



COUNCIL BUDGET STAFF REPORT

CITY COUNCIL of SALT LAKE CITY
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TO: City Council Members

BUDGET BOOK PAGES: p. 54-58, p. 265-270

FROM: Jennifer Bruno, Austin Kimmel

DATE: May 29, 2025

**RE: PROPOSED FISCAL YEAR 2025-26
NON-DEPARTMENTAL BUDGET**

PROJECT TIMELINE:

Briefing: May 29, 2025

Budget Hearings: May 20, June 3
2024

Potential Action: June 10 or 12 TBD

ISSUE AT-A-GLANCE

The Non-Departmental budget is the City's largest in the General Fund. It accounts for transfers to other funds, grants, and other special revenue funds that do not programmatically belong to particular City departments. The total proposed Non-Departmental budget pertaining to the General Fund is \$132 million, a 3% increase from FY2025. Including all special revenue funds, which includes some pass-through funds, the total amount for the Non-Departmental budget for FY 26 is \$367 million.

Because of the volume of line items in this department, the format of this staff report is to orient the Council, starting at the general level and moving towards more specifics at the end.

Non-Departmental Expenditures are organized into the following **general categories** (see p. 265-270 of the budget book) – see background section for detail:

Category	FY 26 Proposed	Description
Governmental Transactions	\$ 7,296,106	Contracts with & funding for other governmental or quasi-governmental entities
Intergovernmental Transfers	\$ 109,299,646	General Fund support of other City funds (Golf, Sustainability). Also includes funding for PD and Racial Equity in Policing Commission funding.
Sales Tax Option - Transit	\$ 10,032,000	UTA contract for key bus routes, service for additional routes, and On-Demand ride program
Municipal Contributions and Civic Support	\$ 5,110,517	City funding for memberships or support for various community organizations, note that some are subject to contractual/legal requirements
Total General Fund	\$ 131,738,269	



There are also non-general fund categories such as Special Revenue Accounting (for CDBG/E-911/Grants Funds), Debt Service Funds for repayment of General Obligation (GO) Bonds, and the Capital Projects Fund for consolidating CIP funding and impact fees.

POLICY QUESTIONS

1. **Justice System Capacity and Workload** - Is the Council interested in increasing funding beyond the proposed inflationary adjustment of \$68,993 for Legal Defense Assistance (LDA)? Additionally, should the Council consider the potential \$1.86 million investment for a sixth judge and associated support staff? What is the Council's timeline preference for addressing these capacity issues - waiting for the Administrative Office of the Courts' workload study and space needs assessments, or moving forward with interim solutions?
 - a. Given the current workload levels, the Council may want to inquire about the metrics or benchmarks used to evaluate the justice system's capacity and determine when intervention is necessary.
 - b. In addition to the relatively flat budget for the LDA contract, Prosecutor's Office and Justice Court, the Council has heard some context about the current workload issues within the City's Court system. Information provided in the written briefing material for the annual budgets of the Justice Court Attorney's Office, which covers the Prosecutor's Office, described the increased caseload for court calendars and attorneys. The same is true for the LDA, according to conversations with their representatives.
 - i. In preparation for this briefing, the Administration provided answers to staff questions, which are included in Attachment A, and including the following major points:
 - Across all three parts of the City's court system, case filings are increasing, which directly increases the number of hearings, caseloads, and length of time for closure rates.
 - Criminal filings, excluding parking and small claims matters, are showing a significant increase. Naturally this is reported as not sustainable in the long term.
 - While this is creating a current workload impact, the Administration's recommendation is to wait until more information is available to address the issue holistically.
 - The proposed budget includes immediately necessary funding, including software upgrades and two new victim advocates (grant funded).
 - Space in the Court building is limited, and it would be difficult to juggle judge hearing calendars and the necessary new support staff.
 - The City is conducting space needs assessments, which are not complete, and would require budget discussions to address building renovations.
 - There is a city ordinance that would need to be amended to allow for a sixth judge.
 - There is a pilot program run by the County that should reduce the number of people routed through the criminal justice system.
 - The Administrative Office of the Courts is conducting a historical workload study, which will provide useful data for this evaluation.
 - ii. If / when the recommendation is considered to add a sixth judge, the cost would include:

	Justice Court		LDA		Prosecutor's Office		
	FTEs	Cost	FTEs	Cost	FTEs	Cost	Total
Judge	1	\$125,000 to \$260,000 (part-time vs. full-time)					
Attorney(s)			2	\$ 306,000.00	3	\$535,000.00	\$ 841,000.00

Support Staff	5	\$ 555,000.00	1	\$ 63,000.00	2	\$ 140,000.00	\$ 758,000.00
		\$ 815,000.00		\$ 369,000.00		\$ 675,000.00	\$ 1,859,000.00

2. **Economic Development and Healthcare Innovation Investment** – The proposed \$100,000 for Healthcare Innovation/Biohive represents continued investment in technology and healthcare innovation industries. The Council may wish inquire further about the benefits of this investment / program and how strategic partnerships are evaluated. *Note: this investment is managed via the Department of Economic Development and staff has inquired with them regarding this investment.*
3. **Transit Investment** – The proposed budget increases Westside on-demand ride service funding, continues significant investment in frequent bus routes, and funding for HIVE passes. The Council may want to ask the administration how it assesses the effectiveness of these various transit investments and uses ridership data to guide future budget allocations.

INTERGOVERNMENTAL TRANSFERS

The Administration has provided additional sub-line-item details on the following **Intergovernmental Transfers** on pages 259-262 of the budget book for the sake of transparency and since they are sometimes items of more detailed interest. *Most of these areas will have their own independent budget staff reports and independent Council discussions.*

The following are highlights of the proposed FY 24 budget for each of those areas:

Transfer to	FY 26 Proposed budget highlights
Capital Improvement Fund	The proposed budget has a General Fund transfer to CIP at 6.2% of ongoing General Fund revenues or \$24.7 million , not including Funding our Future, a slight decrease from FY 25 investment. However, when transportation funds, impact fees, and class C funds are factored in, the total investment is approximately 7.8%.
Fleet Fund	\$15.1 million - Funding for various vehicles needed relating to new employees in the Clean City team, as well as funding for maintenance and replacement. Note: the Council approved \$5 million in BA #5 of FY 25 for fleet vehicles that would have typically been in the annual budget in order to get ahead of potential tariff impacts.
Golf Fund	\$1.8 million - Details the General Fund's subsidy of the Golf Enterprise Fund, including debt service for previous irrigation projects, administrative fees, and transferring \$500,000 for Rose Park Infrastructure renewal.
IMS Fund	\$31.4 million - Shows contractual and inflationary changes totaling almost \$1.5 million, transfer and reflecting transferring systems used by various departments to be centrally managed in IMS. \$1.6 million is from Funding Our Future.
Insurance and Risk Management	\$3.5 million – Reflects premium increases and includes \$200,000 to cover excess liability for take-home vehicles.
Public Utilities and Street Lighting funds	\$1.5 million - Continues \$100,000 to help assist lower-income residents with Public Utilities rate increases, funding street lighting utilities on City-owned properties, and covering the cost for proposed Public Utilities rate increases.
Public Utilities – PMAA Gun Range Remediation	\$500,000 – Corrects an oversight from the prior fiscal year when this funding from FY24 was inadvertently omitted from the FY25 budget. For context, this funding is related to the remediation project at the former Police Mutual Aid Association (PMAA) Gun Range, which has experienced

	<p>unanticipated delays. The City maintains an 85% general fund/15% water fund cost-sharing agreement for this remediation work, with Public Utilities continuing to cover other associated costs, and final cost estimates are pending.</p> <p><i>Note: this is listed as a “recapture” from FY24 in the budget book. However, in separate correspondence, the Administration notes this might not have been an accurate description. Instead, it was meant to indicate the funding was added back in for FY26, as described above.</i></p>
Redevelopment Agency Fund	\$24.4 million – Reflects the overall RDA (CRA) increment pass-through as required by State law, in addition to the proposed \$2.59 million from Funding our Future for affordable housing development. The tax increment is projected to increase by \$2.1 million for FY 26.
Sustainability Fund	\$1.2 million total – The proposed transfer for FY 26 is flat from the amount transferred in FY 25.
Police Department and Racial Equity in Policing Funding	\$5.7 million – This is where the City tracks funding for the PD social worker program and Commission on Racial Equity in Policing Holding Account. The FY 26 budget proposes to spend the remaining balance of the holding account on several PD-related alternative response models, including a Real Time Crime Center (RTCC) and a drone pilot program. The REP Commission reviewed this proposal and voted unanimously to support it. If the REP commission has budget recommendations in the future, the Administration/Council could consider those on an as-needed basis. The FY 26 budget also continues several of the trainings that were specifically recommended by the REP commission last year.
Transit Plan – Sales Tax Option	\$10 million – This is where the City tracks the transfer to the Utah Transit Authority for key bus route service (\$6.5 million total) On-demand Ride Service (\$3.4 million, a \$125k increase from FY 25 due to inflation). It also includes \$100,000 for extending the outreach for the City’s transit program, which includes soliciting public opinions on needed investment and barriers to using transit. That item was originally added in FY 24.

For a listing of every item funded by the Non-Departmental budget, please refer to pages 265 to 266 of the budget book. Pages 267-270 include short descriptions of proposed changes in some of those line items. Council Members may wish to ask the Administration about any of the proposed changes on those pages and listed in this staff report such as what differences the public may see, why a new line item is proposed and how city priorities are advanced by continuing existing line items.

OTHER NON-DEPARTMENTAL HIGHLIGHTS RELATING TO COUNCIL PRIORITIES

Staff has noted the several line items in the Non-Departmental budget relating to the Council’s recent priorities:

- **Taking care of current City assets** – The following are specific line items included in the Non-departmental budget relating to this priority:
 - CIP – Facilities Capital Replacement - \$350,000
 - CIP -Parks Capital Replacement - \$250,000
 - CIP – Public Lands transfer to CIP for maintenance - \$683,152
 - CIP – Street Lighting on Jordan River
 - Golf – Rose Park Infrastructure renewal
 - There are several Mayor-recommended projects in the CIP log that also align with this policy goal:

Street Reconstruction 2026	\$4,390,676
Public Way Concrete	\$ 750,000
Liberty Lake Dredging and Aeration System Replacement	\$1,000,000
Irrigation system replacement (Sustainability and Maintenance)	\$1,017,515
Bridge Preservation Program	\$1,000,000

Sugar House Park – Critical Infrastructure cost share (<i>\$102k impact fees</i>)	\$ 1,107,117
Facilities – replacement/renewal	\$ 1,980,868
Traffic signal replacements/upgrades (<i>\$400k impact fees</i>)	\$4,000,000
Street Overlays 2026	\$3,500,000
1200 East Re-pavement	\$ 303,000
Sport Court Repair/Replacement	\$ 630,000
Playground Replacement	\$385,000
Riverside Basketball Court Repair/renovation (<i>\$450,500 impact fees</i>)	\$ 530,000
Rose Park Lane Trail Improvements	\$ 680,000
Total	\$ 21,274,176

- **Transit/Transportation** – the FY 26 proposed Non-Departmental budget continues funding for HIVE passes for public school students, faculty, and a parent or guardian and makes the funding ongoing. It also increases funding for Westside on-demand ride service (for a total of \$3.1 million), and continues funding for Frequent Bus Routes on 200 South, 900 South, and 2100 South (\$6.5 million) via Funding our Future.
- **Housing** – The proposed budget continues the practice of transferring \$2.59 million from Funding our Future to the CRA/RDA for affordable housing development, adding to the amount allocated in the FY 26 CRA budget, bringing the total investment in housing to almost \$9 million.
- **Community Outreach and Engagement** – The Non-Departmental FY 26 budget proposes the following relating to outreach and engagement:
 - Arts Culture and Events (ACE) Fund for events - \$300,000 total
 - Open Streets (Main Street) for Summer 2027 - \$400,000 – shifting to ongoing funding
 - Various community memberships – see complete list on pages 57-58 of the budget book
- **Legal Defenders Association (LDA)** – The Administration proposes an increase of \$68,993 to cover inflationary increases in the contract with LDA. See above policy question.

ADDITIONAL & BACKGROUND INFORMATION

A. Governmental Transactions

The Governmental Transactions section includes:

- A centralized account of **\$696,000** to cover retirement payouts (same as was allocated in FY 25) that aren't covered with City department budgets
 - *Note: this is not sufficient to cover all retirement-eligible employees – departments sometimes allocate additional funds within their department depending on employee notifications/timeline.*
- The agreement with Salt Lake County for the operation of the Sorenson Center -- **\$1,136,000**. The figure is \$121,200 higher than last year, due to inflationary increases.
- **\$852,882** to support the Tracey Aviary, a \$38,709 increase from FY 25
- Contract with the City's Washington DC lobbyist - **\$75,000**
- The tuition aid program for City employees - **\$320,000**.
- The Animal services contract with Salt Lake County -- **\$2,594,453**. (A \$525,273 increase from FY 25, largely due to inflation).
 - *Note: The City negotiates with the County for this contract but to a certain extent the cost of this program is determined by the County.*
- Apprenticeship Program - **\$130,000**
- HIVE pass program - **\$350,000** for the base resident program, \$150,000 to provide passes to local nonprofits for their clients, and \$214,648 for bus passes for public school children, parents, and caregivers.

B. Inter-Governmental Transfers

See the chart on page 2 to see what one can find in the Inter-Governmental Transfers section.

C. Municipal Contributions/Civic Support

The Municipal Contributions/Civic Support section contains proposed allocations for City memberships in public groups, financial support for non-profit organizations, and funding that falls outside the realm of City departments. Specific line items can be found on the Recommended Budget Pages 57 and 58).

City Programs or Program Support	
Legal Defenders (Legally required program) -- \$1,793,810. See policy question on Page 2 for more context on this item. (a \$68,993 increase from FY 25)	Diversity Outreach (City Program) -- \$3,000
Salt Lake City Arts Council (City Program) - \$1,000,000 Note: this is separate from the staffing budget which is proposed to move to the CAN budget for FY 26.	Healthcare Innovation – Biohive (City Program)- \$100,000
Sister Cities (City Program) -- \$30,000 Note: this is separate from the staffing which is found in the Economic Development Department budget	ACE Fund (City Program) -- \$300,000 – to offset costs for events in the City
Dignitary Gifts/Receptions/Employee Appreciation (City Program) -- \$20,00	Cultural Core Funding - \$250,000 Jointly funded with matching amount from SL County. Contract with Downtown Alliance
Rape Recovery Center -- \$30,000	YWCA Family Justice Center Wraparound Services -- \$45,000

Additional information:

- **The Diversity Outreach** allocation is to support minority communities' chambers of commerce in the City.
- **The Arts, Culture, and Events, or ACE Fund** originally was called the Signature Events Fund. The fund is used to help organizations stage events often involving art and performance in Salt Lake City. Groups apply for money from the fund in an open and competitive process.
- As an economic development priority, the budget proposes \$100,000 for **Healthcare Innovation (BioHive)** to support the City's technology and healthcare innovations industries. The program serves two primary purposes: brand promotion and marketing, and strategic partnerships in BioUtah, BioHive, and several smaller supports to other organizations. Each of these organizations provides services to innovation businesses that cannot be provided by the Economic Development Department in-house.

City Memberships in outside Organizations	
Suazo Membership -- \$45,000	Sugar House Park Authority -- \$287,770. (\$51,173 increase from FY 25)
Salt Lake Area Chamber of Commerce -- \$55,000	Utah League of Cities & Towns -- \$245,669 (\$2,322 increase from FY 25 – automatically updated by ULCT based on formula)
National League of Cities & Towns -- \$12,797 Note: the FY 26 budget includes a one-time allocation of \$250,000 to support the NLC convention hosted in SLC in 2025	U.S Conference of Mayors -- \$14,242
Jordan River Commission -- \$16,000	Economic Development Corporation of Utah -- \$108,000
World Trade Center -- \$50,000.	

Additional information:

- **Sugar House Park Authority** - Salt Lake City appoints a City representative to the Sugar House Park Authority Board of Trustees. Salt Lake County also appoints a representative. The

remaining seven Board Members are volunteers. The City and County jointly subsidize maintenance and operations of the park.

- **Utah League of Cities and Towns** – the membership dues paid by Salt Lake City (and all member cities) to the Utah League of Cities and towns is based on a formula that includes sales tax, population, and property tax. Dues increase when those line items increase for the City.

ATTACHMENTS:

- A. [LDA, Justice Court, and City Prosecutor's Office FY26 Budget Council Questions](#)

ACRONYMS

- CRA - Community Reinvestment Agency
- FTE - Full-Time Equivalent
- FY - Fiscal Year
- GO - General Obligation (bonds)
- IMS - Information Management Services
- LDA - Legal Defenders Association
- NLC - National League of Cities
- PD - Police Department
- PMAA - Police Mutual Aid Association
- RDA - Redevelopment Agency
- REP - Racial Equity in Policing (Commission)
- RTCC - Real Time Crime Center
- ULCT - Utah League of Cities and Towns
- UTA - Utah Transit Authority
- YWCA - Young Women's Christian Association