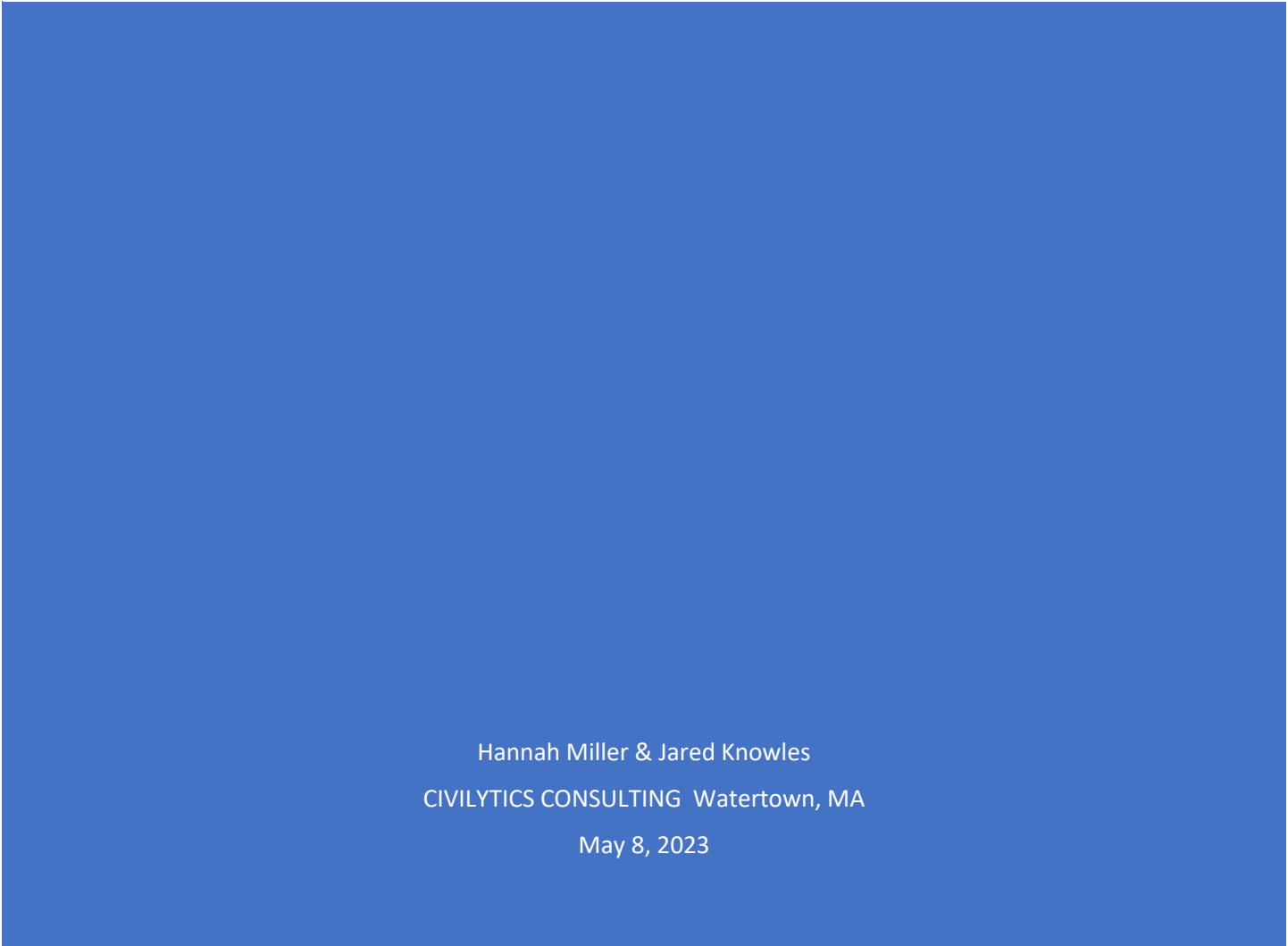




THE LANDSCAPE OF LOCAL GOVERNMENT BUDGETS



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Civilytics Consulting



Measuring the pulse of civic life.

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Civilytics Consulting is an independent data science company that provides social science research and analysis, software solutions, and training in the higher education, K-12 education, criminal justice, and public finance sectors. We work with researchers, journalists, grassroots organizations, and government agencies at all levels.

The work to reinvigorate our democracy must begin at the local level where the public has the greatest control and barriers to collective action are the lowest. Civilytics is building the tools communities need to understand and deliberate about the performance of their local governments in delivering services.

Contact us

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Introduction

This memo provides an overview of the context of government budgeting in the American federalist system. To understand public budgeting, it helps to have a sense of the scope and scale of local governments across the country as well as the variation in the budgets they produce.

This memo draws on the [Census of Governments](#), the primary source of information about local governments in the U.S. The Census of Governments collects information on all U.S. state and local governments, providing data on number of employees and finances, including revenues, expenditures, debt, and payroll. While not an exceptionally deep data collection, it includes the (U.S.) universe of local governments, self-describing as “the only source of periodic information that identifies and describes all units of government in the U.S.”¹ Thus, we draw extensively from it below. The Census of Governments is conducted every 5 years, for years ending in “2” and “7”; all analyses we conducted below are from the most recent full census of governments conducted in 2017 (full 2022 data are not yet available).² Supplemental information comes from analysis of the Census of Governments by others including the Urban Institute and the Lincoln Institute of Land Policy.

This memo begins with an overview of local governments in the U.S. with a focus on city and county governments. We provide some context for the scale of spending and revenue raised by these local governments. Next, the public budget process is described. While local governments have great variation in how they organize their budget process, we provide an overview of what most budget processes have in common and some of the key differentiators across jurisdictions.

Next, we describe the content generally found in budget documents generated by local governments. While this will be discussed in much more depth in the second memo, we provide a sense of the key features of most public budgets and highlight critical information that may or may not be available depending on the local government.

Finally, we review supplemental data sources available for researching local government budgets, including a discussion of the strengths and limitations of various data sources.

¹ <https://www.census.gov/programs-surveys/cog/about.html>

² The Census Bureau also conducts an annual survey of State & Local Government Finance which provides summary information about state and local governments’ combined revenues and expenditures (2020 example here: <https://www.census.gov/data/datasets/2020/econ/local/public-use-datasets.html>).

Overview of Local Governments

The Census of Governments recognizes five types of **local governments**: (1) **counties** and county equivalents; (2) **cities**; (3) **townships**; (4) **school districts**; and (5) **special districts** (e.g., water districts, fire districts, library districts, mosquito abatement districts).

The 2017 Census of Governments reported that there were almost 90,000 local governments across the 50 states. Special districts are the most numerous types of local government, followed by cities, as shown in Figure 1.

The number of local governments varies dramatically by state, ranging from only 22 in Hawaii to 6,919 in Illinois with an average of 1,767 local governments per state. Figure 2 shows local governments by type by state.

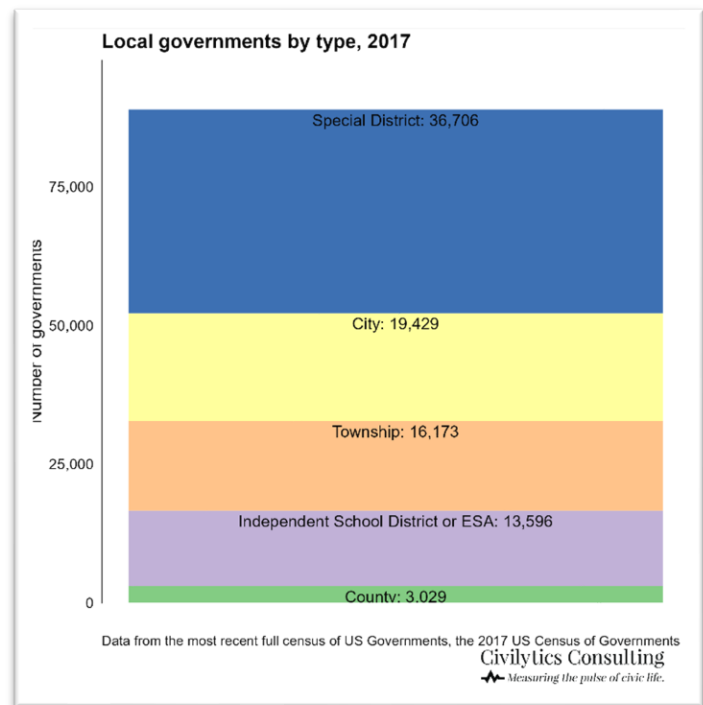


Figure 1: Local governments by type, 2017

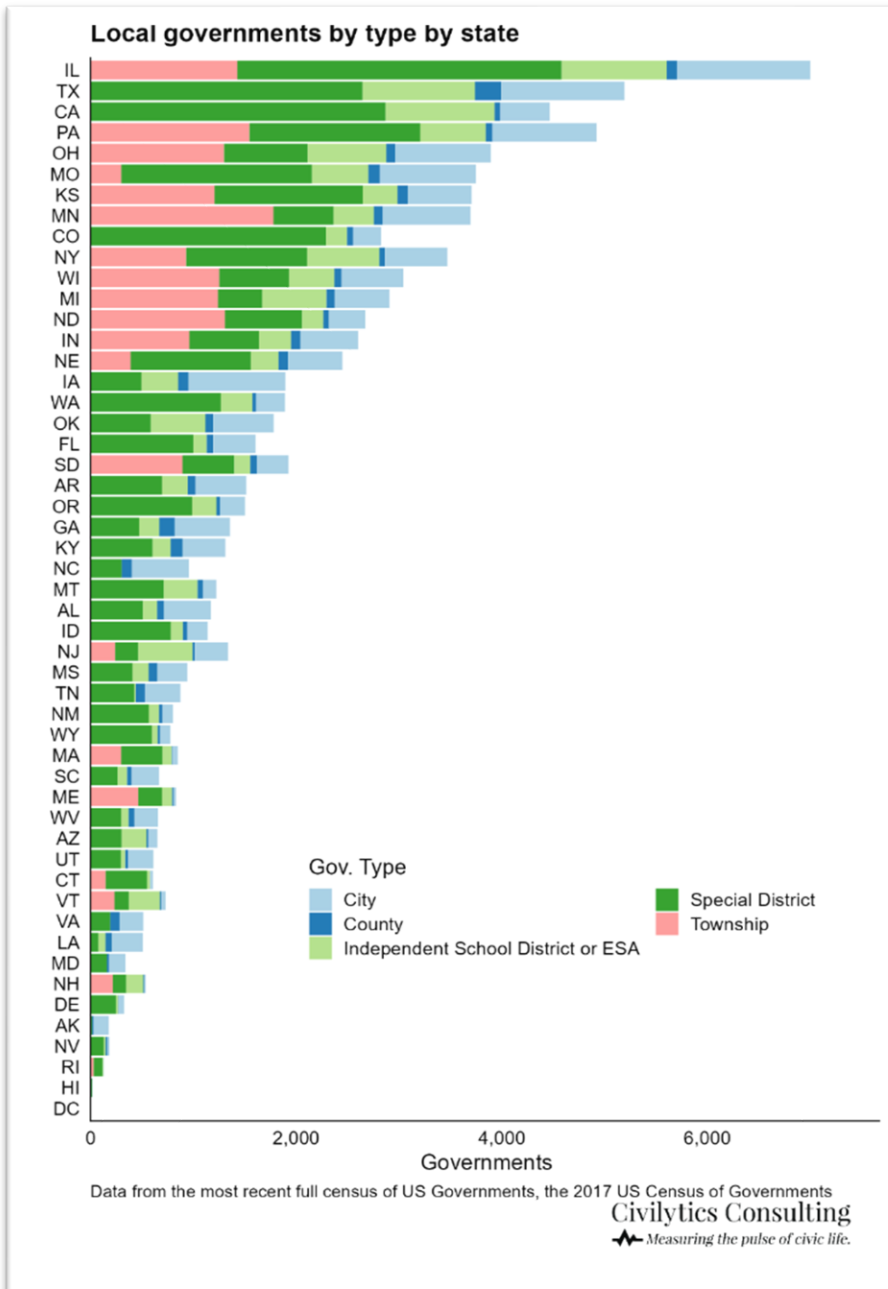


Figure 2: Local governments by type and by state

Differentiating levels of local government is more complicated and variable across states than might initially appear. Table 1 below provides the Census definitions of the three types of local government of most interest in this memo, although the definitions are not as illuminating to the average member of the public as one would like.

Table 1: Census definitions of types of local government

Type of local government	Census definition
County and equivalent	<p>The primary legal subdivision of most states. In Louisiana, these subdivisions are known as parishes. The Census Bureau treats the following entities as equivalents of county:</p> <ul style="list-style-type: none"> • boroughs, city and boroughs, municipalities, and census areas in Alaska • municipios in Puerto Rico (plus other variations for U.S. territories). <p>The District of Columbia and Guam have no primary divisions, and the entire area is considered equivalent to a county for statistical purposes. In four states (Maryland, Missouri, Nevada and Virginia), there are one or more cities that are independent of any county and thus constitute primary subdivisions of their states.</p>
City	<p>A type of incorporated place in 49 states and the District of Columbia (Hawaii does not contain any incorporated places). In 23 states and the District of Columbia, some or all cities are not part of any Minor Civil Division (MCD), and the Census Bureau treats these as county subdivisions, statistically equivalent to MCDs.</p>
Township	<p>Organized local governments authorized in state constitutions and statutes and established to provide general government for areas defined without regard to population concentration; includes those governments designated as towns in Connecticut, Maine (including organized plantations), Massachusetts, Minnesota, New Hampshire (including organized locations), New York, Rhode Island, Vermont, and Wisconsin, and townships in other states.</p>

As the Census definitions indirectly make clear, there are a number of unique cases in terms of types of local government both across and within states. These include:

- Coextensive, consolidated, merged or **unified city-county governments** (different terms are used)
 - Some consolidated city-counties differentiate services and budget costs between the central city and other communities in the county. Examples include Indianapolis, Marion County; Louisville, Jefferson County; and Nashville-Davidson County.
 - More frequently the two are fully merged. Examples include Philadelphia (City and County), Honolulu (City and County), Denver (City and County), Lexington (and Fayette County), and New Orleans (and Orleans Parish).
- **Independent cities** such as Baltimore, St. Louis, and Carson City that are not part of any county
- Places that do not have county-level governments, even though the cities and towns are part of counties. For example, Connecticut and Rhode Island do not have county-level governments and, in Massachusetts, only five of the 14 counties have functioning county-level governments (others are “abolished” or “dissolved”)

Local Governments' Revenue and Spending

Understanding the levels of local government and how they overlap sets the stage for describing the amount and types of revenue local government control and the services they provide. The Census of Governments divides revenue sources for local governments into **intergovernmental revenue** versus **own source revenue**.

Intergovernmental revenue may come from the federal government, state government, or other local governments. Revenue from own sources is primarily taxes, which are differentiated into property, sales and gross receipts, individual income, corporate income, and motor vehicle licenses. Other own source revenue includes charges for service, sale of property, and utility revenue.³

City and county governments alone raise and receive over \$600 billion in revenue each year—roughly equivalent to the Department of Defense budget in 2017. As shown in Figure 3, almost two-thirds of this revenue comes from local taxes, with state aid making up the second largest share of city and county revenue.

The Census of Governments differentiates local governments' expenditures into **direct expenditures** versus **intergovernmental** ones. Direct expenditures are then differentiated into those for current operations (by far the largest category), capital outlay, interest on debt, etc. Direct expenditures are also differentiated by function

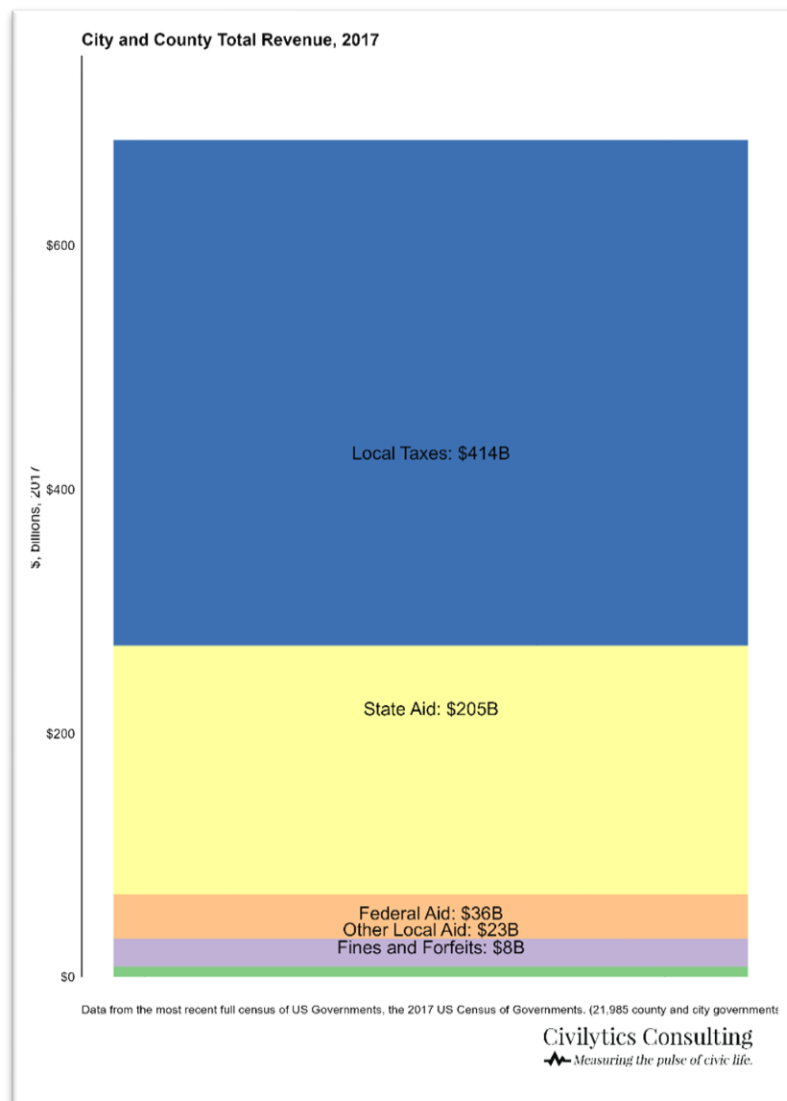


Figure 3: City and county total revenue, 2017

³ This [spreadsheet](#) shows the sources of revenue that the Census of Government differentiates and the total amount by source local governments collected in 2017.

into the categories shown in Table 2 below.

Table 2: Direct expenditure categories collected by Census of Governments

1. Education a. Higher education b. Elementary and secondary c. Other education d. Libraries	2. Social services and income maintenance a. Public welfare (includes cash assistance payments and vendor payments) b. Hospitals c. Health d. Employment security administration e. Veterans' services
3. Transportation a. Highways b. Air transportation c. Parking facilities d. Sea and inland port facilities	4. Public safety a. Police b. Fire c. Correction d. Protective inspection and regulation
5. Environment and housing a. Natural resources b. Parks and recreation c. Housing and community development d. Sewers e. Solid waste management	6. Governmental administration a. Financial administration b. Judicial and legal c. General public buildings d. Other
7. Utility expenditures a. Water supply b. Electric power c. Gas supply d. Transit	8. Insurance trust expenditure a. Unemployment compensation b. Employee retirement c. Workers' compensation d. Other

Often states, counties, and cities all provide some services within each of these “issue areas,” but the level of government with primary responsibility for a certain service (e.g., elementary and secondary education) may vary by state. The Urban Institute’s [State and Local Backgrounders](#) project provides a nice overview of patterns of state and local expenditures in each of these areas, by state. For example, Figure 4 below from the Urban Institute shows how responsibility for Health and Hospital Expenditures varies across states, with these activities carried out almost completely at the state level in some places versus mostly the responsibility of local governments in others.

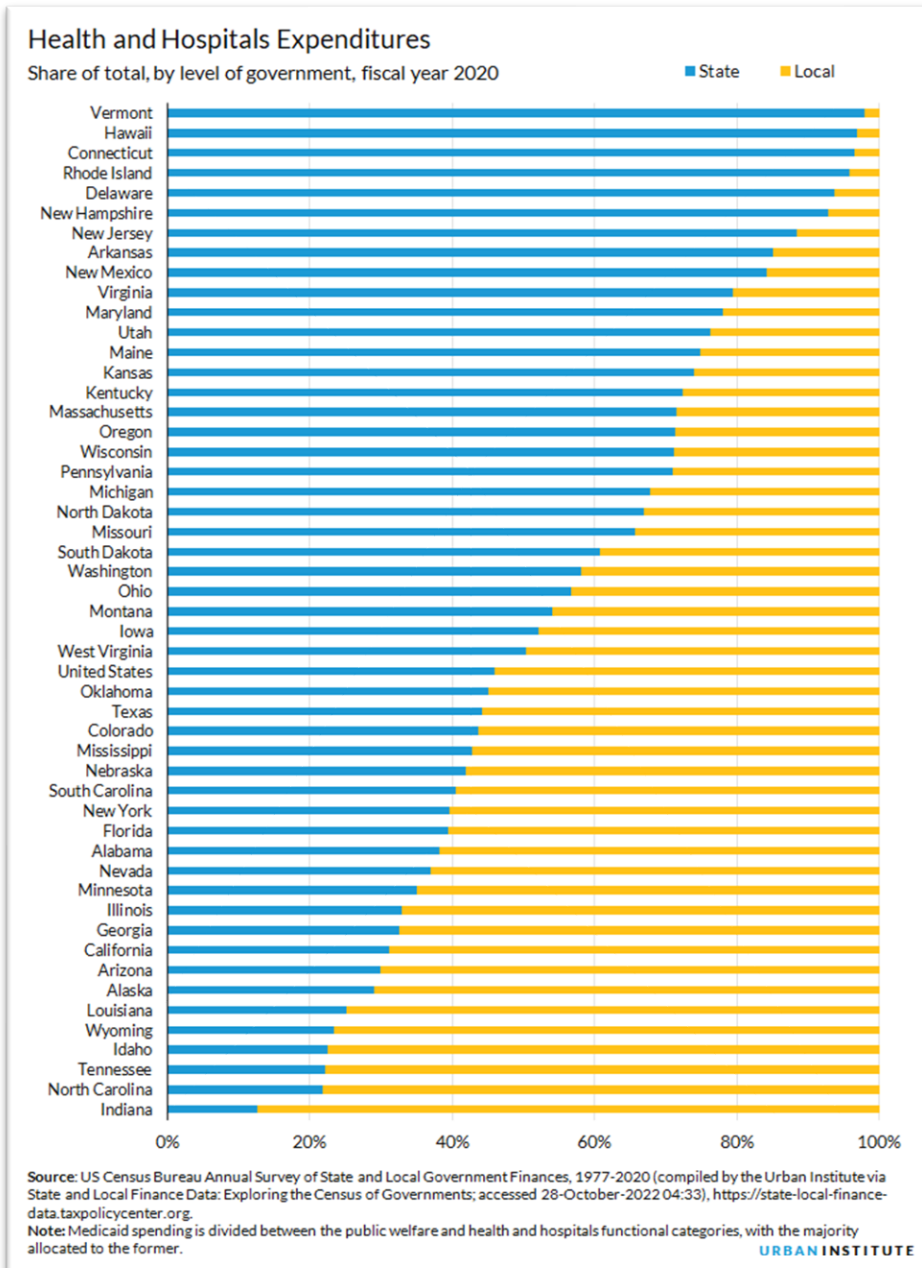


Figure 4: Health and hospitals expenditures, from Urban Institute

Figure 5 looks at a different government service, policing, showing total amount spent at the city and county level by different states.

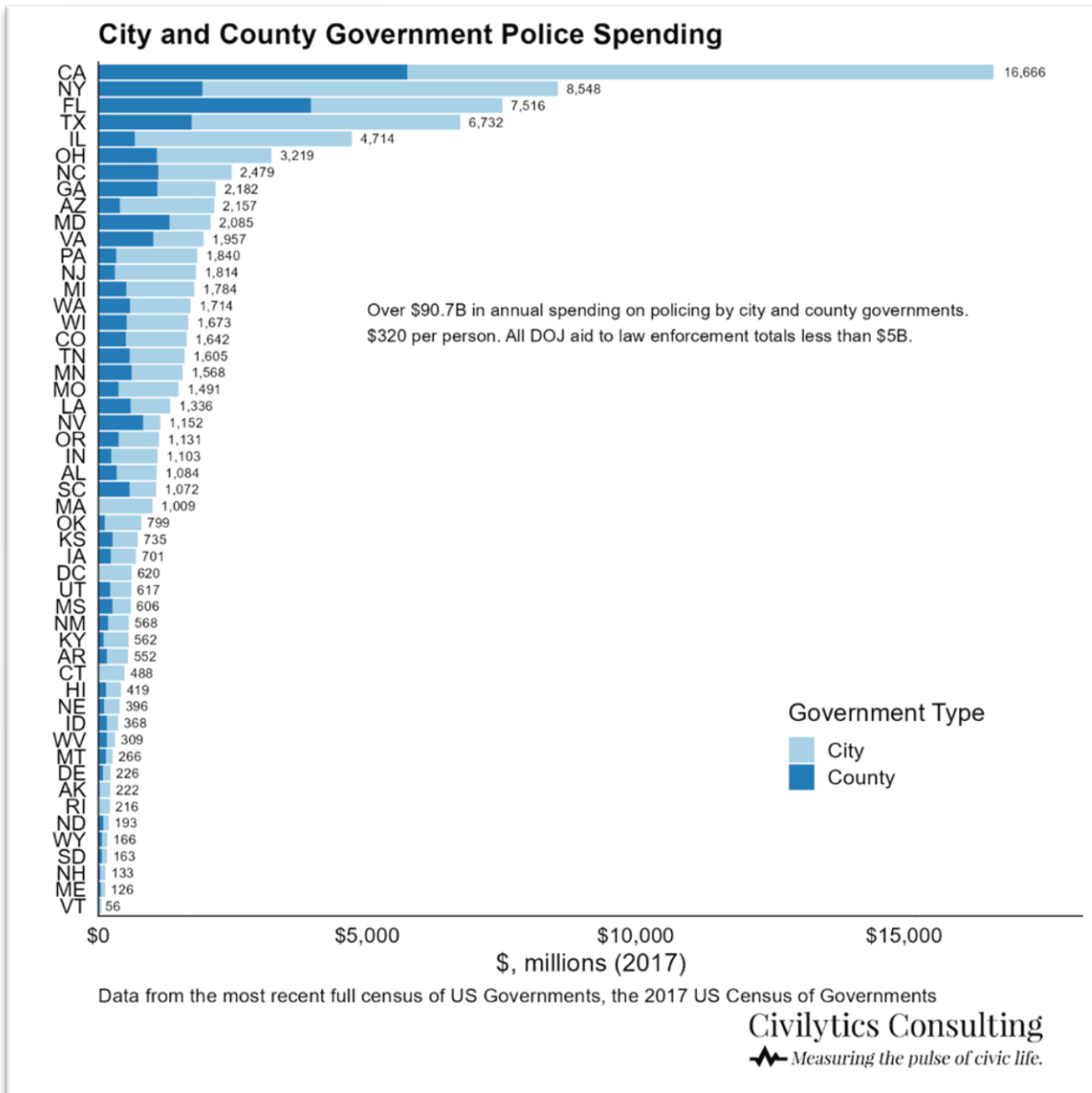


Figure 5: City and county government police spending

In sum, thousands of U.S. cities and counties annually produce budgets that direct the spending of hundreds of billions of dollars. This overview aimed to provide a helpful, high-level background on how cities and counties vary within and between states to set the stage for understanding the opportunities and challenges associated with evaluating budget decisions comparatively or engaging with a specific local government.

Local Governments' Budget Processes

Local governments' revenue and expenditure decisions are captured through an annual budget process. It is important to first ask what is a **budget**?

In the context of local governments, officials may mean different things when they refer to the budget. A local government "budget" is at least three things:

1. An administrative tool for operating a large organization
2. A legislative process legally required to approve spending of public funds and raising of public revenues
3. A published document, usually produced annually, communicating #1 and #2

What makes a "good" budget process?

According to the Government Finance Officers Association (GFOA):

"A good budget process is far more than the preparation of a legal document that appropriates funds for a series of line items. Good budgeting is a broadly defined process that has political, managerial, planning, communication, and financial dimensions."⁴

In this section, we focus mainly on local government's **operating budgets** (sometimes just called "the budget"). Operating expenses include all costs to operate city services except those in accounts for which depreciation or amortization is ordinarily maintained (e.g., expenditures on structures and equipment).

Most local governments produce an annual operating budget⁵; some also produce a periodic **capital budget**, while others show capital expenses delineated within their operating budget. Unlike operating budgets, capital budgets are often for multiple years and show rolling plans for expenses over a three- or five-year period. Figure 6 shows the total city and county government capital spending in 2017 by state.

Note that, while distinguishing between the operating and capital budget is critical for understanding city and county plans and timescales, it is often not the distinction that matters for how local governments actually **publish** budget documents. That is, the public should be aware that there are often multiple published documents for a single operating budget and that the full budget may be divided into multiple documents somewhat arbitrarily. For example, Miami-Dade County's budget is divided into three volumes: Volume 1 has the mayor's message, budget in brief, five-year forecast, and more; Volume 2 contains the budgets for four main policy areas; and Volume 3 contains the budgets for the remaining policy areas. Some local governments differentiate between a "main" or "overview" type

⁴ GFOA [Recommended Budget Practices](#) p. 3

⁵ We have not been able to find any information on how common biennial budgets are among cities and counties. However, we know of at least a few counties that only produce a budget every other year including King County (Seattle), Ramsey County (St. Paul, MN), and Bernalillo County (Albuquerque). The [Municipal Research and Services Center of Washington](#) lists a limited number of cities in Washington with biennial budgets.

budget document and a detail or departmental budget, but the distinction between the two may not be clear from the document names and there is often some overlap in the content of the two documents. It is also not infrequent to see local governments' revenue estimates published in a separate document from their proposed expenditures.

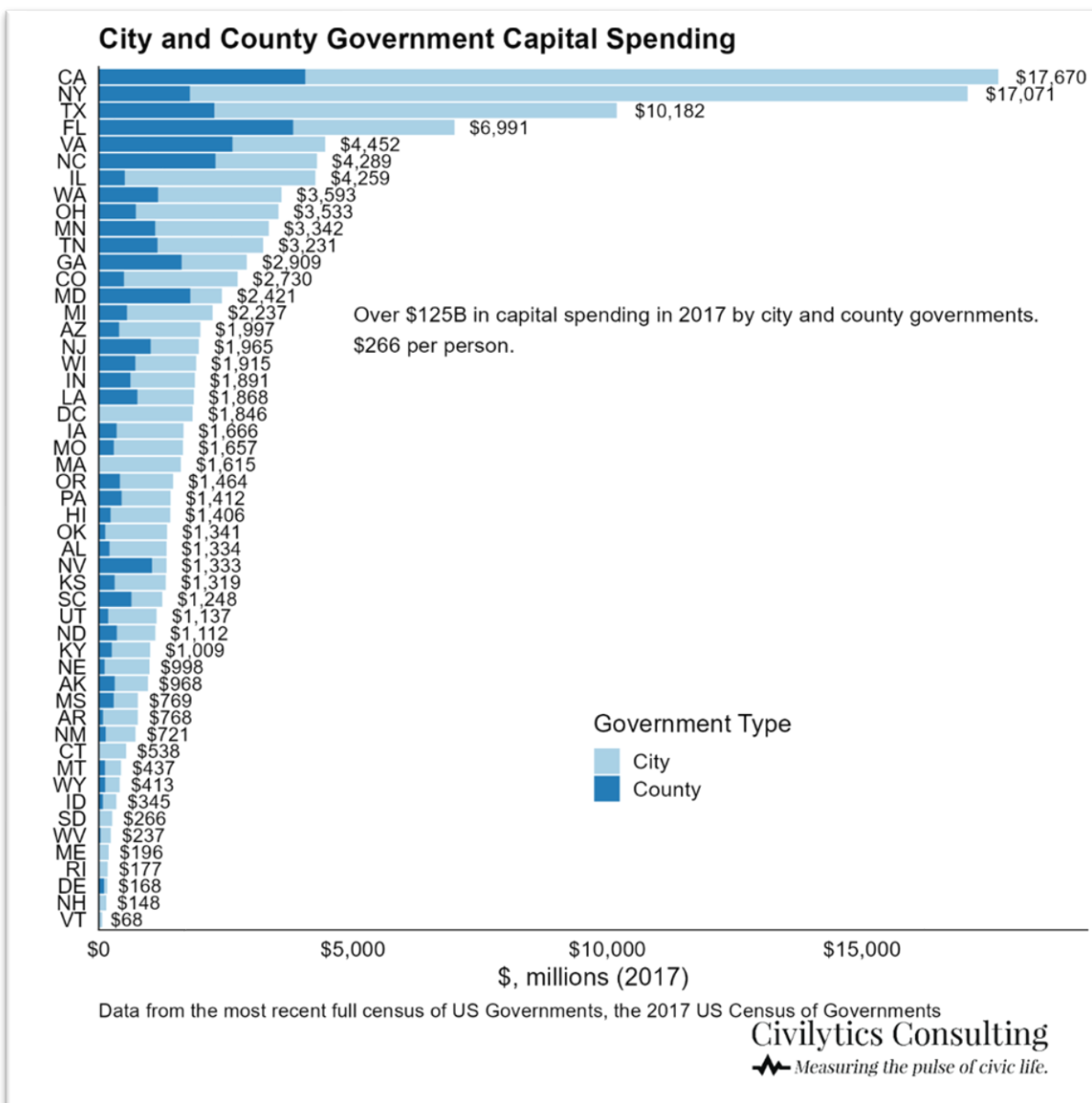


Figure 6: City and county government capital spending

Fiscal Years

The first crucial aspect of a public budget to examine is its fiscal year. A **fiscal year** is a budget term for the time period to which the budget applies. The budget process culminates around the end of each fiscal year as passage of the new budget must happen before the next fiscal year begins.

Most local governments' fiscal years run either from January 1 to December 31 or from July 1 to June 30. However, as shown in Figure 7, fiscal years running from October 1 to September 30 are also fairly common, and there is no month in the year that at least some local governments do not use as their fiscal year start.

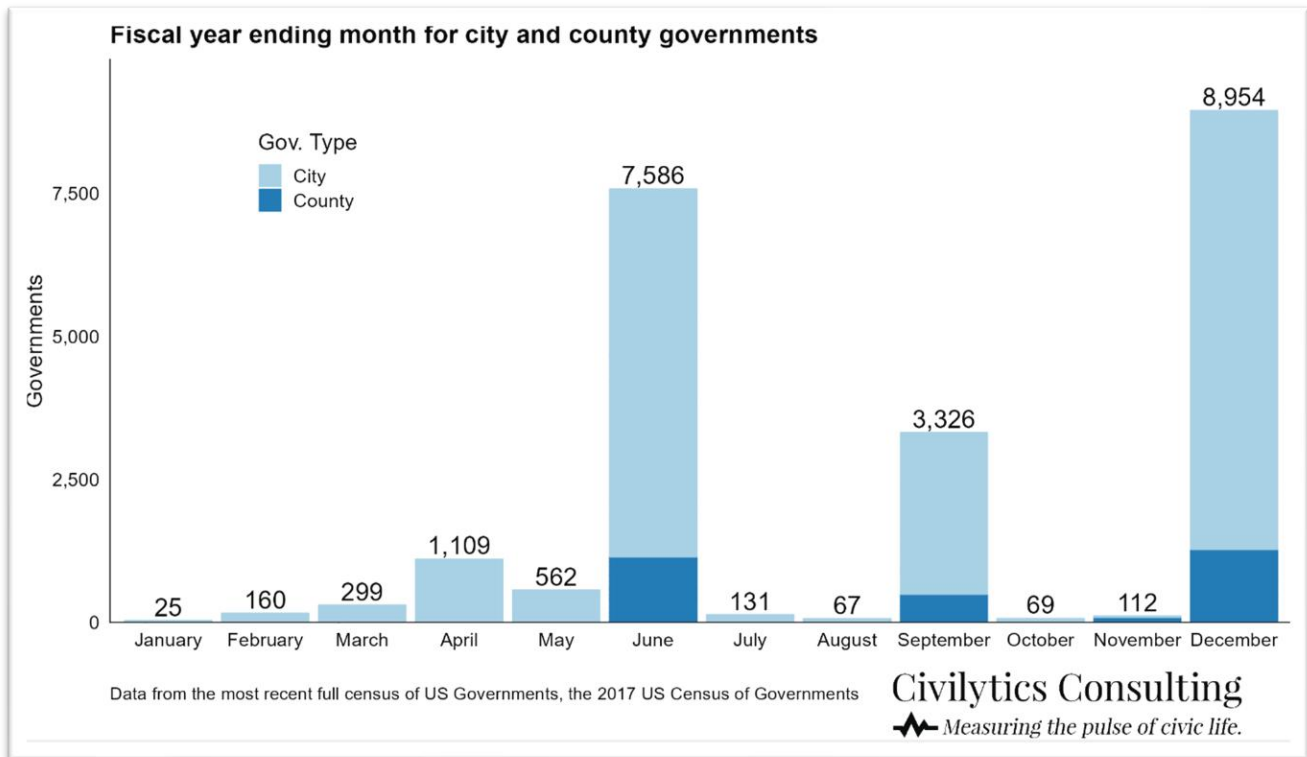


Figure 7: Fiscal year ending month for city and county governments

Within the same state, local governments often have the same fiscal year start and end dates. For example, Figure 8 shows that, in California, most city and county budgets' fiscal years run from July 1 to June 30.

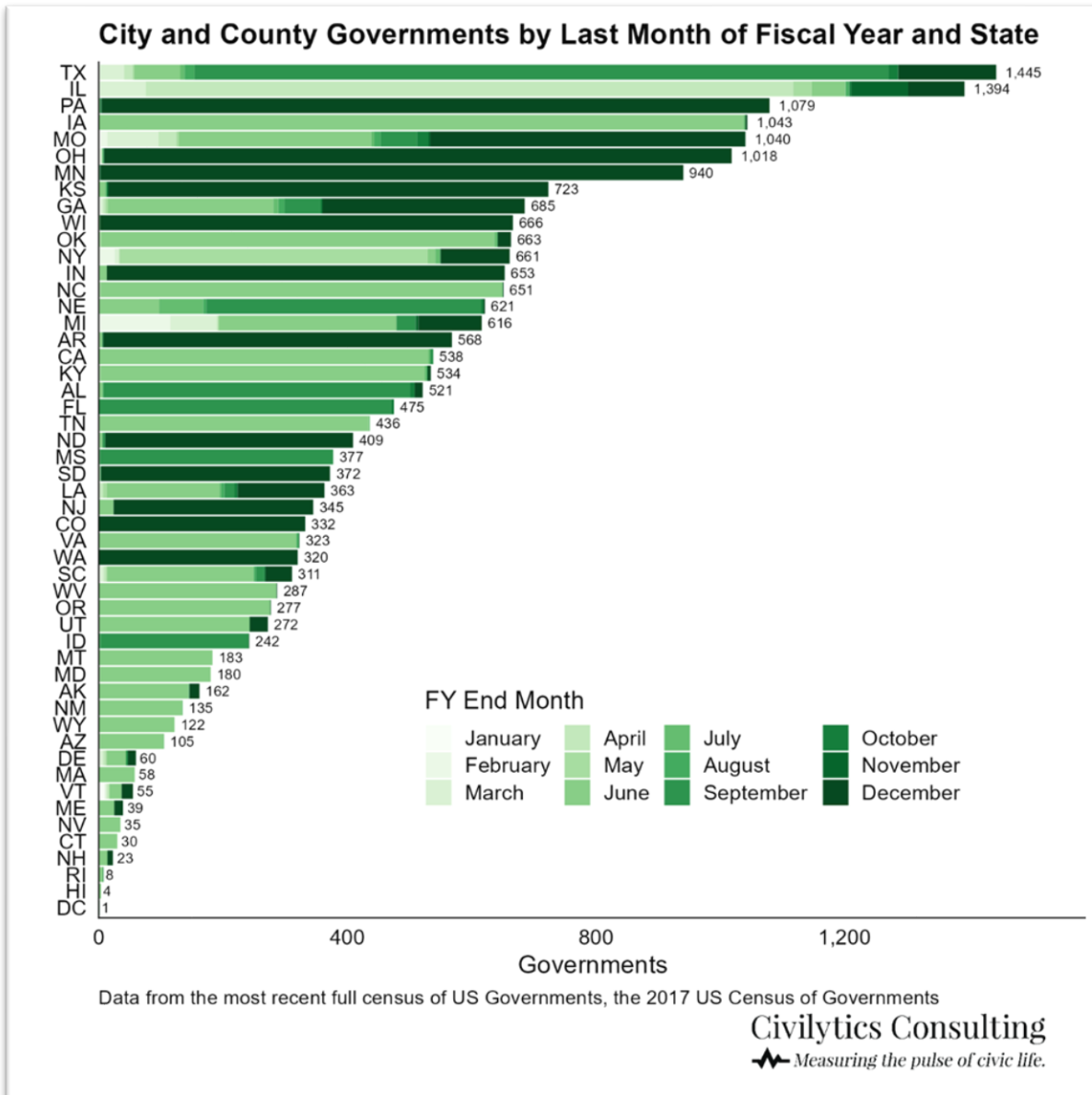


Figure 8: City and county government fiscal year end month by state

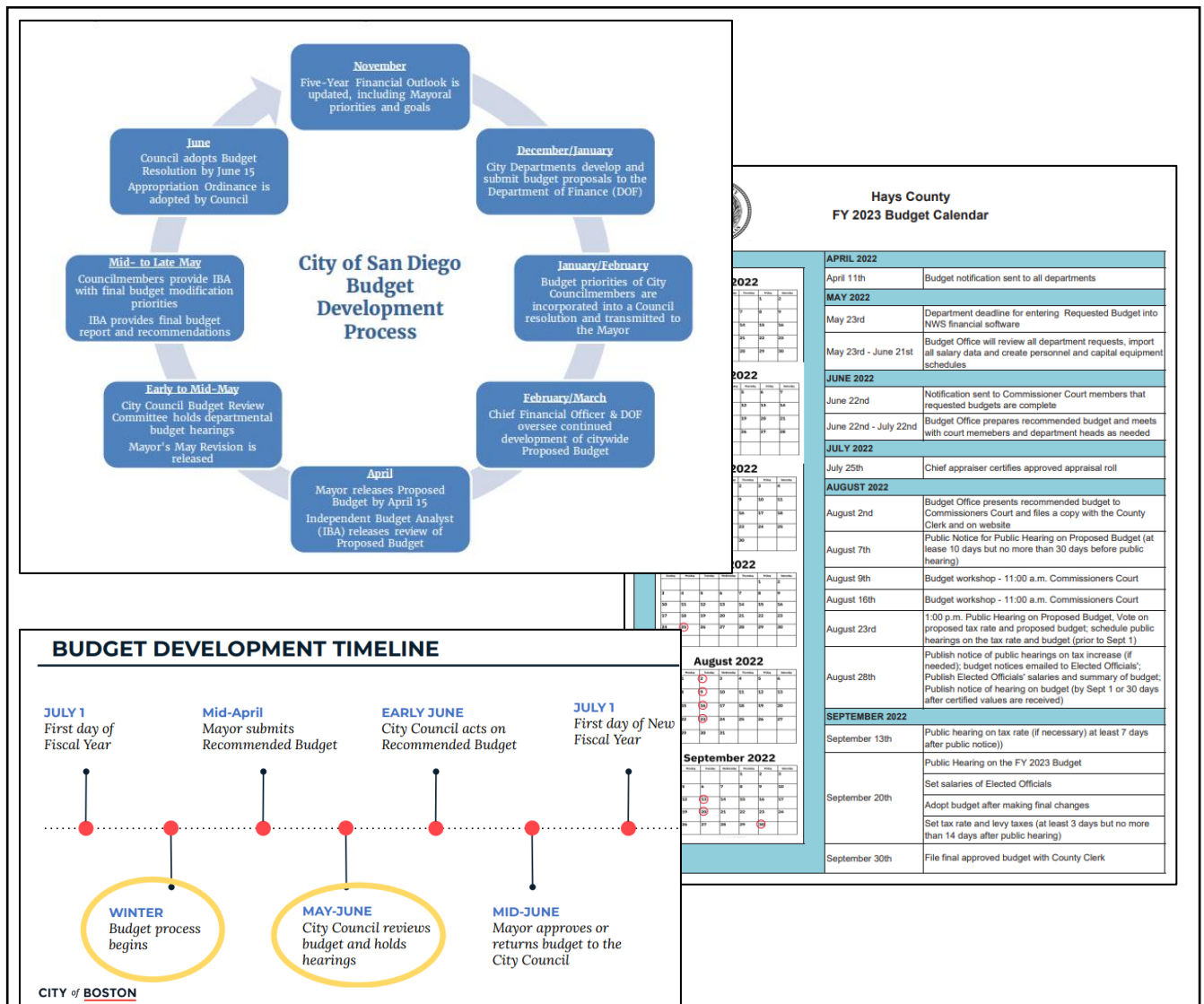
Producing a Local Budget

Producing a budget is a continuous process, not a singular event. The typical process looks something like this:

1. Department heads meet with the budget director to discuss and submit their department requests.
2. The budget director or government executive prepares and submits a **proposed budget** to city councilors or county supervisors.
3. Elected officials review the budget and hold hearings on it, recommending changes.

4. The city or county executive approves or vetoes changes and publishes the *final budget*.
5. Departments and finance staff monitor actual spending and request supplemental funding midway through the year.

We discuss stages of this process in more detail below, following some example figures illustrating the budget process taken from budgets for San Diego, Hays County (TX), and Boston.



The budget process begins with department heads submitting proposed budgets to the city or county director.⁶ A complete document with department requests usually is not provided

⁶ In a strong executive form of government this process may instead begin with the executive giving department heads guidelines for their annual budget.

to the public,⁷ but some information about the requests can often be found in public meetings leading up to the release of the **mayor's or county executive's recommended budget**. For example, many cities and counties hold presentations for different services areas (e.g., one hearing for public protection that covers the departments of police, fire, 911 dispatch, and more), and the slides for these are often good sources of initial information on what is likely to be proposed for a new fiscal year. Likewise, some municipalities publish "change requests" showing department requests to add staff or increase expenditures in a particular area.

The city or county executive, or their budget or finance director, uses department requests to prepare a **proposed** or **recommended** budget. This budget is usually discussed in public hearings and reviewed by the appropriate elected officials, who may be city councilors, board supervisors, county commissioners, or others. The document with their changes then becomes the **approved** budget. In some local governments, this is the end of the process, and the document is also the **final** or **adopted** budget. In other places, the budget goes back to the original proposer (mayor, county executive) who can approve it or work quickly with the officials to make further revisions.

From reviewing dozens of city and county budgets, we have seen that the proposed budget is usually only amended to a minor degree by the approval process.⁸ There are a few reasons for this including anchoring bias presented by the proposed budget, a short timeline for budget passage limiting time for revisions, and information imbalance between the executive and legislative branch. We have heard from many elected officials about the difficulty of getting information needed to review, revise, and rewrite specific line items in the budget on the needed time scale. This difficulty is even greater for the general public who have few opportunities to get supplemental information and a very limited time clock between the proposed and approved budget. **The end result is that much of the budget is decided in administrative negotiations with department heads before the public reveal.**

While much of the public attention on the budget dissipates after the "final" budget is adopted, many local governments continue to adjust their budget as the year goes on. These adjustments can be called a **supplemental budget**, a **mid-year revision**, a **budget addendum**, or may be named by quarter and reflect changes to the budget made as the city or county learns more about what services are needed or how much these services are costing each year. Thus, the monitoring and adjusting stage of the budget discussed next is quite critical.

⁷ We recognize this is public information that could be requested and are simply stating here that our experience is that most cities and counties do not regularly make this information available to the public on their website.

⁸ While we cannot quantify this in a systematic way without further research, almost all changes from the proposed to amended/adopted budget that we have seen have been on the scale of 5% or less.

Monitoring the Budget

Just as there are stages of producing the budget, there are stages of monitoring and tracking it.

At one level, the actual amounts within the budget move through stages from:

1. adopted or approved **planned** spending to
2. **estimated** or **projected** spending as the year continues to
3. **actual** spending reflecting what happened when all accounts were finalized

The initial budgeted amounts reflect what the city council or county commissioners have publicly approved departments to spend. Even at this stage, officials and departments may have a sense that the budget for a specific department is likely to be more or less realistic and that a particular department is likely to over- or under-spend.

As the year progresses and a new fiscal year approaches, the budget or finance office prepares *estimated* or *projected* amounts for the year that is finishing.⁹ These numbers reflect how much departments have spent through a particular date and are usually then projected through the remainder of the year. These can vary substantially from budgeted amounts. For example, in Los Angeles County's Fiscal Year 2023, the Sheriff's adopted budget was \$3.7 billion but estimated expenditures were \$4.1 billion, a \$400 million overrun (11%). In contrast, the Care First and Community Investment unit's adopted budget was \$279 million but estimated expenditures were only \$81 million, almost a \$200 million underrun (71%).

Thus, in monitoring the budget, it is important to track not only what is budgeted but what is projected to be spent; some departments consistently have year after year over- or under-runs that are in fact anticipated by elected officials. The GFOA recommends that a government have multiple mechanisms in place to ensure compliance with the adopted budget—an issue we will cover in more depth in the second memo.

Finally, numbers on *actual* spending usually lag by two years. For example, a fiscal year 2022-23 budget will usually show actual spending for fiscal year 2020-21.

The end result of this process is a series of public documents with changing names and shapes – with most attention focused on the proposed and final budgets. Government websites typically publish at least these two documents each fiscal year, but few that we have encountered publish or publicly track changes to the adopted budget after it is approved. For elected representatives and the public this final document is often not adequate for monitoring the implementation of budget priorities set each year.

⁹ However, the date through which actual expenditures are available and exactly how the projection is done is often not described in the budget.

Budget Content

The second memo will go into detail about the budget as a document, but we start here by highlighting the role that the budget plays beyond merely accounting for dollars received and dollars spent. The budget document is a statement of priorities and intent made public. To communicate this intent, most budgets include the following:

1. A budget transmittal letter with a statement of priorities
2. A statement of revenue and revenue sources
3. A statement of overall expenditures
4. High-level departmental budgets

The budget differs from financial statements in that it is intended to communicate to a wider audience both the allocation of public dollars as well as the reason and intent behind the allocations. [GFOA recommends](#) that a budget should contain six major sections:

1. Introduction and overview
2. Financial structure, policy, and budget process
3. Financial summaries
4. Capital and debt statements
5. Departmental information
6. Supporting information such as a glossary, supplemental data, and statistics

Governments vary greatly in the availability of the information needed to understand their budgets. Some governments report nearly all of this information readily, others require information requests, and yet others do not provide almost any information to the public. Sometimes it is possible to easily request additional information to make sense of the budget through city council members or other public officials, but this is not available in all communities as an option.

Key Content: Funds, Expenditures, Revenue

While of little direct interest to the public, **funds** are a crucial component of understanding budgets because revenues and expenditures are almost always accounted for within **funds**. Funds are a strategy to balance the need to operate a budget in compliance with finance-related rules and regulations against the need to communicate clearly to external stakeholders how money is being used. The GFOA recommends that governments establish clear criteria for determining whether a fund used in the accounting system (internally) be reported separately as its own fund externally. From the GFOA:

Sometimes governments inappropriately combine funds in their financial statements that ought not to be combined, thus denying financial statement users valuable information on legal compliance. More commonly, governments report more funds than are truly necessary to achieve the goals of general purpose external financial

reporting, thereby needlessly adding to the length and complexity of their financial reports and potentially increasing audit fees.¹⁰

Budgets are at their core about categorization—how to group dollars into funds, how to categorize revenue and spending, and what to call each category. There is no uniform standard for reporting and categorizing government revenue, expenditures, and funds, just some common (but not universal) practices. This lack of standardization means that comparing budgets takes effort and that budget creators (officials, department heads, and others) have significant opportunities to use the budget as a tool for political communication. We will give specific examples of these issues in the second memo, but here we want to give an overview of how these details can impact the interpretation of local priorities.

Most budgets typically categorize expenditures into at least the following categories: personnel, services, supplies, and equipment. However, these categories can have slightly different definitions across jurisdictions and even across years within the same jurisdiction. For example, a vehicle purchase may be classified as a capital expenditure one year and included as equipment in an operating budget in another year. More importantly, governments make very different choices in how they divide up expenditures in these categories *among departments*. For example, some jurisdictions will centralize all vehicle purchases and maintenance costs, so called fleet costs, within a single department. The costs of vehicles used by all other departments are addressed by transfers between departments, which may or may not be reported within the budget. Other jurisdictions will account for each department's vehicle costs within that department's budget.

A similar practice that can inhibit comparisons across budgets (and even interpretation within a single budget) is how governments categorize and allocate personnel costs. In some budgets non-salary personnel costs, such as retirement contributions, insurance premiums, and paid-time-off, are centralized in a single department like human resources. This makes each department's own budget appear smaller since a large portion of personnel costs are budgeted elsewhere. Other governments account for the full cost of employees within each department. We will discuss different ways of treating "indirect" or "shared costs" in more detail in the second memo.

Suffice to say, budgets differ in how they categorize and divide up expenditures and revenue (e.g., what is a "fee" in one budget may be a "fine" or a "charge for service" in another) and this does not yet get into even broader budget labels. What one budget labels as "public safety" may include services such as parking enforcement, mental health care services, and food inspections, while in another budget each of those items may fall under a separate category. Additionally, what is labeled "public safety" this year could be next year's police

¹⁰ <https://www.gfoa.org/materials/fund-accounting-applications>

protection. Nevertheless, information on each of these general categories—funds, revenue, expenditures, and departments—is almost always in each local budget in some form.

Additional, Sometimes Missing, Information

Other information critical to understanding the money available and how it is spent may not be contained in the budget. The following sections highlight information that is often contained in local budgets but also often missing in others.

Staffing

The number of staff that work for the city or county in different departments is perhaps the most important piece of budgetary information that is often missing from budget documents. In a recent project we conducted that analyzed fiscal year 2022 city and county budgets from almost 40 locales, we found that several large budgets, including Fulton County (Atlanta), Dallas County, and Philadelphia did not contain any information on the number of staff employed by departments.¹¹

While information on the total number of staff at the department level is usually provided, more detailed staffing information is critical to understand what departments are actually doing, and this information is much less frequently provided. For example, information on unit-level staffing (e.g., for Patrol within the Police Department or the Office of Housing within the Social Service Department) is often missing as is information on the number of vacant positions. In the project we conducted, only ten budgets included information on vacant positions, whether that was the exact number of vacant positions, an estimated vacancy rate, or something else.

Sometimes information on the number of staff is provided in a separate document called a “position report” or “position control report.” Likewise information on vacant positions may be provided in a “vacancy report.” However, these documents are often not available on the same webpage as the budget.

Overtime

In the project described above, only 16 budgets included information on overtime spending in the police or sheriff’s department. Of particular note were budgets that stated overtime spending was a concern but did not provide overtime spending amounts to the public. For example, Bernalillo County’s budget (Albuquerque) stated: “Overtime continues to be an issue for the MDC [Metropolitan Detention Center] despite ongoing reduction efforts.” It also stated: “The division [Health and Public Safety] continues to exceed overtime budgets mainly in the Sheriff’s Office.” However, it did not provide overtime amounts for either the detention center or sheriff’s office. Similarly, Durham County’s budget stated: “Additional overtime funding for the Detention Center is also approved to support higher trending costs

¹¹ At the same time, other large budgets, including for Harris County (Houston) and King County (Seattle), did not show how much departments spent on personnel. The GFOA states that local governments should consider it mandatory to provide a schedule or summary table of personnel or position counts for prior, current, and budgeted years.

in this area, largely due to turnover and ongoing detention officer vacancies.” However, the budget did not state how much overtime funding was approved. These numbers are often of particular interest to the public but are too frequently unavailable directly in the budget.

Contracts and Grant Awards

In our experience, information on specific contracts and grants is rarely provided in the budget itself. Budgets often include a line item within departments for “Contracted Program Services” (Los Angeles County’s budget wording) or “Purchased/Contracted Services” (Atlanta’s budget wording), but this provides little information to the public on what these services entail or who is providing them. However, we have seen some budgets that list specific contracts, particularly for community-based organizations (e.g., Alameda County’s budget) or organizations serving families and children (e.g., Albuquerque’s budget), which provides far more useful information.

Departments’ Organization and Responsibilities

At least some description of a department’s organization structure and responsibilities is needed to provide context to the financial information in the budget. However, we have seen a few cities and counties simply publish tables of revenue and expenses with no narrative text at all – see below for examples from Jackson, MS, and Hays County, TX.

Hays County - FY 2023 Expenditures - Court Adopted									
Budget Year 2023									
2023									
Account	Account Description	2023	2023	2023	2023	2023	2023	2023	2023
Fund	001 - General Fund								
Department	600 - County Judge								
Division	00 - Operating								
5011	Department Head Salary								
5021	Staff Salaries								
5041	State Supplement								
5101,100	FICA and Retirement FICA								
5101,200	FICA and Retirement Medicare								
5101,300	FICA and Retirement Retirement								
5160,400	Insurance Benefits Medical								
5160,500	Insurance Benefits Dental								
5160,600	Insurance Benefits Life								
5191	Travel Allowance								
5202	Data Processing Supplies								
5211	Office Supplies								
5212	Postage								
5213	Books and Periodicals								
5302	Membership Fees and Bonds								
5353	Community Program Expenses								
5429	Software Maintenance and Licensing								
5461	Printing Services								
5471	Equipment Service Fee								
5473	Equipment Lease								
5489	Telephone and Data Lines								
5551	Continuing Education								
Division	00 - Operating Totals								
Department	600 - County Judge Totals								
City of Jackson									
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS									
PROJECTION: 22001 MASTER PROJECTION FY'22 FOR PERIOD 99									
ACCOUNTS FOR:		2020	2021	2021	2021	2021	2022		
ADMINISTRATION		ACTUAL	ORIG BUD	REVISED BUD	ACTUAL	PROJECTION	ADOPTED	PCT	CHANGE
TOTAL PERSONAL SERVICE		331,950.81	333,657.00	319,522.00	230,524.14	333,657.00	290,592.00	-9.1%	
620 SUPPLIES & MATERIALS									
00144310 6215 FUEL USAG		1,069.90	1,300.00	1,200.00	217.37	1,200.00	1,200.00	.0%	
00144310 6218 OFFICE SU		182.97	300.00	815.00	703.40	600.00	815.00	.0%	
00144310 6220 OIL & LUB		108.23	225.00	225.00	.00	225.00	225.00	.0%	
00144310 6226 COMMUNICA		19.97	800.00	700.00	.00	700.00	700.00	.0%	
00144310 6240 NON-CAPIT		19.85	900.00	685.00	438.41	900.00	685.00	.0%	
00144310 6299 OTHER OPE		157.77	650.00	650.00	564.09	650.00	650.00	.0%	
00144310 6311 BUILDING		.00	100.00	100.00	.00	100.00	100.00	.0%	
00144310 6315 ELECTRICA		.00	200.00	200.00	163.96	200.00	200.00	.0%	
00144310 6316 MOTOR VEH		1,077.14	1,200.00	1,200.00	1,055.16	1,200.00	1,200.00	.0%	
00144310 6317 OTHER REP		544.42	800.00	700.00	537.18	700.00	700.00	.0%	
TOTAL SUPPLIES & MATERIALS		3,180.25	6,475.00	6,475.00	3,679.57	6,475.00	6,475.00	.0%	
630 OTHR SERVICES & CHARGES									
00144310 6419 OTHER PRO		545.52	800.00	800.00	530.00	800.00	800.00	.0%	
00144310 6421 POSTAGE		93.28	100.00	100.00	.00	100.00	100.00	.0%	
00144310 6422 FREIGHT E		-9.95	60.00	60.00	.00	60.00	60.00	.0%	
00144310 6443 DUES, MEM		.00	105.00	105.00	.00	105.00	105.00	.0%	
00144310 6444 LEGAL ADS		96.78	100.00	100.00	53.88	100.00	100.00	.0%	
00144310 6451 ELECTRIC L		22,348.95	21,900.00	28,895.00	25,716.16	21,900.00	21,900.00	-24.2%	
00144310 6452 WATER/SEWE		1,146.21	4,780.00	3,180.00	1,108.15	4,780.00	3,180.00	.0%	
00144310 6453 GAS		3,732.30	3,500.00	6,920.00	6,165.96	3,500.00	5,100.00	-26.3%	
00144310 6454 TELEPHONE		92,869.97	92,803.00	123,703.00	93,763.47	92,803.00	92,803.00	-25.0%	
00144310 6455 CELLULAR P		2,469.11	2,500.00	2,600.00	1,131.42	2,500.00	2,500.00	-3.8%	
00144310 6514 RENTAL OF		3,071.24	4,908.00	4,908.00	2,243.27	4,908.00	4,908.00	.0%	
TOTAL OTHR SERVICES & CHARGE		126,363.41	131,556.00	171,371.00	130,712.31	131,556.00	131,556.00	-23.2%	
TOTAL TELECOMMUNICATIONS		461,494.47	471,688.00	497,368.00	364,916.02	471,688.00	428,623.00	-13.8%	
TOTAL GENERAL FUND		7,416,917.48	8,578,217.00	8,448,095.00	6,540,943.25	8,446,563.00	8,344,640.00	-1.2%	
0004 TECHNOLOGY FUND									
90400 TECHNOLOGY FUND									
SUPPLIES & MATERIALS									
00490400 6216 TIRE, TUB		.00	280.00	800.00	.00	280.00	300.00	.0%	
00490400 6217 UNIFORMS &		3,965.18	8,000.00	7,000.00	.00	8,000.00	3,000.00	-57.1%	
00490400 6219 PRINTING		2,557.03	8,000.00	9,000.00	6,831.12	8,000.00	4,000.00	-55.6%	
00490400 6226 COMMUNICA		48,990.39	40,000.00	140,000.00	82,232.16	40,000.00	20,000.00	-85.7%	
00490400 6231 COMPUTER		4,938,666.85	2,085,800.00	435,914.00	59,892.70	1,841,013.44	393,000.00	-9.8%	

In contrast to these examples, more description of the department’s activities, highlights for the year, and performance targets can be helpful to readers particularly for departments

and offices that are less well known to the public (e.g., Neighborhood and Community Relations, Adult Representation Services, Development Services).

In particular, performance measures can be helpful because they provide a public statement about what the various budget units do, how dollars are being turned into services, and – at least in theory – whether services are improving over time or with greater investment. In practice, however, performance measures are often reduced to a set of arbitrary measures that are not tied meaningfully to budget allocations or changes in funding. We will discuss this issue and give examples in more depth in the second memo.

Data Sources on Local Budgets

We mentioned and used the [Census of Governments](#) above. As noted above, this source includes the universe of all state and local governments in the U.S. every five years and has data on government finances (revenues, expenditures, debt, payroll) and number of employees (by full-time vs. part-time status). The Census of Governments includes population data but no demographic data so it can be useful to link it with the American Community Survey (ACS) or decennial Census.¹²

Fiscally-standardized Cities Database

Another data source that provides more in-depth but less universal coverage is the [Fiscally Standardized Cities](#) database from the Lincoln Institute of Land Policy. The FiSC describes the importance of its own estimates stating:

“The FiSC estimates are critical for making meaningful fiscal comparisons at the city level, because the delivery of public services is organized in very different ways in different cities. While some city governments provide a full array of public services for their residents and businesses, others share the responsibility with a variety of overlying independent governments. Fiscal comparisons across central city municipal governments alone can thus be highly misleading.”

The FiSC database contains 212 cities, the two largest cities in each state plus all cities with populations of 200,000 or more.¹³ The FiSC data are updated every year but lag, with the most recent data from 2020. The FiSC includes fairly extensive data on city finances overall but more limited detail on departmental revenue and spending.

¹² Unfortunately, this is not a simple link on one variable because the ACS and decennial Census rely on census-designated places (CDPs) with no information on whether or not these are within a formal government and because CDP boundaries do not always align with county or metropolitan boundaries. However, establishing the link once allows access to a variety of Census data that can be extremely informative in understanding the local government’s context including the age distribution of the local population and prevalence of benefit receipt, average wages, largest employers in the labor market and more.

¹³ The FiSC data go back to 1977 and they have periodically updated the list of cities as populations have changed, keeping “legacy cities” and adding new ones. As a result, the database also includes all cities with populations of 150,000+ in 1980 plus cities that had population declines of at least 20% from their peak, poverty rates exceeding the national average, and a peak population of at least 50,000.

State-level Data Sources

In 2020, Pew [cataloged](#) where states were gathering and reporting on local government finances. Since states authorize and regulate local governments, they have some ability to control and enforce greater within-state alignment in budgets and financial reporting. Some of the links Pew gathered no longer work, but when looking for comparability among local budgets within a state, this can be a useful starting place.

Comprehensive Annual Financial Reports

In addition to their budgets, local governments produce financial reporting statements. These are known as Comprehensive Annual Financial Reports (CAFRs) and differ from the budget in their level of detail and specific focus. Full details on financial reporting statements are outside the scope of this memo, but our limited experience here suggests comparability among governments is quite difficult because of wide variation in the organization and quality of those financial reports. Public CAFRs are primarily consumed by bond issuers and financial institutions. There have been some attempts to align and standardize CAFRs within states to increase the comparability across jurisdictions, but as [this report](#) from the Data Foundation mentions, there are significant barriers to standardized financial reporting. One source to learn more about CAFRs may be the [Governmental Accounting Standards Board \(GASB\)](#) which sets standards and recommends best practices for the accounting practices used by local governments.