



State of Utah

Financial Highlights



Fiscal Year Ended June 30, 2018

BUDGETED RESERVES AND SURPLUS

	<u>General Fund</u>	<u>Education Fund</u>	<u>Combined Total</u>
Fiscal Year 2018 Surplus.....	\$ 7,966,000	\$ 149,882,000	\$ 157,848,000
Budgeted Reserves for Fiscal Year 2019.....	<u>76,765,000</u>	<u>82,305,000</u>	<u>159,070,000</u>
Net Reserves Available for Fiscal Year 2019.....	<u>\$ 84,731,000</u>	<u>\$ 232,187,000</u>	<u>\$ 316,918,000</u>

MAJOR STATE REVENUE SOURCES

(Does not include federal and restricted revenues unless indicated)

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Percent Change</u>
General Fund			
Sales Tax.....	\$ 2,018,747,000	\$ 1,856,754,000	8.7 %
Insurance Premium Tax.....	\$ 133,565,000	\$ 122,024,000	9.5 %
Liquor Profit.....	\$ 112,312,000	\$ 106,345,000	5.6 %
Cigarette, Tobacco, and Beer Taxes.....	\$ 112,148,000	\$ 116,268,000	(3.5) %
Mineral Lease (Federal).....	\$ 76,693,000	\$ 73,787,000	3.9 %
Licenses, Permits, and Fees.....	\$ 25,835,000	\$ 27,684,000	(6.7) %
Oil, Gas, and Mining Severance Taxes.....	\$ 25,041,000	\$ 16,140,000	55.1 %
Education Fund			
Individual Income Tax.....	\$ 4,013,012,000	\$ 3,619,276,000	10.9 %
Corporate Franchise and Gross Receipts Taxes.....	\$ 450,224,000	\$ 328,785,000	36.9 %
State Sales Tax Restricted			
Earmarks for Highways, Water Loans, Conservation, and Other Programs.....	\$ 643,533,000	\$ 585,363,000	9.9 %

MAJOR PROGRAMS EXPENDITURES

(Includes expenditures from federal and restricted revenue sources)

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Percent Change</u>
Public Education	\$ 4,003,123,000	\$ 3,707,267,000	8.0 %
Health – Medicaid Services.....	\$ 2,667,189,000	\$ 2,540,221,000	5.0 %
Higher Education	\$ 1,901,197,000	\$ 1,793,521,000	6.0 %
Workforce Services.....	\$ 695,666,000	\$ 715,063,000	(2.7) %
Human Services – People with Disabilities.....	\$ 327,715,000	\$ 297,969,000	10.0 %
Corrections – Adult	\$ 314,555,000	\$ 302,790,000	3.9 %
Natural Resources	\$ 238,687,000	\$ 226,772,000	5.3 %
Public Safety – Department.....	\$ 180,551,000	\$ 168,706,000	7.0 %
Human Services – Child and Family Services.....	\$ 174,015,000	\$ 171,615,000	1.4 %

HIGHWAY CONSTRUCTION AND OPERATIONS

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Percent Change</u>
Major Transportation Funding Sources (excludes bond proceeds)			
Sales Tax Earmarks for Highways (portion from above).....	\$ 569,510,000	\$ 523,170,000	8.9 %
Motor and Special Fuel Taxes.....	\$ 488,893,000	\$ 483,668,000	1.1 %
Federal Funds.....	\$ 401,976,000	\$ 406,332,000	(1.1) %
Vehicle Registration and Permits ⁽¹⁾	\$ 178,846,000	\$ 170,540,000	4.9 %
Major Transportation Expenditures			
Highway Construction ⁽²⁾	\$ 972,146,000	\$ 849,051,000	14.5 %
Local B&C Roads.....	\$ 169,335,000	\$ 164,492,000	2.9 %
Highway Operations and Maintenance	\$ 166,832,000	\$ 161,609,000	3.2 %

(1) Includes vehicle registration fees of \$87,327,000 and \$82,970,000 from the Transportation Investment Fund in fiscal years 2018 and 2017.

(2) Includes expenditures of \$511,814,000 and \$394,652,000 from the Transportation Investment Fund in fiscal years 2018 and 2017.

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APPROPRIATIONS

By statute, the total of the amount appropriated from the General Fund (net of amounts exempted) plus the income tax revenues appropriated for higher education is limited to combined changes in population and inflation.

	<u>Fiscal 2019</u> ⁽¹⁾	<u>Fiscal 2018</u>
Appropriations Limitation	\$ 3,897,490,000	\$ 3,738,255,000
Actual Appropriations ⁽²⁾	\$ 3,270,368,000	\$ 3,097,841,000
Under the Limit.....	\$ 627,122,000	\$ 640,414,000

(1) Preliminary – amounts may be adjusted by subsequent appropriations.

(2) Defined by Utah Code Section 63J-3-103(1).

GENERAL OBLIGATION BONDS

Activity in Fiscal Years 2018 and 2019 to date

General Obligation Bonds Payable at June 30, 2018 (Net).....	\$ 2,498,192,000
Principal Payment July 1, 2018.....	(251,315,000)
Additional Bonds Issued July 1, 2018 through December 31, 2018 (Net).....	0
Amortization of Premium.....	(11,117,000)
General Obligation Bonds Payable at December 31, 2018 (Net).....	\$ 2,235,760,000

Constitutional Bonding Limit (1.5% of the total taxable property fair market value)	5,658,903,000
Additional Constitutional Bonding Capacity ⁽¹⁾	\$ 3,423,143,000

Statutory Bonding Limit (45% of the fiscal year 2019 Appropriations Limitation).....	\$ 1,753,871,000
Bonds Subject to Limitation (Net) (\$2,034,038,000 of highway bonds are exempt).....	(201,721,000)
Additional Statutory Bonding Capacity ⁽²⁾	\$ 1,552,150,000

The State of Utah's Triple/Triple Bond Rating is the best possible

Fitch Ratings	AAA
Moody's Investors Service.....	Aaa
S&P Global Ratings	AAA

(1) Does not include unused vacation for employees of approximately \$97,096,000, which may reduce bonding capacity.

(2) The State has an additional \$1,143,632,000 in bonds authorized but not issued, which when sold will reduce bonding capacity.

STATUS OF SELECTED FUNDS

(as of June 30, 2018)

General Fund Budget Reserve Account

Beginning Balance	\$ 145,669,000
Transfer from General Fund	6,139,000
Ending Balance	\$ 151,808,000

Education Budget Reserve Account

Beginning Balance	\$ 361,802,000
Transfer from Education Fund	64,605,000
Ending Balance	\$ 426,407,000

Disaster Recovery Restricted Account

Beginning Balance	\$ 11,113,000
Transfer from General.....	936,000
Ending Balance	\$ 12,049,000

Medicaid Growth Stabilization Account

Beginning Balance	\$ 44,457,000
Transfer from General Fund	30,362,000
Ending Balance	\$ 74,819,000

Permanent School Trust Fund

Beginning Balance	\$ 2,386,744,000
Income from Land Use (Net).....	40,078,000
Gain on Sale of Land	19,560,000
Change in Fair Value of Investments (Net).....	25,916,000
Ending Balance.....	\$ 2,472,298,000
Investment Earnings Transferred to Uniform School Fund.....	\$ 100,040,000

Permanent State Trust Fund

Beginning Balance	\$ 196,172,000
Interest and Dividends	1,759,000
Severance Tax Revenue per Utah Constitution	8,346,000
Change in Fair Value of Investments.....	8,907,000
Ending Balance.....	\$ 215,184,000