



Cost of County Governments – Fiscal Year 2016

Prepared by the Utah Taxpayers Association in cooperation with Strata Policy

The Utah Taxpayers Association's 2017 *Cost of County Governments* report, based on FY 2016 data, shows the relationship between county government revenue and citizen income in Utah's 29 counties. This data provides a snapshot of on average **how much of each thousand dollars earned by a citizen is consumed by the county government in Utah.**

This report systematically compares how well elected officials in Utah's counties control public spending and illustrates the relationship between government as a service provider and citizens as consumers. If government were a business, citizens would be consumers purchasing services with tax dollars and fee payments. But because government is not a private business, citizens are compelled to pay, and the cost of government may not be reflective of the true value of the services provided.

The Utah Taxpayers Association regularly reviews the budgets and tax rates of Utah's cities, counties and school districts. But to provide a more standardized means of comparing how well elected officials control public spending, the Taxpayers Association, in cooperation with Strata Policy, has created this report. An explanation of our methodology is at the end of this report.



STRATA
IDEAS. PEOPLE. PROSPERITY.®

Strata Policy is a Logan, Utah based think tank educating people in the ideas of liberty to foster change in communities.

Highest Cost vs. Lowest Cost County Governments

In the Utah Taxpayers Association's 2017 *Cost of County Governments* report, Daggett County ranks highest for cost of government, where residents pay on average \$171.91 of each \$1000 they earn. The lowest ranked county is Cache County, where residents only pay \$14.88 of each \$1000 earned to the county government. The median cost of county governments in Utah is \$30.97, and the average cost of county governments in Utah is \$41.92.

Rural vs. Urban Counties

Residents in rural counties generally face a higher cost of county government than residents in urban counties. This trend can easily be seen in the saturation map on the following page, with counties along the Wasatch Front appearing in lighter shades of red than their rural counterparts in generally darker shades of red. This rural versus urban trend is expected, as higher population in urban counties helps spread the burden of the counties' fixed costs in providing basic services to county residents.

Salt Lake County and Weber County are the highest cost urban county governments, where the county government consumes \$24.36 and \$23.30 of each \$1,000 earned in the county respectively. Salt Lake County's Cost of Government is higher than its population would suggest. Although Salt Lake County has nearly double the population of any other county in Utah, it is the most expensive urban county in the state. Salt Lake County's revenue from taxes

	County	Population	Rank	County Government Revenue from Taxes and Fees	Rank	County Per Capita Income	Rank	County Gov. Revenue from Taxes & Fees Per Capita	Rank	County Gov. Revenue from Taxes and Fees Per \$1000 of Citizen Income	Rank
1	Daggett	1095	29	\$ 4,169,268	26	\$ 22,149	13	\$ 3,807.55	1	\$ 171.91	1
2	Garfield	4986	25	\$ 10,349,321	21	\$ 19,971	21	\$ 2,075.68	2	\$ 103.93	2
3	Beaver	6463	24	\$ 12,014,355	20	\$ 21,405	15	\$ 1,858.94	3	\$ 86.85	3
4	Kane	7334	23	\$ 13,270,325	18	\$ 24,729	6	\$ 1,809.43	4	\$ 73.17	4
5	Grand	9579	22	\$ 14,523,954	15	\$ 22,635	11	\$ 1,516.23	5	\$ 66.99	6
6	Summit	40307	10	\$ 56,177,535	5	\$ 47,733	1	\$ 1,393.74	6	\$ 29.20	16
7	Emery	10216	21	\$ 14,123,142	16	\$ 19,717	22	\$ 1,382.45	7	\$ 70.11	5
8	Rich	2319	27	\$ 2,632,015	27	\$ 19,168	24	\$ 1,134.98	8	\$ 59.21	7
9	Millard	12694	18	\$ 13,555,072	17	\$ 20,602	18	\$ 1,067.83	9	\$ 51.83	8
10	Duchesne	20337	16	\$ 19,227,047	13	\$ 23,576	8	\$ 945.42	10	\$ 40.10	9
11	Wasatch	30528	12	\$ 24,957,115	10	\$ 26,397	5	\$ 817.52	11	\$ 30.97	15
12	Uintah	36373	11	\$ 28,638,869	9	\$ 24,720	7	\$ 787.37	12	\$ 31.85	14
13	Wayne	2702	26	\$ 1,897,366	28	\$ 20,121	20	\$ 702.21	13	\$ 34.90	13
14	Sevier	21267	14	\$ 14,900,222	14	\$ 19,261	23	\$ 700.63	14	\$ 36.38	10
15	Salt Lake	1121354	1	\$ 746,019,876	1	\$ 27,314	2	\$ 665.28	15	\$ 24.36	19
16	Piute	1466	28	\$ 900,833	29	\$ 17,493	27	\$ 614.48	16	\$ 35.13	11
17	Carbon	20399	15	\$ 12,416,728	19	\$ 21,287	17	\$ 608.69	17	\$ 28.59	17
18	San Juan	16895	17	\$ 9,283,270	22	\$ 15,654	29	\$ 549.47	18	\$ 35.10	12
19	Weber	247560	4	\$ 135,824,293	3	\$ 23,545	9	\$ 548.65	19	\$ 23.30	20
20	Juab	11010	20	\$ 5,599,735	24	\$ 18,447	26	\$ 508.60	20	\$ 27.57	18
21	Morgan	11437	19	\$ 5,414,873	25	\$ 27,312	3	\$ 473.45	21	\$ 17.33	25
22	Tooele	64833	7	\$ 28,654,951	8	\$ 22,643	10	\$ 441.98	22	\$ 19.52	22
23	Iron	49937	9	\$ 21,327,156	12	\$ 18,995	25	\$ 427.08	23	\$ 22.48	21
24	Box Elder	53139	8	\$ 22,152,524	11	\$ 21,748	14	\$ 416.88	24	\$ 19.17	23
25	Davis	342281	3	\$ 126,066,368	4	\$ 26,411	4	\$ 368.31	25	\$ 13.95	28
26	Sanpete	29409	13	\$ 9,266,829	23	\$ 16,965	28	\$ 315.10	26	\$ 18.57	24
27	Washington	160245	5	\$ 50,001,280	6	\$ 22,459	12	\$ 312.03	27	\$ 13.89	29
28	Utah	592299	2	\$ 180,521,930	2	\$ 21,335	16	\$ 304.78	28	\$ 14.29	27
29	Cache	122753	6	\$ 36,949,054	7	\$ 20,223	19	\$ 301.00	29	\$ 14.88	26
	Median	20,399		\$ 14,523,954		\$ 21,405		\$ 665.28		\$ 30.97	
	Average	105,214		\$ 55,890,873		\$ 22,552		\$ 926.06		\$ 41.92	

and fees per capita is nearly identical to Morgan County's, even though Salt Lake County's population is more than one hundred times that of Morgan County.

Property Values vs. Cost of County Government

Another general trend observed in this report is the direct relationship between property values and Cost of County Government. Utah's biggest resort community, Park City, located in Summit County, has a lower percentage of land occupied by primary residences than most cities. With so little land receiving a primary residence's 45% reduction in property taxes, Summit County tends to have more property tax revenue available. With more property tax revenue available, the county tends to spend more.

Similarly, the power plants in Emery and Millard counties generate unusually high-assessed valuations, and so they have more money to spend than counties with similar populations.

This analysis indicates that county commissions enjoying higher than average property tax revenues spend the money available, rather than lowering tax rates to keep their county's cost of government more in line with counties of a similar population.

In interpreting the cost of government in Utah's various counties, readers should keep in mind that each county provides a different mix of services. For example, Salt Lake County funds a countywide library system, while Utah County provides no such service.

Cost of County Governments also doesn't account for taxes and fees across other levels of government and only shows the cost of the *county* government to citizens. The true cost of government to citizens is best understood when including county, city, and school district costs.

Methodology and Data

In order to determine the Cost of Government for Utah's 29 counties, 2016 population estimates and 2015 per capita income data was collected from the US Census Bureau. Government revenue and line item data was gathered from 2016 county financial reports from the Utah State Auditor's Office.

The **County Government Revenue from Taxes and Fees** includes all county government revenue *minus* certain intergovernmental line items such as grants, sale of assets, rents, interest earnings, contributions, and intergovernmental transfers. This reflects how much county revenue is obtained through taxes and fees paid directly by citizens, and avoids double counting across levels of government.

The **Cost of County Government** is calculated by dividing the discounted revenue totals for each county by total per capita income in the county, and is expressed in thousands of dollars. This figure shows how much of each thousand dollars earned by citizens in a county is consumed by the county government.

The **County Government Revenue from Taxes and Fees Per Capita** shows County Government Revenue from Taxes and Fees divided by the county population, giving a rough estimation of how much revenue the county extracts per citizen.

Both numbers are useful in understanding how well elected officials control public spending. However, as stated earlier, each county provides a different mix of services, and this variation in services should be kept in mind when interpreting and comparing the cost of government in Utah's 29 counties.

Sources:

Per Capita Income Data: US Census Bureau, 5-year estimates from American Fact Finder

Government Revenue Data: Utah State Auditor's Office, audited county financial reports

All calculations by the Utah Taxpayers Association