ATRA SUPPORTS HB2621

Transparency & Consistency in Local Government Budgets

Background
Under current law, local governments are required to hold public hearings and publish their tentative and final budgets in a newspaper of general circulation. Additionally, counties and cities are required to post their adopted budgets to their websites within seven days of adoption and the budgets must remain on the website for five years. Community colleges and fire districts must also adhere to the public meeting and publication requirements of their budgets; however, unlike the existing requirements of counties and cities, there is no requirement that the community colleges and fire districts post their budgets to their websites for any length of time.

Additionally, current law requires that all local governments include general information in their budgets pertaining to estimated revenues and expenditures. These estimates are broken down by fund type (general fund and other special revenue funds) and by department. However, the estimated expenditures for the departmental budgets are listed in the aggregate only; therefore, it is not known how much is budgeted for personnel costs. Also, local governments are required to show, in their budgets, all of their restricted and unrestricted cash. However, there have been a couple of instances in the past in which certain entities did not show all of their cash, particularly their “restricted” cash, in their budgets.

Basis for ATRA’s Support
Effective for fiscal year 2014, HB2621 places the same requirements on community colleges and fire districts that currently exist for other local governments regarding posting their adopted budgets to their websites for a minimum of five years.

Additionally, HB2621 requires that counties, community colleges, and cities provide more detailed information in their budgets, including the estimated number of full-time employees, and the total estimated personnel compensation broken down by salaries and employee-related expenses. Finally, this bill clarifies that local governments must reflect all of their cash in their budgets.

ATRA ASKS LAWMAKERS TO SUPPORT HB2621!