

RESEARCH BRIEF

on America's Cities

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City Fiscal Conditions in 2009

SEPTEMBER 2009

Facing a national economic recession driven by declining housing values, restrictive credit markets, slowed consumer spending and rising unemployment, the nation's city finance officers report that the fiscal condition of the nation's cities continues to weaken in 2009.¹ Among the findings of the National League of Cities' latest annual survey of city finance officers are:

- Nearly nine in 10 (88 percent) city finance officers report that their cities are less able to meet fiscal needs in 2009 than in the previous year;
- Final numbers for 2008 reveal that city expenditure growth (4.9 percent) outpaced city revenue growth (3.4 percent);
- As finance officers look to the close of 2009, they predict that revenues will decline (-0.4 percent), while spending will increase by 2.5 percent;
- Property tax revenues increased by 6.2 percent in 2008, reflecting rising housing values in previous years, but are predicted to slow to 1.6 percent growth by the close of 2009;
- City sales tax revenues (-3.8 percent) and income tax revenues (-1.3 percent) are predicted to decline through to end of 2009;
- Spending pressures stem from declining local economic health, rising costs of providing services, public safety and infrastructure costs and employee-related costs for health care, pensions and wages;
- To cover budget shortfalls and balance annual budgets, cities are instituting hiring freezes and laying off personnel, as well as delaying or cancelling planned infrastructure projects; and,
- Ending balances, or "reserves," while still at high levels, decreased as cities used these balances to weather the effects of the downturn.

MEETING FISCAL NEEDS

In 2009, nearly nine in 10 (88 percent) city finance officers report that their cities are less able to meet fiscal needs than in 2008. City finance officers' assessment of their cities' fiscal conditions in 2009 has decreased significantly from their 2008 assessment, when 64 percent of city finance officers said their cities were less able to meet fiscal needs than in 2007. Pessimism about the ability to meet city fiscal needs is at its highest level in the history of NLC's 24-year survey. Finance officers in cities that rely upon property taxes and sales taxes — the two most common local tax sources — are equally likely to say that their cities are less

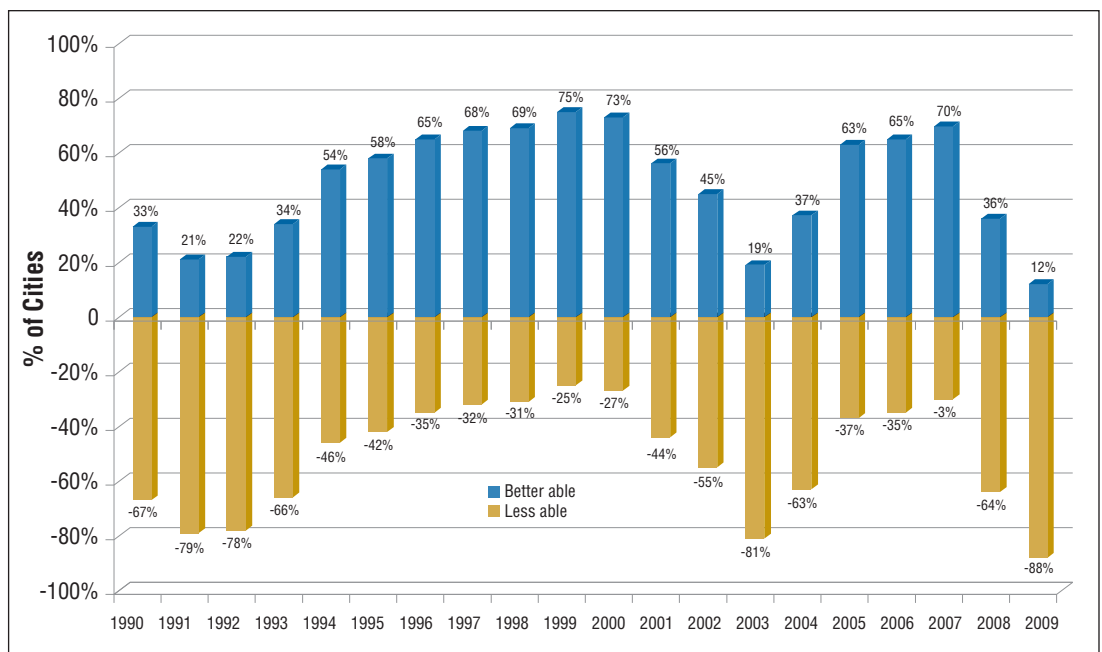


Figure 1: % of Cities "Better Able/Less Able" to Meet Financial Needs in FY 2009

¹ All references to specific years are for fiscal years as defined by the individual cities. The use of "cities" or "city" in this report refers to municipal corporations.

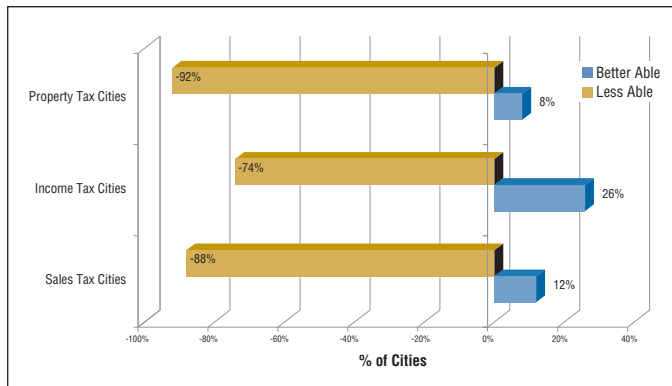


Figure 1A: % of Cities “Better Able/Less Able” to Meet Financial Needs in FY 2009, by Tax Authority

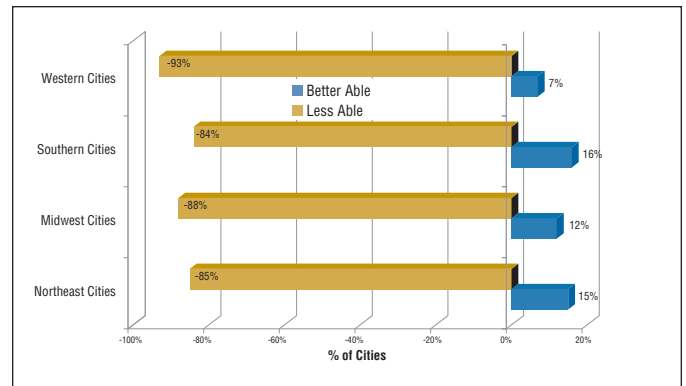


Figure 1B: % of Cities “Better Able/Less Able” To Meet Financial Needs in FY 2009, by Region

able to meet fiscal needs in 2009. Finance officers in the West are slightly more likely to say that their cities are worse off in 2009 than finance officers in cities in other regions.²

REVENUE AND SPENDING TRENDS

Cities ended 2008 with year-to-year general fund expenditure growth outpacing general fund revenue growth.³ In current dollars, not adjusted for inflation, the year-to-year change in general fund revenues in 2008 was 4.1 percent over 2007 revenues, while expenditures increased by 5.6 percent. Looking to the close of 2009, city finance officers predict that revenues will decrease slightly by -0.4 percent, while expenditures will increase by 2.5 percent.

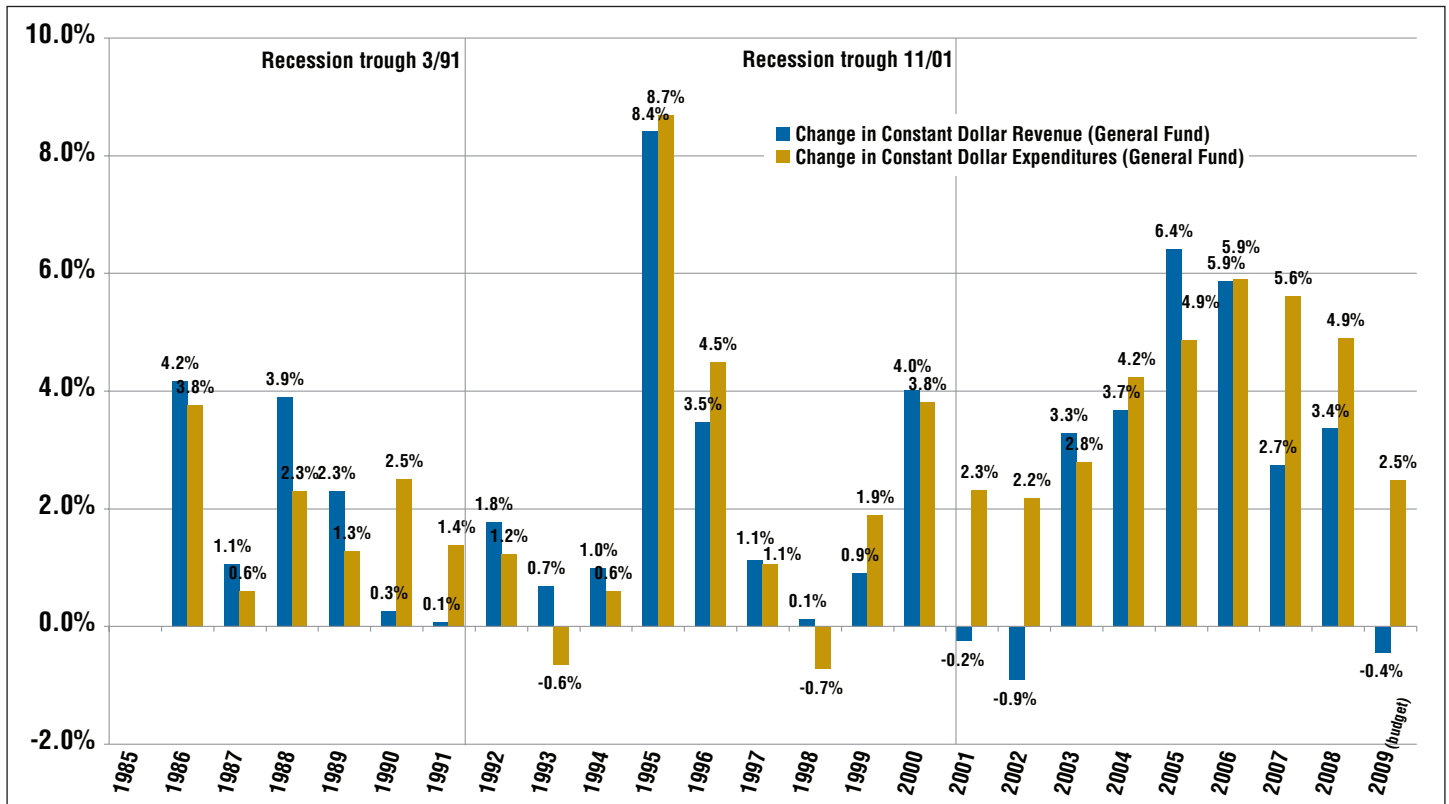


Figure 2: Year-to-Year Change in General Fund Revenues and Expenditures (Constant Dollars)

² Regional classifications are based on U.S. Census-defined regions: “Northeast” includes cities in Conn., Maine, Mass. N.H., N.J., N.Y., Pa., R.I., Vt.; “Midwest” includes cities in Ill., Ind., Iowa, Kan., Mich., Minn., Mo., Neb., N.D., Ohio, S.D., Wisc.; “South” includes cities in Ala., Ark., Del., D.C., Fla., Ga., Ky., La., Md., Miss., N.C., Okla., S.C., Tenn., Texas, Va., W.Va.; “West” includes cities in Alaska, Ariz., Calif., Colo., Hawaii, Idaho, Mont., Nev., N.M., Ore., Utah, Wash., Wyo.

³ The general fund is the largest and most common fund of all cities, accounting for approximately two-thirds of city revenues across the municipal sector.

Adjusting for inflationary factors in the state and local sector, the constant dollar, year-to-year increase in city revenues from 2007 to 2008 was 3.4 percent, while expenditures grew at a rate of 4.9 percent.⁴ For 2009, in constant dollars, city finance officers project that general fund revenues will decline by -0.4 percent and expenditures will increase by 2.5 percent. In other words, the projections for 2009 are the same in current and constant dollars, reflecting the impact of the economic recession on inflation.

Taken together, city finance officers' projections for 2009 revenue and spending point to a budget gap of 2.9 percent. Because city governments are required to balance their budgets under state law, this budget gap suggests that many city governments are confronting decisions in 2009 about cutting spending, raising additional revenues, or drawing down reserves.

For the final 2008 numbers in particular, a more dramatic impact on city revenues might have been expected given the stark downturn in underlying economic conditions. However, these impacts were not as evident for 2008 due to the lag between changing economic conditions and city revenue collections. Due to property tax assessment cycles, it often takes several years for city property tax revenues to accurately reflect the totality of changes in housing values. Similarly, it can take several months for city sales tax revenues to reflect changes in consumption, largely due to collection and administration issues. For these reasons, the deeper effects of the economic recession will likely be experienced and reported by cities beyond 2009, with the leanest years likely to be 2010 and 2011. (For more on the lag between economic changes and city revenues, see page 8)

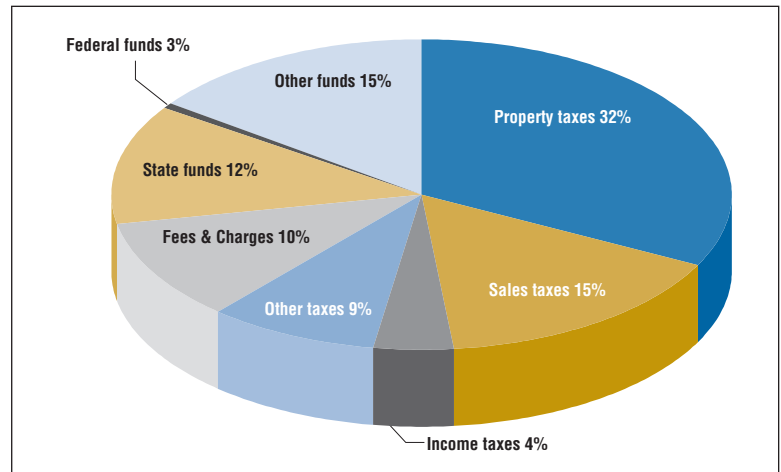


Figure 3: Municipal General Fund Revenue Composition, 2009

TAX REVENUES

The fiscal condition of individual cities varies greatly depending on differences in local tax structure and reliance. While an overwhelming majority of cities have access to a local property tax, many are also reliant upon local sales taxes and some are reliant upon local income taxes. Consequently, it is also worthwhile to understand the differing performance of these tax sources and the connections to broader economic conditions.⁵

Local property tax revenues are driven primarily by the value of residential and commercial property, with property tax bills determined by local governments' assessment of the value of property. Property tax collections lag the real estate market because local assessment practices take time to catch up with changes in the market. As a result, current property tax bills and property tax collections typically reflect values of property from anywhere from 18 months to several years prior.

The effects of the well-publicized downturn in the real estate market over the past two years are becoming increasingly evident in city property tax revenues, but do not yet reflect the full effects of the economic downturn. Collections for 2008 continued to reveal strong revenue growth as assessments caught up with the previous growth in the real estate market. Property tax revenues increased in 2008 by 6.9 percent, compared with 2007 levels, or in constant dollars, an increase of 6.2 percent. Projected property tax collections for 2009, however, point to some of the impact of the downturn in real estate values. Property tax revenues for 2009 are projected to grow in current dollars by 1.7 percent, or 1.6 percent in constant-dollar terms. But the full weight of the decline in housing values has yet to be experienced by many cities, and property tax revenues will likely decline in 2010, 2011 and 2012 as declining property values are reflected in city property tax rolls.

Changes in economic conditions are also evident in terms of changes in city sales tax collections. When consumer confidence is high, people spend more on goods and services and city governments with sales-tax authority reap the benefits through increases in sales tax collections. For much of this decade, consumer spending was also fueled by a strong real estate market that provided additional wealth to homeowners. The struggling economy and the declining real estate market have reduced consumer confidence, resulting in less consumer spending and slower growth or decline in sales tax revenues. City sales tax receipts improved in 2008 over previous-year receipts by 3.0 percent in current dollars, or 2.3 percent in constant dollars. However, city finance officers project a decline in 2009 of -3.8 percent in current and constant dollars.

City income tax receipts have been fairly flat, or have declined, for most of the past decade in constant dollars. Income tax revenues are driven primarily by income and wages, not capital gains. The lack of growth in these revenues suggests that economic recovery

⁴ "Constant dollars" refers to inflation-adjusted dollars. "Current dollars" refers to non-adjusted dollars. To calculate constant dollars, we adjust current dollars using the U.S. Bureau of Economic Analysis (BEA) National Income and Product Account (NIPA) estimate for inflation in the state and local government sector. Constant dollars are a more accurate source of comparison over time because the dollars are adjusted to account for differences in the costs of state and local government.

⁵ For more information on variation in local and state tax structures, see *Cities and State Fiscal Structure*, NLC (2008) at http://www.nlc.org/resources_for_cities/publications/1637.aspx.

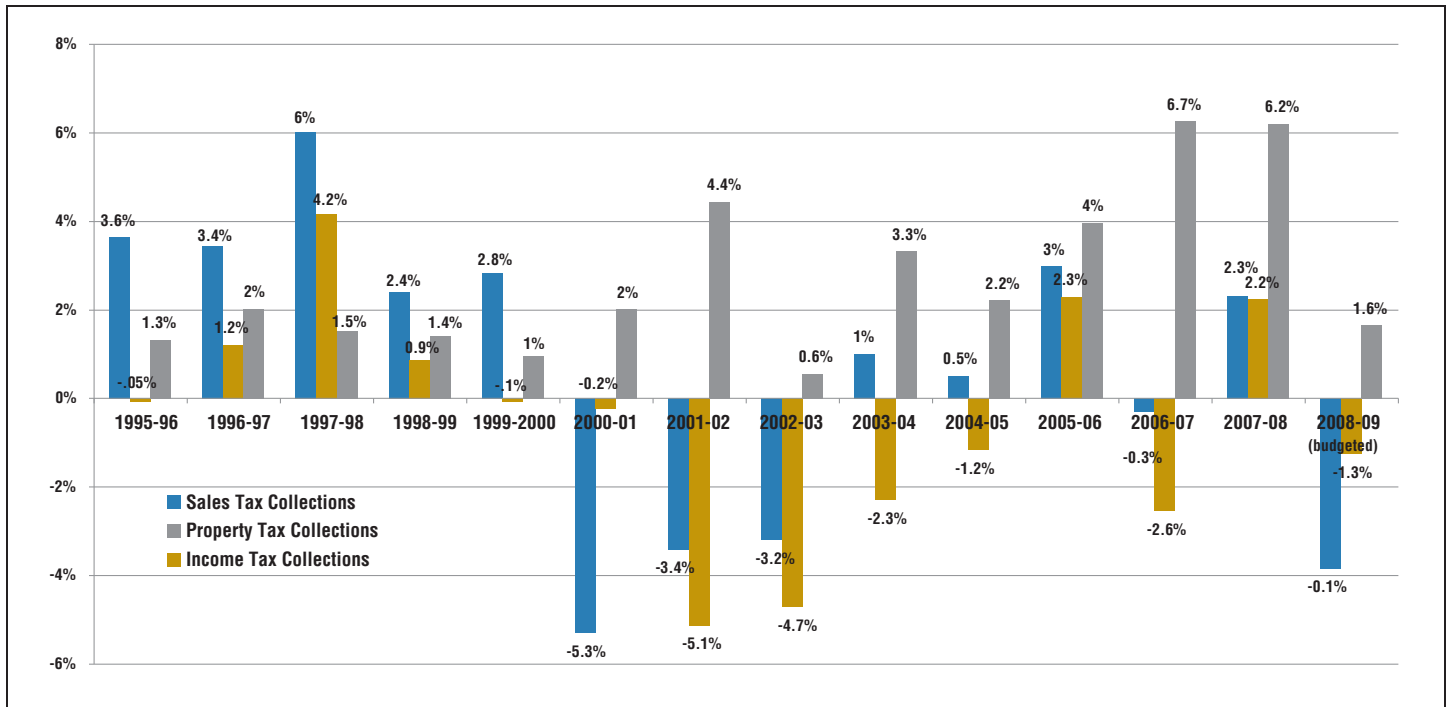


Figure 4: Year-to-Year Change in General Fund Tax Receipts (Constant Dollars)

following the 2001 recession was, as many economists have noted, a recovery characterized by a lack of growth in jobs, salaries and wages. In current dollars, 2008 city income tax revenues increased by 3.0 percent (2.2 percent in constant dollars). Amid the current recession, with the unemployment level increasing to nine to 10 percent nationally, wages and other compensation that drive income taxes will be affected as well. Projections for 2009 are for a current dollar decline of 1.2 percent (constant-dollar decline of 1.3 percent). Unemployment often lags other economic indicators and the effects of high unemployment on wages and compensation will likely intensify in future years.

City finance officers are therefore predicting no growth or actual declines in all three major sources of tax revenue for cities in 2009. In last year's report, city finance officers also expected actual declines in all three major revenue sources, but were spared somewhat when closing the 2008 books as the property tax receipts nationally were not as down as predicted. However, with national economic indicators pointing to continued struggles, the impacts of those economic conditions on local revenue sources, and the lag between declining economic conditions and local revenue impacts, all indications point to worsening city fiscal conditions in 2010, 2011 and beyond.

FACTORS INFLUENCING CITY BUDGETS

A number of factors combine to determine the revenue performance, spending levels and overall fiscal condition of cities. The survey presented city finance directors with a list of factors that affect city budgets.⁶ Respondents were asked whether each of the factors had increased or decreased between 2008 and 2009, regardless of fiscal impact, and whether the change is having a positive or negative influence on the city's overall fiscal picture. Leading the list of factors that finance officers say have increased over the previous year are employee wage costs (86 percent), employee health benefit costs (81 percent) and pension costs (77 percent). Infrastructure (80 percent) and public safety (74 percent) costs were most often noted as increasing among specific service arenas. Prices that impact the cost of delivering city services (77 percent) were also among the most-selected factors.

Leading factors that city finance officers report to have decreased are the health of the local economy (77 percent) and the amount of state aid to cities (50 percent).

When asked about the positive or negative impact of each factor on city finances in 2009, four in five city finance officers cited employee wages (83 percent), the health of the local economy (81 percent) and employee health benefit costs (79 percent) as having a negative impact. At least seven in 10 city finance officers also cited infrastructure costs (75 percent), prices (75 percent), pension costs (75 percent) and public safety costs (71 percent). One in two (51 percent) reported that the amount of state aid is having a negative impact on city finances.

⁶ The factors include: infrastructure needs; public safety needs; human service needs; education needs; employee wages; employee pension costs; employee health benefit costs; prices and inflation; amount of federal aid; amount of state aid; federal non-environmental mandates; federal environmental mandates; state non-environmental mandates; state environmental mandates; state tax and expenditure limitations; population; city tax base; and the health of the local economy.

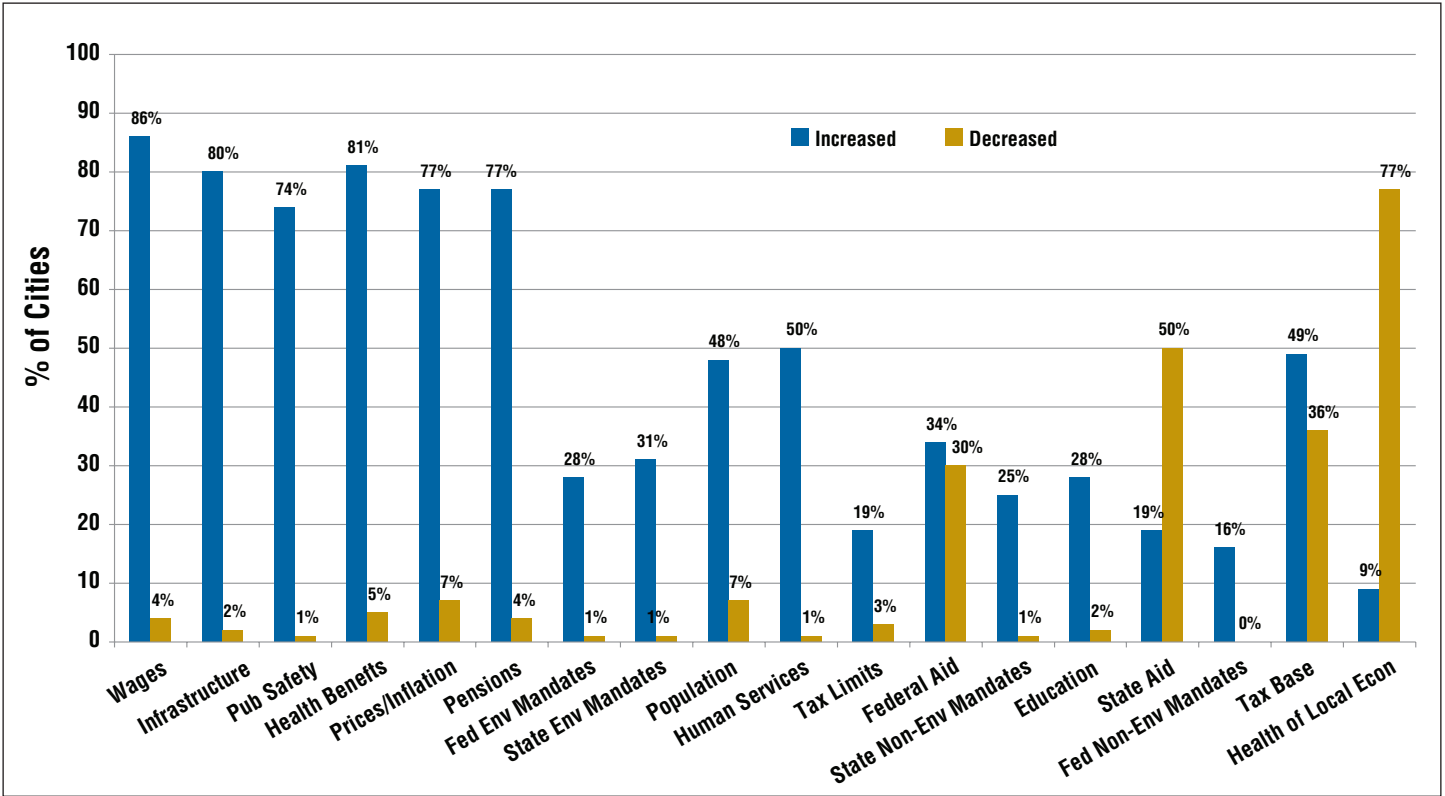


Figure 5: Change in Selected Factors From FY 2008 to 2009

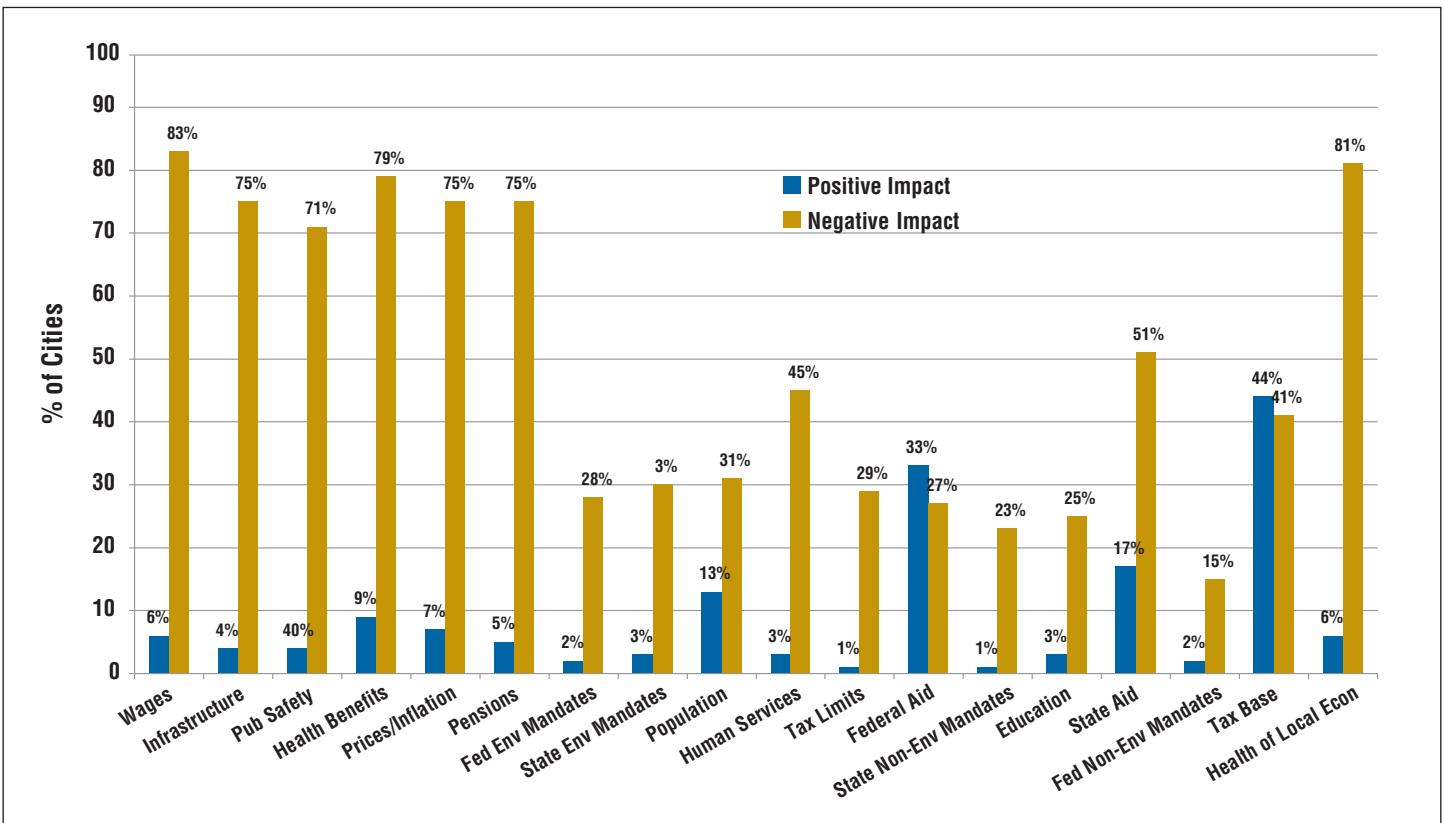


Figure 6: Impact of Selected Factors on FY 2009 Budgets and Ability to Meet Cities' Overall Needs

FISCAL ACTIONS

City finance officers were also asked about specific revenue and spending actions taken in 2009. The most common action taken to boost city revenues has been to increase the levels of fees for services. Almost half (45 percent) of the responding city finance officers reported that their city has taken this step. At least one in five cities also increased the number of fees (27 percent) or the level of impact and development fees (19 percent). One in four cities (25 percent) has increased property tax rates. Increases in sales tax rates (5 percent), income tax rates (1 percent), and other tax rates (6 percent) are less common. On the spending side, one in two (53 percent) city finance officers reported increases in public safety spending, decreases in overall operating spending (49 percent) and decreases in spending on the municipal workforce (49 percent) in 2009.

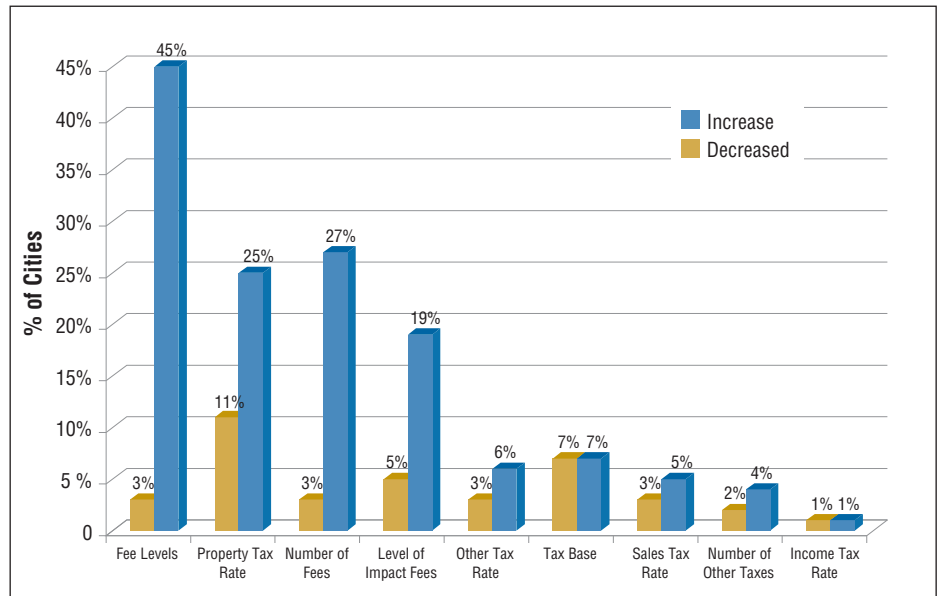


Figure 7: Revenue Actions in 2009

SPENDING CUTS & RESPONSES TO SHORTFALLS

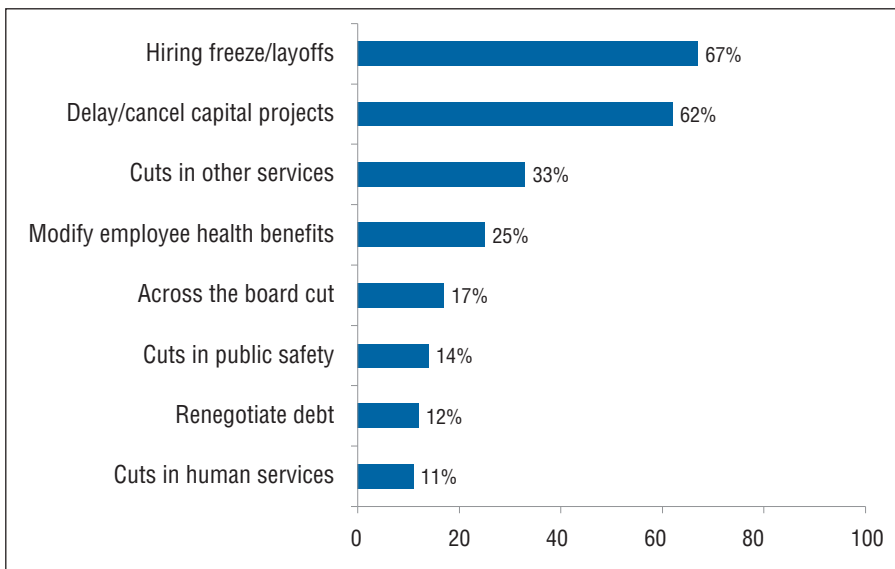


Figure 8: City Spending Cuts in 2009

In response to declining economic conditions and the prospect of budget shortfalls, city finance officers were asked if their cities were making spending cuts in 2009 and whether they would likely face another round of cuts in 2010. Nine in 10 (91 percent) finance officers reported that their cities are making spending cuts in 2009, and 82 percent predict that their cities will make further cuts in 2010.

When asked about the most common responses to prospective shortfalls this fiscal year, by a wide margin the most common responses were instituting a hiring freeze and/or laying off staff (67 percent) and delaying or cancelling capital infrastructure projects (62 percent). One in three finance officers reported that their city is making cuts in services other than public safety and human-social services — types of services that tend to be higher in demand during economic downturns.

ENDING BALANCES

One way that cities prepare for future fiscal challenges is to maintain high levels of general fund ending balances, or what are often referred to as “reserves.” Ending balances are similar to “rainy day funds” in that they provide a financial cushion for cities. Despite recent cyclical changes in economic and fiscal conditions, city ending balances have grown in recent years. In 2007, as cities began preparing for the coming downturn, city ending balances, as a percentage of general fund expenditures, reached a historical high for the NLC survey of 25 percent, and were a comparable 24 percent in 2008. However, as economic conditions make balancing city budgets more difficult, ending balances may be utilized to help fill the gap. City finance officers projected a draw down of ending balances for 2009 to just under 21 percent of general fund expenditures.

Ending balances, which are transferred forward to the next fiscal year in most cases, are maintained for many reasons. For example, cities build up healthy balances in anticipation of unpredictable events such as natural disasters and economic downturns. But they are also built up deliberately, much like a personal savings account, to set aside funds for planned events such as construction of water treatment facilities or other capital projects. Bond underwriters also look at reserves as an indicator of fiscal responsibility, which can increase credit ratings and decrease the costs of city debt, thereby saving the city money. Finally, as federal and state aid to cities have become smaller proportions of city revenues, cities have become more self-reliant and are much more likely to set aside funds for emergency or other purposes.

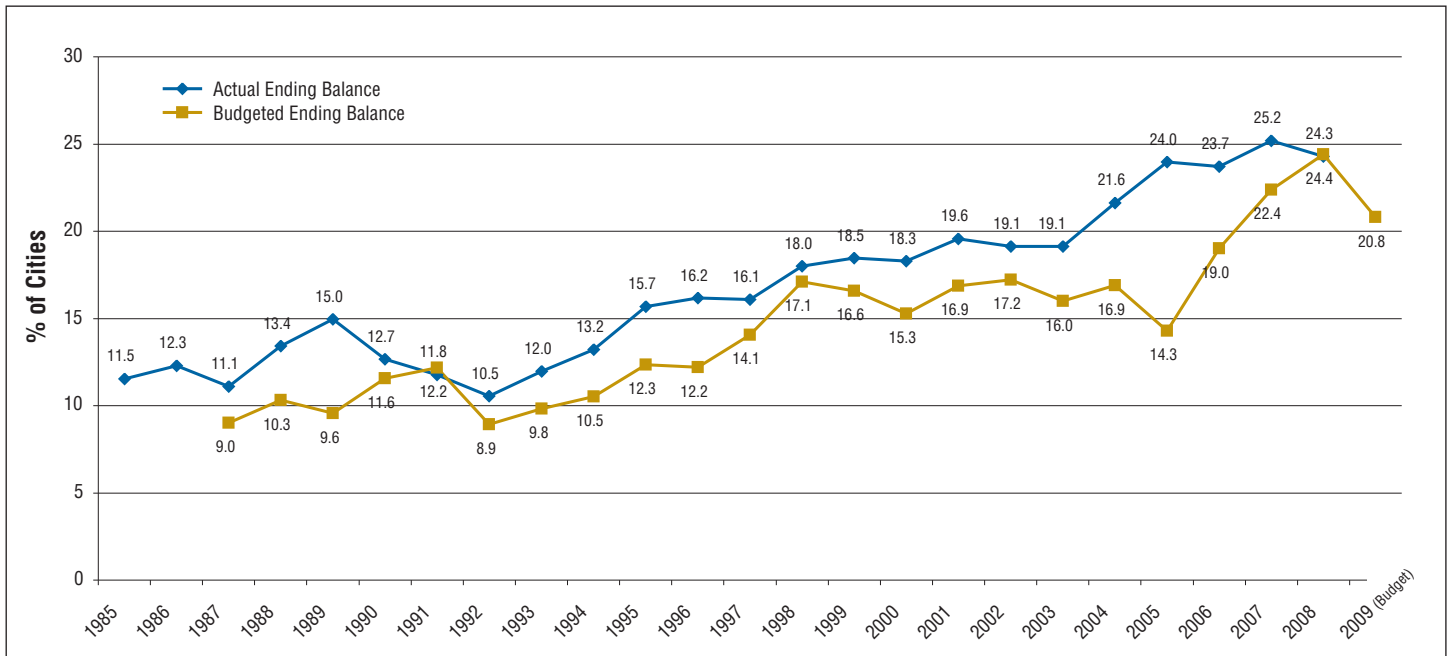


Figure 9: Ending Balances as a Percentage of Expenditures (General Fund)

BEYOND 2009

2009 represents a critical turning point for city fiscal conditions. The impacts of the current economic downturn are evident in city finance officers' assessments of their ability to meet fiscal needs, in projections for 2009 revenues and in the actions taken in response to changing conditions. Since city fiscal conditions tend to lag behind national economic conditions, the effects of a depressed real estate market, low levels of consumer confidence and high levels of unemployment will likely play out in cities well into future years. National economic forecasts are not projecting immediate and substantial improvements in the nation's economic conditions, meaning that the nation's cities will most likely still be realizing the effects of the current downturn in 2010, 2011 and beyond. The outlook for the nation's cities in the next year includes a number of concerns:

- Real estate markets tend to be slow to recover from downturns, which will be particularly true this time around as housing values recover from the largest real estate decline at least the past 40 years, meaning that a rapid rebound in property tax revenues is unlikely in the next few years;
- Other economic conditions — consumer spending, unemployment and wages — are also struggling and will weigh heavily on future city sales and income tax revenues;
- Large state government budget shortfalls in 2010 and 2011 will likely be resolved through cuts in aid and transfers to many local governments as states have historically balanced their budgets in part by such actions;
- Three of the factors that city finance officers report as having the largest negative impact on their ability to meet needs are employee-related costs for health care coverage, pensions and wages. Health care costs, in particular, are increasing at a faster rate than city revenues. This reality is unlikely to change in the near future, placing added fiscal strain on city budgets;
- Tightened credit markets have made it increasingly difficult for cities to maintain debt-funded projects, particularly for infrastructure, and have resulted in higher debt costs;
- Facing revenue and spending pressures, cities are likely to continue to draw down ending balances; and
- Public concern about government taxes and spending in the midst of recession, combined with the 2010 election year, conspire to raise the prospect of political efforts to permanently constrain local authority, limiting the tools available to public officials to offset declining fiscal conditions.

Confronted with these issues, nine in 10 (89 percent) city finance officers forecast that their cities will be less able to meet needs in 2010 than they were in 2009. The economic downturn will translate into reduced city revenues, while demand for services and increases in costs will continue to put pressure on the spending side of the ledger. The fiscal health of the nation's cities represents more bad news for the national economy. The state-local sector of the economy is now in the midst of a downturn that will be several years in length. Faced with these pressures, local, state and federal leaders will need to work together to ensure that their responses help to stabilize the economy and do not exacerbate the difficult conditions already confronting the nation's leaders.

THE LAG BETWEEN ECONOMIC & CITY FISCAL CONDITIONS

We often refer to the lag between changes in the economic cycle and the impact on city fiscal conditions.

What does this mean? The lag refers to the gap between when economic conditions change and when those conditions have an impact on reported city revenue collections. In fact, cities likely feel the impacts of changing economic conditions sooner. However, because reporting of city fiscal conditions occurs, in most cases, on an annual basis, whether through annual budget reporting or NLC's annual survey, those impacts tend to not become evident until some point after the changes have started to occur.

How long is the lag? The lag is typically anywhere from 18 months to several years, and it is related in large part to the lag in property tax collections. Property tax bills represent the value of the property in some previous year, when the last assessment of the value of the property was conducted. A downturn in real estate prices may not be noticed for one to several years after the downturn began, because property tax assessment cycles vary across jurisdictions: some reassess property annually, while others reassess every few years. Consequently, property tax collections, as reflected in property tax assessments, lag economic changes (both positive and negative) by some period of time. Sales and income tax collections also exhibit lags due to collection and administration issues.

Figure 2 (pg. 3), which shows year-to-year change in city general fund revenues and expenditures, also includes markers for the official U.S. recessions that occurred in 1991 and 2001, with low points, or "troughs" in March 1991 and November 2001 according to the National Bureau of Economic Research (NBER). Comparing the dates of the recessions to the low point of city revenue and expenditures as reported in NLC's annual survey (typically conducted between March and June of every year), we see that the low point for city revenues and expenditures after the 1991 recession occurred in 1993, approximately two years after the trough of the U.S. economic recession (March 1991 to March 1993). After the 2001 recession, the low point for city revenues and expenditures occurred in 2003, approximately 18 months after the trough of the U.S. economic recession (November 2001-April 2003). Our reporting on this lag is dependent upon when the annual NLC survey is conducted, meaning that there is some degree of error in the length of the lag; for instance, had the survey been conducted in November of 1992, rather than April of 1993, we might have picked the effects of changing economic conditions earlier. Nevertheless, our point, that the evidence of the effects of changing economic conditions tend to take 18 months to several years to become evident, is borne out by the available data.

ABOUT THE SURVEY

The City Fiscal Conditions Survey is a national mail survey of finance officers in U.S. cities. Surveys were mailed to a sample of 1,055 cities, including all cities with populations greater than 50,000 and, using established sampling techniques, to a randomly generated sample of cities with populations between 10,000 and 50,000. The survey was conducted from April to June 2009. The 2009 survey data are drawn from 379 responding cities, for a response rate of 36.0 percent. The responses received allow us to generalize about all cities with populations of 10,000 or more.

Throughout the report, the data are compared for cities of different population sizes, regions of the country, and with different tax structures. The response rates for these categories are provided in the table below.

| CATEGORIES | NUMBER OF SURVEYS SENT | NUMBER RETURNED | RESPONSE RATE |
|----------------------|------------------------|-----------------|---------------|
| Population | | | |
| >300,000 | 59 | 28 | 47.5% |
| 100,000-299,999 | 179 | 90 | 50.3% |
| 50,000-99,999 | 315 | 107 | 34.0% |
| 10,000-49,999 | 502 | 154 | 30.7% |
| Region | | | |
| Northeast | 222 | 34 | 15.3% |
| Midwest | 302 | 93 | 30.8% |
| South | 277 | 142 | 51.3% |
| West | 254 | 110 | 43.3% |
| Tax Authority | | | |
| Property | 384 | 90 | 23.4% |
| Sales & Property | 534 | 262 | 49.1% |
| Income & Property | 110 | 27 | 24.5% |

It should be remembered that the number and scope of governmental functions influence both revenues and expenditures. For example, many Northeastern cities are responsible not only for general government functions but also for public education. Some cities are required by their states to assume more social welfare responsibilities than other cities. Some assume traditional county functions. Cities also vary according to their revenue-generating authority. Some states, notably Kentucky, Michigan, Ohio and Pennsylvania, allow their cities to tax earnings and income. Other cities, notably those in Colorado, Louisiana, New Mexico and Oklahoma, depend heavily on sales tax revenues. Moreover, state laws may require cities to account for funds in a manner that varies from state to state. Therefore, much of the statistical data presented here must also be understood within the context of cross-state variation in tax authority, functional responsibility, and state laws. City taxing authority, functional responsibility and accounting systems vary across the states. For more information on differences in state-local fiscal structure, see *Cities and State Fiscal Structure* (NLC 2008) at www.nlc.org.

When we report on fiscal data such as general fund revenues and expenditures, we are referring to all responding cities' aggregated fiscal data included in the survey. As a consequence, it should be noted that those aggregate data are influenced by the relatively larger cities that have larger budgets and that deliver services to a preponderance of the nation's cities' residents. When asking for fiscal data, we ask city finance officers to provide information about the fiscal year for which they have most recently closed the books (and therefore have verified the final numbers), which we generally refer to as FY 2008, the year prior (FY 2007) and the budgeted (estimated) amounts for the current fiscal year (FY 2009).

When we report on non-fiscal data (such as finance officers' assessment of their ability to meet fiscal needs, fiscal actions taken, or factors affecting their budgets), we are referring to percentages of responses to a particular question on a one-response-per-city basis. Thus, the contribution of each city's response to these questions is weighted equally.

ABOUT THE AUTHORS

Christopher W. Hoene is Director of the Center for Research and Innovation at the National League of Cities. Michael A. Pagano is Dean of the College of Urban Planning and Public Affairs at the University of Illinois at Chicago. The authors would like to thank Christiana McFarland, Program Director for Research at NLC, who coordinated the conduct of the survey, and Will McGahan, Program Associate, for assistance in the conduct of the survey. The authors would also like to thank Lara Malakoff, Senior Program Associate for Outreach, and Cyndy Hogan, Managing Editor, for their editorial assistance, and Alexander Clarke, Manager of Creative Design and Production, who designed and managed the production of the brief. The authors are particularly thankful to the 379 respondents to this year's fiscal survey. The commitment of these cities' finance officers to the project is greatly appreciated.

RESPONDING CITIES

| | | | | | | | |
|------------------|----|---------------|----|-------------------|----|------------------|----|
| Athens | AL | Montebello | CA | Meriden | CT | Bourbonnais | IL |
| Auburn | AL | Monterey Park | CA | Newington | CT | Champaign | IL |
| Dothan | AL | Moreno Valley | CA | Dover | DE | Decatur | IL |
| Mobile | AL | Norwalk | CA | Wilmington | DE | Evanston | IL |
| Montgomery | AL | Oceanside | CA | Opa-locka | FL | Lombard | IL |
| Ozark | AL | Orange | CA | Cape Coral | FL | Naperville | IL |
| Selma | AL | Oxnard | CA | Clearwater | FL | Rolling Meadows | IL |
| Fayetteville | AR | Palmdale | CA | Coconut Creek | FL | Round Lake Beach | IL |
| Fort Smith | AR | Palo Alto | CA | Coral Spring | FL | Schaumburg | IL |
| Russellville | AR | Pasadena | CA | Daytona Beach | FL | Schiller Park | IL |
| Chandler | AZ | Pico Rivera | CA | Deltona | FL | Wheaton | IL |
| Flagstaff | AZ | Pleasanton | CA | Fort Lauderdale | FL | Woodbridge | IL |
| Glendale | AZ | Redondo Beach | CA | Greenacres | FL | Anderson | IN |
| Lake Havasu City | AZ | Riverside | CA | Jacksonville | FL | Carmel | IN |
| Peoria | AZ | Rosemead | CA | Lakeland | FL | East Chicago | IN |
| Phoenix | AZ | Salinas | CA | Largo | FL | Mishawaka | IN |
| Scottsdale | AZ | San Diego | CA | Melbourne | FL | Leawood | KS |
| Tempe | AZ | San Marino | CA | Miami | FL | Olathe | KS |
| Yuma | AZ | San Rafael | CA | Orlando | FL | Ottawa | KS |
| Irvine | CA | Santa Clara | CA | Ormond Beach | FL | Overland Park | KS |
| Antioch | CA | Santa Clarita | CA | Palm Bay | FL | Pittsburg | KS |
| Bakersfield | CA | Santa Monica | CA | Pembroke Pines | FL | Topeka | KS |
| Berkeley | CA | Saratoga | CA | Pompano Beach | FL | Frankfort | KY |
| Buena Park | CA | Seaside | CA | Royal Palm Beach | FL | Owensboro | KY |
| Camarillo | CA | Simi Valley | CA | Sarasota | FL | Baton Rouge | LA |
| Campbell | CA | South Gate | CA | St. Petersburg | FL | Slidell | LA |
| Carson | CA | Thousand Oaks | CA | Stuart | FL | Cambridge | MA |
| Chula Vista | CA | Torrance | CA | Tallahassee | FL | Ipswich | MA |
| Claremont | CA | Vacaville | CA | Tampa | FL | Lowell | MA |
| Colton | CA | Ventura | CA | Tarpon Springs | FL | Quincy | MA |
| Concord | CA | Visalia | CA | Venice | FL | Reading | MA |
| Davis | CA | Vista | CA | Wellington | FL | Aberdeen | MD |
| Diamond Bar | CA | Westminster | CA | Winter Haven | FL | Annapolis | MD |
| Downey | CA | Whittier | CA | Albany | GA | Greenbelt | MD |
| Encinitas | CA | Arvada | CO | Columbus | GA | Laurel | MD |
| Folsom | CA | Aurora | CO | Cordele | GA | New Carrollton | MD |
| Fontana | CA | Canon City | CO | Savannah | GA | Takoma Park | MD |
| Fullerton | CA | Commerce City | CO | Honolulu | HI | Ann Arbor | MI |
| Hawaiian Gardens | CA | Denver | CO | Burlington | IA | Battle Creek | MI |
| Hawthorne | CA | Fort Collins | CO | Cedar Rapids | IA | Beverly Hills | MI |
| Hermosa Beach | CA | Greeley | CO | Iowa City | IA | Cadillac | MI |
| Hesperia | CA | Lakewood | CO | Mason City | IA | Dearborn | MI |
| Huntington Park | CA | Westminster | CO | Ottumwa | IA | East Lansing | MI |
| Inglewood | CA | Ansonia | CT | Sioux City | IA | Farmington | MI |
| Los Angeles | CA | East Hartford | CT | Arlington Heights | IL | Farmington Hills | MI |
| Milpitas | CA | Groton | CT | Bloomington | IL | Ferndale | MI |
| Montclair | CA | Hartford | CT | Bloomington | IL | Grand Rapids | MI |

| | | | | | | | |
|------------------|----|------------------|----|-----------------|----|------------|----|
| Lansing | MI | Rochester | NY | Carrollton | TX | La Crosse | WI |
| Oak Park | MI | Schenectady | NY | Cedar Hill | TX | Madison | WI |
| Port Huron | MI | Trumbull | NY | Coppell | TX | Manitowoc | WI |
| Rochester Hills | MI | White Plains | NY | Corpus Christi | TX | Mequon | WI |
| Sterling Heights | MI | Bedford | OH | Dallas | TX | Oshkosh | WI |
| Westland | MI | Berea | OH | Denison | TX | Charleston | WV |
| Albert Lea | MN | Brook Park | OH | Denton | TX | | |
| Bloomington | MN | Brunswick | OH | El Campo | TX | | |
| Golden Valley | MN | Cincinnati | OH | El Paso | TX | | |
| Minneapolis | MN | Cleveland | OH | Gainesville | TX | | |
| New Brighton | MN | Columbus | OH | Galveston | TX | | |
| North Mankato | MN | Fairfield | OH | Garland | TX | | |
| Plymouth | MN | Huber Heights | OH | Grand Prairie | TX | | |
| Ramsey | MN | Lakewood | OH | Irving | TX | | |
| West St. Paul | MN | Mansfield | OH | La Porte | TX | | |
| Belton | MO | Perrysburg | OH | Lancaster | TX | | |
| Hazelwood | MO | Steubenville | OH | Laredo | TX | | |
| Independence | MO | Worthington | OH | League City | TX | | |
| Jefferson | MO | Xenia | OH | Lewisville | TX | | |
| Kansas City | MO | Chickasha | OK | Longview | TX | | |
| Kirksville | MO | Edmond | OK | Lubbock | TX | | |
| Liberty | MO | El Reno | OK | McKinney | TX | | |
| Raytown | MO | Moore | OK | Midland | TX | | |
| Springfield | MO | Oklahoma City | OK | Mission | TX | | |
| St. Joseph | MO | Tulsa | OK | New Braunfels | TX | | |
| St. Louis | MO | Gresham | OR | Odessa | TX | | |
| Warrensburg | MO | Hillsboro | OR | Plano | TX | | |
| Billings | MT | Portland | OR | Port Lavaca | TX | | |
| Great Falls | MT | Salem | OR | Richardson | TX | | |
| Helena | MT | Bethlehem | PA | San Antonio | TX | | |
| Asheville | NC | Erie | PA | Tyler | TX | | |
| Cary | NC | Harrisburg | PA | Universal City | TX | | |
| Chapel Hill | NC | Pawtucket | RI | University Park | TX | | |
| Charlotte | NC | Westerly | RI | Wichita Falls | TX | | |
| Durham | NC | Easley | SC | Layton | UT | | |
| Raleigh | NC | Greenville | SC | Logan | UT | | |
| Reidsville | NC | Greenwood | SC | Ogden | UT | | |
| Salisbury | NC | Mount Pleasant | SC | Pleasant Grove | UT | | |
| Statesville | NC | North Charleston | SC | Provo | UT | | |
| Winston-Salem | NC | Rock Hill | SC | Salt Lake City | UT | | |
| Bismarck | ND | Brookings | SD | Sandy | UT | | |
| Lincoln | NE | Athens | TN | Alexandria | VA | | |
| Berlin | NH | Bartlett | TN | Chesapeake | VA | | |
| Berkeley Heights | NJ | Chattanooga | TN | Danville | VA | | |
| Brick | NJ | East Ridge | TN | Martinsville | VA | | |
| Cartaret | NJ | Franklin | TN | Radford | VA | | |
| East Orange | NJ | Hendersonville | TN | Richmond | VA | | |
| Princeton | NJ | Kingsport | TN | Roanoke | VA | | |
| Sparta | NJ | Knoxville | TN | Suffolk | VA | | |
| Trenton | NJ | La Vergne | TN | Virginia Beach | VA | | |
| Albuquerque | NM | Murfreesboro | TN | Montpelier | VT | | |
| Farmington | NM | Nashville | TN | Bellingham | WA | | |
| Elko | NV | Amarillo | TX | Everett | WA | | |
| Henderson | NV | Arlington | TX | Federal Way | WA | | |
| Las Vegas | NV | Austin | TX | Hoquiam | WA | | |
| Sparks | NV | Balch Springs | TX | Redmond | WA | | |
| Canandaigua | NY | Bay City | TX | Seattle | WA | | |
| Lackawanna | NY | Baytown | TX | Tacoma | WA | | |
| Middletown | NY | Beaumont | TX | Vancouver | WA | | |
| New Rochelle | NY | Benbrook | TX | Walla Walla | WA | | |
| New York | NY | Brownsville | TX | Brookfield | WI | | |
| Patchogue | NY | Burleson | TX | Greenfield | WI | | |

About the National League of Cities

The National League of Cities is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. NLC is a resource and advocate for more than 1,600 member cities and the 49 state municipal leagues, representing 19,000 cities and towns and more than 218 million Americans.



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