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## SALT LAKE CITY COUNCIL COUNCIL FINAL BUDGET ADOPTION FISCAL YEAR 2004-2005

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**DATE:** August 20, 2004  
**SUBJECT:** **Truth-in-Taxation Hearing Motions**  
**STAFF REPORT BY:** Michael Sears, Gary Mumford  
**cc:** Cindy Gust-Jenson, Rocky Fluhart, Ed Rutan, Lynn Pace, Steve Fawcett  
and Laurie Donnell

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The Council received the Mayor's Recommended Budget Amendment on May 4, 2004 and held budget briefings with each of the City's departments at subsequent meetings. The Council adopted the budget, tax levies, compensation plans, legislative intents and all additional budget related material on June 22, 2004 and again on July 6, 2004. The second adoption of the budget was necessary because of additional information from the State Tax Commission regarding an anticipated reduction in property tax revenue. During the review of the Mayor's Recommended Budget the Council allocated a portion of property tax revenue to fund balance in anticipation of changes to the property tax calculation formula. The changes were made by the State Tax Commission and they instructed the cities to adopt their budgets with the correct budget information. Salt Lake City adopted their budget with the amended property tax information on July 6, 2004.

When the Council adopted the fiscal year 2004-05 budget for the City and also for the Library Fund, a property tax increase was adopted for the library fund and judgment levies were assessed for the City, General Obligation Bonds and Library Fund. Because State Law requires a Truth-in-Taxation public hearing to be held if a Judgment Levy or property tax increase is to be assessed, the Council has advertised and set a date for August 24, 2004 for the required hearing. The Truth-in-Taxation public hearing will satisfy all legal requirements for the adoption of a final budget for fiscal year 2004-2005.

The Attorney's Office has prepared four ordinances for adoption after the close of the Truth-in-Taxation hearing. The four ordinances adopt and ratify the decisions of the Council at the June 22, 2004 and July 6, 2004 Council meetings. The ordinances adopt:

- The final budget of the City, including the employment staffing document
- The final budget of the Library Fund and employment staffing document as contained in the Library Fund budget
- A final rate of tax levy on the Special Library Fund

- The final rate of tax levy upon all real and personal property with the City (This includes the judgment levies which are \$897,506. If the City Council chose to not adopt the judgment levies, the property tax revenue would be reduced requiring the Council to allocate accumulated reserves).

The following motions will allow for the adoption of these four ordinances and complete the adoption of all budget related items for fiscal year 2003-2004.

- ["I move that the Council"] **Adopt an ordinance adopting the final rate of tax levy for the Special Library Fund for fiscal year 2004-05.**
- ["I move that the Council"] **Adopt an ordinance adopting the final rate of tax levy upon all real and personal property within Salt Lake City made taxable by law for fiscal year 2004-2005.**
- ["I move that the Council"] **Adopt an ordinance adopting the final budget of Salt Lake City, Utah, including the employment staffing document, for the fiscal year beginning July 1, 2004 and ending June 30, 2005 as tentatively adopted on June 22, 2004 and amended on July 6, 2004.**
- ["I move that the Council"] **Adopt an ordinance adopting and ratifying the final budget for the Library Fund of Salt Lake City, Utah for the fiscal year beginning July 1, 2004 and ending June 30, 2005 as tentatively adopted on June 22, 2004 and amended on July 6, 2004.**