

**SUMMARY OF QUESTIONS AND ANSWERS  
FROM 12/12/12 COUNTY COUNCIL BUDGET HEARING**

**Q:** If Summit County was overspending both Service Area#6 and Municipal Services, why did it go on for six years?

**A:** **Municipal Services Fund** – In previous year, the Community Development Department was funded entirely by related fees. After the downturn, it was the decision that non-related fees, i.e. property or sales taxes should be used to fund part of Community Development Department. This decision was based on the fact that certain services carry forward after the fees have been paid – such as building inspections. The County paid for a consultant to assist with adjusting and increasing the Community Development fees. The collected fees do not pay for the entire department. In addition, other revenue sources, the local sales and use tax, decreased due to the change in the economy. There were discussions that the County could continue to use some fund balances to offset the decreases in order to try and wait out the economic downturn. Prior to the change in form of government, the County Auditor proposed to the County Commission that they should consider a tax increase. The proposition was rejected at the time.

**Service Area #6** – The County paid for projects with funds that could be used to pay for the improvements. Due to spending priorities, the County has had a difficult time paying for road projects regardless of the fund. Recently the County has emphasized by policy adoption that those who receive the service should pay.

Every year, an independent audit is performed on County revenues and expenditures. There has never been a time when funds have been spent inappropriately.

**Q:** **Why do we need an Assistant County Manager when one is not required by law?**

**A:** The County Manager has a small staff and heavy responsibilities. The current Assistant County Manager has spent her career in Summit County in various positions, but as Commission Administrator, was the person most directly supportive of the County Commission. She has both managerial experience and institutional experience, without which the County could not function.

**Q:** **Do we really need a study right now to determine a location for the County Fair?**

**A:** The funds for the fair do not come from property taxes; they come from the transient room tax, which is a tax on people who stay in lodging in the County for less than 30 days. That money must be spent to increase the bed base, and the Council chose to spend transient room tax on the fair rather than property tax, because they believe the County Fair attracts visitors to the County.

**Q: After a referendum was passed, and the constituents have spoken that they do not want to see a tax increase, a Council Member told the public it was just to build up the reserves. Why have they less than 30 days later voted in the two exact same taxes and used the same scare tactics that they are going to cut deputies?**

A: What the Council is dealing with is a shortfall in the municipal fund. They could cut in other areas of the budget, but those items are not in the municipal fund. Cuts in the municipal fund must come from Community Development, Public Safety, and road maintenance and capital projects on municipal roads. It is not possible to cut in other areas of the budget and have any effect on the municipal fund. Although the Sheriff's Department has lost five deputies since 2009, it is not because the Council has cut his budget; it is because there was a reorganization within the Sheriff's Department. The Sheriff's Department is down one or two positions since 2009. Because of the loss of the tax revenue in 2012, two deputy positions have been frozen, so they will not hire for those two vacancies, which brings the total to four. The additional \$250,000 the Council is proposing be removed from the municipal fund would equate to three more deputies. The proposed \$250,000 cut in the Sheriff's budget is 4.6% of the portion of the Public Safety budget funded by the municipal fund. It is much less than 4.6% of the total public safety budget, which includes money from the general fund.

**Q: Have you thought about outsourcing services such as housekeeping, custodian, maintenance, and human resources?**

A: With regard to salary comparisons, Human Resources Director Brian Bellamy does a salary comparison every year with other counties. Last year Summit County provided a 3% merit increase for employees. The Council reviewed the salary comparisons and determined that the Sheriff was significantly underpaid compared to sheriffs in similar counties, and the justice court judge was underpaid. Those salaries were increased. The salaries shown on the list provided by the public include total compensation for Summit County employees, such as retirement, health benefits, etc., not just wages. The Department of Labor Statistics does not include benefits or cost of living in the area in its figures, so it is difficult to compare apples to apples based on that information. People need to be careful with information, because there is always a back story. Additionally, some people shown on the list of County positions do not accept the benefits they are shown as receiving.

The County has taken advantage of contractual labor for the maintenance and care of facilities. For example, the County currently contracts with an individual for the care of facilities in Kamas. It has been the practice of the County to take advantage of contractual labor when and where applicable.

**Q: Is the tax increase proposed for 2013 in place of the 2012 tax or it is in addition to the 2012 tax?**

A: The County had to notice a truth in taxation hearing to leave the option open to look at a tax increase in the 2013 budget. The Council has the option of rescinding the proposed

2012 tax increase and putting a new tax increase for Service Area 6 and the municipal fund in the 2013 budget, and that is why a truth in taxation hearing was noticed for December 19, with another one to be held in August 2013. One school of thought is that they should rescind the proposed 2012 tax increase and review what kind of increase they might propose for 2013 through truth in taxation. There could be another petition drive, or perhaps not, because it seems there are now more people on both sides of the issue who are better informed. The Council is proposing a budget that will not spend money they do not have. If they propose a tax increase for 2013, they will not know whether they will have the money until sometime in September or October.

**Q: What efficiencies are they going to find in the budget?**

A: The overall operations and maintenance portion of the budget has decreased well over 10% in the last five years. The Council's budget shows \$2.5 million of net cuts in general fund, municipal fund and service area 6 funds. The Council budget proposal would remove two road projects to make up the deficit in tax funds for service area 6 and maintain the staff position and service levels.

**Q: What is the \$317,420 line item for biological terrorism and why would the County have that kind of a line item when this area is not a big threat for biological terrorism?**

A: That amount is a federal grant that must be spent on bioterrorism. It seems strange that this County gets that kind of money from the federal government, but they do, and they need to spend it or not accept. They accept it because they can be creative in how they spend it, such as setting up a crisis response center at the Health Department that provides benefits far beyond bioterrorism. The difficulty in picking out line items in the budget is that there is always a back story. The back story on this line item is that it is a federal grant involving federal dollars and does not affect taxpayers on the County level. This grant was offered to Summit County, because there are so many tourists and high-level people that there is some fear of biological terrorism. An event like Sundance is massive, and they need to think about the individuals who attend that event and the fact that this is an Olympic city. Three cities in Utah have been identified as high risk: Tooele, Salt Lake City, and Park City/Summit County. Tooele has been identified because of the depot, Salt Lake because of the population density, and Summit County because it is high profile and hosts events that are big risk events. The County tries to be creative and productive and use the funds for responsible things that help move their initiatives and work forward. The money cannot be shifted to another department like the Sheriff's Department. There are specific requirements tied to the grant, and if the County does not meet those requirements, they lose the money. The biological terrorism funding started after 9/11/2001, when the Health Department received a large sum of money, and that amount has been going down steadily ever since.

**Q: What is the \$181,693 for TVs?**

A: This is for television antennas and transmitters for the public safety system, television transmission, emergency systems, KPCW, water systems, and gas pipeline companies. This money is for maintaining that system, not to provide televisions to people. This program is basically a break-even for the County. The County receives a franchise fee and rental income which offsets the cost of maintaining and upgrading the television towers. In addition, local cable and telephone companies use the towers to help receive or boost their reception, paying rental fees for the service provided by the County.

**Q: Why has the Administration item in the budget increased by \$170,000 since 2012?**

A: The increase includes grants for economic development and a contract public information officer in the amount of \$75,000. There is also a \$25,000 grant for the business expansion and retention program. There is an additional \$50,000 for salary and benefit adjustments due to a reorganization, moving a person from facilities to the Manager's Office, which is not an additional position but rather a transfer of personnel and the associated funds from another department to Administration. The remaining \$20,000 is for materials and supplies, travel and training, and other administrative expenses.

**Q: What is the justification for increasing the sustainability line item from \$180,575 by \$233,000 to \$412,000?**

A: The increase in the sustainability budget is for grants, and if they are not awarded to the County, they cannot be spent. The budget must account for the potential grants, because if it does not, they cannot use the grants if they are awarded to the County. The budget includes grants the County will apply for, whether they get them or not. Since the County has implemented effective green changes to its buildings, that has more than paid for the cost of having a sustainability employee. The non-grant sustainability portion of the budget is about \$75,000. The one position in sustainability is not a new position but was transferred from the Planning Department, and the Sustainability Coordinator also worked with BOSAC on the acquisition of open space.

**Q: Is the referendum going to be on the ballot next November or not? Has it been cast aside, and what are the legal grounds for ignoring it?**

A: The Council has not made a decision yet whether to put the referendum on the ballot in June 2013, the municipal election in November 2013, or the general election in November 2014. They have the option of rescinding the proposed 2012 tax increase and adding a new tax increase for Service Area 6 and the municipal fund in the 2013 budget. That is why they noticed a truth in taxation hearing for December 19, with another one to be held in August 2013.

**Q: How will the decision be made as to when the referendum will go on the ballot?**

A: The Council will make that decision on December 19.

**Q: When will the new taxes take effect? Will people receive another tax statement on January 1?**

A: In 2012, the Council enacted a tax increase and put a budget in place that was based on that tax. Mid-stream the rug was pulled out from under them, and they were unable to collect the tax because of the referendum. Now they are readjusting the 2012 budget after they have already expended funds. In 2013, they will assume there is no tax increase when they pass the budget, and if there is a referendum, or if they increase taxes for 2013 because they have rescinded the 2012 tax increase, they will amend the budget when such tax increases are in the clear and the County knows it has the money and can spend it.

**Q: What is the role of the budget committee, and who is it comprised of?**

A: The budget committee is made up of the Auditor, the Accounts Payable person in the Auditor's Office, the County Treasurer, the Human Resource Director, the Assistant Manager, and the IT Director. Certain positions on the budget committee are required by the form of governance. The County can take a look at how to add citizens to the budget committee for next year. Serving on the budget committee takes a tremendous amount of time.

**Q: Is the 1% sales tax to help fund municipal services put into the municipal fund, or does it go into the general fund?**

A: The 1% local sales and use tax goes directly into the municipal fund. It would be illegal for the County to put it in the general fund.

**Q: Why is the County subsidizing municipalities with law enforcement services? It looks like about \$900,000 is spent subsidizing Summit County's municipalities for law enforcement services. By statute, the mayors are responsible for providing that by providing it themselves or coming under contract with the County to do it.**

A: The Council needs to work on that, because that could solve the \$250,000 being cut from the municipal fund for public safety.

**Q: What will happen if the Council passes the budget it recommends?**

A: If this budget is adopted, the deferrals of road projects and cuts in the budget will have to stay in place through at least the first half of the year or August. If they hold a special election in June, they will know if the referendum passes and make an adjustment if the tax increase passes. If a tax increase is proposed for 2013, they would have to wait until October to know whether that tax increase will go into effect. The proposed Council budget is what they will have to live with for the first six or eight months of the year. If the tax increase passes, they will correct the shortfalls to Service Area 6 and the municipal fund after that.