
SALT LAKE CITY COUNCIL MAYOR'S RECOMMENDED BUDGET FISCAL YEAR 2004-2005

DATE: May 28, 2004

SUBJECT: **Unresolved issues - Mayor's Recommended Budget FY 04-05**

STAFF REPORT BY: Michael Sears, Sylvia Jones, Gary Mumford

cc: Mayor Anderson, Cindy Gust-Jenson, Sam Guevara, Rocky Fluhart, Ed Rutan, Rick Graham, LeRoy Hooton, Chief Rick Dinse, Lee Martinez, Chief Chuck Querry, Tim Campbell, Steve Fawcett, Laurie Donnell, Kay Christensen, Susi Kontgis, DJ Baxter

The Council received the Mayor's Recommended Budget on May 4, 2004 and has held budget briefings with each of the City's departments at subsequent meetings. The Council may wish to discuss the following unresolved issues. Some of this information was previously provided. It is included again for your reference.

Unresolved budget issues:

1. **Business license per employee fee increase** – Some Council Members requested additional options to the per employee fee increase. Attached is information from the Department of Community Development that provided some examples of business license fees for some other municipalities outside of Utah. Council staff is in the process of working with the Administration to investigate business license fee options.
2. **Concrete program** – The Department of Public Services is preparing a breakdown of time spent by the members of the concrete crew. The Administration proposed that reductions in the CIP budget be used to fund the program, and Council Members have indicated an interest in seeing options for funding this within the general fund.
3. **Telecommunications Right-of-Way Ordinance fee increase** – The Council continued the Public Hearing on the proposed Telecommunications Right-of-Way Permit fee increase to the first meeting in June. On May 25, Council staff, the Administration and telecommunications providers met to discuss the proposed ordinance. The Administration is confident that the proposed ordinance is feasible and is in compliance with applicable state and federal regulations. The Council has invited representatives from the telecommunication providers to make a short presentation in the Council work session.

4. **Vehicle replacement long-range plan** - Additional \$150,000 transfer to vehicle replacement per long range plan (from general fund lapsed appropriations from current year, if available).
5. **CIP Project Listing** - The Administration has provided a list of time sensitive projects in the Capital Improvement Program. The remaining allocation to the CIP Fund could be transferred to a holding account in the CIP Fund until the Council decides on which specific projects to fund during a briefing later in 2004.
6. **Refinancing of outstanding bonds** - The City Treasurer requested to brief the Council on June 3rd regarding a proposal to refinance approximately \$16.4 million in outstanding bonds to take advantage of favorable interest rates. The City Treasurer has invited the City's bond counsel and the City's financial advisor to be present on June 3rd to respond to the Council's questions. The attached transmittal mentions two options for realizing the savings: (1) up front one-time savings of \$1.5 million to \$1.7 million; or (2) level savings over the next 10 years of \$175,000 to \$190,000. The final maturity date of the refinanced bonds will be October 15, 2014, which is the same date as the last payment for the existing bonds.
7. **Legislative Intent Statements** - Council staff has prepared a list of possible legislative intent statements based on Council Members' discussions and comments. The attached list also lists previous year legislative intent statements.