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SALT LAKE CITY COUNCIL STAFF REPORT **BUDGET AMENDMENT ANALYSIS – FISCAL YEAR 2002-03**

DATE: May 17, 2002

BUDGET FOR: **CITY ATTORNEY'S OFFICE**

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cc: Rocky Fluhart, David Nimkin, Roger Cutler, Sim Gill,
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The budget that the Council adopted in June 2001 for the City Attorney's Office for fiscal year 2002-2003 was \$2,616,056. The Mayor is recommending an amendment to decrease the budget by \$35,716 to \$2,580,295. The City Prosecutor's Office is included within the budget for the City Attorney's Office.

Proposed Changes to the Budget for the City Attorney's Office

Proposed Fiscal Year 2002-2003 Budget Amendment City Attorney's Office	
Adopted budget	\$2,616,056
Additional associate city prosecutor position to assist with workload: The number of new case filings has increased to an average of 1,500 to 1,600 per prosecutor. The Administration indicates that the prosecutors spend more time with each case than in the past.. The Administration also indicates that the transition to a justice court will require prosecutors to prosecute existing caseload already in place at the District Court as well as beginto prosecute cases in the Justice Court.	57,535
Reduction in process service costs: Costs associated with process service can be further reduced as a result of switching from using contracted constables for delivering documents to mailing the documents.	(54,100)
Eliminate a senior attorney position that inadvertently was included in the biennial budget: This position has never been filled.	(62,000)
Adjustment for employee pay increases and benefit costs is greater than the amount estimated in the biennial budget: Much if this increase is due to the City's health insurance rates that are increasing by 11%.	26,239
Proposed budget	\$2,583,730

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Potential Matters at Issue

- Additional associate city prosecutor position: The Administration reports that the average caseload of other jurisdictions within the County is approximately 1,270 annual cases per prosecutor (Sandy 1,230 cases per prosecutor; Murray 1,835; South Salt Lake 1,015; West Valley City 1,000 cases per prosecutor). Salt Lake City's average annual caseload is between 1,500 and 1,600 per prosecutor. The City Prosecutor indicates that a change in approach has increased the number of jury trials from less than 14 in 1999 to over 100 in calendar year 2001. Council staff has not verified this data.
 - In the past several years, the City has 'decriminalized' many issues, such as minor traffic matters and a number of land use issues. As such, many of these cases are now being handled outside of the prosecutorial process.
 - Briefing papers from the Administration in calendar year 2000 regarding establishing a Justice Court stated that one of the advantages of a justice court is that Salt Lake City would have control of the docket. Sometimes with the District Court, witnesses and police officers are brought in only to have cases continued. The Salt Lake City Prosecutor's Office will be better able to coordinate caseload and prosecutor assignments since there are fewer judges in the Justice Court. There was an indication that the Justice Court would allow the City to use its existing resources (prosecutor and police) more efficiently because scheduling problems will be significantly reduced. Travel time of walking between the Prosecutor's Office and the court will be almost eliminated. The Council may wish to ask the Administration to address the transition need with part-time or temporary resources until the Justice Court is fully operational.
- Reduction in process service costs: Prior to January 2001, the City contracted with constables for service of summons, subpoenas and bench warrants. The Prosecutor's Division determined that it could achieve the same service of process results, in a more cost effective manner, by mailing the majority of subpoenas, summons and bench warrants, and by having a City employee effectuate personal service of process rather than paying the higher costs of an outside process server. The fiscal year 2001-2002 budget was reduced to recognize this more efficient means for process. The Prosecutor's Office suggests that the budget can be further reduced by \$54,100 as a result of switching from using contracted constables. The Council may wish to confirm that resources are available to effectuate personal service when it is necessary.

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If the Council determines that the reduction in personal services costs can be made without a significant service level impact, the Council can weigh whether it wishes to fund the additional prosecutor position, as suggested in this budget, or another Council priority.

- **Scope of Services in Prosecutor's Office:** The Prosecutor's Office focuses on a restorative justice model. This approach could be more labor-intensive than a traditional prosecutorial approach, yet has a number of benefits. The Council may wish to request a summary of all services and programs currently funded in the office. There are two grant-funded positions in this office that the Administration may request to have continued in the future. Due to the recommendation to eliminate the Youth and Family Specialist and Community Support positions in the Police Department, the Council may wish to consider whether there are positions in the Prosecutor's Office that also fall outside of the strict interpretation of the City's role.
- The Prosecutor's Office is requesting one-half of a position in the last budget opening of this year. It is a grant-funded position to assist victims of domestic violence as they go through the court system. Council staff has requested information on how that position differs from the victim advocate positions in the Police Department who are also involved in domestic violence cases. While this position is funded with grant funds, it does represent a service level increase. It is likely that there would be interest in continuing it using general fund monies once the grant funds expire.

Governmental Immunity Fund

The City Attorney also oversees the Governmental Immunity Fund and a part of the Insurance and Risk Management Fund. There are not any changes proposed to the budget for the Governmental Immunity Fund. The City's Governmental Immunity Fund provides for protection against unfounded claims of liability and for payment of legitimate claims. The adopted budget for fiscal year 2002-2003 increased the funding from the General Fund by \$50,000 to \$1,300,000. Past Council policy is to maintain sufficient reserves in the Governmental Immunity Fund. Audited financial statements for the Governmental Immunity Fund as of June 30, 2001 showed reserves to be nearly depleted (i.e., retained earnings of \$70,509). Budget amendment #6, which the Council may consider on June 4, proposes an appropriation of most all of the reserves (\$70,000) to meet current-year claims. State law allows a separate tax levy for governmental liability claims. Salt Lake City doesn't levy this separate tax. The Council may wish to discuss the adequacy of this fund, and re-confirm whether it supports this approach.

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Insurance and Risk Management Fund

Changes proposed to the Insurance and Risk Management Fund are:

- \$140,000 for increases in cost of property insurance: The cost for property insurance has significantly increased since September 11, 2001. Costs to the City will be approximately 40% greater than the previous year. Funding is proposed to come from the following funds: \$20,000 from the General Fund; \$90,000 from the Airport; and \$30,000 from Public Utilities. The amount requested by the Risk Manager for the General Fund's portion was \$30,000 but because of an oversight, only \$20,000 was included in the proposed budget amendment.
- \$200,000 decrease to correct an error: The proposed biennial budget included \$200,000 to create a self-insurance pool to cover liability from off-duty vehicle accidents. The Council chose not to adopt this approach. The transfer from the General Fund was removed from the adopted budget, but the appropriation in the Risk and Insurance Fund unintentionally remained.
- \$8,000 for employee pay increases and benefit costs: Projected costs are greater than the amount included in the biennial budget for employees working in the Insurance and Risk Management Fund. The General Fund supports most of the costs of employees of this internal service fund.
- \$33,000 increase in cost of health insurance for City's share of cost for retirees: The City pays approximately 25% of retired employees health insurance costs. The projected costs for the City's share are greater than originally estimated.