



Mayor Ben McAdams
2019 Budget Speech
October 23, 2018
--As Prepared--

Council Chair and council members, my fellow elected officials, colleagues: Today I present my proposed 2019 Salt Lake County budget.

My proposal is a structurally balanced budget that is fiscally sound – and no tax increase. This budget prioritizes public safety; a core responsibility to the people we serve. It also responds to the growth in Salt Lake’s metro region. We use data to make innovative decisions that grow the tax base as we tighten our fiscal belts.

I want to thank the dedicated budget staff in Mayor’s Finance, led by Darrin Casper and Rod Kitchens. The team spends countless hours tracking forecasting, gathering budget requests, and crunching the numbers. Their hard work ensures that I can present budget numbers with confidence and knowledge that we’ve met our high standards for fiscal management.

I’ll also thank my executive team – Erin Litvack, Rick Graham, Karen Hale, and Darrin Casper – for the time they have spent compiling budget requests, making cuts and helping prioritize the must-haves.

This budget is lean and recognizes that county residents want a government that lives within its means.

At Salt Lake County, we pull together to make data-driven decisions, getting the most bang for the taxpayer’s buck. We make bipartisan progress to expand opportunities for all residents – wherever they live throughout the county. And we collaborate across our organization to maximize the impact of our programs and services.

Because, in the words of Helen Keller: “Alone we can do so little; together we can do so much.”

I appreciate the work of the County Council, who year after year come together for a balanced budget. Together, we make tough choices, balancing priorities and reaching great outcomes.

Public Safety

Public safety is one of the most important things we do for county residents. It's something we prioritize in our budget each year. This year is no exception.

We must lock up criminals, we must maintain public safety, and we must do it in a fiscally responsible way. We tackle criminal justice reform with a focus on lasting, cost effective efforts; knowing that jail is by no means the one silver bullet to fix our complex problems.

Looking back in 2018, we've had tremendous gains in criminal justice reform. We tackle this tough issue from all sides – looking for long-term solutions that will reduce crime and improve safety.

This summer marks one-year since the launch of Operation Rio Grande – the unprecedented collaboration to restore safety in the downtown Rio Grande neighborhood. What we saw there was the intersection of criminals preying on the less fortunate, the opioid epidemic driving up illegal drug use, and homeless individuals seeking services.

At Salt Lake County, our agencies work together to get the best results. Our team is made up of Noella Sudbury and CJAC, Karen Crompton at Human Services, Kele Griffone at Criminal Justice Services, Tim Whalen at Behavioral Health, and Gary Edwards at the Health Department. Together with Sheriff Rivera and jail staff, District Attorney Gill and Rich Mauro at Salt Lake Legal Defenders, we put criminals behind bars and offer a path to self-reliance for those struggling with addiction and behavioral health issues. The county's team gives Operation Rio Grande credibility, accountability and fiscal responsibility. Today, we still have work to do, and we have made so much progress.

By combining innovative programs based on data-driven decisions, we take an outside-of-the-box approach to criminal justice. We've expanded treatment for drug addiction, found stable housing, and provided an avenue through the court system for willing individuals to recover, move past convictions, and start new lives.

Since ORG, 243 new residential treatment beds have been added – more than doubling the size of our treatment capacity. We partnered with private Sober Living Home owners

and the Department of Workforce Services to place over 200 people in safe, affordable, and stable housing while they continue treatment and search for jobs and more permanent housing. Our new evidence-based drug court program is showing a 70 percent retention rate of people sticking with the requirements of sobriety, getting jobs and permanent housing. After months of showing progress and desire for change, they get to hit the reset button with a clean slate. Each of these programs have proven to save tax dollars and prevent people from living on the street and breaking the law. These programs promote lives that are grounded in independence and personal responsibility; and they help to stop the expensive cycle of revolving in and out jail.

In our work to reduce costly strains on our criminal justice system, we found that past criminal records are barriers to law-abiding citizens getting jobs, housing, and education. Expungement is a legal process to have past criminal records removed – it is also hard and expensive. At the county’s first ever Expungement Day, eligible residents got their records expunged. Thanks to generous community partners and volunteer legal services, expungement fees were waived.

Danette Young – who had her old drug charges erased that day –says that before getting the expungement, she hit roadblocks when trying to buy a home and start a business. And now, after years of hearing she wasn’t good enough, Danette is looking forward to getting a background check. She’s a contributing member of society who has turned her life around. She’s just one example of why this work matters. Danette is here with us today.

Thanks to the national attention Expungement Day received, the county applied for and received a grant that is funding a part-time “expungement navigator” to help folks through the process. I’m also happy to announce, that with State Representative Eric Hutchings, we’re working on a bipartisan state-wide expungement solution to support law-abiding citizens who just want to move on from past mistakes to live healthy, productive lives.

Together, with the support of the County Council we made a commitment to fund the opening of two additional pods at Oxbow Jail. My proposal renews that commitment with an additional \$1.3 million to fully fund the opening of Oxbow. This amount is in addition to the already \$7.4 million public safety investment for Oxbow Jail that was funded with council support last year.

One of the most important things we can do for public safety is invest in law enforcement officers; men and women who put themselves on the line so we can raise our families with the assurance that ours is a safe community. Today, we face a new

challenge. Although fiscal discipline and commitment from Sheriff Rivera, council members, and state partners has created a financial way forward to opening more jail space – what we now need are staff to work there. Trained, qualified sworn public safety officers.

In a tight job market like ours, it's no surprise that recruiting and retaining officers is a challenge. Industries throughout the county are dealing with the effects. That's why Sheriff Rivera is focusing on officer recruitment. She's proposing a change to state law that would lower the age requirement from 21 to 18 for corrections deputies that work in the jail. This the same eligible employment age for firefighters and EMTs. She's marketing employment benefits at job fairs and on social media.

To further our commitment to public safety – I propose \$3.4 million to attract, hire, and retain law enforcement officers and staff – that includes a 2.75 percent pay increase for sworn public safety officers and funding dedicated to address pay compression issues among existing staff.

To help balance public safety funding priorities, I propose cutting \$200,000 from the county government center security operating hours. This reduction will close the building late at night and early morning, as opposed to its current 24/7 security desk hours. Government center visitors and employees will hardly notice this efficiency, but our budget's bottom-line will.

The best way to save on jail operating costs is by reducing the number of people revolving in and out. I propose a time-limited Re-Entry Coordinator position to work in the jail with offenders prior to their release. The coordinator will help to create a plan for when offenders are released to avoid falling back into a dangerous, costly cycle. We will measure the program's success to know whether it's an effective way to reduce crime and save money.

Those who break the law and pay their debt, can turn their lives around to become contributing, law-abiding members of society. But I've said it before, and I'll say it again: Dangerous criminals belong behind bars.

I want to acknowledge today, the tragic loss of Lauren McCulskey, a student at the University of Utah. As a father, my heart goes out to this young woman's family.

While we don't know all the circumstances surrounding this tragic incident, what I do know is; a safe community for families to live and kids to grow is a desire we all share. Today, I'm setting aside \$500,000 to bolster public safety and put law-breaking

criminals behind bars. I look forward to specific direction from the council for how these funds will be used. Public safety is my top priority.

Economy and jobs

A strong economy is the best way to provide opportunity for our residents and keep taxes low. Our economic team works hard to build strong relationships with local municipalities and businesses to create jobs that are closer to home for employees. Expertise and collaboration leads to a stronger business community and better outcomes for residents.

Salt Lake metro jobs have increased by 94,000 over the past five years; up 15 percent over that time. Our job growth leads Los Angeles, Phoenix, and Denver. At 3.2 percent, Salt Lake County's unemployment rate is lower than the national level.

We know that small and medium sized businesses are the hearts and souls of the county; when they succeed, we all succeed. That's why under the leadership of Stuart Clason, his team made direct contacts with more than 500 small business owners this year. Our goal is to know how the county can best support them and not get in their way.

After hundreds of interviews, one business owner said: "I am grateful for this initiative from Salt Lake County. It makes me feel valued." That's because we do value the economic drivers in the valley.

Like homegrown company Pluralsight that just broke ground on their new global headquarters in Draper. Our municipal economic development team used our in-house expertise to support Draper City in their efforts to attract Pluralsight to the south end of the county.

Pluralsight's founder Aaron Skonnard has made it both his business and his life mission to create technology tools that support companies and schools. He told the Deseret News earlier this year that Pluralsight fundamentally believes that "through technology the human race can create innovation that lifts the human condition and improves lives."

I can't think of a better place for Pluralsight than Salt Lake County, right in the heart of Silicon Slopes. With the promise of creating up to 2,400 new jobs, this BYU grad is reaching new heights while contributing to our growing local economy.

Challenges

The county's tax rate has consistently gone down, declining for five years in a row. We all know that, in a growing economy and in a county with a fast-growing population like ours, our tax rate will go down even though revenues stay flat. But our responsibilities are never flat.

The responsibility to provide and maintain our parks for a growing population, the responsibility to public safety and public health. And first and foremost, our responsibility to the taxpayers of Salt Lake County.

Meeting these growing responsibilities within available revenues and without tax increases requires discipline, collaboration, and hard work. We have done that before, and together we will do it again.

With efficiencies and innovative thinking – we make important gains. But, we also face challenges.

Revenue projections for 2019 are up slightly, home prices are up by nearly 12 percent since the beginning of this year, and the jobless rate is down. We project some new growth from property and sales taxes for our county-wide fund.

Inflationary increases to expenses such as health care and wages outpace the new revenue. Once again we must find efficiencies and streamline our budget in order to live within our means and not raise taxes.

Taking a scalpel-like approach to find where we can do the same with less; we cut new requests by nearly \$18 million from county-wide funds.

We control rising health care costs by offering and informing employees on how they can help us save money for the taxpayer and get some of those savings for their own retirement with choices in the Personal Health Savings Plan.

The Personal Health Saving Plan – which is our high-deductible plan coupled with the health savings account – means employees can shop for the most cost-effective health care for themselves, and keep more money in their health savings accounts while Salt Lake County's health care costs go down. Currently, 74 percent of employees are on the Personal Health Savings Plan and Human Resources is optimistic that it will reach a new goal of up to 78 percent enrollment level next year. If we can harness the cost-saving power of consumerism, it will mean great health care for employees and savings to our budget.

In exchange for the excellent work employees do for the taxpayers of the Salt Lake County, we've made a financial commitment to them. Low unemployment means strong competition for employees. We want to remain an attractive workplace with competitive salaries and benefits because that is how we do our best work for our residents.

A committee made up of the county's independent elected officials meets monthly to address compensation challenges. We share the same goal for attracting and retaining a hard-working and high-quality workforce. I want to thank the District Attorney, Recorder, Treasurer, Clerk, Assessor, Auditor, Surveyor, Sheriff and County Council; for the time, care, and attention you pay to this important issue.

Our progress on compensation is thanks to the hard work of Human Resources led by Nilsa Carter with Kristen Jensen, along with those in mayor's finance and Information Services. The information was collected, a formula was calculated, and an easy way to breakdown and understand the data was created. Using that information, our elected officials' compensation leadership team makes data-driven decisions for how to modernize our structure. We attract and retain the best employees to serve county taxpayers.

County employees are the best at what they do; whether it's Flood Control clearing debris to protect us from overrun waterways, or the Health Department nurse giving flu shots to low-income kids. Our employees support so many aspects of the community; supporting, making safer, and adding value to the taxpayers who live and work here.

Data-driven decisions

Making responsible choices for how we spend precious tax dollars requires a clear understanding of the programs we put that money behind. Spreadsheet software are valuable, time-honored resources. But today, we've got more tools in our toolbox.

We visualize and organize our data with dashboards, using in-house tools and know-how to do it. Under the leadership of IT director Zach Posner; Jon Thelan's team works with county agencies to design the technology that best collects and displays their data.

A few things they've put together this year, are a new jail dashboard with Sheriff Rivera that automatically takes booking data and displays the types of crimes people commit and where they commit them. Partnering with the data and innovation team, county agencies visually track their goals and real-time financial data to see how decisions will impact their bottom-line. And, we launched a new database to increase transparency for

economic and community development agreements. Project Areas are tax dollar investments in private developments that, based on strict criteria, revitalize neighborhoods while boosting jobs and the economy. Now, thanks to the public database, for the first time residents can see how their tax investments are paying off.

We're taking our data-driven model to evaluate how we can save both money and energy. This year, thanks to County Council support, we hired the county's first ever energy manager, Aaron Sprague. His job is to help us find cost savings. An organization of our size uses quite a bit of energy just to keep the lights on – so to speak. The goal is to cut energy use by one million kilowatt hours in 2019 - an estimated savings of up to \$120,000. We're also finding efficiencies in our natural gas use so that, in 2020, we'll have a combined savings of at least \$450,000 annually.

Regional growth

It's no secret that Salt Lake's metro is growing. People are choosing to raise their families here, where we enjoy a high-quality of life with access to opportunities.

The county is honored to play a big role in that. We know the promise we've made with our residents – for our part, they trust us to deliver efficient and effective services that supports health and happiness for individuals and families.

For those who have been out to the county's Wardle Field splash pad in Bluffdale on a hot day – you've seen first hand those happy kids. They're outside, running around, and making lasting summer memories.

Parks & Recreation thinks big and looks broad. The Parks & Rec team, managed by Martin Jensen, is making progress – chipping away at bond projects approved by voters two years ago. Today, 65 of those bond projects are complete. The funding is going towards new recreation facilities, trails, and to update existing parks and amenities.

This year we opened the new Parks Operations Building where the behind-the-scenes work happens, keeping our community's beloved parks and open space safe and accessible. The \$13 million project was built on-time and under budget, and saves money by sharing building resources with county Public Works.

Continuing this type of cost-saving measure, we are now exploring a collaboration with Midvale City and Canyons School District representatives to plan for a future recreation

center and swimming pool. To benefit both regional and local needs, the plan is to share the pool with Hillcrest High School athletes.

The county continues our tradition of investing in and along the Jordan River. This gem of our community is an unparalleled amenity of a peaceful natural habitat right in the center of our bustling metropolis. We have incredible partnerships with local cities and Jordan River organizations to ensure that collaboratively, we are preserving the river and its surroundings while creating more public access. The beloved Jordan River Parkway trail invites residents statewide to ride bikes or take a walk along the river's edge.

I propose \$1 million investment for trails that benefit residents county-wide. One regionally significant trail – the Parley's Trail – is the county's first ever east to west protected bike path. When funding is fully available to complete the trail through South Salt Lake, residents will be able to safely ride bikes from the Wasatch foothills to the Jordan River Parkway. This priority project will make a lasting mark on our community.

We are keeping our commitment to invest in the Equestrian Park in South Jordan – the only public facility of its kind in the county. Last year we established the Park's new community board to make decisions on opportunities and priorities.

We remain committed to a county fair with a strong focus on its agricultural and 4-H roots, merging with education. Thanks to support from The County Fair board and generous community members, roughly 10,000 people attended for free. And – not to brag – but my apple pie won "Best Pie Maker" at the elected officials pie contest. Admittedly coming up short behind "Best in Show" winner South Salt Lake Councilmember Sharla Bynum – but that's ok, there's always.

Our Center for the Arts team is booking world-class performances. Next year brings a couple little Broadway shows: Rent and Wicked will be taking the stage to packed houses. This year, Hamilton graced the stage – and thanks to the EduHam program and Zions Bank – kids from across the state got to experience it all for free.

I want to give a special shout out to Councilman Burdick for his passionate commitment to the Eccles Theatre.

We are expanding our reach for arts access across the valley. Next month, we will break ground on the new Mid-Valley Performing Arts Center in Taylorsville City. The \$40 million cultural enhancement is planned to support the existing Taylorsville Arts Council and all community arts groups throughout the county.

In a neighboring community, the historic Murray Theatre is nestled in the heart of that city; easily spotted along its charming section of State Street. With cultural funds set aside for this purpose, we are budgeting over the next two years to renovate the landmark theatre.

Using voter approved Zoo, Arts and Parks funding, we're supporting smaller, more local arts organizations spanning the region. After a vigorous application process, \$2.2 million was split among 183 groups county-wide that bring unique programming and unique community character where they operate.

Clark Planetarium is making use of their stellar national reputation to apply for and receive a \$130,000 Museums for America grant. They're using that money for hands-on science labs and demonstrations, and to take their STEM education programs on the road throughout the county to parks, recreation centers, senior centers, and libraries.

Speaking of county libraries, thanks to the bipartisan support of the County Council, next year we'll break ground on two new libraries in South Jordan and Kearns. We're also continuing work on land acquisition, partnerships, and design for libraries in South Salt Lake, West Valley and Herriman.

Aging and Adult Services is using technology to expand services at no additional cost. Rides for Wellness is a program that shuttle's otherwise homebound seniors to doctors' appointments. So far this year, they have provided 36,000 rides. Thanks to a staff dedicated to doing more with less and a new software program that helps to manage and consolidate trips, they are on track to provide 7,000 more rides per year, while not spending a penny more to do it.

We are always looking for ways get the best deal for the taxpayer, to provide the best services possible at the lowest cost possible.

Conclusion

My proposal is a sound budget that is grounded in our fiscal responsibilities to Salt Lake County taxpayers. At Salt Lake County, we rally around shared goals for better public safety, trails and transportation, open space, health care, and education.

When I first decided to get into public service, I knew I wanted to make a difference in my community. I knew I wanted to be a public servant who could do the most good for

the most people. I knew I would have to make tough decisions and balance competing priorities. With so many important programs and services that Salt Lake County provides – the only way to do it all is with good old-fashioned belt tightening. The desire for efficiencies is not mine alone. I'm backed up with bipartisan support from elected officials, and longstanding commitments from employees on the frontlines of our services.

As mayor, I have been given the incredible and serious job of guarding precious tax dollars. Of using those hard-earned dollars on things that build up, and improve, and benefit our community. The budgeting choices we make must be done with a critical eye of what, how, and why we are choosing to fund something. We honor public scrutiny and transparency, and we come together – Republicans and Democrats – because we share the same goal of serving the residents of Salt Lake County by providing access to opportunities and improving the quality of life for this generation and for generations to come.