

SALT LAKE CITY COUNCIL STAFF REPORT
BUDGET AMENDMENT #2 – FISCAL YEAR 2003-04

DATE: December 2, 2003
SUBJECT: Fiscal Year 2003-2004 Budget Amendment #2 – Briefing
STAFF REPORT BY: Michael Sears
CC: Cindy Gust-Jenson, Rocky Fluhart, David Nimkin, Steve Fawcett, DJ Baxter, Rick Graham, Ed Rutan, Steven Allred, Chief Dinse, Chief Querry, Alison Weyher, David Dobbins, Luann Clark, Greg Davis, Jerry Burton, John Vuyk, Gordon Hoskins, Elwin Heilmann, Shannon Ashby, Sherrie Collins, Laurie Dillon, Susi Kontgis, and Kay Christensen

The briefing and discussion of the second budget amendment for the fiscal year 2003-04 budget was held on November 18, 2003. The proposed amendment includes several state and federal grants relating to youth programs, public safety, emergency management and police and fire functions. There are requests to use General Fund balance for prosecutor and Justice Court staffing and an encumbrance carryover for Justice Court software. Other budget amendment initiatives relate to grant funding, housekeeping items and capital budgeting. During the meeting on November 18, 2003 Council Members requested additional information on five initiatives and a separate briefing on the status of revenue collection and forecasts for the remainder of the fiscal year. The briefing on the current state of revenue collection will be held on December 2, 2003. Responses to Council Member questions on budget amendment initiatives are included in the text of this report or attached.

NEW INITIATIVE

Issue #28 Olympic Legacy Security Lighting (\$22,500 – CIP Fund) (“New Item”)

The Administration is recommending that the Council appropriate \$22,500 from CIP contingency to complete the engineering design of the power system for security lighting adjacent to the District One Olympic Legacy Project.

There are sufficient contingency funds available to fund this project and complete the adjacent section of security lighting. The Administration recommends that the Council appropriate the requested funds.

MATTERS AT ISSUE RELATING TO INITIATIVES #1, 3, 5, 8, 9

Issue #1: CIP - Sidewalk Replacement (\$130,000 - CIP Fund) (“New Item”)

During the adoption of the fiscal year 2003-2004 budget the City Council adopted a CIP – Sidewalk Replacement project. The total cost of the project is higher than originally anticipated and as such the Administration is requesting that the Council approve the recapture and appropriation of CIP funds in completed or closed CIP Sidewalk Replacement cost centers to the current fiscal year sidewalk replacement project. In addition to the recapture and appropriation of City funds the budget for the property owner’s portion of the Special Improvement District will be increased by \$130,000.

The Sidewalk Replacement Special Improvement District covers an area in the vicinity of 900 to 2100 South from 1100 to 1500 East. The total cost of the project is expected to be approximately \$1.49 million, \$200,000 of which is funded by Public Utilities.

Council Members asked for additional information regarding this CIP project. The Administration has provided the following information:

This is a budget adjustment. This adjustment will increase the budget in CIP cost center, 83-04048, by \$130,000 for a total budget of \$400,000., to facilitate the increase of the resident’s portion of the SID.

It will also move the remaining cash from CIP cost centers 83-99008 (\$120,788.88); 83-98009, (\$49,442.29); and 83-02013, (\$190,004.20); totaling \$360,235.37, and increase the current year CIP SID cost center 83-04048.

Issue #3: Prosecutor’s Office and Justice Court Staffing (\$190,345 - General Fund) (“New Item”)

The Administration is recommending that the City Council appropriate \$190,345 from fund balance in the General Fund to the Justice Court and Prosecutor’s Office to add additional FTE’s to address increased caseloads. The Administration is seeking approval for 8 additional positions (5 at the Justice Court and 3 at the Prosecutor’s Office).

The requested fund balance would be used to hire 4 Case Manager Clerks, one court clerk, one associate City Prosecutor and two Office Techs. The transmittal details the increased caseload at the Justice Court and provides justification for the increase.

Council Members discussed the operation of the Court, caseloads, budgetary impacts and also the Prosecutor’s Office. Council Members indicated that they may ask additional questions about this request during the revenue briefing or follow-up briefing before the public hearing on this issue. The Administration has provided the attached revenue and expenditure information

for the Justice Court. The City would have received 50% of fine revenue from the District Court had the City not established a justice court.

The following are questions that were included in the original staff report:

The Council may wish to ask the Administration for a review of the revenue provided by the Justice Court to determine if the court is revenue neutral or in a revenue positive position. The Council may also wish to consider the staffing levels of the other departments that are below optimal staffing levels and inquire why this staffing request was not recommended during the budget adoption process when other positions were being eliminated. The Council may also want to consider the future year budgetary impacts of approximately \$300,000 that this proposed staffing increase will cause. The Council may wish to ask whether inefficiencies and systems issues between the Court and the Prosecutor's Office still exist. A number of issues have been raised with the Council Office recently, including:

- *A citizen recently complained about the wait time required of the public desiring to resolve traffic infractions. Currently, an individual that doesn't have legal counsel has to wait several hours, until cases for those with legal counsel and those individuals from the jail are heard. Based upon a request from a Council Member, the Administration is reviewing this scheduling issue.*
- *A citizen also complained that he was given incorrect information about the scope of authority of the hearing officers and as a result had to return on more than one day to have his problem addressed. The Council may wish to inquire about whether the scope of the hearing officers' authority is clear and is available to the public in writing in advance.*
- *Given the significance of this staffing request, the newness of the Justice Court and the issues relating to the computer system raised in the Council's audit, the Council may wish to use some of its audit funding to engage an expert on court management to review the resource allocation for the City's Justice Court.*
- *The neighborhood nuisance abatement program has been of interest to the Council in the past. The Council may wish to ask the Prosecutor's Office for information on how this program is prioritized compared to other needs in the office.*

The Council may also wish to ask the Prosecutor's Office about how priorities are set to determine the cases screened for actual prosecution. This could include a request for information on the current focus and how that focus would change without this additional staffing. In addition, the Council may wish to ask about the impact of diversion programs on the Prosecutor's and the Justice Court's workload ('John's program, Drug court, Mental Health Court, etc.).

Issue #5: U.S. Department of Education - Youth Programs (\$57,500 - Misc. Grant Fund) ("Grant Requiring New Staff Resources")

The Administration is requesting that the City Council appropriate \$57,500 in grant funds from the U.S. Department of Education for the continuation and

expansion of the current programs and services provided by the Youth City program. **The total revenue portion of this grant is \$894,150 and will be budgeted during fiscal year 2003-04; the expenditure budget will be \$57,500.**

The grant funds will pay for an additional program assistant and salary and benefits for existing staff associated with the program. The grant period is from fiscal year 2003 to 2008. The new FTE is funded for 3 years in this grant. Additional expenses such as travel, equipment and supplies, operating and maintenance expenses at the program sites and contracts with program providers are included as eligible expenses under this continuation grant.

This grant does not have a new resolution for the Council to sign. A resolution, which was previously adopted by the Council, authorizes the Mayor to accept this grant and sign any additional contracts or awards related to the grant. The only needed Council action is the adoption of the budget to allow for the facilitation of this grant.

There is one additional FTE associated with this grant. The Administration recommends that the Council accept this grant and approve the appropriation request.

The Council requested an accounting of the current \$1.2 million grant that the City has received and a summary of the number of youth served by the Youth City program. The Administration has provided the following information on the number of youth served with the existing grant, the proposed grant and provided an accounting of funds which is attached:

Number of students served with \$1.2 million grant

160 students at Glendale Middle School.

103 students at Northwest Multi-Purpose Center

120 students at Central City Recreation Center. The grant paid for only equipment, no staff costs included.

403 students at Fairmont Park

60 students in Liberty Park

810 young people in the employment program

31,767 students and families participated in the Imagination Celebration.

The grant pays for ½ of the Imagination Celebration's Coordinator.

In addition, \$50,000 went to the Sorenson Center to expand the programs and purchase equipment.

Proposed grant information

The total amount of this grant is \$894,150 for a 5 year period, FY 2003-2008. This is a supplemental appropriation for continuation and expansion

of the current programs funded with the \$1.2 US Department of Education appropriation.

The application requested 1 new FTE. This is a Program Assistant position to provide administrative support services. The grant would pay the first 3 years salary of this position, FY 2003-2006, and 125 hrs of existing program teachers for expansion of the current programs to include a Hispanic Youth segment. In FY's 06-08 this grant would continue to pay for 4 existing FTE's that are currently funded with the \$1.2 appropriation as well as other related costs to continue the current Youth City programs.

In addressing the question of whether grant funds can be used to fund current FTE's rather than hire new positions, the answer is possibly under the following conditions.

1. If a current position or a percent of a position is dedicated to the functions of the grant, then that position or percent could be paid with grant funds.

Supplanting: Federal funds must be used to supplement existing funds for program activities and not replace those funds which have been appropriated for the same purpose.

2. The current appropriated budget and scope has been approved and awarded by the Department of Education to hire an FTE. Any change in the approved scope and budget would need to be submitted to the Department of Education for prior approval.

I have attached a copy of the Fiscal Impact Statement submitted for the full 5 year budget which details the eligible use of funds over that period. I will bring you a copy of the current approved/awarded budget that was sent to us by the Department of Education.

If the City decides not to accept the appropriation, these funds would be returned to the US Department of Education.

In addressing approved expenditures and award of the current \$1.2 appropriation, I have attached a spreadsheet of all expenditures as of 11/5/03 for Council review.

Accounting of funds - \$1.2 million grant (See attached)

Issue #8: COPS in Shops (\$7,000 – Misc. Grant Fund) (“Grant requiring existing staff resources”)

The State of Utah, Department of Public Safety has awarded the City a continuation grant to pay to place undercover police officers in convenience stores. The Police Department is requesting that the grant funds be used to pay

police overtime. The goal of the Cops in Shops program is to prevent alcohol/drug related car accidents.

This grant does not have a new resolution for the Council to sign. A resolution, which was previously adopted by the Council, authorizes the Mayor to accept this grant and sign any additional contracts or awards related to the grant. The only needed Council action is the adoption of the budget to allow for the facilitation of this grant.

No additional FTE's are associated with this grant. The Administration recommends that the Council accept this grant and approve the appropriation request.

The Council may wish to note that in past briefings the Council has had concern regarding the use of grant funds for overtime. This grant pays enough to cover expenses for the program when officers are assigned. The grant is not large enough to pay for a full time position to operate this program. **The Council asked how many hours this grant will fund and additional details about this grant. The Administration provided the following response:**

The \$7,000 requested for officer overtime would fund approximately 218 hours at \$32.00 per hour. This grant is specifically designed for officer over-time when placing officers in convenient stores and markets to observe and cite underage persons attempting to purchase alcohol. It is a State incentive for valley wide Police agencies to provide this function. If the grant is not accepted for over-time purposes, the City will need to decline the grant.

Currently this is not an operation or function provided by the PD within their daily scope of responsibilities.

Issue #9: U.S. Department of Justice - Arrest Policies (\$500,000 - Misc. Grant Fund) ("Grant requiring existing staff resources")

The Administration is requesting that the City Council appropriate \$500,000 in grant money from the U.S. Department of Justice, Office on Violence against Women for the purpose of encouraging arrest policing and enforcement of protection orders. The Administration proposes that police overtime expenses of \$33,280 and salary expenses of \$75,000 for an IMS Technology Engineer be covered with this appropriation. The overtime funds will be used for Police Officers to issue Class A warrants and protection order violations, the IMS employee will develop a web service that will link City department data systems to the State of Utah's data systems and other non-profit agencies for the purpose of tracking protection orders and violations of protection orders in Salt Lake City.

Legal Aid Society of Salt Lake	\$72,000
<i>Personnel Paralegal 1 FTE</i>	<i>\$72,000</i>
Translations Services	\$10,900
<i>Translation for all contractual components</i>	