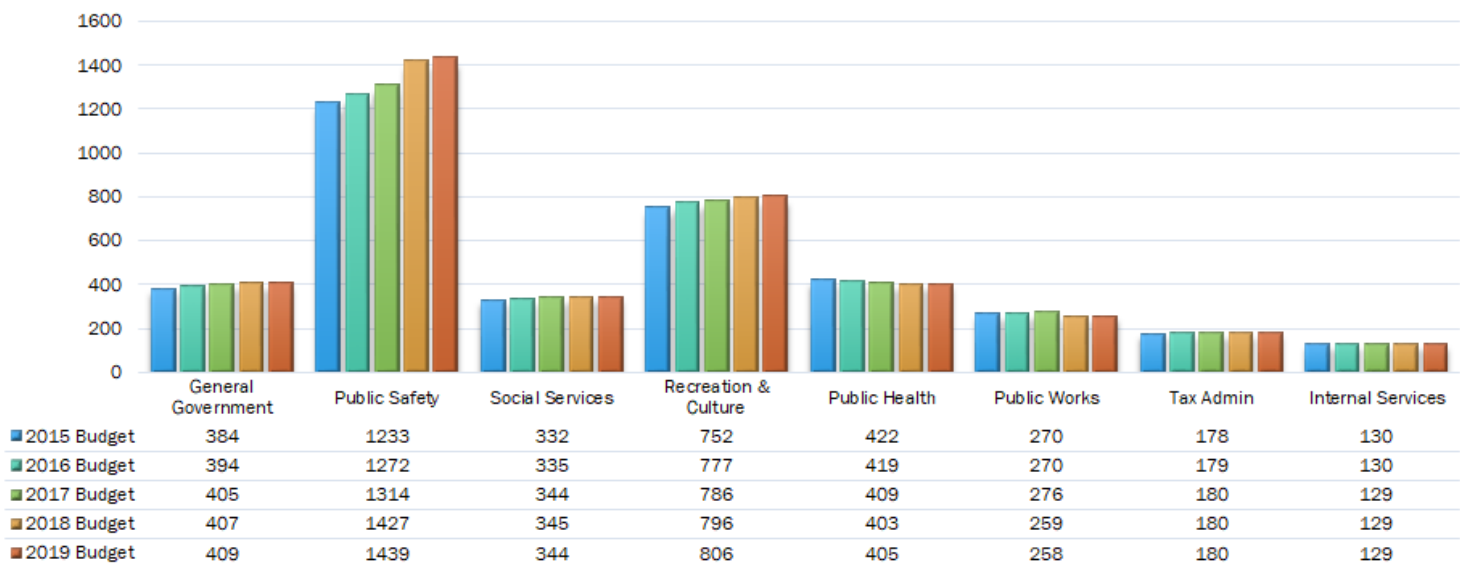
*All of the Public Works Department divisions that were previously accounted for in the Municipal Services District Fund (a Special Revenue Fund) were moved to the Public Works Enterprise Fund, which was created in 2017.

BUDGET OVERVIEW: FULL-TIME EQUIVALENT EMPLOYEES (CONT.)

2019 ADOPTED BUDGET:
FULL-TIME EMPLOYEES BY FUNCTION
3,971 FTEs



FULL-TIME EMPLOYEES BY FUNCTION

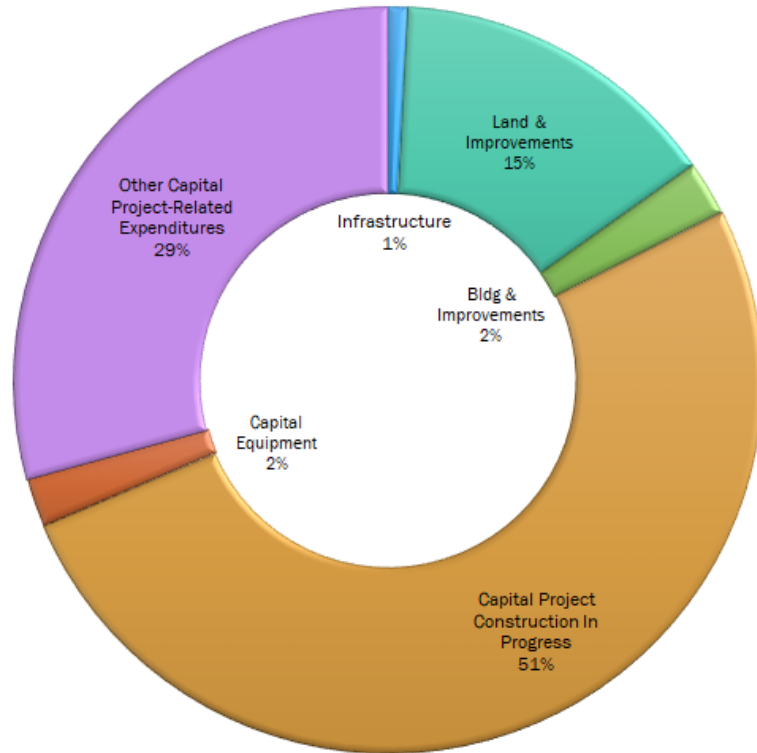


BUDGET OVERVIEW: CAPITAL PROJECTS

Salt Lake County continually strives to provide its citizens with cost effective state-of-the-art facilities that enhance the communities where they live. The County also promotes energy conservation and green environmental standards for all capital projects. Capital projects in Salt Lake County include buildings, parks, open space improvements, a broad network of County roads, as well as an extensive bridge, viaduct, and flood control infrastructure located throughout the County.

The County strives to follow the highest Leadership in Energy and Environmental Design (LEED) standards, making County facilities as energy efficient and environmentally friendly as possible.

2019 ADOPTED BUDGET:
CAPITAL & RELATED EXPENDITURES BY ASSET TYPE
\$245.8 MILLION



The 2019 Budget includes the following major new and ongoing capital projects:

- ❖ **Mid-Valley Regional Cultural Center** – This is a partnership with the city of Taylorsville to construct a 60,000-70,000 square-foot regional performing arts center. This new performing arts center will expand arts and cultural opportunities in the County’s west side and southwest communities.

BUDGET OVERVIEW: CAPITAL PROJECTS (CONT.)

- ❖ **New Library & Relocation/Rebuild Projects** – New or relocated libraries are proposed to be built in Kearns, Herriman, West Valley City, South Jordan, Holladay, and South Salt Lake to better serve the growing communities in the west and southwest regions of Salt Lake Valley. This project will be completed over more than one phase and across multiple years.
- ❖ **Draper Recreation Center** – Draper Recreation Center will be a new 38,400 square-foot recreation center located in Draper City, adjacent to the South Mountain outdoor pool.
- ❖ **Welby & Magna Regional Parks** – These new regional parks will provide a variety of sports fields and courts, as well as picnic pavilions, playgrounds, walking paths, and other outdoor recreation amenities.
- ❖ **Big Cottonwood Park Softball Complex** – This project will replace the existing Larry H Miller Softball Complex central structure with a new restroom, concession, score keeper, and seating facility for the softball complex to address extensive safety and maintenance issues with the existing building. Major funding for this project comes from a \$5 million donation from the Miller Family.



Salt Lake County Library - Daybreak Branch Rendering

BUDGET OVERVIEW: COUNTY DEBT & DEBT SERVICE

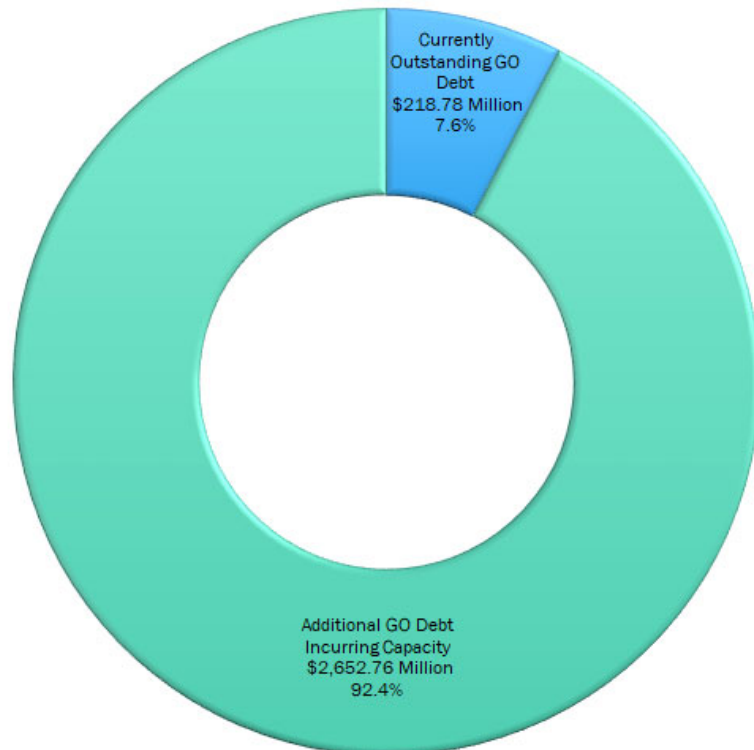
Bonds are a way of borrowing money for the County. The bond promises payment of the original investment plus interest by a specific date/dates in the future. Salt Lake County utilizes five primary categories of bond debt:

- ❖ General Obligation (GO) Bonds
- ❖ Lease Revenue Bonds held in the Municipal Building Authority (MBA)
- ❖ Sales Tax Revenue/TRCC Bonds
- ❖ Transportation Tax Revenue Bonds
- ❖ Excise Tax Road Revenue Bonds

Legally, Salt Lake County could issue general obligation debt up to about \$2.87 billion, which is 2% of the \$143.58 billion adjusted fair market value of taxable property in the County. Given all sources of current debt in the County, the County is well below reaching its statutory limit. Currently, the County has total outstanding GO debt of approximately \$218.78 million.

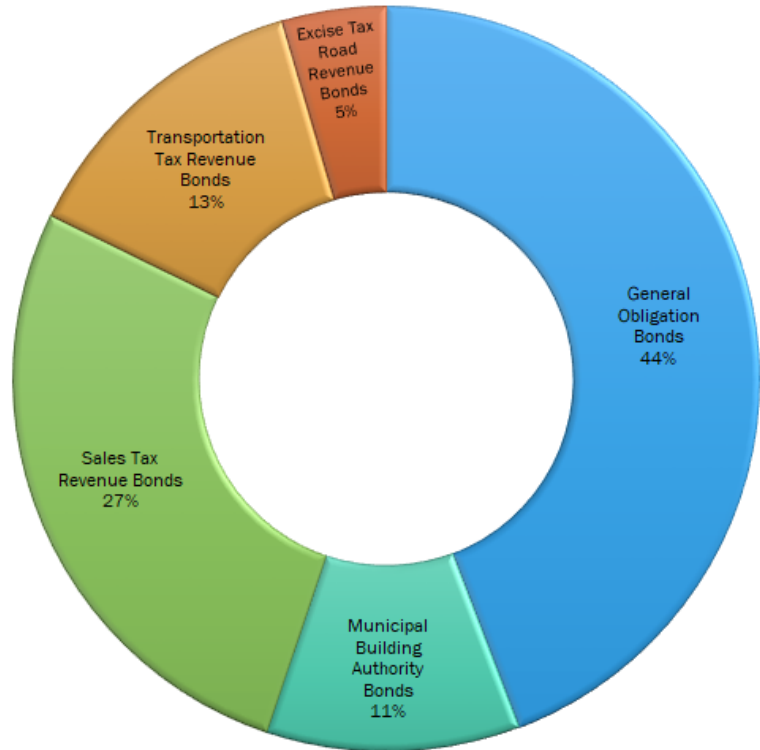
Salt Lake County currently utilizes about 7.8% of its legally permitted GO debt capacity.

CURRENT GENERAL OBLIGATION DEBT UTILIZATION



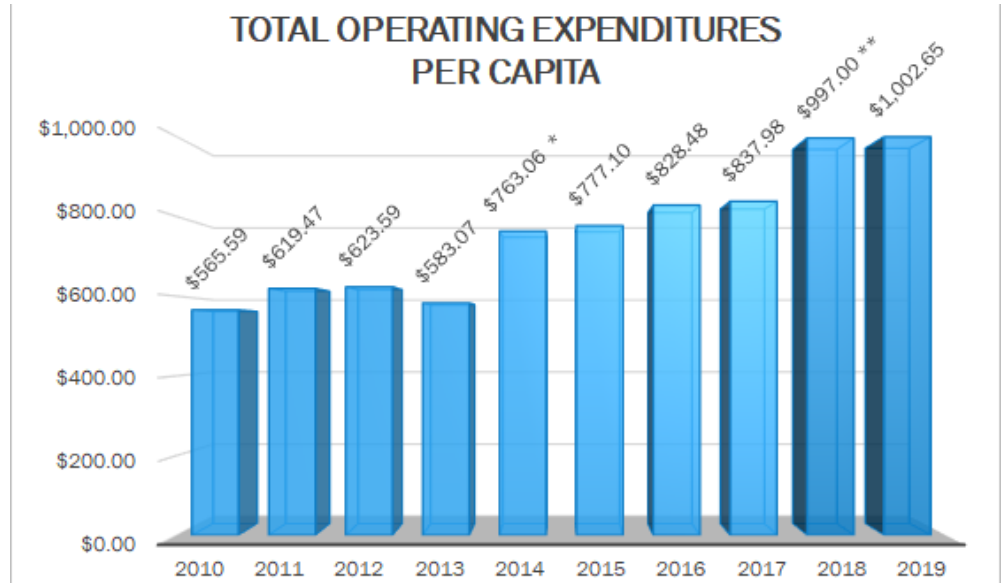
BUDGET OVERVIEW: COUNTY DEBT & DEBT SERVICE (CONT.)

2019 ADOPTED BUDGET:
BOND DEBT SERVICE BY BOND TYPE
\$64.8 MILLION



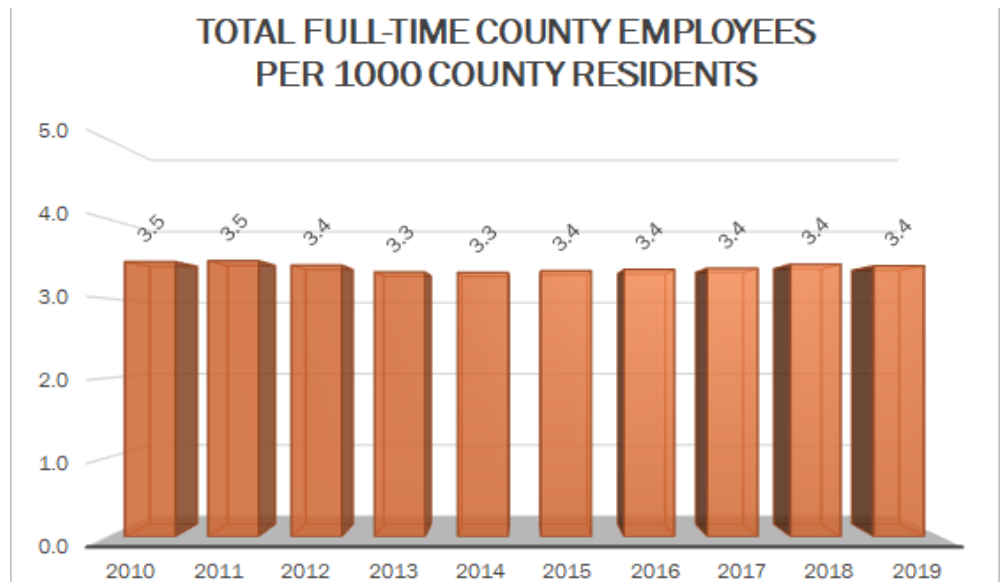
BOND TYPE	INTEREST	PRINCIPAL	TOTAL
General Obligation Bonds	\$6.5	\$22.1	\$28.7
Municipal Bldg Authority Bonds	3.0	4.2	7.1
Sales Tax Revenue Bonds	7.3	10.2	17.5
Transportation Tax Rev Bonds	2.3	6.3	8.6
Excise Tax Road Revenue Bonds	1.5	1.5	2.9
Totals:	\$20.5	\$44.3	\$64.8

STATISTICAL INDICATORS: OPERATING EXPENDITURES PER CAPITA & FULL-TIME EMPLOYEES PER 1000 COUNTY RESIDENTS



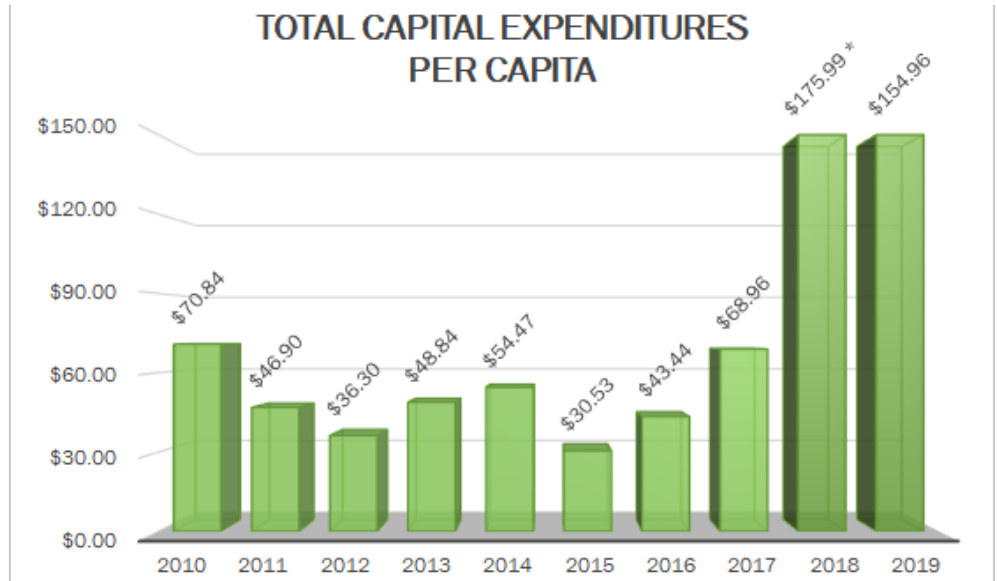
*In 2014, Operating Expenditures per Capita increased \$179.87, or 31% over the prior year. Of that \$179.87 per Capita increase, \$148.31 was due to pass-through transportation project costs that Salt Lake County remits to other government entities within the county.

**Total operating expenditures per capita for the years 2010 - 2017 reflect actual expenditures, whereas 2018 and 2019 operating expenditures per capita are based on budgeted expenditures.

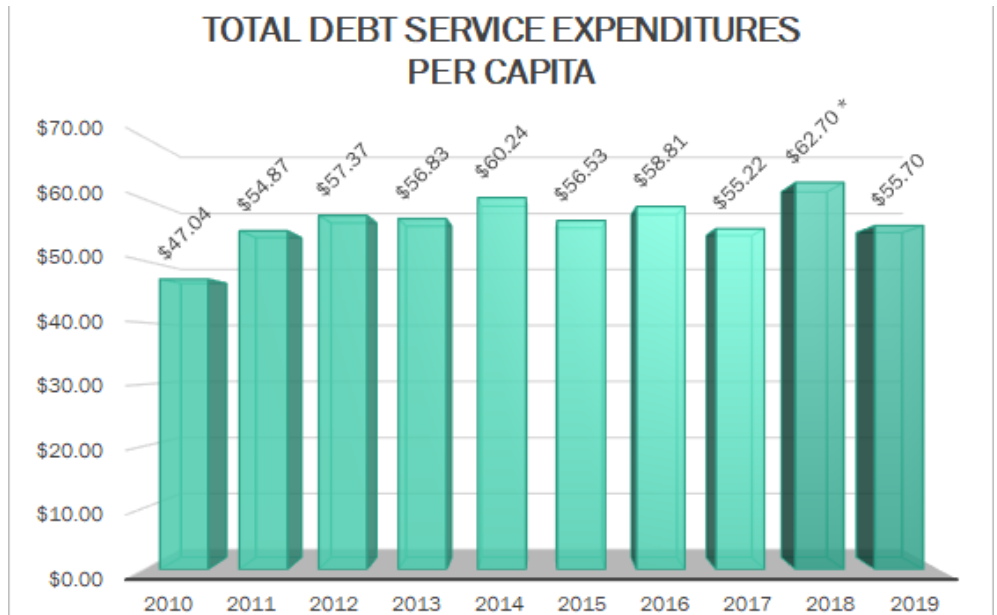


The ratio of full time County employees to County residents has remained fairly constant over the past 10 years.

STATISTICAL INDICATORS: CAPITAL EXPENDITURES PER CAPITA & DEBT SERVICE EXPENDITURES PER CAPITA



*Capital expenditures can vary significantly from year to year as capital projects are completed and new capital projects are undertaken. The budgeted capital expenditures in 2018 and 2019 are significantly higher than the actual capital expenditures in the prior years because capital projects that often span more than one year are budgeted in their entirety up front, and the remaining portions of capital projects in process are re-budgeted in the ensuing years until they are completed.



*Total debt service expenditures per capita for the years 2010 - 2017 reflect actual expenditures, whereas 2018 and 2019 debt service expenditures per capita are based on budgeted expenditures.

GLOSSARY

Appropriation: An authorization by the County Council to spend up to a specified dollar amount for an approved project or program during any given fiscal period.

Bond: An interest-bearing certificate of indebtedness sold by the County as a means of borrowing funds. The bond promises payment of the original investment plus interest by a specified date or dates in the future. Bonds typically involve long-term indebtedness to pay for capital projects.

Bond Rating: An evaluation of the creditworthiness of a government entity, and of its ability to repay its debt on schedule. Bond ratings are issued by private rating agencies such as Standard & Poors, Moody's Investor Services, and Fitch Ratings, and are based on factors such as the amount of debt incurred and the economic and demographic characteristics of the borrowing government, and financial management practices. The higher the rating, the lower the interest costs for bonds issued. "AAA" or "Aaa" are the highest ratings issued by bond rating agencies.

Budget: A plan for financial operations for a fiscal period, embodying estimates for proposed expenditures and the means of financing the expenditures.

Capital Asset: Assets of a durable nature, which are intended to be held or used long-term, and which may be depreciated over time. Examples of capital assets include land, land improvements, buildings, infrastructure, machinery, furniture, and other equipment.

Capital Project: Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Projects are also called capital improvements.

County Option Sales and Use Tax: The rate is one quarter of one percent, and has been enacted by all counties in Utah except Emery, Kane, and Millard. Where enacted, the tax applies to the same transactions as the state sales & use tax.

Consumer Price Index (CPI): Any one of a set of nationwide and regional price level indicators that are published by the U.S. Department of Labor's Bureau of Labor Statistics. The CPI is constructed using the prices of a representative "market-basket" of goods and services. Changes in the CPI over time are used to determine the average inflation rate for that period of time.

Employee Service Reserve Fund: The fund utilized to manage County employee benefits such as health insurance and retirement plans.

Enterprise Fund: Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.

Full-Time Equivalent (FTE): Represents the hours worked by one employee on a full-time basis. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees.

Fund Balance: The governmental account that serves the functional equivalent to the owner's equity account in profit-seeking entities. An available balance in this account is the cumulative result of funding sources exceeding uses over time. Bond rating agencies use Fund Balance levels as a means of evaluating a government's ability to cover unanticipated shortfalls in revenue projections or emergency expenditures that arise during the year.

GLOSSARY

(CONT.)

General Fund: The primary operating fund of the County, used to account for all County revenues not designated for a special purpose.

General Obligation Bond: A General Obligation (GO) bond is a type of bond that is backed by the full faith, credit and taxing power of the government.

Internal Service Fund: Internal Service funds are used to account for the financing of goods or services provided by one organization to another County organization on a cost reimbursement basis.

LEED (Leadership in Energy and Environmental Design): Nationally recognized, non-regulatory approach that has been shown to result in quantifiable low impact development. Low Impact development is assumed to benefit both the environment and the local economy.

Local Option Sales and Use Tax: The local option sales and use rate is one percent. This local tax applies to the same transactions as the state sales and use tax laws. All counties and municipalities have enacted this tax. For counties, this tax applies to taxable sales occurring in the unincorporated county only.

Municipal Building Authority (MBA): An organizational entity that is closely related to the County and that is created for the purpose of financing the construction of certain County facilities through the issuance of Municipal Building Authority Lease Revenue Bonds.

Organization (Org): A budget level unit for appropriation controls that represents a basic functional division of County government.

Per Capita: Per person (literally, “per head”). The ratio of a data measure (e.g. total operating expenditures) divided by the total population, yielding the amount of that data measure per person (e.g. total operating expenditures per person, or per capita).

Special Revenue Fund: A fund established to account for special taxes or other revenues required by law or contractual agreement to be used only for specified purposes and which therefore must be kept separate from other County monies.

Structural Balance: When a government entity's budgeted ongoing sources of funds are equal to its budgeted ongoing uses of funds, that entity's budget is said to be in structural balance. When budgeted ongoing sources of funds are less than budgeted ongoing uses of funds, a **structural deficit** occurs, and when budgeted ongoing sources of funds exceed budgeted ongoing uses of funds, a **structural surplus** occurs. A **balanced budget** differs from a **structurally balanced budget** in that a balanced budget doesn't consider whether the budgeted sources and uses of funds are one-time funds, while a structurally balanced budget requires ongoing sources of funds to equal ongoing uses of funds.

TRCC: Tourism, Recreation, Cultural, and Convention Fund. The TRCC Fund is a special revenue fund that receives and accounts for specific sales tax revenues which are legally designated for those purposes.

Zoo, Arts, and Parks (ZAP): Used to refer to a sales and use tax dedicated for funding zoological, arts and parks projects, and to the County special revenue fund that manages and accounts for these dedicated sales and use tax revenues.

WANT TO KNOW MORE?

- ❖ *Do you have other questions about the County's budget?*
- ❖ *Is this report useful to you?*
- ❖ *Do you believe it should include different or additional information?*

We would like to hear from you! To ask questions about Salt Lake County's budget, or to leave feedback about this report, please contact:

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This **2019 Budget In Brief** is also available as a PDF document at:

<http://slco.org/mayor-finance/2019-budget-in-brief/>



Lodestone Regional Park