State and Local Finances

Budgets, Policies and Programs

Association of Government Accountants

May 23, 2018

State vs Local

- Both receive tax and other revenues
- Both spend for buildings, employees and programs
- Both have elected officials to represent them
- Both are subject to the same laws and requirements for meetings, etc.

Drivers

- At the state level – policy and budget are driven by the legislature
- At the local level – policy and budget are driven by the city manager, mayor or assistant to the mayor

Complexity

- At the state level – policy and budget are complex and difficult for the public to influence - lobbyists
- At the local level – policy and budget are simpler and easier for the public to influence

Staffing

- At the state level – large staff for both legislature and executive
- At the local level – little or no staff for council but staff for mayor or city manager

Timing

- At the state level – 7 weeks – very busy, urgent with many issues
- At the local level – weekly with limited agendas and few issues at the same time – always next week

Size

- At the state level – 104 legislators and one executive
- At the local level – maximum of 9 council members and one executive

Legislative

- At the state level – House and Senate
- At the local level – Council

Executive

- At the state level – Elected Governor
- At the local level – Elected Mayor or Appointed City Manger

Politics

- At the state level – Republican, Democrat and other
- At the local level – Nonpartisan

Major State Programs

- Public and Higher Education
- Health and Human Services
- Transportation

Major Local Programs

- Public Safety – Police and Fire
- Public Works – Streets and Sidewalks
- Parks and Recreation

Control of the Process

- Legislature vs Governor
- City Council vs Mayor/City Manger
- Business vs Public vs Employees

Interested Groups

- Elected officials – Visible and immediate results – politically driven
- Business – Regulation/bottom line
- Public – Taxes and Services
- Employees – Impact to pocketbook

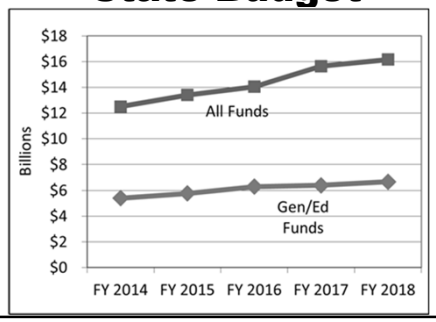
New State Budget

- $16.7 billion balanced budget
- $382 million new ongoing money
- $102 million in new one-time funds after $35 million deposit to rainy day fund
- $575 million in Rainy Day Fund

New Local Budget

- $114.8 million balanced budget
- $2.1 million new ongoing money
- $1.5 million in new one-time funds
- $15.3 million in Rainy Day Fund

State Budget



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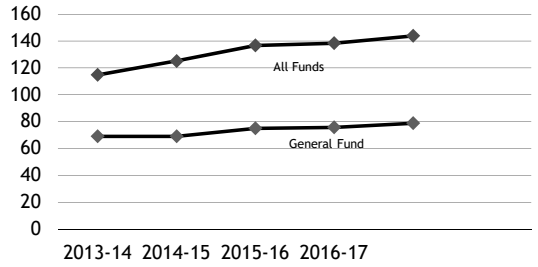
City Budget



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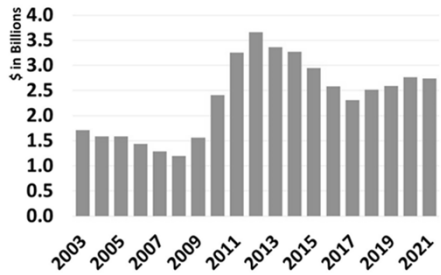
Outstanding State Debt



What Are the Trends?

- Government Continues to Grow
- All Ongoing Money Is Spent
- Debt is Not Being Reduced
- Programs Continue to Expand
- Taxes Are Always the Solution

What Are the Trends?

- Population continues to grow
- Inflation outgrows revenues
- Elected officials with more constituents
- Harder to be responsive
- Increasing frustrations with government

State Examples

- Prison relocation – the costs
- Homelessness – Cost vs solution
- Our Schools Now – Making a difference
- School Vouchers – About control and trust
- USTAR – federal money and jobs

Old State Issues

- UCAT – working to together
- Tier II Retirement – controlling costs
- Utah Arts Council – whose money?
- Retirement– changing issue
- I15 in Utah County & Mtn View Corridor & Vehicle registration fees

State Social Issues

- Liquor Laws
- Medical Marijuana
- Abortion Laws
- Marriage Laws
- Sports Betting

Local Issues

- Rezoning
- Density of Housing
- Traffic Safety and Parking
- City Services
- Economic Development

Local Issues

- City Center
- Chickens – pets?
- Child care – number of children
- 4100 South Redwood Road
- 2550 South 7200 West
- General Plan – Residential Estates

Wishes for All Government

- Reduce debt
- Identify and implement efficiencies
- Follow up and accountability
- Limit growth in ongoing costs
- Create sustainable budgets
- Set aside money for rainy day

Final Comments

- Many Similarities
- Some Significant Differences
- Purpose and Accountability
- Accessibility

Questions?