

## Fiscal Highlights

### Follow-up Report - The Rest of the Story - Jonathan Ball

Ever wonder what happened with that \$15,000 appropriation for Utah Symphony outreach to Taylorsville? Or how much of the nearly \$5 million for Jail Contracting was actually spent last year? The [Fiscal Notes and Budget Items Follow-up Report](#) creates a feed-back loop on these and other past budget initiatives.

As Rep. Mel Brown said in the July 16, 2013 Executive Appropriations Committee meeting, often times legislators never know what ultimately happens with spending items. Nor do they learn how accurate were fiscal notes on their bills. In an attempt to address this, the Legislative Fiscal Analyst (LFA) produces an annual report in which we follow-up on past fiscal notes and budget items.

LFA doesn't have the resources to revisit everything, but this year we looked at 117 items that were enacted from 2009 through 2013. For each item, we gave readers a "stoplight" indication for:

- implementation - was it completed and done so on time?;
- accuracy - was the expenditure or revenue estimate right?; and,
- performance - how can we tell if it was a success, and was it?

As shown below, we use common standards to establish the color of the stoplight (red, yellow, or green).

#### *Implementation*

-  Green - Implemented within the first month of the bill's effective date. The definition of implemented will vary according to the difficulty of the bill's task. Tasks that are too large to be implemented in the first month can be considered implemented if the agency has a reasonable plan and they are on schedule.
-  Yellow - Implemented after the first month but before the fourth month of the bill's effective date.
-  Red - Implemented after three months of the bill's effective date.

#### *Accuracy of Familiar Programs / Processes*

-  Green - Within 5% of estimate or variances less than \$10,000.
-  Yellow - Greater than 5% but less than or equal to 10% of estimate and more than \$10,000.
-  Red - Greater than 10% of estimate and more than \$10,000.

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The first few pages of the report summarize the stoplight status of all 117 items. Then each item is discussed in more detail on following pages - including what were initial estimates and how do those estimates compare to experience. The full report can be found here:

<http://le.utah.gov/interim/2013/pdf/00002717.pdf>

This year many of our "performance" stoplights were yellow. That's because, for many of these items, no performance indicators were reported. While performance indicators are in many cases not required by the Legislature, we believe they are essential to judging the effectiveness of an initiative. We propose to improve the use of performance indicators in future appropriations.

The report not only informs legislators about past budget items, it also helps legislative staff do our job. We use the "lessons learned" in yellow and red cases to make recommendations for future budget changes. We also use those cases to improve our processes so that future estimates will be better.

The Executive Appropriations Committee referred this report to appropriations subcommittees for further consideration, including potential budget changes.