

**THE CITY OF BLUFFDALE, UTAH
A MUNICIPAL CORPORATION**

RESOLUTION NO. 2013- 15

**A RESOLUTION SUPPORTING THE FINANCIAL READY UTAH EFFORTS TO
ASSESS AND PROVIDE FOR THE POTENTIAL RISK TO UTAH FROM
DEPENDENCE ON UNSUSTAINABLE FEDERAL FUNDS**

WHEREAS, the City Council of the City of Bluffdale and the citizens it represents believe that our national fiscal recklessness poses a great, clear and present threat to America's future; and

WHEREAS, David Walker, former Comptroller General of the United States warns "The most serious threat to the United States is not someone hiding in a cave in Afghanistan or Pakistan, but our own fiscal irresponsibility;"¹ and

WHEREAS, the federal government is now in its fourth year² of not passing a budget; and

WHEREAS, the national debt has now surpassed \$16.4 trillion (more than \$136,000 per household³), annual deficits have exceeded one trillion dollars for each of the last four years, and unfunded obligations for social programs now exceed \$85 trillion⁴, with no apparent congressional resolution on the horizon; and

WHEREAS, it took 200 years for our nation to accumulate the first trillion dollars in debt and only 286 days⁵ to accumulate the most recent trillion; and

WHEREAS, \$85 billion a month⁶ of the national debt and annual deficits are now offset through Federal Reserve operations such a "quantitative easing" and "operation twist;" and

WHEREAS, more than 40 cents of every dollar of the State of Utah spends⁷ comes from the federal government that borrows and/or prints more than 40 cents of every dollar⁸ it sends to Utah; and

WHEREAS, on New Year's Eve, Congress merely delayed to March 1, 2013 the implementation of the automatic cuts("sequestration") of 8-9% of federal discretionary spending

¹ http://www.cbsnews.com/8301-18560_162-2528226.html

² <http://www.foxnews.com/politics/2013/01/08/budget-say/>

³ <http://cnsnews.com/news/article/us-debt-now-136260-household-50-under-obama>

⁴ <http://online.wsj.com/article/SB10001424127887323353204578127374039087636.html>

⁵ <http://www.moneynews.com/Advani/Romney-Obama-debates-deficit/2012/10/17/id/460316#ixzz21HcxbHPq>

⁶ <http://money.cnn.com/2012/09/13/news/economy/federal-reserve-qe3/index.html>

⁷ Intergovernmental financial Dependency: A Study of 50 Key Dependency Measures for the 50 States, 2012 Clifton Larsen Allen, LLP, <http://www.cliftonlarsenallen.com/IFD50statesstudy/> (Direct Federal Dollars Flowing to States as a Percentage of Total State Revenues-Fiscal Year 2010 Utah ranks 14th at 45.3% - \$7,332,975 in federal funds of total state revenues of \$16,195,199)

⁸ http://www.realclearpolitics.com/articles/2012/09/25/america_faces_a_sea_of_red_ink_115571.html

(including funds to state and local governments) and 10% of military spending under the Budget Control Act of 2011; and

WHEREAS, this fiscal scenario is by all accounts “unsustainable”⁹ for the nation as well as for our state; and

WHEREAS, in May of 2012, the American Institute of CPAs in their review of the Federal Government’s most recent Annual Financial Statements warned

“The U.S. is not exempt from the laws of prudent finance. We must take steps to put our financial house in order. The credit rating agencies have recently issued renewed warnings of U.S. credit downgrades unless substantive reforms are made. Our current fiscal policy results in mortgaging our nation’s future without investing in it, leaving our children, grandchildren and future generations to suffer the consequences. This is irresponsible, unethical and immoral.”

WHEREAS, restoring fiscal sanity and sustainability is at the heart of jumpstarting economic growth and fostering a business climate where companies can grow and begin to hire; and

WHEREAS, absent credible actions to address this fiscal irresponsibility, uncertainty will continue to dominate business decision-making and economic recovery will languish;

NOW, THEREFORE, BE IT RESOLVED THAT THE BLUFFDALE CITY COUNCIL wholeheartedly supports the Financial Ready Utah initiative of fostering within our state an enterprise risk management process to assess the immediacy severity and probability of risks from any reductions of federal funds to the State of Utah and how the state will marshal the resources, human and capital, of the state to prioritize and provide the most essential government services; and

BE IT FURTHER RESOLVED THAT THE BLUFFDALE CITY COUNCIL calls upon local, state and national representatives to take immediate and sustained action to eliminate deficit spending and secure economic self-reliance to our states and our nation; and

BE IT FURTHER RESOLVED THAT THE BLUFFDALE CITY COUNCIL calls upon national representatives to follow the constitution of the United States and pass a budget each year and adopt a credible and sustainable plan to balance those budgets; and

BE IT FURTHER RESOLVED THAT THE BLUFFDALE CITY COUNCIL calls upon its fellow towns, cities, and counties to do all in their power and influence to support Utah’s elected representatives, including Utah’s Governor, Attorney General, Legislature, Congressional Delegation and County Commissioners, to exert their utmost abilities, influence and authority to adopt and implement comprehensive financial risk managements measures for our state, with time being of the essence; and

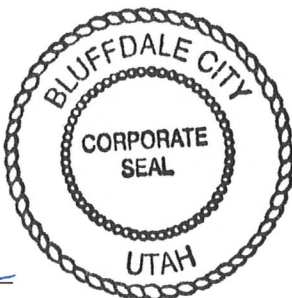
BE IT FURTHER RESOLVED THAT copies of this resolution be sent to the Governor, Attorney General, Senate President, Speaker of the House, each member of Utah’s Congressional Delegation, the Utah Association of Counties, the Utah League of Cities and

⁹ <http://cnsnews.com/news/article/gao-federal-spending-driving-unsustainable-debt>

Towns, Financial Ready Utah, Utah State Chamber of Commerce, the Jordan School District Board, and the South West Valley Chamber of Commerce.

PASSED, ADOPTED AND APPROVED the 26th day of February, 2013.

By: Derk P. Timothy
Mayor Derk P. Timothy



ATTEST:

Teddie K. Bell
Teddie K. Bell, City Recorder

Voting by the City Council:

	Aye	Nay
Council Member Jackson	<u>x</u>	_____
Council Member Kartchner	<u>x</u>	_____
Council Member Nelson	<u>x</u>	_____
Council Member Nielsen	<u>x</u>	_____
Council Member Pehrson	<u>x</u>	_____