



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY

TO: City Council Members

FROM: Jennifer Bruno, Sylvia Richards
and Lehua Weaver

DATE: May 6, 2014

RE: FY 2013-14 - BUDGET AMENDMENT #3

PROJECT TIMELINE:

Briefing: May 6, 2014
Set Date: May 6, 2014
Public Hearing: May 20, 2014
Potential Action: May 27, 2014

[VIEW ADMINISTRATION'S PROPOSAL](#)

ISSUE AT-A-GLANCE

Budget Amendment Number Three contains 35 proposed adjustments as suggested by the Administration. The largest component of the budget amendment relates to the shifting of funds to allow for the funding of the City and County Building Stone Remediation. The budget amendment also includes a total of \$947,645 requested from General Fund balance. Currently the fund balance of the general fund is 10.75% (about \$1.6 million above the recommended 10% level). If the Budget Amendment is approved as proposed by the Administration, fund balance would be 10.31% (about \$676,000 above the recommended 10% level).

FY 2013-14 REVENUE UPDATE:

After reviewing revenue figures and revising projections, the Administration indicates that there is a potential revenue shortfall for FY 2014 of approximately \$340,000. This estimate has improved from the estimate during the last budget amendment, which projected that the City could experience as much as a \$1.5 million revenue shortfall. The Administration has provided a chart (shown below) to show where specific line items have changed since the previous budget amendment compared to now, as well as compared to the adopted budget. There are a few significant changes that may be of interest to the Council:

- The Administration is projecting that property tax revenue will come in \$1 million above budget. This is due to a state legislative change in the 2013 session which mandates that Redevelopment Areas should not be the beneficiary of tax increases. Because the City elected to raise property taxes last year, there were some additional revenues generated in RDA areas that were not accounted for in the general fund budget process. Because of the law change this money will now flow to the City general on an ongoing basis.
- The Administration is projecting that revenue from licenses and permits will be down slightly, primarily due to a change in how fees for hazardous permits will be collected. Fees will now be

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collected on a rolling cycle (at the time of business license renewal). Although this process is more convenient for the permit holder, it results in a one-time budget shortfall.

- The Administration is projecting a revenue shortfall of \$430,000 in the charges and services category, which is due largely to a delay in payments from the City's ambulance provider. It is likely that this will be resolved by the end of the calendar year, but not in time for the end of the fiscal year.
- Parking Meter revenue and revenue from Fines (including parking tickets), continue to be projected to finish FY 2014 below budget.

	<u>FY 2013-14 Amended Budget</u>	<u>November Projections</u>	<u>Difference from Budget</u>	<u>February Projections</u>	<u>Difference from Budget</u>	<u>Change in Projections, November to February</u>
Property Taxes	71,309,803	<i>Projection</i> 71,309,803	-	<i>Projection</i> 72,333,513	1,023,710	1,023,710
Sales and Use Tax	55,020,055	55,135,745	115,690	55,754,863	734,808	619,118
Franchise Tax	26,900,000	26,900,000	-	27,330,000	430,000	430,000
PILOT	<u>1,302,460</u>	<u>1,302,460</u>	-	<u>1,278,934</u>	<u>(23,526)</u>	<u>(23,526)</u>
			-		-	-
TOTAL TAXES	154,532,318	154,648,008	115,690	156,697,310	2,164,992	2,049,302
Permits and Licenses	19,314,112	19,377,130	63,018	19,237,800	(76,312)	(139,329)
Intergovernmental Charges for Services	5,815,321	5,811,172	(4,149)	5,812,382	(2,939)	1,210
	5,220,698	5,385,257	164,559	4,791,091	(429,607)	(594,166)
Fines & Forfeiture	9,817,325	8,298,305	(1,519,020)	8,355,135	(1,462,190)	56,830
Parking Meter	3,222,030	3,222,030	-	3,090,564	(131,466)	(131,466)
Interest Income Miscellaneous Revenue	850,000	850,000	-	850,000	-	-
	6,348,556	6,062,747	(285,809)	5,949,433	(399,123)	(113,314)
Interfund	10,185,520	10,196,520	11,000	10,185,520	-	(11,000)
Transfers	<u>5,632,765</u>	<u>5,632,765</u>	<u>0</u>	<u>5,632,765</u>	<u>0</u>	<u>0</u>
TOTAL GENERAL FUND	220,938,645	219,483,933	(1,454,712)	220,602,000	(336,645)	1,118,067

To speed processing of the budget amendment, Council staff has not prepared an analysis for routine information in this report. Staff has provided the Administration's descriptions of routine items for Council reference, and can respond to questions or concerns raised in the work session.

The Council may wish to request a more in-depth briefing on any of these items.

Section A: New Items

A-1: Indiana Avenue Bridge Improvements, Indiana Ave. 800 South 1000 West (\$25,000 – CIP Fund)

Excerpt from Administration's Transmittal:

“The Salt Lake Engineering Division partnering with the Salt Lake City Arts Council proposes to provide bridge safety improvements and art enhancements to the City owned and maintained Indiana Avenue Bridge. The City's bridges (23) are inspected on a biannual basis through the State's bridge inspection program. The Indiana Ave. bridge has been determined to be in very good condition structurally and fully capable of handling existing and anticipated traffic loads, however, the bridge is experiencing deterioration of decorative curb/barrier walls which are directly attached to the bridge's sidewalk and to the bridge's four cast-concrete parapet walls which support the bridge's exterior safety rails.

This request is to provide funding for design cost estimates to repair these bridge elements including the bridge railing and to repair and add curb and gutter near the bridge to improve local drainage conditions. Through the design process, Engineering and the Arts Council will work closely with Salt Lake City Transportation and Planning, and Salt Lake County regarding the Jordan River Parkway interface. This art design effort (funded separately from the Arts Council) will commission an artist through the Arts Council to work with the consulting engineer/designer to incorporate artistic elements. The design team will be required to create a new barrier/railing design that incorporates artwork while still meeting all current national bridge barrier requirements. The design will also include a safety lighting component. The Engineering Division is requesting a budget in the amount of \$25,000 be established from the Class "C" cost over-run account to facilitate the design for the bridge.”

A-2: Facilities, Utilities and Janitorial (\$204,424 – General Fund)

This budget amendment provides funding for unforeseen janitorial and maintenance needs for the old Public Safety Building (PSB), and higher than expected costs in the new Public Safety Building.

The FY 2014 budget contemplated occupancy through September 2013, however, the SLCPD needed to occupy until January 2014 because of the extended time of transition to the new building. Actual maintenance and utilities costs for the new PSB have exceeded the contemplated budget in Public Services. The Administration will be proposing a permanent adjustment to the annual maintenance budget as a part of the next annual budget.

A-3: Fire Department's request to retain vehicles (\$17,566 – Fleet Fund)

Excerpt from Administration's Transmittal

“The Fire department is requesting to keep 2 of the older grass trucks for reserves. In addition, Fire is requesting to keep 5 Impalas that would have been sold at auction. The Impalas will be needed until the Mobile Health Paramedic/EMS program is implemented. The Impalas will be used for everyday use, rather than using the Tahoes, in order to save fuel until the implementation of the program. The budget amendment request assumes full reimbursement by for maintenance and expense costs associated with these vehicles.”

A-4: Fleet Replacement of Snow Fighting Dump Trucks (\$1,850,000 – Fleet Fund)

Excerpt from Administration's Transmittal

“The recommended replacement list for FY15 includes eight dump trucks and one bobtail truck that are used for snow fighting. In order to have these vehicles outfitted and ready as early as possible for

the upcoming snow fighting season, the department desires to place the orders as soon as permission is granted. If they are ordered during the regular order process, around July 2014, they will take even longer (estimated at 9-10 months to receive and outfit) for delivery, due to an off-season cycle for the vendors. Under that regular order process the trucks would not be available for the majority of the upcoming snow season. Ordering before July could improve their availability for the upcoming snow season.

This budget amendment is not intended for an advance of FY15 funds, rather permission in FY14 to order and create an encumbrance for payments that will be made during FY15.

The proposed replacement dump trucks are EPA T4 diesel; they emit 98% less tailpipe emissions than the current dump trucks. They emit the same tailpipe emissions as a CNG dump truck. They are \$55,000 less expensive to purchase per dump truck and they don't require the \$55,000 upfit for CNG. Avoiding the CNG costs on these units would preserve \$990,000 of the replacement funds for other critical needs. Attachments (sanders, plows, beds) can be changed in minutes rather than hours, thus saving time converting them to snow units. In addition, the attachments are interchangeable with the same cab and chassis. When it is time to replace the dump trucks, only the cab and chassis (\$112,000), will need to be replaced and the attachments will last through the life of 2 to 3 units (cab and chassis). The beds will be stainless steel. The **sanders won't mount into the beds, thus eliminating the rust** failure factor associated with the existing dump trucks.”

A-5: This item has been pulled by the Administration.

A-6: This item has been pulled by the Administration.

A-7: This item has been pulled by the Administration.

A-8: Snow and Ice Control Salt Costs (\$240,000 – General Fund)

Excerpt from Administration's Transmittal

“During December 2013 and January 2014, the City experienced higher than average snow fall and colder than average temperatures, requiring a significantly higher usage of salt than had been budgeted. This budget amendment request seeks to provide budget relief for those cost overruns, which costs were incurred to continue the expected level of service. The City's standard is to remove snow and ice on 1,863 lane miles of City-owned roadways within 36 hours of a storm. Cold winters, like this past one, require more ice control even when snow fall isn't frequently occurring.”

A-9: Special Event Cost Recovery (\$51,769 – General Fund)

Excerpt from Administration's Transmittal

“Cost recovery is the method by which the City collects repayment of costs associated with services beyond basic services. These are usually associated with special events hosted by citizens/ organizations that require additional parks services/cleanup, use of facilities, etc. This budget amendment request is budget neutral, requesting budget for revenue received for the reimbursement of costs, as well as the additional costs incurred (personal services and materials) by Public Services divisions (Parks and Facilities).”

A-10: Worker's Compensation Claim Compliance Program (\$52,075 – General Fund)

The Administration is requesting additional budget in the Compliance Program to make up for an unexpected workers' compensation claim.

A-11: Baseball Stadium Naming Rights (\$32,250 – CIP)

Salt Lake City and Smith's Food & Drug Centers have entered into a naming rights agreement for the City's baseball field. The terms of the agreement state that payment of \$35,250 will be paid to the City on May 24, 2014. As with prior naming rights agreements, this revenue will go to the CIP Fund for necessary stadium capital improvements. During the five-year (plus) agreement, the City will receive

a total of \$863,146. This request is budget neutral; it creates the budgets for the CIP and the capital outlay fund in the CIP account for the \$35,250.

A-12: Electric Vehicle Charging Station Installations (\$37,500 – General Fund)

Excerpt from Administration's Transmittal

“Salt Lake City will be receiving two rapid charge electrical vehicle (EV) charging stations from the State of Utah (which are being provided by Nissan USA). The City will pay for the installation costs up front and the State will reimburse the City for those costs, which are estimated to be \$37,500. It has been requested by the State that the stations be installed by March 31, 2014. (Ongoing amounts for revenue collection, electricity costs, and billing software costs are believed to be immaterial at this point.) The Council approved this item via a straw poll earlier in the year.”

A-13: Workers Compensation – Officer Related Shootings (\$100,000 – General Fund)

Excerpt from Administration's Transmittal

“The Police Department is requesting a budget increase to cover workers compensation medical related expense. On March 28, 2014 the Police Department had two officers shot in the line of duty. **One officer's injuries have required** multiple surgeries and a lengthy stay in the hospital. Both officers will require lengthy rehabilitation. The emergency care and hospitalizations as well as a large portion of the rehabilitation cost will be a major expense to budget this fiscal year. The police department is requesting an increase in workers compensation to cover these added expenses.”

A-14: This item has been pulled by the Administration.

A-15: Police Department – Increase in Budget for Task Force Cost Recovery (\$169,195 – General Fund)

Excerpt from Administration's Transmittal

“The Police Department is requesting a budget increase to recognize revenue for Task Force Overtime. Revenue from Task Force cost recovery through January is \$112,796 with an additional \$56,398 projected through June 30, 2014. FY 13 Revenue totaled \$207,377 and the three year historical average revenue is \$378,146. This includes the following Task Forces; DUI Saturation, Joint Terrorism, IWRCFL Computer Forensic, Narcotics Supplemental, and Eliminating Alcohol Sales to Youth. This request is needed to increase budget for overtime in the amount of \$169,194 in order to cover the overtime costs associated with the revenue that the City is receiving from task force participation.”

A-16: Impact Fee Eligible Open Space Property Purchase (\$341,700 – CIP Fund)

The Administration is requesting to Amend the budget to allow for impact fees to complete the purchase of an .22 acre open space in Council District 4, for a potential future use as a community garden. Because this transaction is in the category of open space property acquisition, and is within the allowable acres (up to 54.3 acres) it is 100% impact fee eligible.

The Council may wish to ask the Administration if there are other properties that could be purchased with impact fees for similar neighborhood-scale parks, considering this kind of transaction is 100% impact fee eligible. If this budget amendment is approved, the Parks Impact Fee account will have balance of approximately \$1.1 million.

The following two items refer to Pioneer Park. Staff has combined the write-ups to address the issues together.

A-17: Pioneer Park Design (\$100,000 – CIP)

A-18: Pioneer Park Programming (\$30,000 – General Fund)

The Administration is requesting \$100,000 for design work to consider changes to Pioneer Park facilities and layout. In addition, the Administration is requesting \$30,000 for staff and programming support of new events and activities in Pioneer Park.

According to the Administration, this request has come about following several meetings with **community members who have formed the “Pioneer Park Coalition,” which includes many community** representatives, including private individuals, businesses, City and County representatives, homeless service providers, property owners, banks, and the Salt Lake City school district, etc. Through meetings over the last several months, the Coalition has requested for proactive changes and solutions at the Park and surrounding Rio Grande area.

The Administration recommends funding for design work and programming at the Park.

- The design work would include reviewing and updating the Phase 2 planning and design work that was done in 2006.
 - The review would evaluate the location of amenities, possible restroom relocation, and other changes that would affect the uses allowed in Pioneer Park.
 - Money to construct changes to the Park would be included in the upcoming annual CIP budget recommendations.
- The funding for programming would be used to schedule activities in the Park, and would be used for staff resources (a to-be-defined temporary position), materials and supplies to support events and activities.
 - Possible events include: disc golf, food truck day, trapeze workout / training, dog-days in the park, and YouthCity programming, yoga, lunchtime events, etc.
 - Programmed events would be lined up to begin as soon as possible, perhaps by June.

The Administration noted that the Coalition members may be a partner in the future for funding of programming and the construction of improvements. Their interest is to revitalize the Park, bring value to the Pioneer Park / Rio Grande community, and are the catalyst to solutions that allow the City and Coalition the best chance of making positive change in the community.

The Council may want to ask about the timeline for the design work and when projects would be ready for construction.

The Council may wish to ask about other pending opportunities for funding related to Pioneer Park and the Rio Grande Area, including Redevelopment Agency projects, efforts related to the services and assistance for the homeless population, and illegal or unsafe activities.

Given the pressing needs associated with homelessness and the extensive planning recently completed for Pioneer Park, the Council may wish to ask whether it is possible to focus most of the requested \$100,000 on implementation rather than planning.

A-19: Warm Springs Park Master Plan & Phasing Plan (\$19,000 – CIP Fund)

Excerpt from Administration’s Transmittal

“The Public Services Department is requesting a \$19,000 CIP allocation from the CIP cost over-run account to provide a master plan and design improvements of Warm Springs Park. Over the last several months a park sub-committee of the Capital Hills Community Council has worked with a design consultant on a concept plan for Warm Springs Park. The plan is to make changes to the existing park that would introduce positive public use and activity and discourage some current

inappropriate and dangerous uses. The concept plan was prepared free of charge. The logical next phase is to develop the concept into a Master Plan document with cost estimates. The cost of the Master Plan phase is estimated to be \$19,000. This project has not been processed through the traditional City CIP process. It has had community review and input. The Master Plan phase will add more public input and review.”

A-20: Library Amendment (\$82,140 – Library Fund)

Excerpt from Administration's Transmittal

“The Salt Lake City Public Library is proposing the following items for inclusion in the Budget Amendment:

At the end of FY13, the Library had unspent restricted donations totaling \$43,940 from the Friends of the Library to be used for education related expenditures and children’s programming. The Library is proposing to allocate the remaining \$43,940 from fund balance to be used for the restricted purposes. The Library’s budget for FY14 reflected a reduction of \$200,000 in the Collections budget to assist with technology and capital maintenance issues. At the end of FY13, the Collections budget was under spent by approximately \$35,000 due to invoice timing issues. The unspent amount rolled into the Library’s unrestricted fund balance at year end. The Library wants to allocate this \$35,000 from unrestricted fund balance as a partial restoration of the \$200,000.

The Library has also received \$3,200 in restricted donations for a Puppet Festival that was not anticipated as part of the FY14 budget and requests that the budget be increased using these donations as the funding source.”

Section B: Grants for Existing Staff Resources

B-1: Executive Office of the President, Office of National Drug Control – Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) (\$75,302 – Misc. Grants)

Excerpt from Administration's Transmittal

“The Police Department applied for and received a \$75,302 Rocky Mountain HIDTA grant from the Executive Office of the President, Office of National Drug Control. These funds will be used to pay the partial salary and benefits for one (1) Investigative Law Enforcement Officer position. Any remaining funds needed to fully fund the position are budgeted for within the Police Department’s budget. There is no required match. These funds must be spent by the end of December 31, 2014. A Resolution was previously passed authorizing the Mayor to sign and accept the grant and any additional grants or agreements that stem from the original grant.”

Section C: Grants for New Staff Resources

None

Section D: Housekeeping

Note: Council staff has included the Administration’s descriptions for these items for ease of Council reference.

D-1: Wasatch Hollow Conservation Easement – Recording of Cost Coverage (\$427,000 – CIP)

Excerpt from Administration's Transmittal

“During FY13 Salt Lake County paid Salt Lake City for a conservation easement on the Wasatch Hollow Open Space “Kensington Property”. The payment was to cover \$427,000 of associated costs of that property. This budget amendment requests expense budget to be established in the cost center where the revenue was recorded so that the associated costs may be moved from the bond cost center

to the County revenue cost center. Additional background from the FY13 transmittal is as follows:

The Salt Lake City Council authorized the acquisition of the Wasatch Hollow Open Space Kensington parcel which was purchased in December 2008. This authorization came with the stipulation that Salt Lake County would be making a contribution for the acquisition in exchange for a conservation easement. The protection of this parcel through the conveyance of a conservation easement to Salt Lake County is in accordance with City Ordinance 2.90 that requires property purchased through the Open Space Program be protected under conservation easement. This would require City Council to authorize the execution of the attached Interlocal Agreement that states that Salt Lake City and Salt Lake County agree that in consideration of the mutual benefit afforded the citizens of the City and the County from this grant of the Easement and the exchange of agreed upon consideration in accordance with Section 11-13-214 of the Interlocal Cooperation Act, the County will pay City \$427,000 and the City will grant a perpetual conservation easement on the Wasatch Hollow Open Space "Kensington Property" for the purpose of enabling the Property to remain forever open and accessible to the public (subject to the limitations set forth in the Plan), protecting in perpetuity the Conservation Values, preventing any use of the Property that may materially impair or interfere with its Conservation Values. No other consideration shall pass between the County and the City unless stated herein. Each party shall be responsible for its own costs of any action done pursuant to this Agreement, and for any financing of such costs."

D-2: Liberty Park/Tracy Aviary Site Design Workshop (No budget impact)

Excerpt from Administration's Transmittal

"During FY08, the Liberty Park Children's Garden was allocated \$600,000 of funding for construction of improvements to the Children's Garden playground, reconstruct the boat dock on the lake, rebuild drainage system around these areas and reconstruct the War Memorial. The Parks and Public Lands Division (P&PL) in partnership with the Tracy Aviary utilized consultant services to facilitate a site design workshop and other public input in conjunction with Tracy Aviary expansion for the proposed Tropical Rainforest Building. The Aviary and the City agreed to share the \$14,303 planning fee. The proposed aviary expansion Ares is the vacant site of the former Children's Garden. With input from the CED Department, the study area was expanded to include the Green Houses, Park Maintenance Facility west of the Aviary parking lot.

The public process was successful in generating valuable input to assess the impact of the new Aviary Tropical Rain Forest Building on future re-use of the former Children's Garden development of the Liberty Park. The P&PL Division anticipated charging the City's portion (\$7,151) of the \$14,303 to the original CIP allocation for the Children's Garden in FY2008. However, the design and process were not included within the original scope of services. There is approx \$545,000 remaining in the CIP budget for the Children's Garden project. This request is to utilize \$7,151 of the current budget to pay its share of the design. The Tracy Aviary will pay its portion to the design directly to the consultant. It is anticipated that the remaining funds within this project will be used to make improvements to the area based on the design outcome. This request is to expand the scope of services. **No additional funds are being requested at this time.**"

D-3: Recapture Remaining General Fund and Class "C" CIP Completed and Closed Projects (\$269,159 – CIP Fund)

Excerpt from Administration's Transmittal

"This request decreases the remaining budgets of one (1) general fund project totaling \$219,375; one (1) Class "C" project totaling \$49,784 and increases the perspective funds cost overrun accounts to cover future unanticipated cost overruns for general fund and Class "C" CIP projects."

D-4: Police Department – Recognizing Revenue and Budget for Operation Winter Migration and Operation Greywolf (\$10,000 – General Fund)

Excerpt from Administration's Transmittal

“The Police Department is requesting a \$10,000 budget increase to recognize revenue received for reimbursement of officer overtime for Project Operation Winter Migration (\$800) and Operation Greywolf (**\$4,200**). The US Marshall’s office is allocating reimbursement for officer overtime on a monthly basis to be used to enhance sex offender compliance during the operations. This request is budget neutral and is meant to provide budget for the February to June 2014 overtime allowances which totals a \$10,000 general fund budget increase. This is not a formal grant. It is a reimbursement made by the US Marshall’s office to off-set officer overtime expense during the operations.”

D-5: Crime Lab and Evidence Storage Consultant Project Scope Change (No budget impact)

Excerpt from Administration’s Transmittal

“During BA#1-2013, a \$110,616 budget was established to hire two consultants, MWL Architects to prepare preliminary drawings and data sheets needed to facilitate a new PD Crime Lab and Evidence Storage facility, and MOCA to work with MWL Architects in the preparation of the cost estimates and needed improvements. MOCA’s extended services were to review MWL Architect’s needs assessment and preliminary cost estimates; validate and adjust the cost estimate from MWL using in-house estimators; develop a project schedule that identifies both duration and cash flow projections; participate with MWL Architects in the development of the program and concept plan for the project; and procurement of the architect and contractor for design and construction. MWL has completed the assessment and cost estimate, and has been paid in full by West Valley City for their services. The City paid MOCA for their services pertaining to the assessment and cost estimate prepared by MWL. There is a remaining balance of approximately \$85,000 of the \$110,616. The Administration proposes to use the remaining funds to retain MOCA to oversee the design and project construction of the new leased facility. This is a scope revision only and no additional funding is required at this time.”

D-6: This item has been pulled by the Administration.

D-7: Risk Fund Budget Increases (\$308,885 – Risk Fund)

Excerpt from Administration’s Transmittal

“Workers Compensation charges for CED, Fire, Golf and Fleet have exceeded the amounts budgeted in the Risk Fund. In addition, Life Insurance, Dental Insurance and Risk Management administrative charges are projected to exceed their current budgets. The following chart shows the current budget, current expense and projected expenses through the end of FY 13-14:

	<i>Current Budget</i>	<i>Current Expenditures</i>	<i>Projected Expenditures</i>	<i>Difference between Budget & Projection</i>
CED	\$6,072	\$29,117	\$56,072	(\$50,000)
Fire	114,341	124,624	221,226	(106,885)
Golf	9,149	41,257	43,917	(34,768)
Fleet	8,340	80,992	83,340	(75,000)
Life Insurance	1,373,676	853,485	1,403,676	(30,000)
Dental Insurance	2,206,944	1,319,932	2,218,944	(12,000)
Risk Management	167,632	108,044	192,632	(25,000)

The Workers Compensation expenditures have exceeded budgets due to higher than expected medical costs for on the job injuries. The Life and Dental Insurance costs are expected to exceed budget due to a larger number of newly hired employees. The Risk Management costs are expected to exceed budget due to higher than expected administrative costs which are charged to the departments.

This budget amendment requests additional expense budget for the Risk Fund to cover the projected workers compensation, insurance and General Fund Administrative costs as well as additional expense budget for the General Fund and Fleet Fund to cover the projected worker’s compensation costs. This amendment also requests budget adjustments to Risk Fund revenue for the increased billings to the departments.”

D-8: Public Utilities Water Budget Increase Water (\$950,000 – Water Fund)

Excerpt from Administration's Transmittal

“The Water Utility is asking to amend the current year’s budget to include funding for carryover projects that were budgeted last year, but are still under construction. The department is requesting \$800,000 for water projects that are currently under construction and were budgeted last year. The utility is also asking for funding for two new projects 1) design cost for a replacement water line on Foothill Drive from 1200 to 1300 South for \$50,000 and 2) design cost for replacement water line that runs under the 1300 South overpass from the rail road crossing to 700 West. The total adjustment requested for the Water Utility is \$950,000.

“The budget amendment is needed to complete the projects that were budgeted last year and are currently under construction, and to complete projects that need to be completed sooner than anticipated in the original 13-14 budget. The Foothill project is required due to a number of breaks which have occurred on this line over the last couple of months and the Terminal line is needed as work is progressing on the Terminal Reservoir.

“Opening the budget for carryover projects for each of the Utility enterprise funds is an established process. Approving this request will allow the department to continue construction of projects budgeted and approved last year, and it will allow the department to complete projects that need to be completed sooner than anticipated in the original 13-14 budget. The fiscal year ends on June 30th and falls in the middle of our construction season projects are started in one budget and completed in the next. The priority of certain projects changed after the budget was approved. We recommend approval of the amendment to allow the existing capital improvement program to continue as approved and to expedite high priority projects.”

D-9: Increase Budget in Holding Account Donations (\$152,001 – Donations Fund)

Several years ago, the Council and Administration established a Holding Account budget with funding that allows the Administration access to donations that the City has received. This process enables the Administration to receive and spend the money without waiting for a budget amendment. This allows the money to be spent for the intended purpose without the delay.

As donations are received by the City, and money is spent from the Holding Account, the Administration will request that the funding be restored.

At some point, the Council may want to revisit the Holding Account practice for donations and grants to ensure that adequate time and notice is given to the Council for review and oversight.

D-10: Redefine Capital Improvement Program Project Scope – Wakara Way and Arapeen Drive (No budget impact)

Excerpt from Administration's Transmittal

“After an analysis of the Wakara Way and Arapeen Drive intersection, the Transportation Division determined that the appropriate traffic control measure at this intersection is a traffic signal. The anticipated cost of this signal is \$240,000, and will include additional pedestrian design. The original cost proposed in the CIP was \$450,000.

In order to begin design on the signal, a change to the definition of the CIP purpose is required. This request is to change the purpose from roundabout to traffic signal. The University of Utah has been consulted and is in agreement with the assessment. An agreement to provide a 10% contribution to the

cost of the signal is forthcoming. Considering the 10% match from the University of Utah, the total budget for Salt Lake City's portion of the signal is \$216,000. **This is a scope change request only. No additional funds are required.**"

D-11: Cost of Issuance Allocation for Sales and Excise Tax Revenue Bonds, Series 2013B (Sugarhouse Streetcar Project) (\$45,272 – CIP Fund)

Excerpt from Administration's Transmittal

"Sales and Excise Tax Revenue Bonds, Series 2013B, were issued in November 2013 for the purpose of financing a portion of the costs of the Sugarhouse Streetcar, and pay for the portion of various improvements to create a 'greenway' within the corridor.

The FY2014 project budget for cost center 83-12048 (Streetcar Project) and cost center 83-12071 (Streetcar and Greenway Project) was prepared to cover the construction costs and did not include the cost of issuance for Series 2013B bonds. The budget amendment was prepared to record cost of issuance. However, it did not allocate it correctly between projects. This budget amendment is being prepared to correct the cost of issuance allocation between projects for these series of bonds."

D-12: City and County Building Stone Mason Project Reallocation (\$7,424,000 – CIP)

In conjunction with the previous discussion on issuing debt for major projects, the Council indicated that they would prefer to not issue higher-interest taxable bonds for the City & County Building Stone repair/replacement project, and would instead prefer to issue tax exempt bonds for other projects, freeing up general fund CIP dollars to pay for the City & County Building Stone project. This budget amendment reflects the projects that were identified by the Administration to achieve this goal and pay for the repair/replacement of the stone on the building (\$7.424 million project).

It should be noted that there were \$6.35 million in FY 2014 CIP projects that would be eligible for tax exempt financing. These projects will now be funded with a tax-exempt sales tax bond. The remaining \$1.1 million needed for the Stone project was found by recapturing amounts from CIP accounts that the Administration has determined are eligible for recapture:

Project	Amount recaptured
Interoperable Communications	\$220,842
Intermodal Hub Warehouse	\$300,000
Concrete Replacement Staffing <i>(inadvertently left in the budget, despite the Council electing to remove revenue from the General Fund, from "CIP staffing charges", during last year's budget discussions)</i>	\$558,154

D-13: Transfer Chevron Projects that Qualify as Capital to the CIP Fund (\$980,000 – CIP Fund)

Excerpt from Administration's Transmittal

"In fiscal year 2013 projects were approved in BA#4 FY3013 Initiative #D-7 for funds received from Chevron Oil Company. Three of these projects qualify as capital projects. In accordance with Governmental Accounting Standards these projects should be separated and recorded in the City's Capital Improvement Fund.

The projects are:

900 South Oxbow - \$380,000

Genesee Trailhead Acquisition - \$302,770

Fisher Mansion Carriage House Rehabilitation Completion - \$297,230

The remaining project does not qualify as a capital project and remains in Fund Class 77 - the Donations fund with budget of **\$20,000.**"

D-14: Correction to Sales and Excise Tax Revenue Bonds Series 2013B (Sugar House Street Car and Greenway Project) (No budget impact)

Excerpt from Administration's Transmittal

“In BA#2 FY2014 Initiative #D-5, bond proceeds and construction budgets were adjusted to match the amount received from the bond sale for the Sugar House Street Car and Greenway project. In that process, a reduction was made in a transfer from the General Fund to the CIP Fund in the amount of (\$442,607.00). This transfer was unnecessary. This budget amendment will zero out that amount.”

D-15: Governmental Immunity – Claims, Damages and Professional Services (\$520,000 – Governmental Immunity Fund)

Excerpt from Administration's Transmittal

“The Governmental Immunity Fund is the City's self-insured liability fund, which is used to cover the cost of settlements and judgments against the City. In recent years, revenue has been under budgeted while the City continues to experience increased claims and litigation costs. \$550,000 has been appropriated for Claims and Damages in FY14. The City has paid more than \$450,000 to date, leaving less than \$100,000 for the remainder of FY14.

The settlement (\$225,000) of a lawsuit for a serious vehicle accident involving an off-duty City employee in a take-home vehicle has been approved and requires funds above the available balance. Additionally, we anticipate at least one litigated claim to be settled by the end of FY14. The projected total costs for FY14 are \$285,000. \$75,000 was budgeted for Professional Services, which is used for outside counsel and expert witness costs. To date, more than \$190,000 has been spent and the projected total costs for FY14 are \$312,000. **The Attorney's Office is requesting an increased appropriation of \$285,000 for Claims and Damages and \$235,000 for Professional Services, a total of \$520,000. This amount will be budgeted from the Governmental Immunity Fund Balance.**”

Section E: Grants Requiring No New Staff Resources

E-1: UDOT, Transportation Alternative Program (TAP) & Congestion Mitigation & Air Quality (CMAQ) Grants (\$308,075 – Misc. Grant Fund)

Excerpt from Administration's Transmittal

“The CED, Transportation Division received two grants from UDOT, \$233,075, under the Transportation Alternative Program (TAP) grant and \$75,000 under the Federal Highway Administration, Congestion Mitigation and Air Quality (CMAQ) grant. These grants are to be used for expansion of the City's Bike Share Program.

Working with the Downtown Alliance, the funding will be used to purchase and install eight (8) additional Bike Share stations. The TAP grant requires a \$16,925 cash match and will be met by utilizing funding within Transportations existing CIP allocation for Bicycle Projects Citywide. The CMAQ grant does not require a match. The total project cost is \$325,000.

The Administration requested a straw poll on March 19, from the Council for approval to move forward with the project in order to receive the stations by June and facilitate the program for the spring/summer season. Approval was given and the project is moving forward. This request is to establish budget for the grants, so that the grant reimbursements can be accepted.”

Section F: Donations

None

Section G: Council Consent Agenda – Grant Awards

G-1: State Office of Crime Victim Reparations, FY 2014 VAWA Grant (\$14,163 – Misc. Grant Fund)

Excerpt from Administration's Transmittal

“The Police Department received a \$14,163.35 grant from the State of Utah, Office of Crime Victim Reparations for the continuation of their FY2013 VAWA funded Victim Advocate Program. Of these funds, \$14,072.87 will be used to continue to pay the salary and benefits of an existing hourly victim advocate who provides on-scene crisis counseling and information pertaining to resource services to victims of domestic violence; and \$90.48 will be used for emergency victim assistance needs such as food, clothing, transportation, etc. The Police Department receives this grant on an annual basis.”

Section I: Potential Council Added Items

None



RALPH BECKER
MAYOR

SALT LAKE CITY CORPORATION
OFFICE OF THE MAYOR

SCANNED TO: Mayor
SCANNED BY: Rachel
DATE: 4-23-14



David Everitt, Chief of Staff

CITY COUNCIL TRANSMITTAL



Date Received: 04/23/2014
Date sent to Council: 04/24/2014

TO: Salt Lake City Council
Charlie Luke, Chair

DATE: April 22, 2014

FROM: David Everitt, Chief of Staff

SUBJECT: Budget Amendment #3, FY 2013-14

SPONSOR: NA

STAFF CONTACT: Gina Chamness (801) 535-7766
Gordon Hoskins (801) 535-6394

DOCUMENT TYPE: Budget Amendment Ordinance

RECOMMENDATION: The Administration recommends that, subsequent to a public hearing, the City Council adopt the following amendments to the FY 2013-14 adopted budget.

BUDGET IMPACT:

General Fund	1,054,414
CIP Fund	8,128,954
Fleet Fund	1,942,566
Library Fund	82,140
Miscellaneous Grants	397,540
Impact Fees	(341,700)
Risk Fund	308,885
Water Fund	950,000
Donations Fund	152,001
Governmental Immunity Fund	520,000
Total of Budget Amendment Items	13,194,800

BACKGROUND/DISCUSSION:

FY 2013-14 Revenue Forecast

A revenue forecast for the General Fund based on revenues through the end of February is attached. Based on these projections, we are anticipating a revenue shortfall of approximately \$340,000. This forecast reflects revenue received through February, and six months of sales tax data.

There are a number of changes from our previous forecast. The chart below summarizes previous projections by major revenue category, current projections, and the change in overall projections since our previous submittal.

	<u>FY 2013-14 Amended Budget</u>	<u>November Projections</u>	<u>February Projections</u>	<u>Change in Projections, November to February</u>		
		<i>Projection</i>	<i>Difference from Budget</i>	<i>Projection</i>	<i>Difference from Budget</i>	<i>Change in Projections, November to February</i>
Property Taxes	71,309,803	71,309,803	-	72,333,513	1,023,710	1,023,710
Sales and Use Tax	55,020,055	55,135,745	115,690	55,754,863	734,808	619,118
Franchise Tax	26,900,000	26,900,000	-	27,330,000	430,000	430,000
PILOT	<u>1,302,460</u>	<u>1,302,460</u>	<u>-</u>	<u>1,278,934</u>	<u>(23,526)</u>	<u>(23,526)</u>
			-		-	-
TOTAL TAXES	154,532,318	154,648,008	115,690	156,697,310	2,164,992	2,049,302
Permits and Licenses	19,314,112	19,377,130	63,018	19,237,800	(76,312)	(139,329)
Intergovernmental Charges for Services	5,815,321	5,811,172	(4,149)	5,812,382	(2,939)	1,210
	5,220,698	5,385,257	164,559	4,791,091	(429,607)	(594,166)
Fines & Forfeiture	9,817,325	8,298,305	(1,519,020)	8,355,135	(1,462,190)	56,830
Parking Meter	3,222,030	3,222,030	-	3,090,564	(131,466)	(131,466)
Interest Income Miscellaneous Revenue	850,000	850,000	-	850,000	-	-
	6,348,556	6,062,747	(285,809)	5,949,433	(399,123)	(113,314)
Interfund	10,185,520	10,196,520	11,000	10,185,520	-	(11,000)
Transfers	<u>5,632,765</u>	<u>5,632,765</u>	<u>0</u>	<u>5,632,765</u>	<u>0</u>	<u>0</u>
TOTAL GENERAL FUND	220,938,645	219,483,933	(1,454,712)	220,602,000	(336,645)	1,118,067

We have revised our estimate of property tax collections upward by \$1,000,000. This increase is due to a change in state law. Previously, when the City or another taxing entity approved an increase in tax rate, including a General Obligation bond increase, the Redevelopment Authority would receive any increase in revenue associated with that tax rate increase in their RDA districts. A legislative change in the 2013 session altered that situation and directed that all revenue from future tax increases, including the 2013 tax increase approved by the Council, is directed to the entity imposing the tax rate change. Based on the tax rate increase approved by the Council last year, we estimate that shift in revenue will result in an additional \$1 million to the City on an on-going basis.

Our current projections for FY 2013-14 also reflect a projected increase in sales tax collection and franchise tax collections. Currently, we are projecting sales tax to come in at approximately 1% over budgeted levels. Franchise tax is estimated at a surplus of approximately 2% over budget, based on collections year to date from Rocky Mountain Power.

We have revised our projections for revenue from licenses and permits downward to reflect a process change in how revenue from hazardous permits is collected. Previously, all revenue associated with this type of permit was billed and collected in January of each year. That process has been changed to correspond with business license renewal, which can occur throughout the year. This will result in a one time shortfall in revenue in the current fiscal year, but will make the permit and licensing process easier for our customers.

Another notable change in our projections occurs in the charges and services category. We are currently projecting a shortfall of approximately \$430,000. The majority of this shortfall is associated with a delay in payments received from the City's ambulance provider. We believe that this shortfall will be corrected by the end of the calendar year, but we anticipate a significant shortfall in this budget year associated with that delay.

As previously discussed with the City Council, we continue to anticipate a significant shortfall in the area of fines and forfeitures, and are seeing a slight decrease in revenue associated with parking meters.

FY 2013-14 Budget Adjustments

The Administration is requesting a budget amendment that overall would increase the budget of the City by \$13.2 million. The largest part of this increase is associated with formalizing the Council's intent to conduct a stone remediation project on the City and County Building. This budget amendment proposes a shift in funding between other projects previously approved by the Council in order to issue tax exempt bonds. This amendment also includes requests totaling \$947,645 of the General Fund's fund balance.

More detail on each of these items, as well as other items is provided in the attached narrative summary. In addition, a summary spreadsheet document, outlining proposed budget changes, is also attached. The Administration requests this document be modified based on the decisions of the Council.

Fund Balance

Possible Fund Balance Scenario for Ending FY 14	
Fund Balance as of 6/31/13	27,120,873
Budgeted Use of Fund Balance, FY 14	-
Use of Fund Balance, Budget Amendments 1 and 2	-3,558,714
Estimated June 30, 2014 Current Year Fund Balance, after BA 1 and 2	23,562,159
Estimated June 30, 2014 Fund Balance, as a % of GF Revenue	10.74%
Current GF Budget Amendment	-947,645
Estimated June 30, 2014 Fund Balance, after BA 1, 2 and 3	22,614,514
Estimated June 30, 2014 Fund Balance, as a % of GF Revenue	10.31%

The budget opening is separated in eight different categories:

- A. New Budget Items
- B. Grants for Existing Staff Resources
- C. Grants for New Staff Resources
- D. Housekeeping Items
- E. Grants Requiring No New Staff Resources
- F. Donations
- G. Council Consent Agenda Grant Awards
- I. Council Added Items

PUBLIC PROCESS: Public Hearing

SALT LAKE CITY ORDINANCE

No. _____ of 2014

(Amending the Final Budget of Salt Lake City and the Final Library Budget.)

An Ordinance Amending Salt Lake City Ordinance No. 47 of 2013 which Adopted the Final Budget of Salt Lake City, Utah, for fiscal year 2013-2014; and Amending Salt Lake City Ordinance No. 48 of 2013 which Adopted the Final Budget for the Library for fiscal year 2013-2014.

PREAMBLE

On August 15, 2013, the Salt Lake City Council adopted the final budget of Salt Lake City, for fiscal year 2013-2014. On that date, the City Council also adopted the final budget for the Salt Lake City Library Fund for fiscal year 2013-2014. These two separate budgets shall collectively be referred to as the “Budgets.”

The City’s Budget Director, acting as the City’s Budget Officer, prepared and filed with the City Recorder proposed amendments to the Budgets, including any amendments to the employment staffing document necessary to effectuate the staffing changes specifically stated herein, copies of which are attached hereto, for consideration by the City Council and inspection by the public.

All conditions precedent to amend said Budgets, including any employment staffing document as provided above, have been accomplished.

Be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. Purpose. The purpose of this Ordinance is to amend the Budgets, as approved, ratified and finalized by Salt Lake City Ordinance No. 47 of 2013 and Ordinance No. 48 of 2013.

SECTION 2. Adoption of Amendments. The Budget amendments, including any amendments to the employment staffing document necessary to effectuate the staffing changes specifically stated herein, attached hereto and made a part of this Ordinance shall be, and the same hereby are adopted and incorporated into the adopted budget of Salt Lake City, and the Library Budget, for the fiscal year 2013-2014 in accordance with the requirements of Section 128, Chapter 6, Title 10, of the Utah Code Annotated.

SECTION 3. Filing of copies of the Budget Amendments. The said Budget Officer is authorized and directed to certify and file a copy of said Budget amendments, including amendments to the employment staffing document, in the office of said Budget Officer and in the office of the City Recorder which amendments shall be available for public inspection.

SECTION 4. Effective Date. This Ordinance shall take effect upon posting or upon its first publication.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____, 2014.

CHAIRPERSON

ATTEST:

CITY RECORDER

Transmitted to the Mayor on _____

Mayor's Action: _____ Approved _____ Vetoed

MAYOR

ATTEST:

CITY RECORDER

(SEAL)

Bill No. _____ of 2014.
Published: _____.

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 4/2/14
By ERV

HB_ATTY-#37616-v1-FY13-14_Ordinance_Amending_SLC_and_Library_Budget.DOC

Fiscal Year 2013-14 Budget Amendment #3

Initiative Number/Name	Fund	Expenditure Amount	Revenue Amount	On-going or One time	FTEs
Section A: New Items					
1 Indiana Avenue Bridge Improvements, Indiana Ave. 800 South 1000 West	CIP	25,000.00	-	One-time	0
1 Indiana Avenue Bridge Improvements, Indiana Ave. 800 South 1000 West	CIP	(25,000.00)	-	One-time	0
2 Facilities Utilities and Janitorial	GF	204,424.00	-	Partially Ongoing	0
3 Fire Department Request to Retain Vehicles	Fleet	17,566.00	17,566.00	One-time	0
3 Fire Department Request to Retain Vehicles	GF	17,566.00	-	One-time	0
4 Fleet Replacement of Dump Trucks for Snow Fighting	Fleet	1,850,000.00	-	One-time	0
5 Withdrawn Prior to Transmittal					
6 Open Streets Event Funding	GF	15,000.00	-	Ongoing	0
7 Withdrawn Prior to Transmittal					
8 Snow and Ice Control Salt Costs	GF	240,000.00	-	One-time	0
9 Special Event Cost Recovery	GF	51,768.65	51,768.65	One-time	0
10 Worker's Compensation Claim Compliance Program	GF	52,075.00	-	One-time	0
11 Baseball Stadium Naming Rights	CIP	35,250.00	35,250.00	One-time	0
12 Electric Vehicle Charging Station Installations	GF	37,500.00	37,500.00	One-time	0
13 Workers Compensation - Officer Related Shootings	GF	100,000.00	-	One-time	0
14 Withdrawn Prior to Transmittal					
15 Police Department – Increase in Budget for Task Force Cost Recovery	GF	169,195.00	7,500.00	One-time	0
16 Impact Fee Eligible Open Space Property Purchase	CIP	341,700.00	-	One-time	0
16 Impact Fee Eligible Open Space Property Purchase	CIP Impact Fees	(341,700.00)	-	One-time	0
17 Pioneer Park Design	CIP	100,000.00	-	One-time	0
17 Pioneer Park Design	CIP	(100,000.00)	-	One-time	0
18 Pioneer Park Programming	GF	30,000.00	-	Ongoing	0
19 Warm Springs Park Master Plan & Phasing Plan	CIP	19,000.00	-	One-time	0
19 Warm Springs Park Master Plan & Phasing Plan	CIP	(19,000.00)	-	One-time	0
20 Library Amendment	Library	82,140.00	82,140.00	One-time	0
Section B: Grants for Existing Staff Resources					
1 Executive Office of the President, Office of National Drug Control – Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) Grant	Misc Grants	75,302.00	75,302.00	One-time	0
Section C: Grants for New Staff Resources					
Section D: Housekeeping					
1 Wasatch Hollow Conservation Easement – Recording of Cost Coverage	CIP	427,000.00	-	One-time	0
2 Liberty Park/Tracy Aviary Site Design Workshop	NA	-	-	One-time	0
3 Recapture Remaining General Fund and Class "C" CIP Completed and Closed Projects	CIP	269,159.33	-	One-time	0
3 Recapture Remaining General Fund and Class "C" CIP Completed and Closed Projects	CIP	(269,159.33)	-	One-time	0
4 Police Department – Recognizing Revenue and Budget for Operation Winter Migration and Operation Greywolf	GF	10,000.00	10,000.00	One-time	0
5 Crime Lab and Evidence Storage Consultant Project Scope Change	NA	-	-	One-time	0
6 Withdrawn Prior to Transmittal					
6 Withdrawn Prior to Transmittal					
6 Withdrawn Prior to Transmittal					
6 Withdrawn Prior to Transmittal					

Fiscal Year 2013-14 Budget Amendment #3

Initiative Number/Name	Fund	Expenditure Amount	Revenue Amount	On-going or One time	FTEs
7 Risk Fund Budget Increases	Risk Fund	308,885.00	283,885.00	One-time	0
7 Risk Fund Budget Increases	GF	126,885.00	-	One-time	0
7 Risk Fund Budget Increases	Fleet	75,000.00	-	One-time	0
8 Public Utilities Water Budget Increase	Water	950,000.00	-	One-time	0
9 Increase Budget in Holding Account	Donations	152,001.40	-	One-time	0
10 Redefine Capital Improvement Program Project Scope - Wakara Way and Arapeen Drive	NA	-	-	One-time	0
11 Cost of Issuance Allocation for Sales and Excise Tax Revenue Bonds, Series 2013B (Sugarhouse Streetcar Project)	CIP	45,272.47	45,272.47	One-time	0
11 Cost of Issuance Allocation for Sales and Excise Tax Revenue Bonds, Series 2013B (Sugarhouse Streetcar Project)	CIP	(45,272.39)	(45,272.39)	One-time	0
12 City and County Building Stone Mason Project Reallocation	CIP	7,424,000.00	7,424,000.00	One-time	0
12 City and County Building Stone Mason Project Reallocation	CIP	(1,078,996.00)	-	One-time	0
13 Transfer Chevron Projects that Qualify as Capital to the CIP Fund	CIP	980,000.00	980,000.00	One-time	0
13 Transfer Chevron Projects that Qualify as Capital to the CIP Fund	Donations	980,000.00	-	One-time	0
13 Transfer Chevron Projects that Qualify as Capital to the CIP Fund	Donations	(980,000.00)	-	One-time	0
14 Sales and Excise Tax Revenue Bonds Series 2013B (Sugar House Street Car and Greenway Project) Correction	CIP	-	442,607.00	One-time	0
15 Governmental Immunity – Claims, Damages and Professional Services	Gov't Immun	520,000.00	-	One-time	0

Section E: Grants Requiring No New Staff Resources

1 UDOT, Transportation Alternative Program (TAP) & Congestion Mitigation & Air Quality (CMAQ) Grants	Misc Grants	308,075.00	308,075.00	One-time	0
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Section F: Donations

1

Section G: Council Consent Agenda -- Grant Awards

1 State Office of Crime Victim Reparations, FY 2014 VAWA Grant	Misc Grants	14,163.35	14,163.35	One-time	0
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Section I: Council Added Items

1

Total of Budget Amendment Items 13,194,800.48 9,769,757.08

Total by Fund, Budget Amendment #3:

General Fund	1,054,413.65	106,768.65
CIP Fund	8,128,954.08	8,881,857.08
Fleet Fund	1,942,566.00	17,566.00
Library Fund	82,140.00	82,140.00
Miscellaneous Grants	397,540.35	397,540.35
Impact Fees	(341,700.00)	-
Risk Fund	308,885.00	283,885.00
Water Fund	950,000.00	-
Donations Fund	152,001.40	-
Governmental Immunity	520,000.00	-

Total of Budget Amendment Items 13,194,800.48 9,769,757.08

Fiscal Year 2013-14 Budget Amendment #3

Initiative Number/Name	Fund	Expenditure Amount	Revenue Amount	On-going or One time	FTEs
Current Year Budget Summary, provided for information only					
<i>FY 2013-14 Budget, Including Budget Amendments</i>					
	FY 2013-14 Adopted	BA #1 Total	BA #2 Total	BA #3 Total	Total To-Date
General Fund	219,423,587.00	2,328,247.81	424,975.80	1,054,413.65	223,231,224.26
CIP Fund	25,472,508.00	149,891.70	(51,047,903.07)	8,128,954.08	(817,296,549)
IMS Fund	11,390,390.00	40,000.00	-	-	\$11,430,390
Golf Fund	8,399,454.00	180,020.00	-	-	\$8,579,474
Debt Service Fund	30,313,903.00	70,996.38	-	-	\$30,384,899
Miscellaneous Grants	7,230,813.00	13,713,287.27	181,347.63	397,540.35	21,522,988.25
Fleet Fund	19,007,626.00	90,000.00	-	1,942,566.00	\$21,040,192
Water Fund	71,387,364.00	182,338.54	-	950,000.00	\$72,519,703
Governmental Immunity	1,448,000.00	150,000.00	-	-	\$1,598,000
Other Special Revenue	-	940,164.16	-	-	\$940,164
Donation Fund	299,295.00	2,220,076.75	454,211.00	152,001.40	3,125,584.15
CDBG Operating Fund	3,418,147.00	1,908,114.80	-	-	\$5,326,262
Housing Loans & Trust	11,750,051.00	1,047,123.67	-	-	\$12,797,175
E-911 Fund	3,134,960.00	602,283.84	-	-	3,737,243.84
Refuse	12,602,280.00	-	120,000.00	-	12,722,280.00
Debt Service Fund	30,313,903.00	-	19,705,009.46	-	50,018,912.46
Library Fund	14,166,470.00	-	-	82,140.00	14,248,610.00
CIP Impact Fees	-	-	-	(341,700.00)	(341,700.00)
Risk Fund	39,446,641.00	-	-	308,885.00	39,755,526.00
Governmental Immunity	1,448,000.00	-	-	520,000.00	1,968,000.00
Total of Budget Amendment Items		23,622,544.92	(30,162,359.18)	13,194,800.48	

Certification

I certify that this document is a full and correct copy of Ordinance _____ of 2014, amending Salt Lake City Ordinance _____ of 2014, which adopted the final budget of Salt Lake City Utah for the fiscal year beginning June 1 2013 and ending June 30, 2014.

Budget Director

Deputy Director, City Council

Salt Lake City FY 2013-14 Budget Amendment #3

Initiative Number/Name	Fund	Amount
Section A: New Items		
A-1: Indiana Ave. Bridge Improvements, Indiana Ave. 800 S. 1000 W.	CIP	\$25,000.00
Department: CED		
Prepared By: Sherrie Collins / Mike Akerlow		

The Salt Lake Engineering Division partnering with the Salt Lake City Arts Council proposes to provide bridge safety improvements and art enhancements to the City owned and maintained Indiana Avenue Bridge.

The City's bridges (23) are inspected on a biannual basis through the State's bridge inspection program. The Indiana Ave bridge has been determined to be in very good condition structurally and fully capable of handling existing and anticipated traffic loads, however, the bridge is experiencing deterioration of decorative curb/barrier walls which are directly attached to the bridge's sidewalk and to the bridge's four cast-concrete parapet walls which support the bridge's exterior safety rails. This request is to provide funding for design cost estimates to repair these bridge elements including the bridge railing and to repair and add curb and gutter near the bridge to improve local drainage conditions. Through the design process, Engineering and the Arts Council will work closely with Salt Lake City Transportation and Planning, and Salt Lake County regarding the Jordan River Parkway interface.

This art design effort (funded separately from the Arts Council) will commission an artist through the Arts Council to work with the consulting engineer/designer to incorporate artistic elements. The design team will be required to create a new barrier/railing design that incorporates artwork while still meeting all current national bridge barrier requirements. The design will also include a safety lighting component.

The Engineering Division is requesting a budget in the amount of \$25,000 be established from the Class "C" cost over-run account to facilitate the design for the bridge.

A-2: Facilities Utilities and Janitorial

Department: Public Services

GF **\$204,424.00**

Prepared By: Greg Davis

The old Public Safety Building (old PSB) has 10 floors. The Police Department has requested to continue to occupy 4 of those floors after the transition into the new Public Safety Building (new PSB) during fiscal year 2014. Facilities Services had budgeted costs for utilities, janitorial and maintenance to accommodate occupancy through September 2013, however this was extended to January 2014 following budget adoption. The Police Department needs the space, and has still not been able to transition fully to the new building as expected. Therefore, Facilities has incurred additional costs to keep the building operating. A portion of this budget request is for additional funds in the amount of \$179,000 to cover those costs that were not anticipated.

In addition, the costs incurred for utilities and janitorial have far exceeded budget for the new PSB. However, Facilities Services has had some cost savings in repairs and maintenance on the building, which has been in the warranty period during FY14. This budget amendment also requests additional ongoing funds to cover those utility and janitorial costs in the amount of \$190,072. Budgets for future years will take into account the current experience and the impact of solar energy. In FY14, one-time cost savings of \$165,000 will partially offset the higher-than-anticipated utilities costs. A net increase of \$25,072 for utilities and janitorial is being requested for the costs associated with the new PSB.

A-3: Fire Department Request to Retain Vehicles

Department: Public Services

Fleet **\$17,566.00**

GF **\$17,566.00**

Prepared By: Greg Davis

The Fire department is requesting to keep 2 of the older grass trucks for reserves. In addition, Fire is requesting to keep 5 Impalas that would have been sold at auction. The Impalas will be needed until the Mobile Health Paramedic/EMS program is implemented. The Impalas will be used for everyday use, rather than using the Tahoes, in order to save fuel until the implementation of the program. The budget amendment request assumes full reimbursement by for maintenance and expense costs associated with these vehicles.

Salt Lake City FY 2013-14 Budget Amendment #3

Initiative Number/Name	Fund	Amount
A-4: Fleet Replacement of Dump Trucks for Snow Fighting Department: Public Services	Fleet	\$1,850,000.00

The recommended replacement list for FY15 includes eight dump trucks and one bobtail truck that are used for snow fighting. In order to have these vehicles outfitted and ready as early as possible for the upcoming snow fighting season, the department desires to place the orders as soon as permission is granted. If they are ordered during the regular order process, around July 2014, they will take even longer (estimated at 9-10 months to receive and outfit) for delivery, due to an off-season cycle for the vendors. Under that regular order process the trucks would not be available for the majority of the upcoming snow season. Ordering before July could improve their availability for the upcoming snow season.

This budget amendment is not intended for an advance of FY15 funds, rather permission in FY14 to order and create an encumbrance for payments that will be made during FY15.

The proposed replacement dump trucks are EPA T4 diesel; they emit 98% less tailpipe emissions than the current dump trucks. They emit the same tailpipe emissions as a CNG dump truck. They are \$55,000 less expensive to purchase per dump truck and they don't require the \$55,000 upfit for CNG. Avoiding the CNG costs on these units would preserve \$990,000 of the replacement funds for other critical needs. Attachments (sanders, plows, beds) can be changed in minutes rather than hours, thus saving time converting them to snow units. In addition, the attachments are interchangeable with the same cab and chassis. When it is time to replace the dump trucks, only the cab and chassis (\$112K), will need to be replaced and the attachments will last through the life of 2 to 3 units (cab and chassis). The beds will be stainless steel. The sanders won't mount into the beds, thus eliminating the rust failure factor associated with the existing dump trucks.

A-5: Withdrawn Prior to Transmittal

A-6: Open Streets Event Funding Department: Public Services	GF	\$15,000.00
	Prepared By:	Greg Davis

The Open Streets Event began last year by the City's Transportation Department. The goal of this Event is to promote healthy living and invite residents to see SLC from a different perspective. By closing down 300 South between 300 West and 200 East, Open Streets creates an area for participants to roam, on bikes or by foot. Each block will contain 5+ events/exhibits in which people may participate for free. This is also a fabulous way to kick off SLC's Bike Month.

In the prior year, the Open Streets Event received a portion of its funding from the Signature Events Fund, but due to the Community Events Division hosting the event this year; it is not eligible to receive that same funding. The Public Services Departments is requesting \$15,000 annually from the General Fund to host this event on an ongoing basis. The 2014 event is planned for Saturday, May 4 from 11 AM to 3 PM.

A-7: Withdrawn Prior to Transmittal

A-8: Snow and Ice Control Salt Costs Department: Public Services	GF	\$240,000.00
	Prepared By:	Greg Davis

During December 2013 and January 2014, the City experienced higher than average snow fall and colder than average temperatures, requiring a significantly higher usage of salt than had been budgeted. This budget amendment request seeks to provide budget relief for those cost overruns, which costs were incurred to continue the expected level of service. The City's standard is to remove snow and ice on 1,863 lane miles of City-owned roadways within 36 hours of a storm. Cold winters, like this past one, require more ice control even when snow fall isn't frequently occurring.

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A-9: Special Event Cost Recovery

Department: Public Services

GF \$51,768.65

Prepared By: Greg Davis

Cost recovery is the method by which the City collects repayment of costs associated with services beyond basic services. These are usually associated with special events hosted by citizens/ organizations that require additional parks services/ cleanup, use of facilities, etc. This budget amendment request is budget neutral, requesting budget for revenue received for the reimbursement of costs, as well as the additional costs incurred (personal services and materials) by Public Services divisions (Parks and Facilities).

A-10: Worker's Compensation Claim Compliance Program

Department: Public Services

GF \$52,075.00

Prepared By: Greg Davis

This request is for additional budget in the Compliance Program which has been charged with a large and unexpected workers' compensation claim. As of this time, recorded expenses exceed budget by \$52,075 (\$10,000 budget vs. \$62,075 expense).

A-11: Baseball Stadium Naming Rights

Department: Public Services

CIP \$35,250.00

Prepared By: Greg Davis

Salt Lake City has entered into a new naming rights agreement with Smith's Food & Drug Centers for the City's baseball stadium. This agreement states that a payment of \$35,250 will be paid to the City on May 24, 2014. As with the prior naming rights revenue received from Spring Mobile Communications, this revenue will be deposited in the CIP Fund for the stadium's capital improvement needs. The total to be received by the City over the term of the agreement (5 years plus) will \$863,146.

Summary:

FY2013-14 Naming Rights Revenue from Spring Mobile (July 2013 - March 2014)	\$ 95,481
FY2013-14 Naming Rights Revenue from Smiths (April 2014 - June 2014)	\$35,250
Total Naming Rights Revenue in FY2013-14	\$130,731

This amendment is budget neutral and creates the budgets for the CIP and the capital outlay budget in the CIP account for the additional \$35,250.

A-12: Electric Vehicle Charging Station Installations

Department: Public Services

GF \$37,500.00

Prepared By: Greg Davis

Salt Lake City will be receiving two rapid charge electrical vehicle (EV) charging stations from the State of Utah (which are being provided by Nissan USA). The City will pay for the installation costs up front and the State will reimburse the City for those costs, which are estimated to be \$37,500. It has been requested by the State that the stations be installed by March 31, 2014. (Ongoing amounts for revenue collection, electricity costs, and billing software costs are believed to be immaterial at this point.) The Council approved this item via a straw poll earlier in the year.

A-13: Increase in Workers Compensation – Officer Related Shootings

Department: Police

GF \$100,000.00

Prepared By: Krista Dunn / Shellie Dietrich

The Police Department is requesting a budget increase to cover workers compensation medical related expense. On March 28, 2014 the Police Department had two officers shot in the line of duty. One officer's injuries have required multiple surgeries and a lengthy stay in the hospital. Both Officers will require lengthy rehabilitation. The emergency care and hospitalizations as well as a large portion of the rehabilitation cost will be a major expense to budget this fiscal year. The police department is requesting an increase in workers compensation to cover these added expenses.

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A-14: Withdrawn Prior to Transmittal

A-15: Police Department – Increase in Budget for Task Force Cost Recovery	GF	\$169,195.00
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Department: Police

Prepared By: Krista Dunn / Shellie Dietrich

The Police Department is requesting a budget increase to recognize revenue for Task Force Overtime. Revenue from Task Force cost recovery through January is \$112,796 with an additional \$56,398 projected through June 30, 2014. FY 13 Revenue totaled \$207,377 and the three year historical average revenue is \$378,146. This includes the following Task Forces; DUI Saturation, Joint Terrorism, IWRCFL Computer Forensic, Narcotics Supplemental, and Eliminating Alcohol Sales to Youth. This request is needed to increase budget for overtime in the amount of \$169,194 in order to cover the overtime costs associated with the revenue that the City is receiving from task force participation.

A-16: Impact Fee Eligible Open Space Property Purchase	CIP	\$341,700.00
	Impact Fee	(\$341,700.00)

Department: CED

Prepared By: Mike Akerlow / Sherrie Collins

The Public Services, Parks and Public Lands Division is requesting a \$341,700 impact fee budget allocation to purchase property located in Council District 4 for future use as a Community Garden. The purchase includes +/- 0.22 acre or 9,583.2 square feet of land at \$35.00 per sq. ft or \$335,500. The additional \$6,200 requested are costs associated with a Phase I Environmental Report of \$2,600; and closing costs of approximately \$3,600.

The property is zoned R-MU Residential Mixed/USE with open space being an allowable use. Under the current Impact Fee Facilities Plan, to continue current level of service applicable to growth, 100% of open space property acquisition (up to 54.3 acres) is impact fee eligible.

A-17: Pioneer Park Design	CIP	\$100,000.00
	CIP	(\$100,000.00)

Department: CED

Prepared By: Mike Akerlow / Sherrie Collins

The Administration is requesting a \$100,000 CIP allocation from the CIP cost over-run account to provide a plan and design improvements of Pioneer Park.

Strong public concern of Pioneer Park has warranted an overall plan and design for future use of the neighborhood park. Funding will be used to produce a plan and design with possible restroom relocation.

A-18: Pioneer Park Programming	GF	\$30,000.00
	Prepared By: Greg Davis	

In an effort to support the City's efforts to introduce positive change in the Pioneer Park – Rio Grande community, funding is needed to jump start new programming and activities in Pioneer Park. This budget is needed to develop and stage weekday and weekend events through June 2014. The program menu includes the following potential events and ongoing activities; disc golf course, food truck day, trapeze workout/training, dog-days in the park, YouthCity programming, and a coordinator position.

A-19: Warm Springs Park Master Plan & Phasing Plan	CIP	\$19,000.00
	CIP	(\$19,000.00)

Department: Public Services

Prepared By: Greg Davis

The Public Services Department is requesting a \$19,000 CIP allocation from the CIP cost over-run account to provide a master plan and design improvements of Warm Springs Park.

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Over the last several months a park sub-committee of the Capital Hills Community Council has worked with a design consultant on a concept plan for Warm Springs Park. The plan is to make changes to the existing park that would introduce positive public use and activity and discourage some current inappropriate and dangerous uses. The concept plan was prepared free of charge. The logical next phase is to develop the concept into a Master Plan document with cost estimates. The cost of the Master Plan phase is estimated to be \$19,000.

This project has not been processed through the traditional City CIP process. It has had community review and input. The Master Plan phase will add more public input and review.

A-20: Library Amendment

Department: Library

Library \$82,140.00

Prepared By: Jace Bunting

The Salt Lake City Public Library is proposing the following items for inclusion in the Budget Amendment:

At the end of FY13, the Library had unspent restricted donations totaling \$43,940 from the Friends of the Library to be used for education related expenditures and children's programming. The Library is proposing to allocate the remaining \$43,940 from fund balance to be used for the restricted purposes.

The Library's budget for FY14 reflected a reduction of \$200,000 in the Collections budget to assist with technology and capital maintenance issues. At the end of FY13, the Collections budget was under spent by approximately \$35,000 due to invoice timing issues. The unspent amount rolled into the Library's unrestricted fund balance at year end. The Library wants to allocate this \$35,000 from unrestricted fund balance as a partial restoration of the \$200,000.

The Library has also received \$3,200 in restricted donations for a Puppet Festival that was not anticipated as part of the FY14 budget and requests that the budget be increased using these donations as the funding source.

Section B: Grants for Existing Staff Resources

B-1: Executive Office of the President, Office of National Drug Control – Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) Grant	Misc Grants	\$75,302.00
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Department: Police

Prepared By: Shellie Dietrich / Sherrie Collins

The Police Department applied for and received a \$75,302 Rocky Mountain HIDTA grant from the Executive Office of the President, Office of National Drug Control. These funds will be used to pay the partial salary and benefits for one (1) Investigative Law Enforcement Officer position. Any remaining funds needed to fully fund the position is budgeted for within the PD's general fund budget.

There is no required match. These funds must be spent by the end of December 31, 2014. A Resolution was previously passed authorizing the Mayor to sign and accept the grant and any additional grants or agreements that stem from the original grant.

Section D: Housekeeping

D-1: Wasatch Hollow Conservation Easement – Recording of Cost Coverage	CIP	\$427,000.00
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Department: Public Services

Prepared By: Greg Davis

During FY13 Salt Lake County paid Salt Lake City for a conservation easement on the Wasatch Hollow Open Space "Kensington Property". The payment was to cover \$427,000 of associated costs of that property. This budget amendment requests expense budget to be established in the cost center where the revenue was recorded so that the associated costs may be moved from the bond cost center to the County revenue cost center. Additional background from the FY13 transmittal is as follows:

"The Salt Lake City Council authorized the acquisition of the Wasatch Hollow Open Space Kensington parcel which was purchased in December 2008. This authorization came with the stipulation that Salt Lake County would be making a contribution for the acquisition in exchange for a conservation easement. The protection of this parcel through the

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conveyance of a conservation easement to Salt Lake County is in accordance with City Ordinance 2.90 that requires property purchased through the Open Space Program be protected under conservation easement. This would require City Council to authorize the execution of the attached Interlocal Agreement that states that Salt Lake City and Salt Lake County agree that in consideration of the mutual benefit afforded the citizens of the City and the County from this grant of the Easement and the exchange of agreed upon consideration in accordance with Section 11-13-214 of the Interlocal Cooperation Act, the County will pay City \$427,000 and the City will grant a perpetual conservation easement on the Wasatch Hollow Open Space "Kensington Property" for the purpose of enabling the Property to remain forever open and accessible to the public (subject to the limitations set forth in the Plan), protecting in perpetuity the Conservation Values, preventing any use of the Property that may materially impair or interfere with its Conservation Values. No other consideration shall pass between the County and the City unless stated herein. Each party shall be responsible for its own costs of any action done pursuant to this Agreement, and for any financing of such costs."

D-2: Liberty Park/Tracy Aviary Site Design Workshop

Department: CED

NA

NA

Prepared By: Mike Akerlow / Sherrie Collins

During FY08, the Liberty Park Children's Garden was allocated \$600,000 of funding for construction of improvements to the Children's Garden playground, reconstruct the boat dock on the lake, rebuild drainage system around these areas and reconstruct the War Memorial.

The Parks and Public Lands Division in partnership with the Tracy Aviary utilized consultant services to facilitate a site design workshop and other public input in conjunction with Tracy Aviary expansion for the proposed Tropical Rainforest Building. The Aviary and the City agreed to share the \$14,303 planning fee.

The proposed aviary expansion Ares is the vacant site of the former Children's Garden. With input from the CED Department, the study area was expanded to include the Green Houses, Park Maintenance Facility west of the Aviary parking lot.

The public process was successful in generating valuable input to assess the impact of the new Aviary Tropical Rain Forest Building on future re-use of the former Children's Garden development of the Liberty Park.

The Parks and Public Lands Division anticipated charging the City's portion (\$7,151) of the \$14,303 to the original CIP allocation for the Children's Garden in FY2008. However, the design and process were not included within the original scope of services.

There is approx \$545,000 remaining in the CIP budget for the Children's Garden project. This request is to utilize \$7,151 of the current budget to pay its share of the design. The Tracy Aviary will pay its portion to the design directly to the consultant. It is anticipated that the remaining funds within this project will be used to make improvements to the area based on the design outcome. This request is to expand the scope of services. No additional funds are being requested at this time.

D-3: Recapture Remaining General Fund and Class "C" CIP Completed and Closed Projects

Department: CED - HAND

CIP

\$269,159.33

CIP

(\$269,159.33)

Prepared By: Mike Akerlow / Sherrie Collins

This request decreases the remaining budgets of one (1) general fund project totaling \$219,375.29; one (1) Class "C" project totaling \$49,784.04 and increases the perspective funds cost overrun accounts to cover future unanticipated cost overruns for general fund and Class "C" CIP projects.

D-4: Police Department – Recognizing Revenue and Budget for Operation Winter Migration and Operation Greywolf

Department: Police

GF

\$10,000.00

Prepared By: Krista Dunn / Shellie Dietrich

The Police Department is requesting a \$10,000 budget increase to recognize revenue received for reimbursement of officer overtime for Project Operation Winter Migration (\$800) and Operation Greywolf (\$4,200). The US Marshall's office is allocating reimbursement for officer overtime on a monthly basis to be used to enhance sex offender compliance during the

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operations. This request is budget neutral and is meant to provide budget for the February to June 2014 overtime allowances which totals a \$10,000 general fund budget increase.

This is not a formal grant. It is a reimbursement made by the US Marshalls office to off-set officer overtime expense during the operations.

D-5: Crime Lab and Evidence Storage Consultant Project Scope

NA

NA

Change

Department: CED - HAND

Prepared By: Mike Akerlow / Sherrie Collins

During BA#1-2013, a \$110,616 budget was established to hire two consultants, MWL Architects to prepare preliminary drawings and data sheets needed to facilitate a new PD Crime Lab and Evidence Storage facility, and MOCA to work with MWL Architects in the preparation of the cost estimates and needed improvements. MOCA's extended services were to review MWL Architect's needs assessment and preliminary cost estimates; validate and adjust the cost estimate from MWL using in-house estimators; develop a project schedule that identifies both duration and cash flow projections; participate with MWL Architects in the development of the program and concept plan for the project; and procurement of the architect and contractor for design and construction.

MWL has completed the assessment and cost estimate, and has been paid in full by West Valley City for their services. The City paid MOCA for their services pertaining to the assessment and cost estimate prepared by MWL. There is a remaining balance of approximately \$85,000 of the \$110,616. The Administration proposes to use the remaining funds to retain MOCA to oversee the design and project construction of the new leased facility. This is a scope revision only and no additional funding is required at this time.

D-6: Withdrawn Prior to Transmittal

D-7: Risk Fund Budget Increases

Risk Fund	\$308,885.00
GF	\$126,885.00
Fleet Fund	\$75,000.00

Department: Finance

Prepared By: Kimball Ball

Workers Compensation charges for CED, Fire, Golf and Fleet have exceeded the amounts budgeted in the Risk Fund. In addition, Life Insurance, Dental Insurance and Risk Management administrative charges are projected to exceed their current budgets.

The following chart shows the current budget, current expense and projected expenses through the end of FY 13-14:

	Current Budget	Current Expenditures	Projected Expenditures	Difference Between Budget & Projection
CED	\$6,072	\$29,117	\$56,072	\$50,000
Fire	\$114,341	\$124,624	\$221,226	\$106,885
Golf	\$9,149	\$41,257	\$43,917	\$34,768
Fleet	\$8,340	\$80,992	\$83,340	\$75,000
Life Ins.	\$1,373,676	\$853,485	\$1,403,676	\$30,000
Dental Ins.	\$2,206,944	\$1,319,932	\$2,218,944	\$12,000
Risk Mgt.	\$167,632	\$108,044	\$192,632	\$25,000

The Workers Compensation expenditures have exceeded budgets due to higher than expected medical costs for on the job injuries. The Life and Dental Insurance costs are expected to exceed budget due to a larger number of newly hired employees. The Risk Management costs are expected to exceed budget due to higher than expected administrative costs which are charged to the departments.

This budget amendment requests additional expense budget for the Risk Fund to cover the projected workers compensation, insurance and General Fund Administrative costs as well as additional expense budget for the General Fund and Fleet Fund to cover the projected worker's compensation costs. This amendment also requests budget adjustments to Risk Fund revenue for the increased billings to the departments.

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D-8: Public Utilities Water Budget Increase
Department: Public Utilities

Water \$950,000.00
Prepared By: Jim Lewis

The Water Utility is asking to amend the current year's budget to include funding for carry over projects that were budgeted last year but are still under construction. The department is requesting \$800,000 for water projects that are currently under construction and were budgeted last year. The utility is also asking for funding for two new projects 1) design cost for a replacement water line on Foothill Drive from 1200 to 1300 South for \$50,000 and 2) design cost for replacement water line that runs under the 1300 South overpass from the rail road crossing to 700 West. The total adjustment requested for the Water Utility is \$950,000.

The budget amendment is needed to complete the projects that were budgeted last year and are currently under construction, and to complete projects that need to be completed sooner than anticipated in the original 13-14 budget. The Foothill project is required due to a number of breaks which have occurred on this line over the last couple of months and the Terminal line is needed as work is progressing on the Terminal Reservoir.

Opening the budget for carryover projects for each of the Utility enterprise funds is an established process. Approving this request will allow the department to continue construction of projects budgeted and approved last year, and it will allow the department to complete projects that need to be completed sooner than anticipated in the original 13-14 budget. The fiscal year ends on June 30th and falls in the middle of our construction season projects are started in one budget and completed in the next. The priority of certain projects changed after the budget was approved. We recommend approval of the amendment to allow the existing capital improvement program to continue as approved and to expedite high priority projects.

D-9: Increase Budget in Holding Account
Department: Finance

Donations \$152,001.40
Prepared By: Gordon Hoskins

The donation fund holding account was established so we could generate a budget when cash is received in the donation fund. This would allow the project to proceed as soon as possible.

The following accounts used funds from the holding account :

77-00875	\$24,896.58	Youth City Programs
77-77141	\$38,040.98	Plaza - Glendale Community Center
77-77151	\$25,223.68	Equipment Purchase Donations
77-77176	\$ 8,137.17	Police Explorer
77-77193	\$ 2,251.70	Refugee Events
77-77193	\$ 2,714.09	Chevron Rememdiation Donation
77-77198	\$10,044.16	Mayor's and Zions Special Projects
77-77204	\$ 2,269.04	SWAT Donations Fund
77-77206	\$ 9,000.00	UTA Van Schweller Memorial
77-77207	\$29,424.00	Smart Trips Program
<hr/>		
Total	\$152,001.40	

We need to reimbursed the holding account for these budgets.

D-10: Redefine Capital Improvement Program Project Scope –
Wakara Way and Arapeen Drive
Department: CED Transportation

NA NA

Prepared By: Robin Hutcheson

After an analysis of the Wakara Way and Arapeen Drive intersection, the Transportation Division determined that the appropriate traffic control measure at this intersection is a traffic signal. The anticipated cost of this signal is \$240,000.

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and will include additional pedestrian design. The original cost proposed in the CIP was \$450,000. In order to begin design on the signal, a change to the definition of the CIP purpose is required. This request is to change the purpose from roundabout to traffic signal. The University of Utah has been consulted and is in agreement with the assessment. An agreement to provide a 10% contribution to the cost of the signal is forthcoming. Considering the 10% match from the University of Utah, the total budget for Salt Lake City's portion of the signal is \$216,000.

This is a scope change request only. No additional funds are required.

D-11: Cost of Issuance Allocation for Sales and Excise Tax Revenue Bonds, Series 2013B (Sugarhouse Streetcar Project)	CIP	\$45,272.47
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Department: Finance

Prepared By: Marina Scott / Joseph Moratalla

Sales and Excise Tax Revenue Bonds, Series 2013B, were issued in November 2013 for the purpose of financing a portion of the costs of the Sugarhouse Streetcar, and pay for the portion of various improvements to create a "greenway" within the corridor.

The FY2014 project budget for cost center 83-12048 (Streetcar Project) and cost center 83-12071 (Streetcar and Greenway Project) was prepared to cover the construction costs and did not include the cost of issuance for Series 2013B bonds. The budget amendment was prepared to record cost of issuance. However, it did not allocate it correctly between projects. This budget amendment is being prepared to correct the cost of issuance allocation between projects for these series of bonds.

D-12: City and County Building Stone Mason Project Reallocation	CIP	\$7,424,000.00
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Department: Finance

Prepared By: Teresa Beckstrand

In the Fiscal year 2014 CIP, the City and County Stone Masons Remediation was funded with Bond Proceeds. Since this project repairs an existing facility, the remediation is not a capital project, and as such, does not qualify as a bond eligible project. In order to fund the remediation project, other projects have been identified as capital projects and therefore eligible for bond funding. This amendment reallocates a number of projects to bond funded projects and also reallocates the Stone Remediation project as a General Fund funded project. Since the eligible capital projects do not total enough to fund the Stone Remediation, an additional three projects have been identified. The budgets from these three projects will be recaptured to make up the difference. A detailed list of all the reallocated projects is attached.

D-13: Transfer Chevron Projects that Qualify as Capital to the CIP Fund	CIP	\$980,000.00
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Department: Finance

Prepared By: Teresa Beckstrand

In fiscal year 2013 projects were approved in BA#4 FY3013 Initiative #D-7 for funds received from Chevron Oil Company. Three of these projects qualify as capital projects. In accordance with Governmental Accounting Standards these projects should be separated and recorded in the City's Capital Improvement Fund.

The projects are:

900 South Oxbow - \$380,000

Genesee Trailhead Acquisition - \$302,770

Fisher Mansion Carriage House Rehabilitation Completion - \$297,230

The remaining project does not qualify as a capital project and remains in Fund Class 77 - the Donations fund with budget of \$20,000.

D-14: Sales and Excise Tax Revenue Bonds Series 2013B (Sugar House Street Car and Greenway Project) Correction	CIP	\$0.00
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Department: Finance

Prepared By: Teresa Beckstrand

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In BA#2 FY2014 Initiative #D-5, bond proceeds and construction budgets were adjusted to match the amount received from the bond sale for the Sugar House Street Car and Greenway project. In that process, a reduction was made in a transfer from the General Fund to the CIP Fund in the amount of (\$442,607.00). This transfer was unnecessary. This budget amendment will zero out that amount.

D-15: Governmental Immunity – Claims, Damages and Professional Services Department: Attorney's Office	Gov't Immun	\$520,000.00
Prepared By: Margaret Plane		

The Governmental Immunity Fund is the City's self-insured liability fund, which is used to cover the cost of settlements and judgments against the City. In recent years, revenue has been under budgeted while the City continues to experience increased claims and litigation costs. \$550,000 has been appropriated for Claims and Damages in FY14. The City has paid more than \$450,000 to date, leaving less than \$100,000 for the remainder of FY14. The settlement (\$225,000) of a lawsuit for a serious vehicle accident involving an off-duty City employee in a take-home vehicle has been approved and requires funds above the available balance. Additionally, we anticipate at least one litigated claim to be settled by the end of FY14. The projected total costs for FY14 are \$285,000.

\$75,000 was budgeted for Professional Services, which is used for outside counsel and expert witness costs. To date, more than \$190,000 has been spent and the projected total costs for FY14 are \$312,000.

We are requesting an increased appropriation of \$285,000 for Claims and Damages and \$235,000 for Professional Services, a total of \$520,000.

This amount will be budgeted from the Governmental Immunity Fund Balance.

Section E: Grants Requiring No New Staff Resources		
E-1: UDOT, Transportation Alternative Program (TAP) & Congestion Mitigation & Air Quality (CMAQ) Grants Department: CED	Misc Grants	\$308,075.00
Prepared By: Robin Hutchinson / Sherrie Collins		

The CED, Transportation Division received two grants from UDOT, \$233,075, under the Transportation Alternative Program (TAP) grant and \$75,000 under the Federal Highway Administration, Congestion Mitigation and Air Quality (CMAQ) grant. These grants are to be used for expansion of the City's Bike Share Program. Working with the Downtown Alliance, the funding will be used to purchase and install eight (8) additional Bike Share stations.

The TAP grant requires a \$16,925 cash match and will be met by utilizing funding within Transportations existing CIP allocation for Bicycle Projects Citywide. The CMAQ grant does not require a match. The total project cost is \$325,000.

The Administration requested a straw poll on March 19, from the Council for approval to move forward with the project in order to receive the stations by June and facilitate the program for the spring/summer season. Approval was given and the project is moving forward. This request is to establish budget for the grants, so that the grant reimbursements can be accepted.

Section F: Donations

Section G: Council Consent Agenda – Grant Awards		
G-1: State Office of Crime Victim Reparations, FY 2014 VAWA Grant Department: Police	Misc Grants	\$14,163.35
Prepared By: Jordan Smith / Sherrie Collins		

The Police Department received a \$14,163.35 grant from the State of Utah, Office of Crime Victim Reparations for the continuation of their FY2013 VAWA funded Victim Advocate Program. Of these funds, \$14,072.87 will be used to continue to pay the salary and benefits of an existing hourly victim advocate who provides on-scene crisis counseling and information pertaining to resource services to victims of domestic violence; and \$90.48 will be used for emergency victim assistance needs such as food, clothing, transportation, etc. The Police Department receives this grant on an annual basis.

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A \$4,727.58 match is required which will be satisfied by the payment of salary and benefits of the victim advocate program coordinator. These funds are budgeted for within the Police Department general fund budget. A Resolution was previously passed authorizing the Mayor to sign and accept the funds and any additional grants or agreements that stem from the original grant.

Section I: Council Added Items

Revenue	FY13-14 Annual Budget	Revised Forecast	Variance Favorable (Unfavorable)
Total General Fund	220,938,645	220,602,000	(336,645)
Selected Discussion Items			
Total Property Taxes <i>Discussion:</i> Property Taxes for FY 2014 is coming in above budget. There was legislation that passed last year pertaining to the RDA which has resulted in additional revenue	72,612,263	73,612,447	1,000,184
Total Sales and Use Tax <i>Discussion:</i> Sales Tax is coming in about 1.5 percent above budget. Questar is also coming in slightly above budget	55,020,055	55,754,863	734,808
Total Franchise Tax <i>Discussion:</i> Rocky Mountain Power is coming in slightly above budget	26,900,000	27,330,000	430,000
License and Permits: <i>Discussion:</i> Hzt permits are coming in below budget. This is due to a change in the way companies are being billed.	19,314,112	19,237,800	(76,312)
Total Intergovernmental <i>Discussion:</i> Intergovernmental is coming in lower do to utility reimbursements.	5,815,321	5,812,382	(2,939)
Interest income <i>Discussion:</i>	850,000	850,000	0
Total Fines & Forfeiture <i>Discussion:</i> Parking ticket revenue is on a decline . Moving Violation are seeing a decrease as well. Where as Criminal Fines look like they will be at budget.	9,817,325	8,355,135	(1,462,190)
Parking Meters <i>Discussion:</i> Parking Meters are seeing a slight decrease in transactions. Bagged Meters are seeing a slight increase which is has resulted in a smaller decrease	3,222,030	3,090,564	(131,466)
Charges and Services <i>Discussion:</i> Charges and Services are coming in below budget due to a delay in payments from our ambulance provider.	5,220,698	4,791,091	(429,607)
Miscellaneous Revenue <i>Discussion:</i> The legal fee is coming in below budget do to the Judges not awarding this at small claims and a procedural error. These have been fixed	6,348,556	5,949,433	(399,123)
Total Interfund <i>Discussion:</i>	10,185,520	10,185,520	0
Transfers <i>Discussion:</i>	5,632,765	5,632,765	0

County Contract No. _____
District Attorney No. 2011-6218
SLC CONTRACT # 03-3-12-5992

INTERLOCAL COOPERATION AGREEMENT

between

SALT LAKE CITY

RECORDED

and

AUG 14 2012

SALT LAKE COUNTY

CITY RECORDER

THIS INTERLOCAL COOPERATION AGREEMENT ("Agreement") is made effective Sept. 18, 2012, by and between SALT LAKE CITY CORPORATION, a Utah municipal corporation (the "City"), and SALT LAKE COUNTY, a body corporate and politic of the state of Utah (the "County").

RECITALS:

A. UTAH CODE ANN. §11-13-202 provides that any two or more public agencies may enter into an agreement with one another for joint or cooperative actions.

B. UTAH CODE ANN. §11-13-214 provides that any public agency may convey property to or acquire property from any other public agencies for consideration as may be agreed upon.

C. The City and the County are public agencies as contemplated in the referenced sections of the Utah Code (more specifically referred to as UTAH CODE ANN. § 11-13-101, *et seq.* - Interlocal Cooperation Act).

D. The City owns County Parcel Nos. 16-16-251-008, 16-16-252-002, and 16-16-252-004 known as the Wasatch Hollow Open Space. The property is more particularly described in Exhibit 1 ("Property").

E. The County Council has expressed an interest in purchasing a Conservation Easement through the Property as described in Exhibit 2 ("Easement") from the City for \$427,000.

F. The parties, wishing to finalize an exchange of property interests in conformance with the County Council's discussion, enter into this Agreement.

G. The City's contemplated transfer of the Easement to the County is an interest in real property as contemplated in the Interlocal Cooperation Act.

**PROPERTY OF SALT LAKE
CITY RECORDER'S OFFICE
P.O. BOX 145515
SALT LAKE CITY, UTAH 84114-5515**

A G R E E M E N T:

In consideration of the premises and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1 GRANT

Section 1. **Grant.** The City hereby agrees to grant and convey to the County the Easement.

ARTICLE 2 CONSIDERATION

Section 2. **Consideration.** The County and the City agree that in consideration of the mutual benefit afforded the citizens of the City and the County from this grant of the Easement and the exchange of agreed upon consideration in accordance with Section 11-13-214 of the Interlocal Cooperation Act, the County will pay City \$427,000. No other consideration shall pass between the County and the City unless stated herein. Each party shall be responsible for its own costs of any action done pursuant to this Agreement, and for any financing of such costs.

ARTICLE 3 ADDITIONAL PROVISIONS

Section 4. **No Interference.** As long as the City uses the Property in conformance with the Easement, the County shall not unreasonably obstruct or interfere with the free and unimpeded use of the Property by the City.

Section 4.1. **Duration.** The term of this Agreement shall commence upon its execution, and the duration shall be fifty (50) years from the date of execution. The Easement contemplated herein shall be perpetual.

Section 4.2 **General Provisions.** The following provisions are also integral parts of this Agreement:

(a) **Binding Agreement.** This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

(b) **Captions.** The headings used in this Agreement are inserted for reference purposes only and shall not be deemed to define, limit, extend, describe, or affect in any way the meaning, scope or interpretation of any of the terms or provisions of this Agreement or the intent hereof.

(c) **Counterparts.** This Agreement may be signed in any number of counterparts with the same effect as if the signatures upon any counterpart were upon the same instrument. All signed counterparts shall be deemed to be one original.

(d) Severability. The provisions of this Agreement are severable, and should any provision hereof be void, voidable, unenforceable or invalid, such void, voidable, unenforceable or invalid provision shall not affect the other provisions of this Agreement.

(e) Waiver of Breach. Any waiver by either party of any breach of any kind or character whatsoever by the other, whether such be direct or implied, shall not be construed as a continuing waiver of or consent to any subsequent breach of this Agreement.

(f) Cumulative Remedies. The rights and remedies of the parties hereto shall be construed cumulatively, and none of such rights and remedies shall be exclusive of, or in lieu or limitation of, any other right, remedy or priority allowed by law.

(g) Amendment. This Agreement may not be modified except by an instrument in writing signed by the parties hereto.

(h) Time of Essence. Time is of the essence in this Agreement.

(i) Interpretation. This Agreement shall be interpreted, construed and enforced according to the substantive laws of the state of Utah.

(j) Notice. Any notice or other communication required or permitted to be given hereunder shall be deemed to have been received (a) upon personal delivery or actual receipt thereof or (b) within three (3) days after such notice is deposited in the United States mail, certified mail postage prepaid and addressed to the parties at their respective addresses.

(k) No Interlocal Entity. The parties agree that they do not by this Agreement create an interlocal entity.

(l) Joint Board. As required by Utah Code Ann. § 11-13-207, the parties agree that the cooperative undertaking under this Agreement shall be administered by a joint board consisting of the County's Mayor or designee and the City's Mayor or designee. Any real or personal property used in the parties' cooperative undertaking herein shall be acquired, held, and disposed in accordance with this Agreement.

(m) Financing Joint Cooperative Undertaking and Establishing Budget. There is financing of joint or cooperative undertaking, but no future budget shall be established or maintained unless described herein.

(n) Manner of Acquiring, Holding or Disposing of Property. The Easement will be acquired, held or disposed of pursuant to this Agreement and unless agreed to herein shall not be used in a joint or cooperative undertaking.

(o) Exhibits and Recitals. The Recitals set forth above and all exhibits to this Agreement are incorporated herein to the same extent as if such items were set forth herein in their entirety within the body of this Agreement.

(p) Governmental Immunity. Both parties are governmental entities under the

Governmental Immunity Act, Utah Code Ann. Title 63G Chapter 7; therefore, consistent with the terms of the Governmental Immunity Act, the parties agree that each party is responsible and liable for any wrongful or negligent acts which it commits or which are committed by its agents, officials, or employees. Neither party waives any defenses or limits of liability otherwise available under the Governmental Immunity Act and all other applicable law, and both parties maintain all privileges, immunities, and other rights granted by the Governmental Immunity Act and all other applicable law.

(q) *Ethical Standards.* The Parties hereto represent that they have not: (a) provided an illegal gift or payoff to any officer or employee, or former officer or employee, or to any relative or business entity of an officer or employee, or relative or business entity of a former officer or employee of the other Party hereto; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statute or Salt Lake County's Ethics, Gifts and Honoraria ordinance (Chapter 2.07, Salt Lake County Code of Ordinances, (2001) or of Salt Lake City's conflict of interest ordinance, (Chapter 2.44, Salt Lake City Code)); or (d) knowingly influenced, and hereby promise that they will not knowingly influence, any officer or employee or former officer or employee to breach any of the ethical standards set forth in State statute, Salt Lake County ordinances or Salt Lake City ordinances.

(r) *Attorney Review.* This Agreement shall be reviewed as to proper form and compliance with applicable law by the authorized attorneys for the County and City in accordance with Utah Code Ann. § 11-13-202.5.

(s) *Copies.* Duly executed original counterparts of this Agreement shall be filed with the keeper of records of each party, pursuant to Utah Code Ann. § 11-13-209.

(t) *Third Parties.* Nothing herein expressed or implied is intended or shall be construed to confer upon or give any person, board or entity, other than the parties hereto and their successors and assigns, any right or remedies by reason of this Agreement, as a third party beneficiary or otherwise.

(u) *Relationship of the Parties.* Nothing contained in this Agreement shall constitute or be construed to create any partnership or agency relationship between the County and the City, or to create any new entity.

(v) *Assignment.* County or City shall not assign, sublease or transfer any interest in this Agreement.

(w) *Entire Agreement.* This Agreement, its Exhibits and Attachments, and the applicable laws, regulations and policies referenced herein, constitute the entire Agreement between the parties regarding the subject matter hereof and is intended to be a final expression of their Agreement. No promise, representation, warranty or covenant not included in this document has been or is relied upon by any party. Each party has relied upon its own examination of the full Agreement and the counsel of its own advisors.

IN WITNESS WHEREOF, the City, by resolution duly adopted by its City Council, a copy of which is attached hereto, caused this Agreement to be signed by its Mayor and attested by its City Recorder; and the County, by resolution of its County Council, a copy of which is attached hereto, caused this Agreement to be signed by the Mayor, or his designee, his or her signature being duly notarized.



RECORDED

SALT LAKE CITY

AUG 14 2012

By Ralph Becker
Title _____

MAYOR

CITY RECORDER

ATTEST:

Its: City Recorder

SALT LAKE CITY

ATTORNEY APPROVAL:

As to proper form and compliance with law

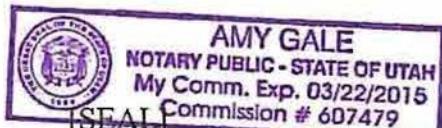
Date 6-25-12

STATE OF UTAH)

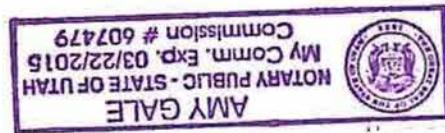
: ss

County of Salt Lake)

AMY GALE On this day of 15 Aug 2012, personally appeared before me
Amy Gale, who being duly sworn, did say that (s)he is the
Mayor of Salt Lake City, Utah, and that the foregoing instrument
was signed on behalf of Salt Lake City, by authority of law.



A. Gale
NOTARY PUBLIC
Residing in Salt Lake County



SALT LAKE COUNTY

By Nicole Dunn
Mayor Peter Corroon or Designee

SALT LAKE COUNTY DISTRICT
ATTORNEY APPROVAL:
As to proper form and compliance with law


Date June 6, 2012

PROPERTY OF SALT LAKE
CITY RECORDER'S OFFICE
P.O. BOX 145515
SALT LAKE CITY, UTAH 84114-5515

Initiative #D-12 Stone Remediation Attachment**Change funding source**

83-14019	Lindsey Gardens playground	408,516
83-14022	Fairmont Park Tennis Courts	50,000
83-14088	11th Ave Tennis Courts	1,400,000
83-14026	Fairmont Park Soccer Field	450,000
83-14028	Fairmont Park Dog Off Lease Area	100,000
83-14048	Downtown Cycle Track	1,080,000
83-14070	Traffic Signal Installation	180,000
83-14071	Wakara Way Roundabout	450,000
83-14072	East Central City Pedestrian Safety	50,000
83-14078	JC HVAC	465,590
83-14079	Memorial House Retaining Wall	510,898
83-14080	Fire Station #4 Retaining Wall	1,200,000
	Total Fund Source Change	6,345,004

Recapture

83-06078	Interoperable Comm	220,842
83-09072	Intermodal Hub Warehouse	300,000
83-14087	Staffing Concrete Replacement	558,154
	Total Recapture	1,078,996
	Total For Stone Remediation	7,424,000