

SALT LAKE CITY COUNCIL STAFF REPORT
BUDGET ANALYSIS – FISCAL YEAR 2008-09

DATE: June 3, 2008
SUBJECT: **UNRESOLVED ISSUES**
OVERVIEW OF MAJOR BUDGET ISSUES
MAYOR’S RECOMMENDED BUDGET
STAFF REPORT: Jennifer Bruno, Karen Halladay Lehua Weaver, Sylvia Richards
cc: David Everitt, Lyn Creswell, Steve Fawcett, Gordon Hoskins,
Gina Chamness, Kay Christensen, Susi Kontgis

New Information as of May 30, 2008:

The following information has been provided in response to questions raised by Council Members during small group budget discussions:

Possible Additional Revenue Sources

Parking Meter Revenue

Some Council Members inquired about increasing parking meter fee revenue by reducing free parking times and/or days.

Based on actual parking meter collections from Mondays through Fridays of each month, additional revenue could be generated by implementing Saturday meter rates. For example, the average daily collection is \$4,800 (citywide). If two-thirds of this collection could be generated on Saturdays, this could result in approximately \$150,000 of additional revenue. (*Actual collections do not include December, when the City sponsors a ‘no parking fee’ program for the holidays.)

As a side note, bagging the meters city-wide during the Holiday Season, from Thanksgiving thru December, costs the City approximately \$100,000.

Governmental Immunity Property Tax Levy

State law allows cities to levy a property tax in order to pay for their governmental immunity needs. The budget includes a \$1 million dollar appropriation to the Governmental Immunity Fund. This could be raised by a property tax levy, thus allowing those general fund dollars to be used for other needs.

Levying this tax would require a truth-in-taxation hearing the first year, and the funding would continue in future years.

The City is allowed to levy up to \$1.69 million, which would be approximately \$22 per year for a home valued at \$400,000 and approximately \$100 per year for a business valued at \$1 million.

Cemetery – Plots Cost Revenue

A few Council Members have inquired about increasing the burial plot fees at the Cemetery, in addition to the other proposed cemetery fee increases.

The Administration has provided the following information with regard to neighboring cities and private Salt Lake City cemeteries burial plot costs for residents and non-city residents.

Name of Cemetery	Resident Burial Cost			Non-Resident Burial Cost	
	Adult	Infant		Adult	Infant
	Total	Total		Total	Total
Salt Lake City	\$700.00	\$400.00		\$1,225.00	\$700.00
Ogden City	\$500.00	N/A		\$550.00	N/A
Provo City - flat stone	\$700.00	\$200.00		\$900.00	\$200.00
Provo City - upright stone	\$800.00	N/A		\$1,000.00	N/A
Sandy City	\$650.00	\$265.00		\$650.00	\$265.00
Bountiful City	\$500.00	\$250.00		\$700.00	\$300.00
Mt. Olivet	\$900.00	\$300.00		\$900.00	\$300.00
Private - Larkin Sunset Lawn					
Prime Grave	\$1,695.00	N/A		N/A	N/A
Value Grave	\$1,395.00	N/A		N/A	N/A
Border Grave	\$1,195.00	N/A		N/A	N/A
Private - Larkin Sunset Garden					
Premium grave	\$1,795.00	N/A		N/A	N/A
Prime Grave	\$1,595.00	N/A		N/A	N/A
Value Grave	\$1,295.00	N/A		N/A	N/A
Baby Grave	N/A	\$595.00		N/A	N/A

In calendar year 2007 there were 232 burial plots sold. If the Council were to raise the fees by \$100, this would result in an estimated \$23,200 in additional revenue.

Possible Additional Expenses

Mid-Year Positions

There are two new positions proposed to begin in January in the Mayor's Recommended Budget. (Building Deputy and the Public Art Program Manager for the Arts Council) These positions have the funding for the 6-month period of January to June, however in future years, a full-year of funding will be necessary. The Council may wish to consider funding the full-year cost of these positions, and recognizing the half-year of savings as one-time money.

CIP Allocation

As presented in the Budget Overview, approximately \$3.1 million of the anticipated one-time revenues are used to meet the ongoing general fund commitment to the Capital Improvement Program (CIP). The Council may wish to identify other ongoing sources for this allocation.

Fleet Fuel

As discussed in the staff report for the Fleet Fund, the proposed funding is likely too low to support the fuel needs for the 2008-09 year. The Council may wish to identify additional funds for the city fuel budget.

Additional Information

YouthCity

Council Members were interested in the number of YouthCity programs participants being served in their districts.

Participation by Council District – Demographic data for YouthCity, is collected by zip code, so in some instances the zip code provided crosses districts. In addition, some of the data has an unknown category. According to YouthCity personnel, this occurs when the zip code has not been provided, or some circumstances the participant may have been attending a City school, but lived out of the Salt Lake City School District. YouthCity staff estimates that this is a very low percentage of their participant population.

Council Staff is working with the Administration to get additional information on YouthCity participation, including resolving the zip code, unknown category, and number of youth served by YouthCity at the Sorenson Center.

Fire Department

A Council Member inquired about opportunities to collaborate more with the Unified Fire Authority.

Under Mayor Becker's direction, the Administration indicates it will look at several Fire service scenarios over the next few months. These scenarios include:

- enhanced cooperation with Unified Fire and with Metro Fire;
- outsourcing of Fire inspection services;
- various delivery options for EMS services within Salt Lake City; and
- revenue options related to Fire service.

Additionally, the Administration indicates they will revisit the recent City Council audit of the Fire Department.

Regarding CERT, the City could contract out for some (or all) of the CERT training. However, a critical component of the CERT program is neighborhood coordination and continuity - which is best facilitated by the City rather than an external agency. The optimal CERT program (based on the Los Angeles model) integrates all CERT and related support within the City - and focuses those resources at the neighborhoods level.

Trap / Neuter / Return Program– Contribution Effectiveness

A few Council Members inquired about the effectiveness of the Trap / Neuter / Return Program on reducing the number of cats euthanized at the Animal Shelter. Based on information provided by Holly Sizemore (with “No More Homeless Pets”), they anticipate a 20% reduction in the first year, and 30% in the second year. Animal Control indicates they would not anticipate seeing this reduction in shelter costs, based upon the number of feral cats they currently see. The County is supportive of the program.

As a reminder, Ms. Sizemore attended a recent Council Meeting and requested an ongoing financial commitment from the Council, because the money could be better leveraged.

Also as a reminder, the Mayor's Recommended Budget currently includes a \$10,000 contribution in one-time money.

Please Note: If the Council would like information previously provided, please let staff know.