

2022 Budget Revenue Projections

October 12, 2021

Agenda

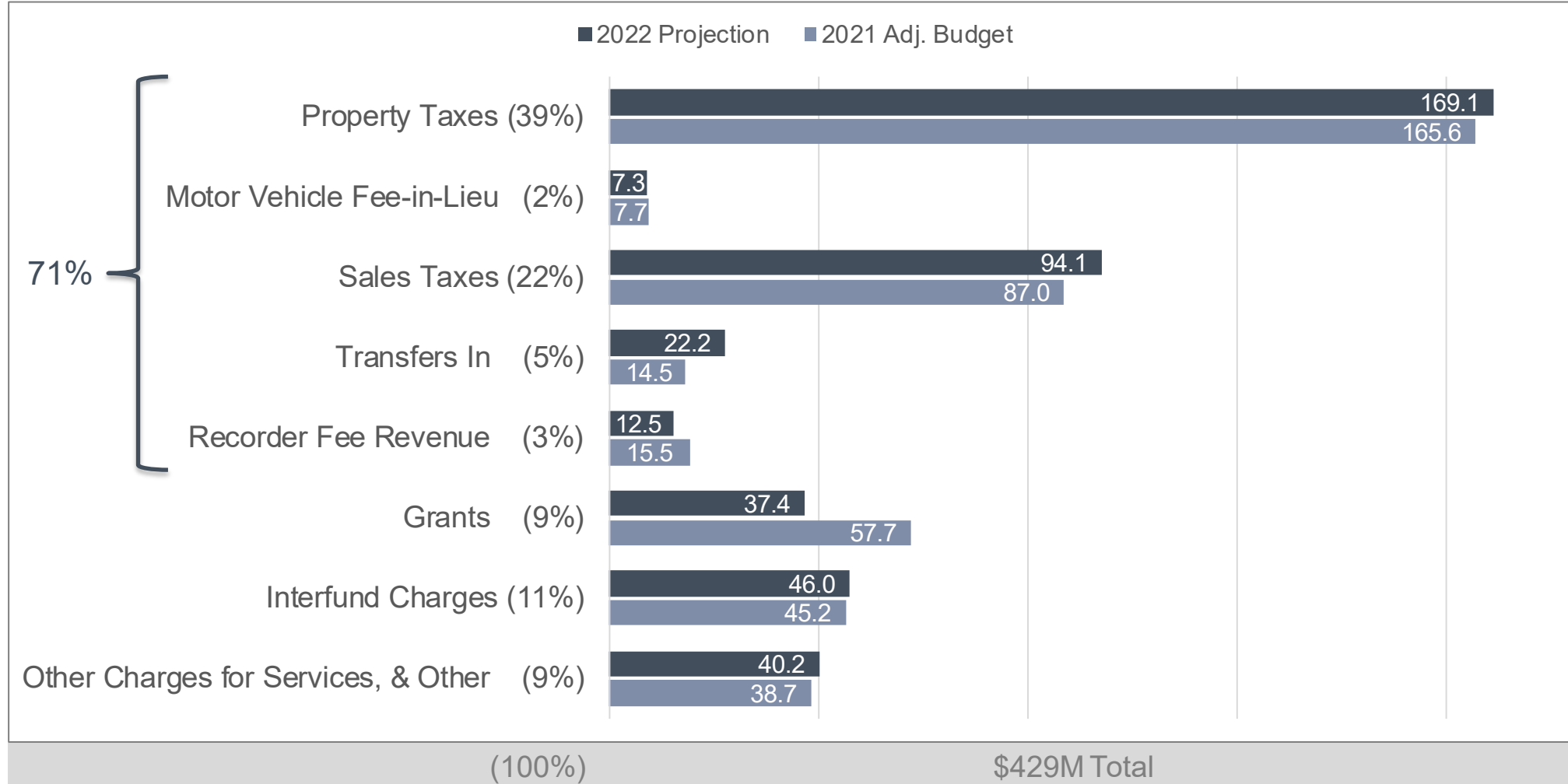
- Property Tax Projection
- Sales Tax Projection
- Other Revenues



2022 Major Revenues

General Fund

\$ in millions



PROPERTY TAX REVENUES

2022 Property Tax Revenue

- Projected new growth for 2022
 - Reviewed permit authorized construction trends for residential and non-residential properties
 - Consulted with the District Attorney's Office about centrally-assessed property values
 - Projection vetted with Revenue Committee

New Growth Projection

- Certified Tax Rate guarantees the same revenue as previous year, plus new growth
- New growth for rate setting based on change in value from:
 - New structures, additions, major remodels
 - Not reappraisal/market value appreciation
- Other Components of new growth:
 - CRA / RDA Offsets (Tax Increment Financing captures new growth in value and diverts it from taxing entities)
 - Centrally Assessed (assessed by the state—must exceed a benchmark to add new growth)
 - Project Area (areas no longer subject to CRA / RDA capture)

New Growth In Taxable Value

2022 New Growth (\$M)	County-wide ¹	Tax Admin	Library
2021 Projected BOE Adj Value + Inflation	\$138,155	\$143,794	\$109,237
Growth in Real Property Values (net of reappraisal)	\$4,262	\$3,573	\$3,074
- CRA / RDA Offsets	(1,492)	(464)	(922)
+ Centrally Assessed	0	0	0
+ Project Area	145	0	145
NET NEW GROWTH	\$2,915	\$3,108	\$2,297
% NEW GROWTH²	2.10%	2.20%	2.10%

CRA / RDA Offsets %

-35%

-13%

-30%

¹ Countywide includes all countywide funds except for Bond Debt Service and Tax Administration funds.

² Growth %'s are rounded.

Property Tax Revenue Projection

Countywide Tax Funds

Fund (\$M)	2022 Budget	2021 Budget	<i>New Growth</i>	
General	169.1	165.6	3.48	2.1%
Flood Control	7.0	6.8	0.14	2.1%
Health	16.7	16.4	0.34	2.1%
Governmental Immunity	1.8	1.8	0.04	2.1%
Capital Improvements	8.6	8.5	0.18	2.1%
Planetarium	3.1	3.0	0.06	2.1%
Total Countywide Tax Funds	206.3	202.1	4.24	2.1%
Bond Debt Service	23.0	22.1	0.86	3.9%

Property Tax Revenue Projections

Other Funds

Fund (\$M)	2022 Budget	2021 Budget	<i>New Growth</i>	
Library	43.2	42.3	0.89	2.1%
Tax Administration	26.8	26.3	0.58	2.2%
Gov Immunity Unincorp	0.2	0.2	(0)	(0%)
Total Other Funds	70.2	68.8	1.47	2.1%

SALES TAX PROJECTIONS



2021 New Projection

Sales Tax by Fund (\$M)		2021 Sept. Forecast	2021 June Adj Budget	Change	
General Fund	County Option	82.0	78.3	3.7	4.7%
	ZAP	9.3	8.7	0.7	7.6%
	TOTAL	91.3	87.0	4.3	5.0%
Visitor Promo Fund	Transient Room	17.0	16.5	0.5	2.8%
TRCC Fund	Transient Room Supp.	2.3	2.3	0.1	2.9%
	Car Rental	15.3	12.4	2.9	23.4%
	Restaurant	27.8	25.8	2.0	7.8%
	TOTAL	45.5	40.5	5.0	12.3%
ZAP Fund	ZAP	22.3	20.7	1.6	7.6%
Unincorp Muni Svcs	Local Option	4.4	4.1	0.3	6.3%
Transportation Fund	Transportation	15.9	14.8	1.1	7.4%
TOTAL		196.3	183.6	12.7	6.9%



2021 New Projection vs. 2020

Sales Tax by Fund (\$M)		2021 Sept. Forecast	2020 Actual	Change	
General Fund	County Option	82.0	72.6	9.4	13.0%
	ZAP	9.3	8.2	1.2	14.3%
	TOTAL	91.3	80.7	10.6	13.1%
Visitor Promo Fund	Transient Room	17.0	11.0	6.0	54.1%
TRCC Fund	Transient Room Supp.	2.3	1.5	0.8	54.0%
	Car Rental	15.3	10.0	5.3	53.0%
	Restaurant	27.8	22.0	5.8	26.5%
	TOTAL	45.5	33.5	11.9	35.6%
ZAP Fund	ZAP	22.3	19.5	2.8	14.3%
Unincorp Muni Svcs	Local Option	4.4	4.1	0.3	7.8%
Transportation Fund	Transportation	15.9	14.0	1.9	13.8%
TOTAL		196.3	162.8	33.5	20.6%

2022 Sales Tax Revenue

- Projected based on local and national economic indicators, including
 - Wage and employment growth
 - Consumer Confidence
 - Vehicle sales and other leading indicators
- No new legislation
- Information available from the Tax Commission on a two-month lag
 - Currently have actuals through July 2021
 - August information anticipated late next week
- Projections vetted with the Revenue Committee

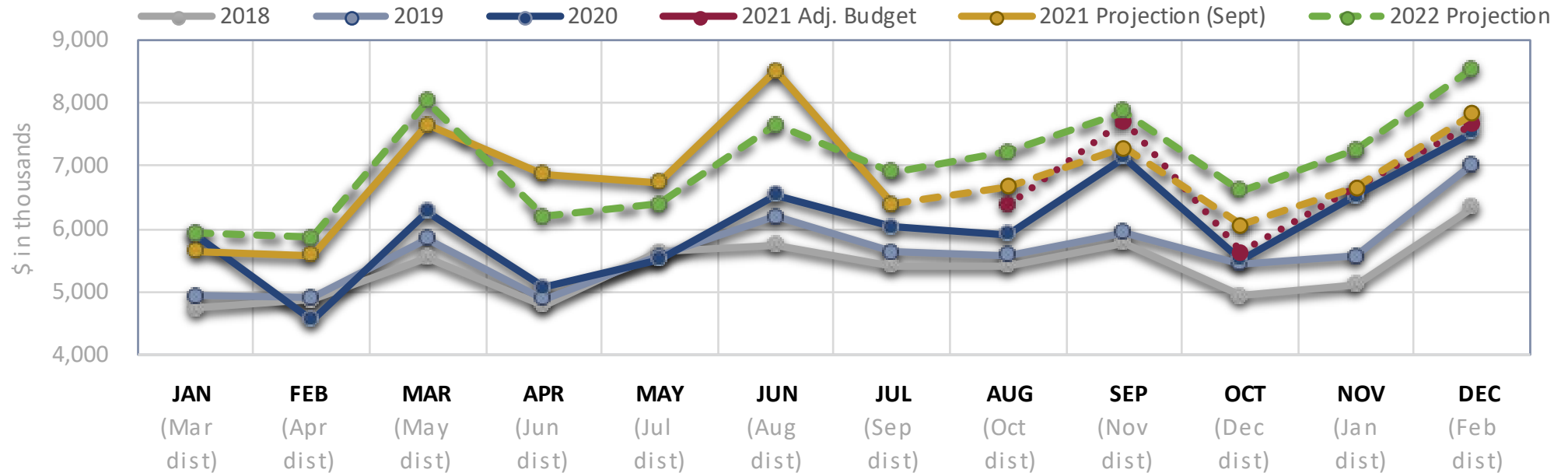


2022 Forecast

Sales Tax by Fund (\$M)		2022 Forecast	2021 Sept. Forecast	Change	
General Fund	County Option	84.5	82.0	2.5	3.1%
	ZAP	9.6	9.3	0.3	3.1%
	TOTAL	94.1	91.3	2.8	3.1%
Visitor Promo Fund	Transient Room	20.5	17.0	3.5	20.9%
TRCC Fund	Transient Room Supp.	2.8	2.3	0.5	20.7%
	Car Rental	16.1	15.3	0.8	5.2%
	Restaurant	30.1	27.8	2.3	8.2%
	TOTAL	49.0	45.5	3.6	7.8%
ZAP Fund	ZAP	23.0	22.3	0.7	3.1%
Unincorp Muni Svcs	Local Option	4.5	4.4	0.1	1.6%
Transportation Fund	Transportation	16.4	15.9	0.5	3.2%
TOTAL		207.5	196.3	11.2	5.7%

County Option Sales Tax

(0.25% tax — to General Fund)



<i>\$ in thousands</i>	FULL YEAR			
	Revenues	Increase/(Decrease)		
		Year over Year	vs. 2019	
2022 Projection	84,500	2,530	3.1%	25.1%
2021 Projection (Sept.)	81,970	9,416	13.0%	21.3%
2021 Adjusted Budget (June)	78,300	5,746	7.9%	15.9%
2020	72,554	5,003	7.4%	
2019	67,551	3,160	4.9%	
2018	64,390	3,920	6.5%	

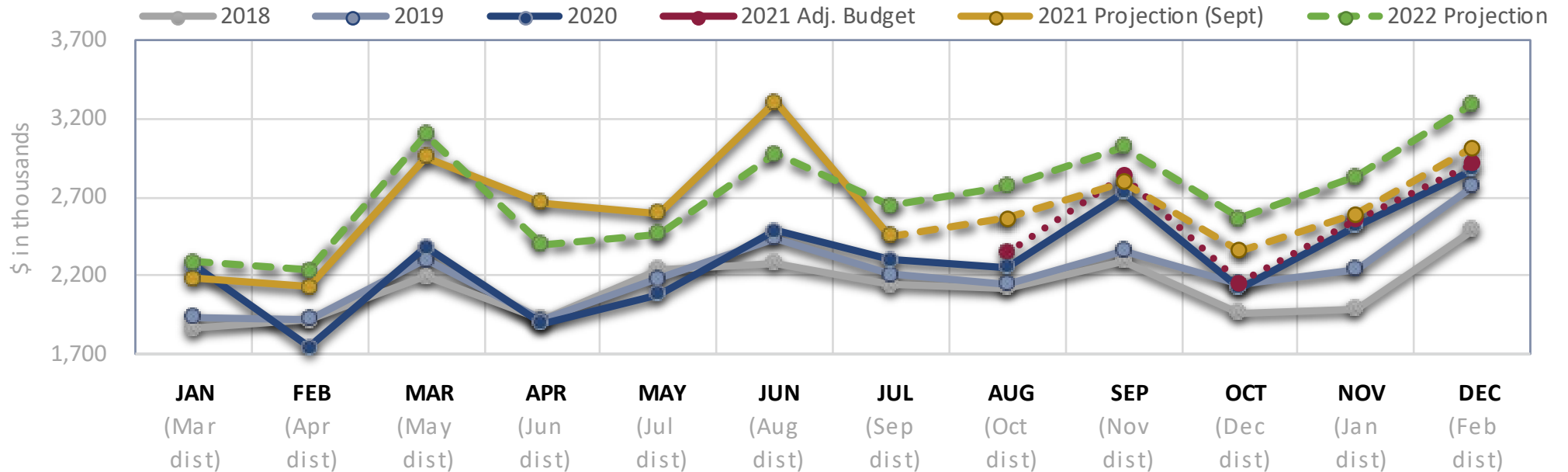
YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
7,524	18.8%	24.9%

Sales tax distributions and data are available from the State Tax Commission on a two-month lag.



Zoo, Arts, & Parks Tax

(0.1% tax to ZAP Fund and General Fund*)



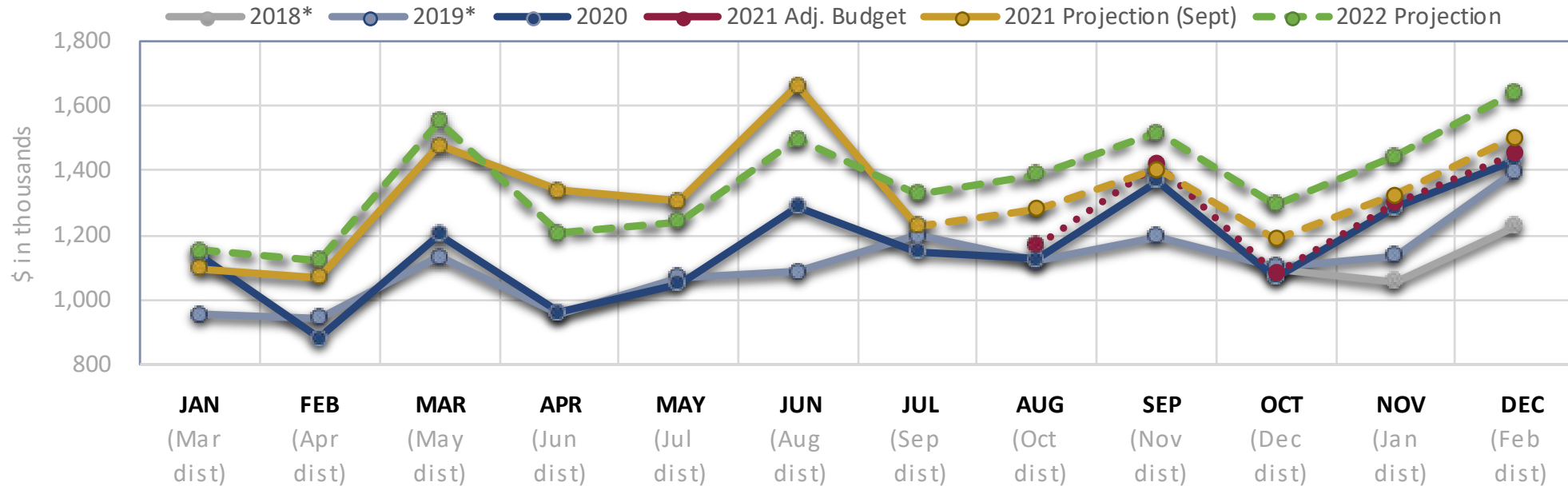
\$ in thousands	FULL YEAR			
	Revenues	Increase/(Decrease)		
		Year over Year	vs. 2019	
2022 Projection	32,600	970	3.1%	22.6%
2021 Projection (Sept.)	31,630	3,967	14.3%	19.0%
2021 Adjusted Budget (June)	29,400	1,737	6.3%	10.6%
2020	27,663	1,080	4.1%	
2019	26,583	1,151	4.5%	
2018	25,432	1,668	7.0%	

YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
3,135	20.7%	22.7%

* Approximately 70.5% to ZAP fund and 29.5% to General Fund for Recreation

Transportation Sales Tax

(20% of 0.25% tax to Transportation Fund)



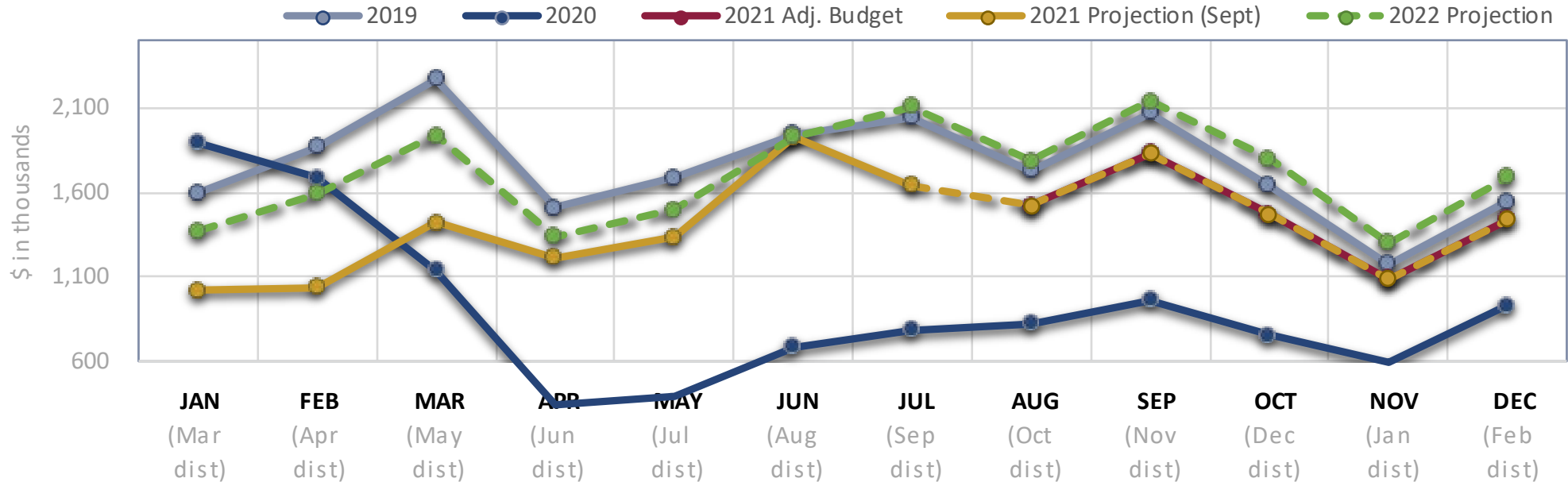
* Normalized for comparison purposes by multiplying the County's revenue by 20% prior to 3Q 2019, to match the current ongoing allocation %. Impacted figures noted with blue font. Tax began 4Q 2018 with a 100% allocation to SLCo through 2Q 2019.

	FULL YEAR			
	Revenues	Increase/(Decrease)		
		Year over Year	vs. 2019	
2022 Projection	16,400	510	3.2%	23.2%
2021 Projection (Sept.)	15,890	1,932	13.8%	19.4%
2021 Adjusted Budget (June)	14,800	842	6.0%	11.2%
2020	13,958	646	4.9%	
2019*	13,312	9,926	n.m.	
2018*	3,386			

YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
1,510	19.7%	24.9%

Transient Room Tax

(4.25% tax to Visitor Promotion Fund*)



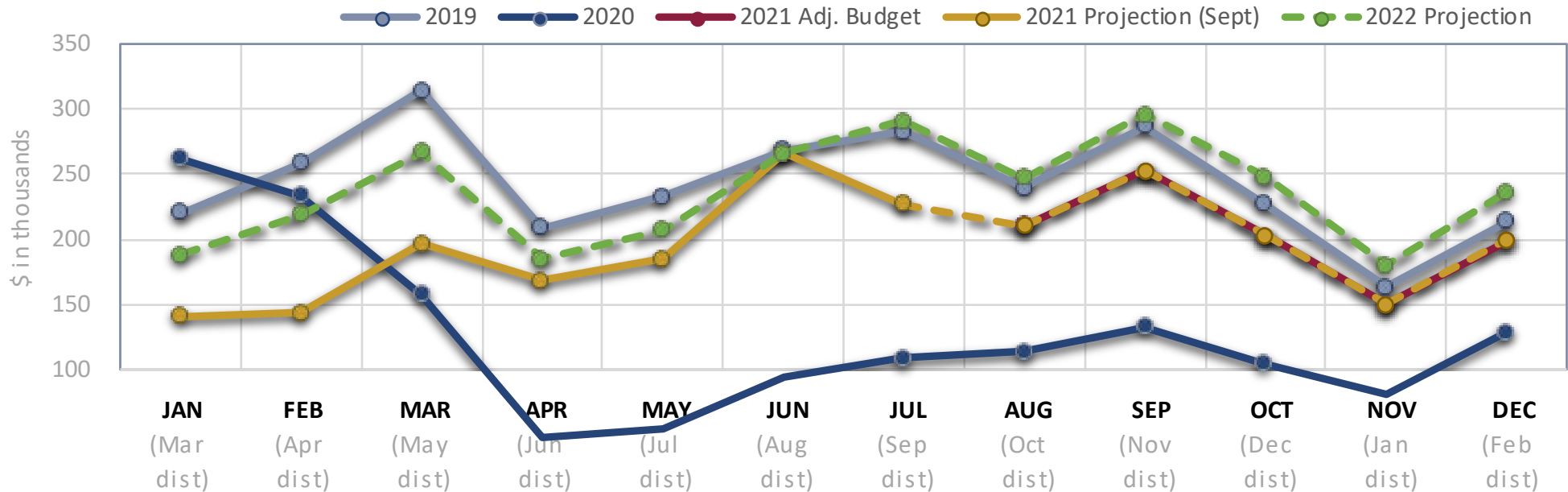
\$ in thousands	FULL YEAR			
	Revenues	Increase/(Decrease)		
		Year over Year	vs. 2019	
2022 Projection	20,500	3,543	20.9%	(2.8%)
2021 Projection (Sept.)	16,957	5,956	54.1%	(19.6%)
2021 Adjusted Budget (June)	16,500	5,499	50.0%	(21.8%)
2020	11,001	(10,088)	(47.8%)	
2019	21,089	663	3.2%	
2018	20,426	1,000	5.1%	

YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
2,661	38.4%	(25.7%)

* The state diverts 15% of the revenue to another entity.

Transient Room Tax - Supplemental

(0.5% tax to TRCC: Tourism, Recreation, Cultural & Convention Fund)



\$ in thousands	FULL YEAR			
	Revenues	Increase/(Decrease)		
		Year over Year	vs. 2019	
2022 Projection	2,830	485	20.7%	(3.0%)
2021 Projection (Sept.)	2,345	822	54.0%	(19.7%)
2021 Adjusted Budget (June)	2,280	757	49.7%	(21.9%)
2020	1,523	(1,396)	(47.8%)	
2019	2,919	92	3.2%	
2018	2,827	138	5.1%	

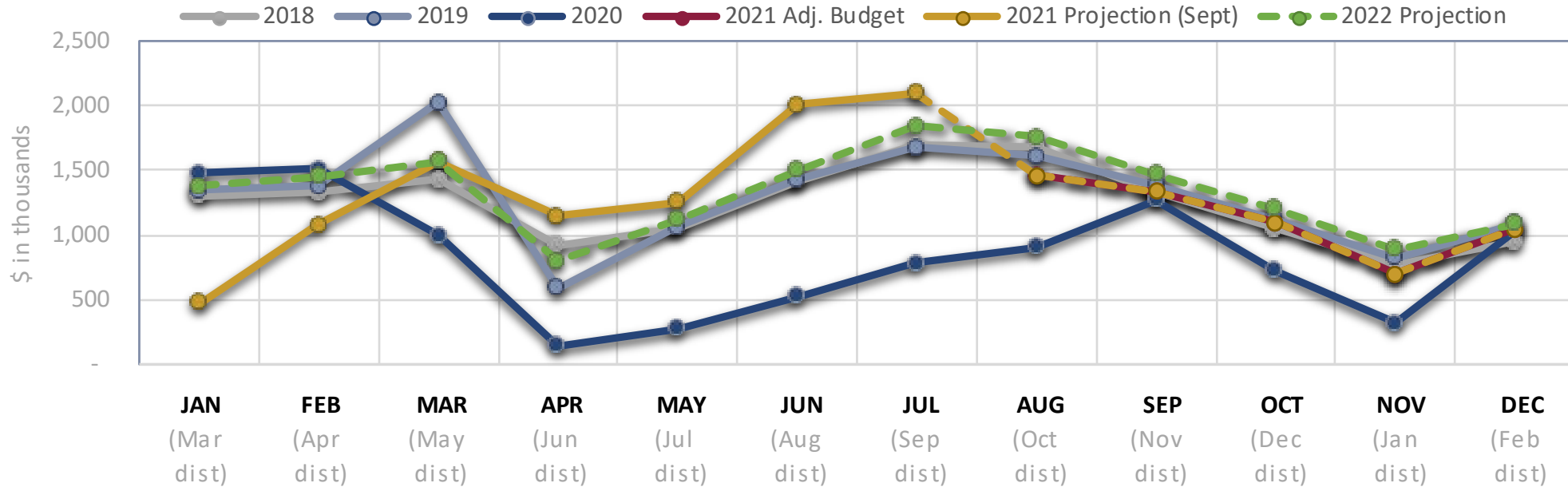
YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
368	38.4%	(25.7%)

Sales tax distributions and data are available from the State Tax Commission on a two-month lag.



Car Rental Tax

(3% & 4% tax to TRCC Fund)



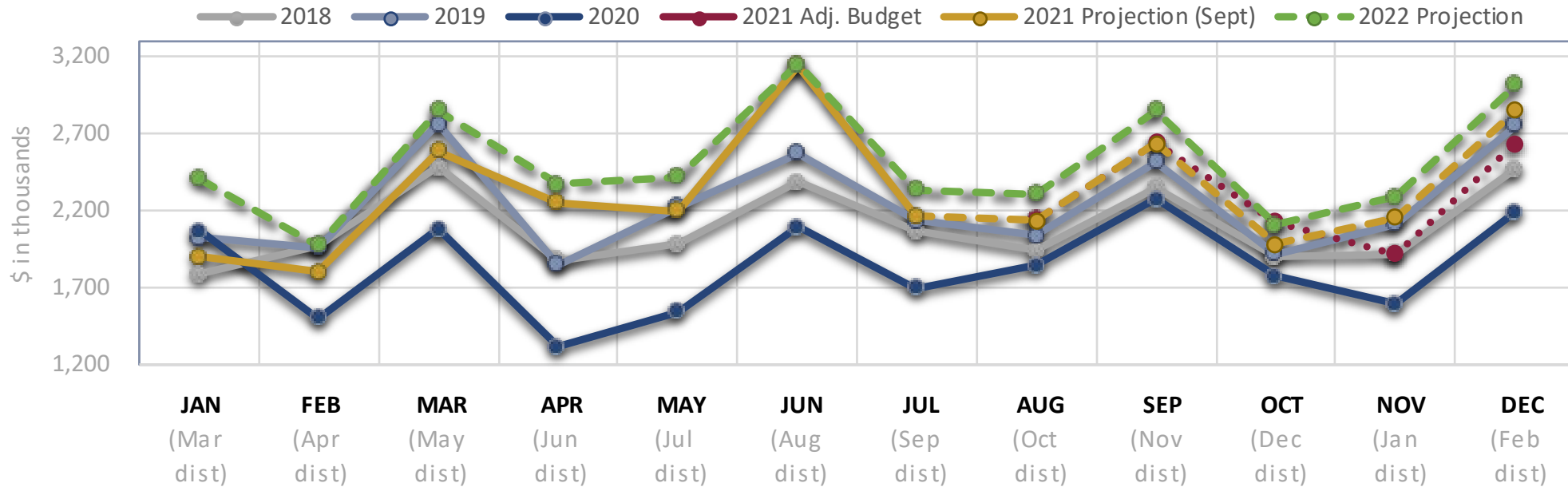
\$ in thousands	FULL YEAR		
	Revenues	Increase/(Decrease)	
		Year over Year	vs. 2019
2022 Projection	16,100	796	5.2%
2021 Projection (Sept.)	15,304	5,299	53.0%
2021 Adjusted Budget (Sept.)	14,400	4,395	43.9%
2021 Adjusted Budget (June)	12,400	2,395	23.9%
2020	10,005	(5,550)	(35.7%)
2019	15,555	610	4.1%
2018	14,946	389	2.7%

YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
3,915	68.2%	1.4%



Restaurant Tax

(1% tax to TRCC Fund)



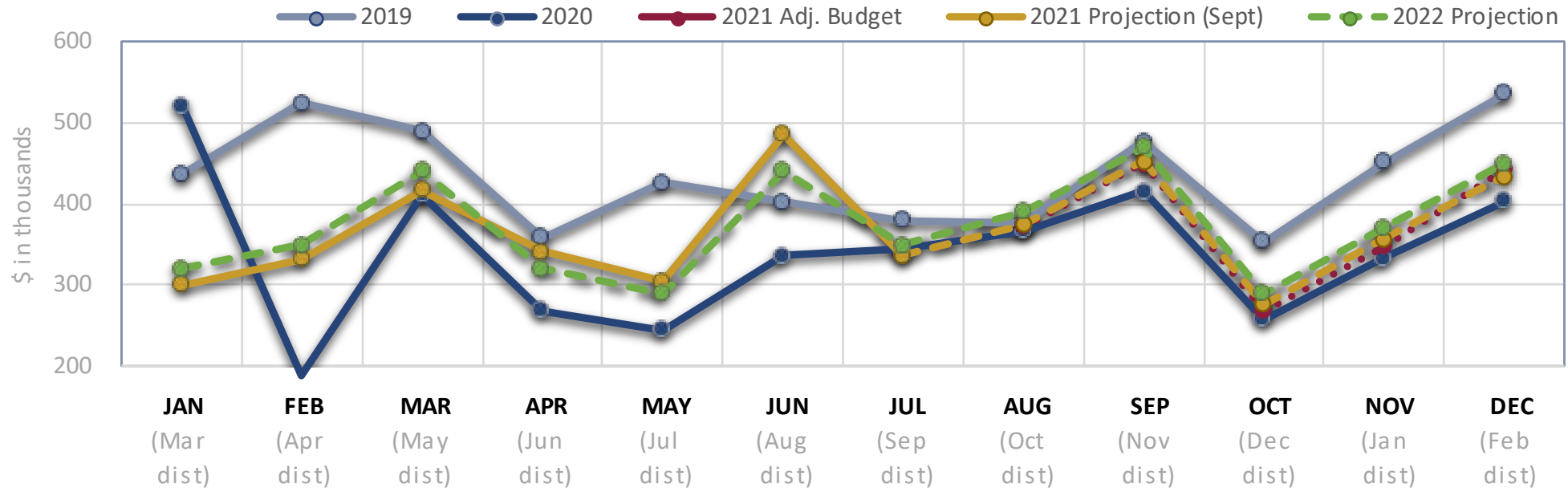
\$ in thousands	FULL YEAR			
	Revenues	Increase/(Decrease)		
		Year over Year	vs. 2019	
2022 Projection	30,100	2,280	8.2%	11.9%
2021 Projection (Sept.)	27,820	5,826	26.5%	3.4%
2021 Adjusted Budget (Sept.)	26,900	4,906	22.3%	0.0%
2021 Adjusted Budget (June)	25,800	3,806	17.3%	(4.1%)
2020	21,994	(4,902)	(18.2%)	
2019	26,896	1,742	6.9%	
2018	25,154	1,327	5.6%	

YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
3,741	30.4%	3.3%



Local Option Sales Tax

(1% tax to Unincorporated Municipal Services Fund)



	FULL YEAR			
	Revenues	Increase/(Decrease)		
		Year over Year	vs. 2019	
<i>\$ in thousands</i>				
2022 Projection	4,480	70	1.6%	(14.0%)
2021 Projection (Sept.)	4,410	318	7.8%	(15.3%)
2021 Adjusted Budget (June)	4,150	58	1.4%	(20.3%)
2020	4,092	(1,117)	(21.4%)	
2019	5,209	(436)	(7.7%)	
2018	5,645	(6,749)	(54.5%)	

YTD JULY 2021		
Increase/(Decrease)		
Year over Year	vs. 2019	
201	8.7%	(16.6%)

* Beginning Jan 1, 2020, sales taxes for Brighton are excluded due to its incorporation.



Motor Vehicle Fee-In-Lieu

Fund (\$M)	2022 Budget	2021 Budget	<i>Change</i>	
General	7.27	7.70	(0.43)	(5.6%)
Flood Control	0.30	0.32	(0.02)	(5.6%)
Health	0.72	0.76	(0.04)	(5.6%)
Governmental Immunity	0.08	0.08	(0.00)	(5.6%)
Tax Administration	1.07	1.14	(0.07)	(6.0%)
Capital Improvements	0.37	0.39	(0.02)	(5.6%)
Clark Planetarium	0.13	0.14	(0.01)	(5.6%)
Library	2.03	2.16	(0.13)	(5.9%)
Bond Debt Service	0.93	1.03	(0.10)	(10.0%)
TOTAL	12.90	13.72	(0.82)	(6.0%)



2022 New Growth Summary

Key Funds—Compared to 2021 Adjusted Budget

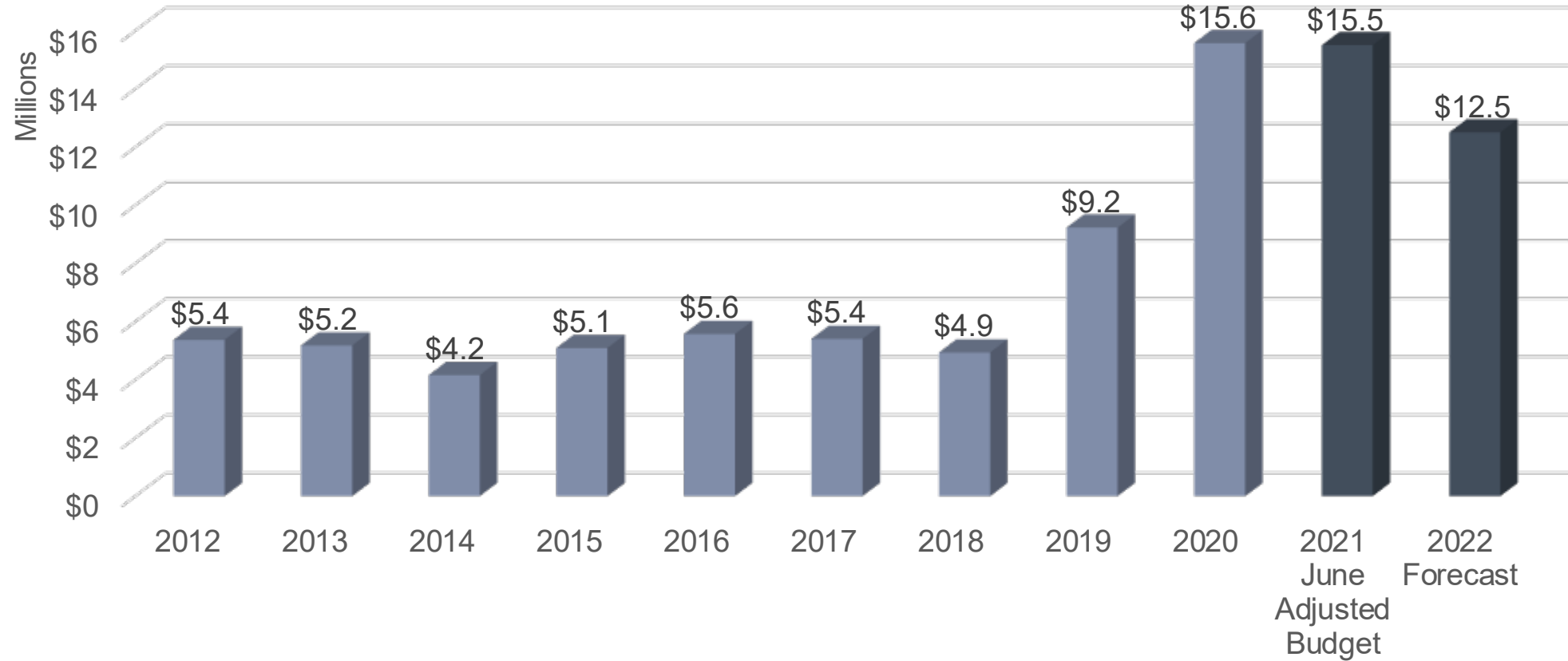
Fund (\$M)	Property Tax	Sales Tax	Motor Veh Fee In Lieu	Total New Growth
General	3.5	7.1	(0.43)	10.2
Flood Control	0.1		(0.02)	0.1
Health	0.3		(0.04)	0.3
Planetarium	0.1		(0.01)	0.1
Capital Improvements	0.2		(0.02)	0.2
Tax Administration	0.6		(0.07)	0.5
Subtotal	4.8	7.1	(0.59)	11.3
TRCC		8.6		8.6
Visitor Promotion		4.0		4.0
ZAP		2.3		2.3
Municipal Services		0.3		0.3
Transportation		1.6		1.6
Library	0.9		(0.13)	0.8
Total	5.7	23.9	(0.72)	28.9

* Excludes Debt Service Fund as well as funds that have immaterial amounts.

RECORDER FEE REVENUES



Recorder Revenue



HB 247 took effect on May 14, 2019 and has resulted in increased recording revenues.



Revenue Summary

- Outlook positive, with risks. Monitor COVID-19 and consumer confidence.
- New residential construction driving property tax new growth rate
- Latest 2021 projection is for all sales taxes to significantly exceed the budget
- 2022 sales tax growth projected to continue but moderate
- Transient Room Tax anticipated to start to exceed 2019 levels by mid 2022

APPENDIX



2021 New Projection vs. 2019

Sales Tax by Fund (\$M)		2021 Sept. Forecast	2019 Actual	Change	
General Fund	County Option	82.0	67.6	14.4	21.3%
	ZAP	9.3	7.9	1.5	19.0%
	TOTAL	91.3	75.4	15.9	21.1%
Visitor Promo Fund	Transient Room	17.0	21.1	(4.1)	(19.6%)
TRCC Fund	Transient Room Supp.	2.3	2.9	(0.6)	(19.7%)
	Car Rental	15.3	15.6	(0.3)	(1.6%)
	Restaurant	27.8	26.9	0.9	3.4%
	TOTAL	45.5	45.4	0.1	0.2%
ZAP Fund	ZAP	22.3	18.7	3.6	19.0%
Unincorp Muni Svcs¹	Local Option	4.4	5.2	(0.8)	(15%)
Transportation Fund²	Transportation	15.9	37.9	(22.0)	(58%)
TOTAL		196.3	203.7	(7.4)	(3.6%)

(1) The Brighton incorporation impacted unincorporated local option taxes beginning Jan 2020.

(2) Salt Lake County received 100% of this new transportation tax from 4Q 2018 through 2Q 2019 and then 20% thereafter.



2022
 Forecast
 vs. 2021
 Adjusted
 Budget

Sales Tax by Fund (\$M)		2022 Forecast	2021 June Adj Budget	Change	
General Fund	County Option	84.5	78.3	6.2	7.9%
	ZAP	9.6	8.7	0.9	10.9%
	TOTAL	94.1	87.0	7.1	8.2%
Visitor Promo Fund	Transient Room	20.5	16.5	4.0	24.2%
TRCC Fund	Transient Room Supp.	2.8	2.3	0.6	24.1%
	Car Rental	16.1	12.4	3.7	29.8%
	Restaurant	30.1	25.8	4.3	16.7%
	TOTAL	49.0	40.5	8.6	21.1%
ZAP Fund	ZAP	23.0	20.7	2.3	10.9%
Unincorp Muni Svcs	Local Option	4.5	4.1	0.3	8.0%
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2022 Forecast vs. 2019

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Visitor Promo Fund	Transient Room	20.5	21.1	(0.6)	(2.8%)
TRCC Fund	Transient Room Supp.	2.8	2.9	(0.1)	(3.0%)
	Car Rental	16.1	15.6	0.5	3.5%
	Restaurant	30.1	26.9	3.2	11.9%
	TOTAL	49.0	45.4	3.7	8.1%
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TOTAL		207.5	203.7	3.8	1.9%

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