Continuing Disclosure Memorandum

Summary of Debt Structure and Financial Information
SEC Rule 15c2–12

For

State of Utah

And The

State Building Ownership Authority of the State of Utah

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CONTACT PERSON

As of the date of this Continuing Disclosure Memorandum, the chief contact person for the State of Utah (the State) and the State Building Ownership Authority of the State of Utah is:

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The Utah Office of State Treasurer (Office of State Treasurer) has provided additional information for investors at https://treasurer.utah.gov/for-investors/. *The information available at this internet site is provided by the State in the course of its normal operations and has not necessarily been reviewed for accuracy or completeness. Such information is not a part of this Continuing Disclosure Memorandum.*

When used herein, the terms "Fiscal Year[s]" 20YY, and "Fiscal Year[s] End[ed][ing] June 30, 20YY" refer to the year ended or ending on June 30 of the year indicated and beginning on July 1 of the preceding year and the terms "Calendar Year[s] 20YY" or Calendar Year[s] End[ed][ing] December 31, 20YY" refer to the year beginning on January 1 and ending on December 31 of the year indicated.

DEBT STRUCTURE OF THE STATE OF UTAH

Legal Borrowing Authority of the State

Constitutional Debt Limit

Article XIV, Section 1 of the State Constitution limits the total general obligation indebtedness of the State to an amount equal to 1.5% of the value of the total taxable property of the State, as shown by the last assessment for State purposes previous to incurring such debt. The application of this constitutional debt limit and the additional debt incurring capacity of the State under the Constitution are estimated to be on December 31, 2022 as follows:

Constitutional Debt Limit
(in thousands)

Fair Market Value of Ad Valorem Taxable Property [1]	$ 544,941,047
Fees in Lieu of Ad Valorem Taxable Property [2]	14,751,411
Total Fair Market Value of Taxable Property [1]	$ 559,692,458
Constitutional Debt Limit (1.5%)	$ 8,395,387
Less: Currently Outstanding General Obligation Debt (Net) [3]	(1,939,905)
Less: Long-term contract liabilities [4]	(125,899)
Estimated Additional Constitutional Debt Incurring Capacity of the State [5]	$ 6,329,583

(1) Based on 2021 taxable values. Refer to: FINANCIAL INFORMATION REGARDING THE STATE OF UTAH—Property Tax Matters—Taxable Value Compared with Fair Market Value of All Taxable Property in the State for more information.
(2) Based on 2021 "age based" values. For purposes of calculating debt incurring capacity only, the value of all motor vehicles and state-assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) is added to the fair market value of taxable property in the State.
(3) Includes unamortized original issue bond premium that was treated as principal for purposes of calculating the applicable constitutional debt limits.
(4) In the opinion of the State Auditor, the State has other long–term liabilities consisting of unused vacation leave for employees of $125.899 million which financial obligations may be considered as general obligation debt of the State. Although no final legal determination has been made, for purposes of limits calculations, this amount will be applied against the State's Constitutional Debt Limit.
(5) The State is further limited on its issuance of general obligation indebtedness by statute. See Statutory General Obligation Debt Limit and Additional Statutory Limitation for Transportation Debt Issuance.

Source: Office of State Treasurer; Department of Government Operations, Division of Finance; and Utah State Tax Commission, Property Tax Division *Annual Statistical Report 2021*

Statutory General Obligation Debt Limit

Title 63J, Chapter 3, of the Utah Code (State Appropriations and Tax Limitation Act), among other things, limits the maximum general obligation borrowing ability of the State. Under the State Appropriations and Tax Limitation Act, the outstanding general obligation debt of the State at any time may not exceed 45% of the maximum allowable State budget appropriations limit as provided in that act. The State

Appropriations and Tax Limitation Act also limits State government appropriations based upon a formula that reflects changes in population and inflation. See FINANCIAL INFORMATION REGARDING THE STATE OF UTAH—Statutory Spending Limitations.

On occasion, the Legislature has amended the State Appropriations and Tax Limitation Act in order to provide an exemption for certain general obligation highway bonds and bond anticipation notes from the limitations imposed by the State Appropriations and Tax Limitation Act. Of the State's current outstanding general obligation bonds of $1,806,390,000, $1,476,405,000 is exempt from the State Appropriations and Tax Limitation Act. See *Outstanding General Obligation Indebtedness, Authorized General Obligation Bonds and Future General Obligation Bonds Issuance* below.

Using the budget appropriations for the fiscal year 2023, the statutory general obligation debt limit under the State Appropriations and Tax Limitation Act and additional general obligation debt incurring capacity of the State under that act are as of December 31, 2022, as follows:

Statutory General Obligation Debt Limit

(in thousands)

Statutory General Obligation Debt Limit [1]	$ 2,184,978
Less: Statutorily Applicable General Obligation Debt (Net) [2]	(363,103)
Less: Long-term contract liabilities [3]	(125,899)
Remaining Statutory General Obligation Debt Incurring Capacity	$ 1,695,976

(1) 45% of the fiscal year 2023 appropriation limit of $4,855,506,000.
(2) Includes unamortized original issue bond premium that was treated as principal for purposes of calculating the applicable constitutional and statutory debt limits.
(3) In the opinion of the State Auditor, the State has other long–term liabilities consisting of unused vacation leave for employees of $125.899 million which financial obligations may be considered as general obligation debt of the State. Although no final legal determination has been made, for purposes of debt limit calculations, this amount will be applied against the State's Statutory Debt Limit.

Source: Office of State Treasurer; Department of Government Operations, Division of Finance; and Governor's Office of Planning and Budget

During the 2017 General Session, in conjunction with authorizing $1.0 billion in transportation bonds, the Legislature added an additional threshold to transportation debt issuance: 50% of the Constitutional Debt Limit, with no statutory highway bonds exemption, resulting in a lower debt ceiling, which effectively extends the period of issuance.

Using this statutory limitation for fiscal year 2023, the additional transportation debt incurring capacity of the State as of December 31, 2022, is as follows:

Additional Statutory Limitation for Transportation Debt Issuance

(in thousands)

50% of the Constitutional Debt Limit [1]	$ 4,197,693
Less: Currently Outstanding General Obligation Debt (Net) [2]	(1,939,905)
Less: Long-term contract liabilities [3]	(125,899)
Remaining Transportation Debt Incurring Capacity	$ 2,131,889

(1) 50% of the Constitutional Debt Limit of $8,395,386,870.
(2) Includes unamortized original issue bond premium that was treated as principal for purposes of calculating the applicable constitutional and statutory debt limits.
(3) In the opinion of the State Auditor, the State has other long–term liabilities consisting of unused vacation leave for employees of $125.899 million which financial obligations may be considered as general obligation debt of the State. Although no final legal determination has been made, for purposes of debt limit calculations, this amount will be applied against the State's Statutory Debt Limit.

Source: Office of State Treasurer; Department of Government Operations, Division of Finance; and Governor's Office of Planning and Budget

Authorized General Obligation Bonds and Future General Obligation Bonds Issuance

As of December 31, 2022, the State will have approximately $318.717 million aggregate principal amount of additional authorized and unissued general obligation bonds, the proceeds of which bonds, when issued, will be used by the Division of Facilities Construction and Management (DFCM) and the Utah Department of Transportation (UDOT) for various projects.

The authorizations consist of $1,165,228 for highway projects from 2007 General Legislative Session *(the State does not currently intend to issue this remaining 2007 authorization, which may be repealed in future legislative sessions)* and $412,145 for Salt Lake County highway projects from the 2017 General Legislative Sessions *(the State does not currently intend to issue this remaining 2017 authorization, which may be repealed in future legislative sessions)*.

The 2021 General Legislative Session authorized $314 million plus a 1% allowance for bond costs of issuance for various transportation-

related projects. However, except for two projects totaling $20 million, the projects specified in the statutory authorizations were appropriated cash funding during the 2022 General Legislative Session through Senate Bill 6 *Infrastructure and General Government Base Budget*. As of the date of this Continuing Disclosure Memorandum, the State does not currently anticipate issuing bonds from these authorizations. It is expected that the legislature will repeal or repurpose these authorizations in future legislative sessions.

The Legislature may authorize the issuance of general obligation building and highway bonds in future fiscal years, but such amounts and issuance dates are not known as of the date of this DISCLOSURE MEMORANDUM.

Historical Constitutional and Statutory Debt Limit of the State

The calculation of the historical constitutional debt limit, the general obligation debt, the additional general obligation debt incurring capacity, and the statutory debt limit for the State for each of the fiscal years 2018 through 2022 is as follows:

	Fiscal Year Ended June 30 *(in thousands)*				
	2022	2021	2020	2019	2018
Fair Market Value of Ad Valorem Taxable Property [1]	$544,941,047	$484,739,862	$447,545,072	$402,353,022	$364,682,337
Fees in lieu of Ad Valorem Tax [2]	14,751,411	13,174,279	13,519,278	13,297,245	12,577,859
Fair Market Value for Debt Incurring Capacity	559,692,458	497,914,141	461,064,350	415,650,267	377,260,196
Constitutional:					
Constitutional General Obligation Debt Limit (1.5% of Fair Market Value)	8,395,387	7,468,712	6,915,965	6,234,754	5,658,903
Outstanding General Obligation Debt (Net) [3]	(2,314,259)	(2,706,205)	(3,060,792)	(2,374,391)	(2,498,192)
Additional General Obligation Debt Incurring Capacity	6,081,128	4,762,507	3,855,173	3,860,363	3,160,711
Statutory:					
Statutory General Obligation Debt Limit	1,985,400	1,872,900	1,795,500	1,759,950	1,682,215
Outstanding Statutorily Applicable General Obligation Debt (Net) [3, 4]	(424,621)	(491,832)	(526,659)	(198,982)	(216,602)
Additional General Obligation Debt Incurring Capacity	$ 1,560,779	$ 1,381,068	$ 1,268,841	$ 1,560,968	$ 1,465,613

(1) Information as reported in the State Tax Commission, Property Tax Division, Annual Reports.
(2) Information as reported in the State Tax Commission, Property Tax Division, Annual Reports. For purposes of calculating debt incurring capacity only, the value of all motor vehicles and state–assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) is added to the fair market value of the taxable property in the State.
(3) Includes the State's outstanding general obligation bonds and unamortized original issue bond premium that is treated as principal for purposes of calculating the applicable Constitutional Debt Limit and Statutory Appropriations General Obligation Debt Limit.
(4) Certain general obligation highway indebtedness is exempt from the State Appropriations and Tax Limitation Act.

Sources: Office of State Treasurer; Utah State Tax Commission, Property Tax Division; and Department of Government Operations, Division of Finance

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Outstanding General Obligation Indebtedness

The State has issued general obligation bonds for general administrative buildings, higher education buildings, highways, water and wastewater facilities, flood control facilities, technology, and refunding purposes. As of December 31, 2022, the State has the following principal amounts of general obligation debt outstanding:

General Obligation Indebtedness

Series [1]	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2020B [2]	Prison/highways	$ 447,315,000	July 1, 2034	$ 362,320,000
2020	Highways	$ 448,430,000	July 1, 2034	391,805,000
2019	Highways	$ 127,715,000	July 1, 2033	101,925,000
2018 [3]	Prison/highways	$ 343,155,000	July 1, 2032	232,900,000
2017 [4]	Refunding	$ 118,700,000	July 1, 2028	112,200,000
2017 [5]	Prison/highways	$ 142,070,000	July 1, 2032	89,405,000
2015 [6]	Refunding	$ 220,980,000	July 1, 2024 [8]	78,495,000
2010B [7]	Highways (BABs)	$ 621,980,000	July 1, 2025	285,005,000
2009D [7]	Highways (BABs)	$ 491,760,000	July 1, 2024	152,335,000
Total principal amount of outstanding general obligation debt [9]				$ 1,806,390,000

(1) Each series of bonds have been rated "AAA" by Fitch Ratings, "Aaa" by Moody's Investors Service, and "AAA" by Standard & Poor's Rating Services.
(2) $226.780 million of these bonds is included in Statutory Appropriations General Obligation Debt Limit calculations.
(3) $44.950 million of these bonds is included in Statutory Appropriations General Obligation Debt Limit calculations.
(4) Issued as a direct purchase.
(5) $58.255 million of these bonds is included in Statutory Appropriations General Obligation Debt Limit calculations.
(6) Portions of this bond were refunded by a cash defeasance escrow on February 26, 2020.
(7) Issued as federally taxable, originally 35% issuer subsidy Build America Bonds (BABs). The State anticipates that as a result of the federal sequestration the subsidy paid by the federal government on these bonds will be reduced by approximately $339,622 for the federal fiscal year ending September 30, 2023.
(8) Final maturity date after the refunding effected by a cash defeasance escrow on February 26, 2020.
(9) For accounting purposes, the outstanding debt as shown above must be increased by the premium associated with debt issued that is reported in the long–term debt notes of the State's financial statements. For accounting purposes, the total unamortized bond premium is $133.515 million (as of December 31, 2022), together with current debt outstanding of $1.806 billion, results in total outstanding net direct debt of $1.940 billion.

Source: Office of State Treasurer

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Debt Service Schedule of Outstanding General Obligation Bonds by Fiscal Year [1]

Year Ending June 30	Series 2020B $447,315,000		Series 2020 $448,430,000		Series 2019 $127,715,000		Series 2018 $343,155,000	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ 43,600,000	$ 17,912,000	$ 18,900,000	$ 18,348,600	$ 6,780,000	$ 5,265,750	$ 24,180,000	$ 11,156,494
2024	45,905,000	15,674,375	19,875,000	17,379,225	7,125,000	4,918,125	25,385,000	9,929,919
2025	48,335,000	13,318,375	20,900,000	16,359,850	7,490,000	4,552,750	26,705,000	8,640,219
2026	50,910,000	10,837,250	59,185,000	14,556,300	7,875,000	4,168,625	28,030,000	7,283,194
2027	53,590,000	8,224,750	60,345,000	11,766,625	8,280,000	3,764,750	29,480,000	5,856,794
2028	69,165,000	5,155,875	24,275,000	9,651,125	8,705,000	3,340,125	18,280,000	4,662,794
2029	18,015,000	2,976,375	25,525,000	8,406,125	9,150,000	2,893,750	19,215,000	3,725,419
2030	11,700,000	2,233,500	26,825,000	7,097,375	9,620,000	2,424,500	20,200,000	2,740,043
2031	12,175,000	1,758,375	28,200,000	5,721,750	10,115,000	1,931,125	21,130,000	1,812,444
2032	12,545,000	1,387,575	29,650,000	4,275,500	10,635,000	1,412,375	21,890,000	1,047,813
2033	12,930,000	1,005,450	31,175,000	2,754,875	11,180,000	867,000	22,585,000	352,891
2034	13,320,000	611,700	32,425,000	1,489,125	11,750,000	293,750	—	—
2035	13,730,000	205,950	33,425,000	501,375	—	—	—	—
Totals	405,920,000	81,301,550	410,705,000	118,307,850	108,705,000	35,832,625	257,080,000	57,208,024

Year Ending June 30	Series 2017 Refunding $118,700,000		Series 2017 $142,070,000		Series 2015 $220,980,000		Series 2013 $226,175,000	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ 1,400,000 [2]	$ 2,489,445	$ 12,400,000	$ 4,472,000	$ 39,290,000	$ 4,907,000	$ 15,700,000	$ 392,500
2024	17,700,000 [2]	2,278,868	13,050,000	3,835,750	39,260,000	2,943,250	0	0 [4]
2025	18,100,000 [2]	1,884,173	13,700,000	3,167,000	39,235,000	980,875	0	0 [4]
2026	18,500,000 [2]	1,480,658	14,425,000	2,463,875	0	0 [3]	0	0 [4]
2027	18,900,000 [2]	1,068,323	15,175,000	1,723,875	0	0 [3]	0	0 [4]
2028	19,300,000 [2]	647,168	15,930,000	946,250	—	—	0	0 [4]
2029	19,700,000 [2]	217,193	3,200,000	500,000	—	—	0	0 [4]
2030	—	—	3,300,000	402,500	—	—	—	—
2031	—	—	3,425,000	284,500	—	—	—	—
2032	—	—	3,550,000	162,750	—	—	—	—
2033	—	—	3,650,000	54,750	—	—	—	—
2034	—	—	—	—	—	—	—	—
2035	—	—	—	—	—	—	—	—
Totals	113,600,000	10,065,825	101,805,000	18,013,250	117,785,000	8,831,125	15,700,000	392,500

Year Ending June 30	Series 2010B $621,980,000		Series 2009D $491,760,000	
	Principal	Interest [6]	Principal	Interest [6]
2023	$ 103,250,000 [5]	$ 11,913,336	$ 90,825,000 [7]	$ 9,005,421
2024	104,160,000 [5]	8,243,216	64,420,000 [7]	5,470,493
2025	104,430,000 [5]	4,552,216	87,915,000 [7]	2,001,825
2026	76,415,000 [5]	1,352,163	—	—
2027	—	—	—	—
2028	—	—	—	—
2029	—	—	—	—
2030	—	—	—	—
2031	—	—	—	—
2032	—	—	—	—
2033	—	—	—	—
2034	—	—	—	—
2035	—	—	—	—
Totals	388,255,000	26,060,931	243,160,000	16,477,738

Table Continued on Next Page

Debt Service Schedule of Outstanding General Obligation Bonds by Fiscal Year (Continued) [1]

Year Ending June 30	Totals		
	Principal	Interest	Debt Service
2023	$ 356,325,000	$ 85,862,546	$ 442,187,546
2024	336,880,000	70,673,220	407,553,220
2025	366,810,000	55,457,282	422,267,282
2026	255,340,000	42,142,065	297,482,065
2027	185,770,000	32,405,117	218,175,117
2028	155,655,000	24,403,337	180,058,337
2029	94,805,000	18,718,862	113,523,862
2030	71,645,000	14,897,918	86,542,918
2031	75,045,000	11,508,194	86,553,194
2032	78,270,000	8,286,013	86,556,013
2033	81,520,000	5,034,966	86,554,966
2034	57,495,000	2,394,575	59,889,575
2035	47,155,000	707,325	47,862,325
Totals	$2,162,715,000	$372,491,418	$2,535,206,418

(1) This information is based on payments (cash basis) falling due in that particular fiscal year.
(2) Mandatory sinking fund principal payments from a $118.700 million 2.205% term bond due July 1, 2028.
(3) Principal and interest has been refunded by a cash defeasance escrow on February 26, 2020.
(4) Principal and interest has been refunded by the 2017 GO Refunding Bonds.
(5) Mandatory sinking fund payments from a $388.255 million 3.539% term bond due July 1, 2025.
(6) Issued as federally taxable Build America Bonds (BABs). Does not reflect an originally 35% subsidy. The State anticipates that as a result of the federal sequestration the subsidy paid by the federal government on these bonds will be reduced by approximately $339,622 for the federal fiscal year ending September 30, 2023.
(7) Mandatory sinking fund principal payments from a $329.900 million, 4.554% term bond due July 1, 2024.

Source: Office of State Treasurer

Debt Ratios Regarding General Obligation Debt of the State

The following tables show the ratios of the principal par amounts of the State's general obligation debt to population, total personal income, taxable value and fair market value for the time periods shown below:

	Fiscal Year Ended June 30				
	2022	2021	2020	2019	2018
Outstanding General Obligation Debt (in thousands)	$2,162,715	$2,512,925	$2,820,940	$2,273,275	$2,396,875
Debt Ratios:					
Per Capita	$ 636	$ 755	$ 868	$ 708	$ 754
As % of State Total Personal Income	1.11 %	1.40 %	1.65 %	1.47 %	1.68 %
As % of Taxable Value	0.57 %	0.74 %	0.89 %	0.80 %	0.93 %
As % of Fair Market Value	0.40 %	0.52 %	0.63 %	0.56 %	0.66 %

Outstanding general obligation debt (as of 12/31/2022)	$1,806,390,000
Debt Ratios:	
Per capita (2022 estimate - 3,399,000)	$531
As % of State Personal Income (2022 estimate - $195,707,000,000)	0.92%
As % of Taxable Value (2021 actual - $378,913,849,771)	0.48%
As % of Fair Market Value (2021 actual - $544,941,046,558)	0.33%

Sources: Office of State Treasurer; Department of Government Operations, Division of Finance; and the 2022 Annual Comprehensive Financial Report (ACFR)

The ratios of debt service expenditures to General Fund expenditures and to all governmental fund type expenditures (excluding Trust Lands) for the last five Fiscal Years are shown below:

	Fiscal Year Ended June 30 (dollars in thousands)				
	2022	2021	2020	2019	2018
General Fund Expenditures	$10,729,051	$ 9,647,977	$ 8,079,513	$ 7,386,308	$ 6,938,622
Debt Service Expenditures	$ 464,627	$ 440,050	$ 471,915	$ 364,366	$ 391,917
Ratio of Debt Service Expenditures to General Fund Expenditures	4.33%	4.56%	5.84%	4.93%	5.65%
Total All Governmental Funds Expenditures	$19,259,089	$18,017,106	$ 15,635,751	$13,930,957	$13,315,497
Ratio of Debt Service Expenditures to All Governmental Fund Expenditures	2.41%	2.44%	3.02%	2.62%	2.94%

Sources: Office of State Treasurer; Department of Government Operations, Division of Finance; and the 2022 ACFR

DEBT AND FINANCIAL INFORMATION REGARDING THE STATE BUILDING OWNERSHIP AUTHORITY

State Building Ownership Authority

The State Building Ownership Authority (the "Authority") is empowered, among other things, to issue its bonds (with the prior approval of the Legislature) to finance the acquisition and construction of facilities to be leased to State agencies and their affiliated entities from rentals paid out of budget appropriations or other available funds for the lessee agencies, which in the aggregate will be sufficient to pay the principal of and interest on the Authority's bonds and to maintain, operate and insure the facilities. The Authority is comprised of three members: the Governor or designee, the State Treasurer and the Chair of the State Building Board. The State Building Ownership Authority Act (Title 63B, Chapter 1, Part 3, Utah Code the "Building Ownership Act") directs DFCM to construct and maintain any facilities acquired or constructed for the Authority.

No Defaulted Authority Bonds or Failures by the State to Renew Lease. As of December 31, 2022, the Authority has $277.305 million of lease revenue bonds outstanding and has never failed to pay when due the principal of and interest on its bonded indebtedness and other payment obligation related thereto. As of December 31, 2022, the State has never failed to renew an annually renewable lease with the Authority.

Statutory Legal Borrowing Debt Capacity of the Authority

The Authority may not issue any bonds or other obligations under the Building Ownership Act in an amount which would exceed the difference between (i) the total outstanding indebtedness of the State (exclusive of certain State highway bonds specified under the Building Ownership Act) and (ii) 1.5% of the fair market value of the taxable property of the State. Under this formula, the Authority's debt capacity is reduced as non–excluded State general obligation bonds are issued. As of December 31, 2022, the legal debt limit and additional debt incurring capacity of the Authority are calculated as follows (*in thousands*):

Fair Market Value of Ad Valorem Taxable Property [1]	$ 544,941,047
Fees in Lieu of Ad Valorem Taxable Property [2]	14,751,411
Total Fair Market Value of Taxable Property [1]	$ 559,692,458
1.5% Debt Limit Amount	$ 8,395,387
Less: Outstanding State General Obligation Debt (Net) [3]	(1,939,905)
Less: Authority's Outstanding Lease Revenue Bonds (Net) [3]	(287,708)
Less: Long-term contract liabilities [4]	(125,899)
Plus: Statutorily Exempt State General Obligation Highway Debt (Net) [3]	1,576,802
Authority's Estimated Additional Debt Incurring Capacity	$ 7,618,677

(1) Based on 2021 taxable values. See Property Tax Matters—Taxable Value Compared with Fair Market Value of All Taxable Property in the State.
(2) Based on 2021 "aged based" values. For purposes of calculating debt incurring capacity only, the value of all motor vehicles and state-assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) is added to the fair market value of the taxable property in the State.
(3) Includes unamortized original issue bond premium that was treated as principal for purposes of calculating the applicable statutory debt limit.
(4) In the opinion of the State Auditor, the State has other long–term liabilities consisting of unused vacation leave for employees of $125.899 million which financial obligations may be considered as general obligation debt of the State. Although no final legal determination has been made, for purposes of limits calculations, this amount will be applied against the State's Constitutional Debt Limit.

Source: Office of State Treasurer; Department of Government Operations, Division of Finance; Utah State Tax Commission, Property Tax Division *Annual Statistical Report*; and the 2022 ACFR

The State's Limited Lease Obligation. The Building Ownership Act provides generally that bonds issued by the Authority are payable only from lease payments received by the Authority for the facilities constructed or acquired thereunder, and that, if the rentals paid by a lessee State agency to the Authority are insufficient to pay the principal and interest on such bonds, the Governor may request the Legislature to

appropriate additional funds to that agency for the payment of increased rentals. *The Legislature may, but is not required to, make such an appropriation. Bonds issued pursuant to authorizing legislation of this type are sometimes referred to herein as "State Lease Revenue Bonds."*

Debt Issuance. Current Lease Revenue Obligation Bonds Outstanding. Under the State Facilities Master Lease Program, no debt service reserve fund is created for any Bonds issued pursuant to the Indenture of Trust, assignment of State Facilities Master Lease Agreement and Security Agreement, dated as of September 1, 1994, as amended and supplemented (the "Authority Indenture") between the Authority and Wells Fargo Bank, N.A., as trustee, and the State Facilities Master Lease Agreement, dated as of September 1, 1994, as amended and supplemented, between the Authority and the State acting through DFCM. *Under this program, all bonds are issued on a parity basis and are cross-collateralized by the facilities subject to the lien of the Authority Indenture and the respective Mortgage, Security Agreement and Assignment of Rent.*

Bonds issued under the State Facilities Master Lease Program are not classified as State Moral Obligation Bonds as defined in State Moral Obligation Bonds. However, such Bonds are considered to be State Lease Revenue Bonds.

Outstanding Lease Revenue Bonds of the State Building Ownership Authority

As of December 31, 2022, the Authority has the following State Lease Revenue Bonds outstanding under the State Facilities Master Lease Program:

Outstanding Lease Revenue Bonds

(in thousands)

Series [1]	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2022	DABS Facilities	$ 42,675	May 15, 2042	$ 42,675
2020	DABS Facilities	$ 18,865	May 15, 2039	17,650
2018	Provo Courts/DABS Facilities	$ 18,465	May 15, 2039	16,620
2017	Refunding/crossover	$ 25,910	May 15, 2024	10,525
2016	Provo Courts/DABS Facility	$ 98,150	May 15, 2038	83,800
2015	Refunding	$ 30,015	May 15, 2030	21,015
2012A	Refunding	$ 15,610	May 15, 2027	7,495
2011	Davis Courts/UCAT	$ 5,250	May 15, 2031	1,090
2010	Refunding	$ 36,735	May 15, 2024	6,150
2009E [2, 3]	Huntsman Hospital (BABs)	$ 89,470	May 15, 2030	57,690
2009C [2]	DABS Warehouse (BABs)	$ 16,715	May 15, 2029	12,595
Total principal amount of outstanding State Lease Revenue Bonds [4]				$ 277,305

(1) The 2017 bonds are rated "Aa1" by Moody's Investors Service, Inc. All other bonds are rated "Aa1" by Moody's Investors Service, Inc., and "AA+" by Standard & Poor's Ratings Services. No municipal bond rating has been requested from Fitch Ratings.
(2) Issued as federally taxable, originally 35% issuer subsidy Build America Bonds. The State anticipates that as a result of the federal sequestration the subsidy paid by the federal government on these bonds will be reduced by approximately $80,573 for the federal fiscal year ending September 30, 2023.
(3) Portions of this bond were refunded from moneys received from an escrow account (created from the proceeds from the 2017 Lease Revenue Bonds) on the Crossover Date of May 15, 2019.
(4) For accounting purposes, the total unamortized bond premium is $10.403 million (as of December 31, 2022), which together with current debt outstanding of $277.305 million results in total outstanding net direct debt of $287.708 million.

Source: Office of State Treasurer

Authorized Lease Revenue Bonds and Future Bonds Issuance. Notwithstanding the legal debt issuing capacity of the Authority discussed in this section under Statutory Legal Borrowing Debt Capacity of the Authority, the Authority may only issue Lease Revenue Bonds for facilities authorized by the Legislature.

The Authority has up to $15.67 million aggregate principal amount of additional authorized and unissued lease revenue bonds, the proceeds of which will be used by DFCM for various projects. The authorizations consist of $8.214 million for the Summit County DABS liquor store and $7.455 million for the Washington County DABS liquor store from the 2022 Legislature Session. The Legislature may authorize the issuance of lease revenue bonds in future fiscal years, but such amounts and issuance dates are not known as of the date of this CONTINUING DISCLOSURE MEMORANDUM.

Debt Service Schedule of Outstanding Lease Revenue Bonds (State Building Ownership Authority) By Fiscal Year [1]

Year Ending June 30	Series 2022 $42,675,000		Series 2020 $18,865,000		Series 2018 $18,465,000		Series 2017 Refunding $25,910,000	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ —	$ 1,914,448	$ 735,000	$ 586,700	$ 675,000	$ 658,900	$ 5,085,000	$ 526,250
2024	230,000	2,133,750	770,000	549,950	720,000	625,150	5,440,000	272,000
2025	1,175,000	2,122,250	805,000	511,450	745,000	589,150	—	—
2026	1,680,000	2,063,500	845,000	471,200	785,000	551,900	—	—
2027	1,760,000	1,979,500	890,000	428,950	825,000	512,650	—	—
2028	1,850,000	1,891,500	935,000	384,450	865,000	471,400	—	—
2029	1,940,000	1,799,000	985,000	337,700	905,000	428,150	—	—
2030	2,045,000	1,702,000	1,030,000	288,450	940,000	391,950	—	—
2031	2,140,000	1,599,750	1,060,000	257,550	980,000	354,350	—	—
2032	2,245,000	1,492,750	1,095,000	225,750	1,010,000	324,950	—	—
2033	2,360,000	1,380,500	1,130,000	192,900	1,035,000	294,650	—	—
2034	2,480,000	1,262,500	1,160,000	159,000	1,085,000	253,250	—	—
2035	2,605,000	1,138,500	1,190,000	124,200	1,125,000	209,850	—	—
2036	2,735,000	1,008,250	1,220,000	100,400	1,175,000	164,850	—	—
2037	2,865,000	871,500	1,240,000	76,000	1,210,000	126,663	—	—
2038	3,005,000	728,250	1,270,000	51,200	1,250,000	87,338	—	—
2039	2,680,000	578,000	1,290,000	25,800	1,290,000	45,150	—	—
2040	2,815,000	444,000	—	—	—	—	—	—
2041	2,960,000	303,250	—	—	—	—	—	—
2042	3,105,000	155,250	—	—	—	—	—	—
Totals	$ 42,675,000	$ 26,568,448	$ 17,650,000	$ 4,771,650	$ 16,620,000	$ 6,090,301	$ 10,525,000	$ 798,250

Year Ending June 30	Series 2016 $98,150,000		Series 2015 $30,015,000		Series 2012A $15,610,000		Series 2011 $5,250,000	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ 4,025,000	$ 2,719,156	$ 2,220,000	$ 979,050	$ 1,710,000	$ 224,850	$ 455,000	$ 39,619
2024	4,200,000	2,517,906	2,875,000	868,050	1,230,000	173,550	70,000 [2]	25,400
2025	4,400,000	2,307,906	3,005,000	724,300	2,850,000	136,650	70,000 [2]	22,600
2026	4,650,000	2,087,906	3,150,000	574,050	1,135,000	51,150	75,000 [2]	19,800
2027	4,750,000	1,983,281	3,325,000	416,550	570,000	17,100	80,000 [2]	16,800
2028	4,850,000	1,864,531	2,855,000	250,300	—	—	80,000 [2]	13,600
2029	5,000,000	1,731,156	1,775,000	107,550	—	—	85,000 [2]	10,400
2030	5,150,000	1,581,156	1,810,000	54,300	—	—	85,000 [2]	7,000
2031	5,300,000	1,426,656	—	—	—	—	90,000 [2]	3,600
2032	5,450,000	1,267,656	—	—	—	—	—	—
2033	5,625,000	1,104,156	—	—	—	—	—	—
2034	5,775,000	935,406	—	—	—	—	—	—
2035	5,950,000	762,156	—	—	—	—	—	—
2036	6,150,000	583,656	—	—	—	—	—	—
2037	6,325,000	399,156	—	—	—	—	—	—
2038	6,200,000	201,500	—	—	—	—	—	—
2039	—	—	—	—	—	—	—	—
2040	—	—	—	—	—	—	—	—
2041	—	—	—	—	—	—	—	—
2042	—	—	—	—	—	—	—	—
Totals	$ 83,800,000	$ 23,473,340	$ 21,015,000	$ 3,974,150	$ 7,495,000	$ 603,300	$ 1,090,000	$ 158,819

Table continues on next page.

Debt Service Schedule of Outstanding Lease Revenue Bonds (State Building Ownership Authority) By Fiscal Year (Continued) [1]

Year Ending June 30	Series 2010 $36,735,000 Principal	Series 2010 $36,735,000 Interest	Series 2009E $89,470,000 Principal	Series 2009E $89,470,000 Interest [3]	Series 2009C $16,715,000 Principal	Series 2009C $16,715,000 Interest [3]
2023	$ 3,445,000	$ 307,500	$ — [4]	$ 3,327,559	$ 1,520,000 [6]	$ 711,667
2024	2,705,000	135,250	— [4]	3,327,559	1,605,000 [6]	631,198
2025	—	—	6,015,000 [5]	3,327,559	1,685,000 [7]	546,230
2026	—	—	8,635,000 [5]	2,980,614	1,785,000 [7]	449,039
2027	—	—	9,145,000 [5]	2,482,547	1,890,000 [7]	346,080
2028	—	—	10,665,000 [5]	1,955,064	1,995,000 [7]	237,065
2029	—	—	11,285,000 [5]	1,339,906	2,115,000 [7]	121,993
2030	—	—	11,945,000 [5]	688,989	—	—
2031	—	—	—	—	—	—
2032	—	—	—	—	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
2042	—	—	—	—	—	—
Totals	$ 6,150,000	$ 442,750	$ 57,690,000	$ 19,429,797	$ 12,595,000	$ 3,043,272

Year Ending June 30	State Facilities Master Lease Program Totals Principal	Interest	Debt Service
2023	$ 19,870,000	$ 11,995,699	$ 31,865,699
2024	19,845,000	11,259,764	31,104,764
2025	20,750,000	10,288,095	31,038,095
2026	22,740,000	9,249,159	31,989,159
2027	23,235,000	8,183,458	31,418,458
2028	24,095,000	7,067,910	31,162,910
2029	24,090,000	5,875,856	29,965,856
2030	23,005,000	4,713,845	27,718,845
2031	9,570,000	3,641,906	13,211,906
2032	9,800,000	3,311,106	13,111,106
2033	10,150,000	2,972,206	13,122,206
2034	10,500,000	2,610,156	13,110,156
2035	10,870,000	2,234,706	13,104,706
2036	11,280,000	1,857,156	13,137,156
2037	11,640,000	1,473,319	13,113,319
2038	11,725,000	1,068,288	12,793,288
2039	5,260,000	648,950	5,908,950
2040	2,815,000	444,000	3,259,000
2041	2,960,000	303,250	3,263,250
2042	3,105,000	155,250	3,260,250
Totals	$ 277,305,000	$ 89,354,079	$ 366,659,079

(1) This table reflects the Authority's debt service schedule for its lease revenue bonds for the fiscal year shown. This information is based on payments (cash basis) falling due in that particular fiscal year.
(2) Mandatory sinking fund payments from a $635,000, 4% term bond due May 15, 2031.
(3) Issued as federally taxable Build America Bonds. Does not reflect an originally 35% federal interest rate subsidy. The State anticipates that as a result of the federal sequestration the subsidy paid by the federal government on these bonds will be reduced by approximately $80,573 for the federal fiscal year ending September 30, 2023.
(4) Principal has been refunded by the 2017 Crossover Refunding Bonds.
(5) Mandatory sinking fund payments from a $57,690,000, 5.768%, term bond due May 15, 2030.
(6) Mandatory sinking fund payments from a $7,245,000, 5.294%, term bond due May 15, 2024.
(7) Mandatory sinking fund payments from a $9,470,000, 5.768%, term bond due May 15, 2029.

Source: Office of State Treasurer

Revenue Bonds and Notes

*State of Utah Recapitalization Revenue Bonds***.** The State Bonding Commission is authorized, with prior approval of the Legislature, to issue "recapitalization" revenue bonds of the State to provide funds for certain of the State's revolving loan funds. Such State revenue bonds are secured principally by the payments on certain bonds, notes and other obligations owned by the State through such funds and by debt service reserve funds, and constitute "State Moral Obligation Bonds," but are not applied against the general obligation borrowing capacity of the State. As of the date of this continue disclosure the recapitalization revenue bonds are completely paid off.

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2010C [1]	Water resources (BABs)	$ 31,225,000	July 1, 2022	$ —

(1) Issued as federally taxable, 35% issuer subsidy Build America Bonds.

Source: Office of State Treasurer

Other State-Related Entities' Revenue Debt. Various State-related entities have outstanding bonds and notes payable solely from certain specified revenues. None of these bond or note issues are general obligations of the State and, therefore, such bonds or notes are not applied against the general obligation borrowing capacity of the State. The majority of the State's revenue bonds and notes are issued by the State Board of Regents (student loans and various capital projects for colleges and universities). For a detailed report and description of the various revenue bonds and notes issued by State-related entities, see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022–Notes to the Financial Statements, Note 10. Long-term Liabilities - C. Revenue Bonds, and Note G - Notes Payable/Annuities Payable.

Lease Obligations

The State implemented GASB Statement No. 87, *Leases* during the fiscal year ended June 30, 2022. This new accounting standard reclassified various assets associated with capital leases designations to 'leased assets', see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022-Notes to the Financial Statements. Note 2. Beginning Net Position Adjustments and Other Changes and Information - Implementation of New Governmental Accounting Standards.

The State leases office buildings and office and computer equipment. Although the lease terms vary, most leases are subject to annual appropriations from the Legislature to continue the lease obligations. If a legislative appropriation is reasonably assured, long–term leases are considered noncancellable for financial reporting purposes.

Primary government's total lease payments including principal and interest for fiscal year 2022 were $29.655 million. The present value of the minimum lease payments of the State's leases for the primary government for fiscal year 2022 totaled $186,600 million. Principal and interest required payments for primary government and discrete component units (excluding UTA) are scheduled through fiscal years 2062 and 2092 respectively:

Fiscal Year Ending June 30	Lease Principal and Interest Requirements *(expressed in thousands)*		Total Amount Required
	Principal	Interest	
Primary Government	$ 208,515	$ 24,455	$ 232,970
Discrete Component Unit	230,695	195,480	426,175

The total future minimum lease payments for Utah Transit Authority as of fiscal year 2022 totaled $81.469 million (with annual payments scheduled through year 2036).

For detailed information regarding leases, see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022–Notes to the Financial Statements, Note 9. Lease Commitments.

State Guaranty of General Obligation School Bonds

Under the School District Bond Guaranty (the "Guaranty Act") which took effect on January 1, 1997, the full faith and credit, and unlimited taxing power of the State is pledged to guaranty full and timely payment of the principal of and interest on general obligation bonds ("Guarantied Bonds") issued by eligible boards of education of State school districts ("Eligible School Boards"). The Guaranty Act is intended to reduce borrowing costs for Eligible School Boards by providing credit enhancement for Guaranteed Bonds.

In the event an Eligible School Board is unable to make the scheduled debt service payments on its Guarantied Bonds, the State is required to make such payments in a timely manner. For this purpose, the State may use any of its available moneys, seek a short–term loan from the

Permanent School Fund or issue its short–term general obligation notes. The Eligible School Board remains liable to the State for any such payments on Guaranteed Bonds. The State may seek reimbursement for such payments (plus interest and penalties) by intercepting State financial aid intended for the Eligible School Board. The Guaranty Act also contains provisions to compel the Eligible School Board to levy a tax sufficient to reimburse the State for such payments.

The State Superintendent of Schools (the "State Superintendent") is responsible for monitoring the financial condition of each local school board in the State and reporting, at least annually, his or her conclusions to the Governor, the Legislature and the State Treasurer. The State Superintendent must report immediately to the Governor and the State Treasurer any circumstances suggesting that a local school board will be unable to pay when due its debt service obligations (a "Report") and recommend a course of remedial action. As of December 31, 2022, the State has not been requested to make payments on any Guaranteed Bonds and has not received a Report from the State Superintendent.

As of December 31, 2022, the State will have at least $3.623 billion principal amount outstanding of Guaranteed Bonds. Currently, the Guaranteed Bond program's annual principal and interest payments are scheduled through fiscal year 2042 (for fiscal year 2023 the program's annual principal and interest payments total $494.150 million). The State cannot predict the amount of bonds that may be guaranteed in this year or in future years; no limitation is currently imposed by the Guaranty Act.

For additional information see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022-Notes to the Financial Statements, Note 16. Litigation, Contingencies, and Commitments-B. Contingencies. The Utah School Bond Guaranty Act.

State Moral Obligation Bonds

Bonds issued by the State Board of Regents, recapitalization revenue bonds issued by the State Bonding Commission and certain qualifying bonds of the Utah Charter School Finance Authority may be secured by a pledge pursuant to which a designated official will certify to the Governor on or before December 1 of each year the amount, if any, necessary to restore a capital reserve or debt service reserve fund to its required amount. In the case of revenue bonds issued to finance a capital project for an institution of higher education, if so pledged, the chairman of the State Board of Regents will certify to the Governor on or before December 1 of each year any projected shortfall in revenues necessary to make debt service payments in the forthcoming calendar year. Upon receipt of such a certification, the Governor may, but is not required to, then request from the Legislature an appropriation of the amount so certified. In the case of revenue bonds issued to finance a capital project for a qualifying charter school, if so pledged, an officer of the Utah Charter School Finance Authority will certify to the Governor on or before December 1 of each year the amount, if any, required to restore the amount on deposit in the debt service reserve fund of such qualifying charter school to the debt service reserve fund requirement. Upon receipt of such a certification the Governor shall then request from the Legislature an appropriation of the amount so certified. In all cases, the Legislature is under no legal obligation to make any appropriation requested by the Governor. Bonds issued with such pledge are referred to herein as "State Moral Obligation Bonds."

For additional information regarding State Moral Obligation Bonds, see the following referenced sections of the State's 2022 ACFR, and those of this CONTINUING DISCLOSURE MEMORANDUM.

State Board of Regents. ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE STATE OF UTAH FOR FISCAL YEAR 2022 – Notes to the Financial Statements – Note 10. Long-term Liabilities – C. Revenue Bonds, and Note 20. Subsequent Events.

State of Utah Recapitalization Revenue Bonds. ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE STATE OF UTAH FOR FISCAL YEAR 2022 – Notes to the Financial Statements – Note 10. Long-term Liabilities – C. Revenue Bonds.

Utah Charter School Finance Authority. ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE STATE OF UTAH FOR FISCAL YEAR 2022 – Notes to the Financial Statements – Note 10. Long-term Liabilities – D. Conduit Debt Obligations, and Note 16. Litigation, Contingencies, and Commitments – B. Contingencies – The Charter School Credit Enhancement Program.

See also Revenue Bonds and Notes.

As of the date of this CONTINUING DISCLOSURE MEMORANDUM, the Governor has not received any default certification with respect to the State Moral Obligation Bonds from any of these agencies.

No Defaulted Bonds or Failures by State to Renew Lease

As of the date of this CONTINUING DISCLOSURE MEMORANDUM, the State has never failed to pay when due the principal of and interest on its bonded indebtedness and other payment obligations related thereto. Additionally, the State has never failed to renew, or defaulted on any payments due under, any annually renewable lease with the Authority.

FINANCIAL INFORMATION REGARDING THE STATE OF UTAH

Discussion and Analysis of Financial Statements and Recent Developments

For recent developments, fiscal year 2022 highlights, financial analyses, economic outlook and a review of fiscal year 2022's budget, see ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE STATE OF UTAH FOR FISCAL YEAR 2022 - Management's Discussion and Analysis.

Impact of Coronavirus (COVID-19)

The state's first confirmed case of COVID–19 was on March 6, 2020. As of the end of April 2022, Utah's cumulative detected case total was 932,253 and the cumulative confirmed COVD-19 death total was 4,747. On a per capita basis, Utah ranks 8th among all states in highest cumulative infection rate at about 280 per thousand Utahns, and 48th among all states in cumulative death rate at about 1.4 per thousand Utahns. As of May 4th, Utah's seven-day average case count was approximately 380 (compared to over 10,000 in early 2022), with a seven-day average hospitalization count of 51.7 (compared to over 800 in early 2022). Public health data and other information related to the state's COVID-19 status is published at https://coronavirus.utah.gov/

State Actions. During the initial onset of the pandemic, Utah did not impose a mandatory statewide shelter in place order. However, various COVID-19 mitigation and suppression policies were implemented, such as remote learning for K-12 and higher education students, travel limitations, limitations on public gatherings and business restrictions for high-contact industries. In March of 2022, the state implemented a "steady state" response to the COVID-19 pandemic. Key changes accompanying the "steady state" response include closing state-sponsored community COVID-19 testing sites, reducing operating hours of the state's COVID-19 hotline and discontinuing the state-operated monoclonal antibody infusion site. Given the widespread access to COVID-19 vaccines and boosters, the state is making these changes to bring the COVID-19 response more in line with responses to other infectious diseases. These changes will encourage individuals to seek care for COVID-19 through their traditional healthcare providers and allow public health staff and resources to focus on other chronic and serious issues that challenge the health of Utahns. While this step is an important move forward, the state recognizes there will likely be times when COVID-19 response efforts need to ramp up again, or specific recommendations will be provided to populations and communities based on their risk level.

Budget and Legislative Changes. At the onset of the COVID-19 pandemic, the state was in a strong fiscal and economic position as COVID-19. Between 2009 and 2020, the state and the nation experienced the longest, sustained economic expansion in modern history. The state created over 400,000 jobs, and unemployment dropped to what at the time were historic lows. These conditions, along with numerous forms of federal stimulus, enabled Utah to respond to potential COVID-19 budget challenges quickly and successfully. Over the spring and summer of 2020, Utah held multiple special legislative sessions, during which various COVID-19 response task forces were created, federal stimulus funds were authorized for expenditure, and various budget flexibilities were granted, among other actions. Ultimately, the state closed Fiscal Year 2020 with a $95 million revenue surplus, relative to final adopted estimates. During the 2021 General Legislative Session, COVID-19 related federal grant funding was reauthorized, and legislation providing for the termination of certain emergency powers and public health orders related to the COVID-19 pandemic was passed and later enacted (House Bill 294 *Pandemic Emergency Powers Amendments*). During the First Special Legislative Session of 2021, over $500 million in federal funding from the American Rescue Plan Act (ARPA) was appropriated and legislation prohibiting an institution of higher education from imposing face coverings requirements after spring semester of 2021 was passed and later enacted (House Bill 1007 *Face Covering Requirements*), as well as a state grant program designed to leverage a combination of state and sub-state ARPA relief funds to support local projects (House Bill 1004 *COVID-19 Grant Program Amendments*). During the 2022 General Session, over $900 million in additional ARPA funding was appropriated, along with federal grant reauthorizations, and legislative actions that exclude state facilities from local public health restrictions (House Bill 182 *Local Health Department Order Amendments*) and legislation that increases criminal penalties for assault or threat of violence against an employee of a health facility (House Bill 32 *Health Care Worker Protection Amendments*) were passed and later signed by the governor.

For additional information see, ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE STATE OF UTAH FOR FISCAL YEAR 2022 - Management's Discussion and Analysis

Budgetary Procedures

Budgetary Procedures Act. The Budgetary Procedures Act, Title 63J, Chapter 1, Utah Code (the "Budget Act") establishes the process whereby the Governor's budget is prepared and prescribes the information to be included.

The Governor is required to submit a budget to the Legislature each year, including a plan of proposed changes to appropriations and estimated revenue for the next fiscal year.

The total appropriations requested for expenditures authorized by the budget must not exceed the estimated revenue from taxes, fees and all other sources for the next fiscal year.

The Budget Act applies to all moneys appropriated by the Legislature. No appropriation or any surplus of any appropriation may be diverted from the department, agency, institution or division for which it was appropriated. Appropriated moneys generally may not be transferred from one item of appropriation to any other item of appropriation without legislative approval.

Unexpended Balances. Except for certain funds detailed in the Budget Act or funds that may be exempted by the annual appropriations act, the Director of the Division of Finance must, at the end of each fiscal year, close out all balances to the proper fund or account.

Budgetary Controls. The Director of the Division of Finance is required to exercise accounting control over all State departments, institutions and agencies other than the Legislature and legislative committees. The Director of the Division of Finance must require the head of each department to submit, not later than May 15, a budget (work program) for the next fiscal year that does not exceed legislative appropriations or other estimated funding.

State Funds And Accounting

The Division of Finance maintains its accounting records in accordance with State law and in accordance with generally accepted accounting principles (GAAP). Funds are accounted for and reported in the following categories: governmental funds; proprietary funds; and fiduciary funds. Governmental funds include the General Fund, special revenue funds, capital projects funds, debt service funds, and permanent funds. Proprietary funds include enterprise and internal service funds. Fiduciary funds include pension or other employee benefit trust funds, private purpose trust funds, and custodial funds. Fund reporting in the financial statements for governmental funds focuses on major funds as defined by GAAP and promulgated by the Governmental Accounting Standards Board. The State reports the following major governmental funds: the General Fund, the Education Fund, the Transportation Fund, the Transportation Investment Fund and the Trust Lands Fund. The State's nonmajor governmental funds include other special revenue funds, capital projects funds, and debt service funds. The nonmajor special revenue funds account for specific revenue sources that are legally restricted or committed to expenditures for specific purposes. Examples include tobacco settlement moneys, environmental activities, crime victim reparations and rural development programs. For further information on State funds and accounting, including a description of each of the major governmental funds, see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022—Notes to the Financial Statements—Note 1. Summary of Significant Accounting Policies.

State Tax System

The State's tax revenues are derived primarily from sales and use taxes, individual income taxes, motor fuel taxes, corporate franchise (business income) taxes, and numerous smaller sources, including excise taxes on cable/satellite, insurance premiums, beer, cigarettes and tobacco, cable/satellite severance taxes, investment income, state liquor and wine store profits, and numerous court and business regulation fees. These fees and taxes are regulated by the Legislature. In addition to the State's tax system, counties, cities and towns have authority to levy and collect sales and use taxes and property taxes. School districts, some special service areas, and some local districts have the authority to levy and collect property taxes.

Individual Income Taxes. The State is one of 43 states that impose an individual income tax. Taxpayers' income for tax year 2021 is subject to a single rate of 4.95% of federal adjusted gross income. Beginning in 2022, the income tax rate drops to 4.85% of federal adjusted gross income. A tax credit based on federal deductions and a Utah personal exemption is available but phases out depending upon the taxpayer's income and filing status. For additional information regarding certain Fiscal Years income tax revenues see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022–Statistical Section–Schedule B–1, Revenue Base; Schedule B–3, Revenue Payers–Personal Income Tax; and Schedule B–4, Personal Income Tax Rates.

Business Taxes. A multi–state company's tax liability is determined by apportionment of federal taxable income by its payroll, property and sales values in the State compared to elsewhere. There are various types of apportionment that corporations are either legally bound to, or may choose, depending on industry type. In the State's 2022 General Session, the Legislature reduced the corporate income tax rate from 4.95% to 4.85%, subject to exceptions and credits with a minimum tax of $100.

Sales and Use Tax. In general, State sales taxes are imposed based on retail sales or use of tangible personal property, admissions, meals, utility services, general services on tangible personal property, hotel and motel accommodations, and certain other items. Use tax also applies to goods shipped to the State for use, storage, or other consumption, goods purchased outside of the State for use, storage, or other consumption in the State, and services subject to tax but performed outside the State for use, storage, or other consumption in the State. The State sales and use tax rate on grocery items is 3.00% (when including the 1.25% local option), residential fuels rate is $0.319 per gallon (effective January 1, 2022) and the general sales tax rate is 4.85%.

The State requires its largest sales taxpayers (with annual liabilities of more than $50,000) to pay on a monthly basis. All others remit the sales tax collected on a quarterly or annual basis. Monthly sales taxpayers receive a 1.31% discount on State and local sales taxes collected. This requirement has served to reduce the volatility of the State's cash flows, with over 90% of sales and use taxes now remitted on a monthly basis. For additional information regarding sales tax information, see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022–Statistical Section–Schedule B–1, Revenue Base; and Schedule B–2, Revenue Payers by Industry–Taxable Sales, Services and Use Tax Purchases.

Additional Taxes and Fees. The State collects a number of additional significant taxes and fees, including, but not limited to: an unemployment compensation tax, which is used to finance benefits paid to unemployed workers; a workers' compensation insurance premium tax, which is used to pay workers' compensation benefits; and various highway users' taxes, which are used for highway and road related purposes. Other taxes and fees collected by the State include excise taxes on cable/satellite, insurance premiums, severance taxes, a

cigarette and tobacco tax, an environmental surcharge, a waste tire fee, and fish and game license fees. Other State revenue sources include profits from state liquor and wine stores, court and license fees and other fees collected by colleges, universities and State departments. For additional information regarding tax collection results and forecasts for Fiscal Years 2022 and 2023 tax collections, see State Revenues and Collections.

Contingent Liabilities and Tax Credits

The State has made commitments and has incurred contingent liabilities and commitments, including tax credits, cash rebates, grants and other obligations. Certain of these could require significant payments by the State. For an in depth discussion, see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022–Notes to the Financial Statements–Note 15 Tax Abatements and Note 16. Litigation, Contingencies, and Commitments.

Federal Funding Cuts

Pursuant to the Budget Control Act of 2011 (the "BCA"), cuts to federal programs necessary to reduce federal spending to levels specified in the BCA (known as "sequestration") were ordered in federal fiscal years ending September 30, 2013, through 2021 and were subsequently extended through September 30, 2030. These reductions include cuts to the subsidy payments to be made to issuers of Build America Bonds ("BABs") and various other federal expenditures.

The State anticipates that any future reductions of subsidy payments with respect to the State's and the Authority's $507,625,000 in outstanding BABs (the State's $437,340,000 of general obligation bonds and the Authority's $70,285,000 of lease revenue bonds) or reductions in other federal grants because of sequestration would have no material impact on their operations or financial position. The State cannot predict whether Congress will act to avoid or extend sequestration in the future.

Investment Of Funds

Investment of Operating Funds; The State Money Management Act. The State Money Management Act, Title 51, Chapter 7, Utah Code (the "MM Act") governs the investment of all public funds held by public treasurers in the State. The State is currently complying with all of the provisions of the MM Act for all State operating funds.

The Utah Public Treasurers' Investment Fund. A significant portion of State funds are invested in the Utah Public Treasurers Investment Fund ("PTIF"). The PTIF is a local government investment fund established in 1981 and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return. All moneys transferred to the PTIF are promptly invested in securities authorized by the MM Act. Safekeeping and audit controls for all investments owned by the PTIF must comply with the MM Act. See ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022–Notes to the Financial Statements–Note 3. Deposits and Investments, and Note 4. Investment Pool.

State Revenues and Collections

The State receives revenues from three principal sources: taxes, including sales and use, individual income, business, motor and special fuel, and other miscellaneous taxes; federal grants-in-aid; and miscellaneous charges and receipts, including licenses, permits and fees, profits from state liquor stores, the State's share of mineral royalties, bonuses on federal land, and other miscellaneous revenues. The following financial summaries have been extracted from the State's ACFR.

State Revenues [1]

Fiscal Year Ended June 30 *(dollars in thousands)*

	2022	% [2]	2021	% [2]	2020	% [2]	2019	% [2]	2018	% [2]
Taxes	$ 13,088,081	57.8	$ 10,708,868	56.3	$ 9,155,600	58.8	$ 8,596,915	60.7	$ 8,002,670	59.7
Federal contracts and grants	7,366,055	32.5	6,223,486	32.7	4,648,234	29.9	3,973,026	28.0	3,893,654	29.1
All other misc. revenues	2,186,836	9.7	2,092,887	11.0	1,751,558	11.3	1,597,761	11.3	1,499,125	11.2
Total all funds	$ 22,640,972	100.0	$ 19,025,241	100.0	$ 15,555,392	100.0	$ 14,167,702	100.0	$ 13,395,449	100.0

(1) Includes all governmental fund types except Trust Lands.
(2) Percentage of total Governmental Fund Revenue.

Source: Office of State Treasurer

The following summary tables which have been prepared by the State Treasurer's Office have been extracted from the State's audited ACFR, but the summaries themselves have not been audited. Those prepared by the Governor's Office of Planning and Budget and the Office of the Legislative Fiscal Analyst have not have been independently audited.

Revenues by Source
All Governmental Fund Types [1]
Fiscal Year Ended June 30 *(in thousands)*

Taxes:	2022	2021	2020	2019	2018
Sales and Use Tax	$ 4,201,118	$ 3,569,706	$ 3,068,002	$ 2,805,618	$ 2,646,996
Individual Income Tax	6,814,382	5,451,297	4,758,082	4,336,437	4,033,320
Corporate Tax	960,035	687,791	405,632	534,977	423,019
Motor and Special Fuels Tax	577,407	560,763	498,402	521,199	500,049
Other Taxes	535,139	439,311	425,482	398,684	399,286
Total Taxes	13,088,081	10,708,868	9,155,600	8,596,915	8,002,670
Other Revenues:					
Federal Contracts and Grants [2]	7,366,055	6,223,486	4,648,234	3,973,026	3,893,654
Charges for Services/Royalties	1,161,139	1,070,764	818,178	730,033	687,952
Licenses, Permits, and Fees	246,782	237,702	225,258	219,972	211,045
Federal Mineral Lease	75,616	49,039	58,606	77,607	76,693
Intergovernmental	—	—	8,057	16,029	11,801
Investment Income	(59,331)	88,567	81,321	120,387	63,203
Miscellaneous and Other	762,630	646,815	560,138	433,733	448,431
Total Other Revenues	9,552,891	8,316,373	6,399,792	5,570,787	5,392,779
Total Revenues	$ 22,640,972	$ 19,025,241	$ 15,555,392	$ 14,167,702	$ 13,395,449

(1) Includes all governmental fund types, except Trust Lands.

(2) In fiscal year 2022 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and COVID-19 relief funding from American Rescue Plan Act (ARPA) of 2021. The major contributors of this increase are the General Fund with an increase of $827.773 million or 16.17 percent and the Education Fund increased of $337.286 million or 53.03 percent. In fiscal year 2021 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and homeless programs and COVID-19 relief funding from the CARES Act, American Rescue Plan Act (ARPA) and Federal Emergency Management Agency.

Sources: Office of State Treasurer

The following table represents revenue collections for the last five fiscal years. The table also provides estimates, on a cash basis, of revenue collections for fiscal years 2023 and 2024.

Fiscal Year Revenue Collections

	Nominal Revenue (dollars in millions)							Annual Percentage Change					
	2024 (f)	2023 (r)	2022	2021	2020	2019	2018	2023-24	2022-23	2021-22	2020-21	2019–20	2018–19
Sales and use tax	$3,390.0	$3,268.0	$3,098.5	$2,625.3	$2,265.3	$2,116.3	$ 2,018.7	3.7	5.5	18.0	15.9	7.0	4.8
Earmarked sales and use tax	1,238.4	1,196.4	1,088.3	929.3	815.0	690.6	643.5	3.5	9.9	17.1	14.0	18.0	7.3
Total sales and use tax	4,628.5	4,464.4	4,186.8	3,554.6	3,080.3	2,806.9	2,662.3	3.7	6.6	17.8	15.4	9.7	5.4
Cable/satellite excise tax	26.0	26.2	27.6	26.7	28.4	28.2	29.3	(0.5)	(5.2)	3.4	(5.9)	0.5	(3.7)
Liquor profits	145.6	140.8	134.7	123.7	121.7	118.1	112.3	3.4	4.5	8.9	1.6	3.1	5.2
Insurance premiums	195.9	188.6	179.8	157.4	142.2	136.6	133.6	3.9	4.9	14.2	10.7	4.1	2.3
Beer, cigarette and tobacco	94.1	95.9	99.5	103.1	108.5	106.0	111.1	(1.9)	(3.7)	(3.5)	(5.0)	2.3	(4.6)
Oil and gas severance tax	49.8	58.5	40.3	11.4	19.5	14.5	17.4	(14.8)	44.9	252.9	(41.5)	34.8	(16.9)
Metal severance tax	9.2	7.6	8.6	10.0	10.8	10.0	7.6	20.5	(11.8)	(13.9)	(6.8)	7.2	31.7
Investment income	102.6	95.1	22.9	10.3	30.5	34.8	22.2	7.8	314.8	123.3	(66.3)	(12.4)	56.9
General Fund (other)	100.2	97.1	113.3	109.7	108.0	75.4	91.4	3.1	(14.3)	3.3	1.5	43.2	(17.5)
Property and energy credit	(6.0)	(5.9)	(5.8)	(6.0)	(5.9)	(5.8)	(5.6)	1.1	1.6	(2.2)	2.0	0.8	3.1
Total General Fund	4,107.4	3,971.8	3,719.4	3,171.6	2,829.0	2,634.2	2,538.1	3.4	6.8	17.3	12.1	7.4	3.8
Total General Fund and earmarks	5,345.8	5,168.2	4,807.7	4,100.9	3,644.0	3,324.8	3,181.6	3.4	7.5	17.2	12.5	9.6	4.5
Individual income tax	6,840.6	6,780.9	6,771.9	6,110.5	3,985.4	4,320.0	3,999.0	0.9	0.1	10.8	53.3	(7.7)	8.0
Corporate taxes	758.8	802.3	937.0	742.7	355.9	520.9	447.9	(5.4)	(14.4)	26.2	108.7	(31.7)	16.3
Mineral production withholding	50.5	52.4	40.2	16.2	26.0	28.8	21.6	(3.5)	30.1	149.1	(38.0)	(9.5)	33.3
Education Fund (other)	40.9	40.2	55.8	26.3	48.0	39.0	30.9	1.9	(28.0)	111.9	(45.2)	23.1	26.2
Total Education Fund	7,690.9	7,675.7	7,805.0	6,895.7	4,415.4	4,908.7	4,499.4	0.2	(1.7)	13.2	56.2	(10.1)	9.1
Total General Fund and Education Fund	11,798.3	11,647.5	11,524.4	10,067.3	7,244.4	7,543.0	7,037.5	1.3	1.1	14.5	39.0	(4.0)	7.2
Total General Fund and Education Fund and earmarks	13,036.7	12,843.9	12,612.7	10,996.6	8,059.4	8,233.6	7,681.1	1.5	1.8	14.7	36.4	(2.1)	7.2
Motor fuel tax	450.9	411.6	399.3	379.5	351.0	371.6	354.0	9.5	3.1	5.2	8.1	(5.5)	5.0
Special fuel tax	204.3	187.0	173.9	172.0	153.4	142.3	134.9	9.2	7.6	1.1	12.1	7.8	5.5
Other	138.8	131.4	121.4	114.5	109.6	106.0	95.5	5.7	8.2	6.0	4.5	3.4	10.9
Total Transportation Fund	794.0	730.0	694.6	665.9	614.0	619.9	584.4	8.8	5.1	4.3	8.5	(1.0)	6.1
Mineral lease payments	109.0	117.8	77.8	50.5	60.2	79.5	75.3	(7.5)	51.4	54.2	(16.1)	(24.3)	5.5
Totals	12,701.2	12,495.3	12,296.8	10,783.8	7,918.5	8,242.4	7,697.2	1.6	1.6	14.0	36.2	(3.9)	7.1
Totals and earmarks	13,939.7	13,691.8	13,385.1	11,713.1	8,733.5	8,933.0	8,340.8	1.8	2.3	14.3	34.1	(2.2)	7.1

(f) forecast; (r) revised

Source: Governor’s Office of Planning and Budget

The following table summarizes revenues, expenditures and fund balances for the General Fund as reported in the State's audited financial statements by fiscal year. This information has been extracted from the State's audited financials statements for the last five fiscal years, however, the summaries have not been audited.

Revenues, Expenditures, and Fund Balances – General Fund
Fiscal Year Ended June 30 *(dollars in thousands)*

	2022	2021	2020	2019	2018
Revenues:					
Federal Contracts and Grants [1]	$ 5,945,597	$ 5,117,824	$ 3,652,812	$ 3,103,195	$ 2,977,665
Sales and Use Tax	3,207,116	2,711,382	2,302,910	2,147,235	2,063,883
Charges for Services	607,031	552,524	537,191	501,910	491,686
Other Taxes	446,509	385,635	364,794	342,048	341,481
Miscellaneous and Other	496,536	430,007	343,952	268,298	278,109
Federal Mineral Lease	75,616	49,039	58,606	77,607	76,693
Licenses, Permits, and Fees	24,367	25,635	25,659	25,664	25,805
Investment Income	(4,304)	27,415	35,148	43,630	24,174
Total Revenues	$ 10,798,468	$ 9,299,461	$ 7,321,072	$ 6,509,587	$ 6,279,496
% change over previous year	16.1%	27.0%	12.5%	3.7%	5.5%
Expenditures	$ 10,729,051	$ 9,647,977	$ 8,079,513	$ 7,386,308	$ 6,938,622
% change over previous year	11.2%	19.4%	9.4%	6.5%	4.3%
Fund Balance: [2]					
Nonspendable:					
Long-term Portion of Interfund Loans	$ 5,703	$ 6,272	$ 9,388	$ 12,063	$ 14,950
Prepaid Items [3]	38,683	209,933	183,074	7,625	2,463
Inventories [4]	48,212	43,823	27,564	421	721
Restricted	117,384	85,032	69,366	43,241	38,978
Committed	1,692,944	1,181,796	855,925	835,171	675,228
Assigned	1,359,364	607,794	294,255	339,999	314,910
Unassigned	130,243	109,774	14,456	—	7,966
Total Fund Balances	$ 3,392,533	$ 2,244,424	$ 1,454,028	$ 1,238,520	$ 1,055,216
% change over previous year	51.2%	54.4%	17.4%	17.4%	27.0%

(1) In fiscal year 2022 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and COVID-19 relief funding from American Rescue Plan Act (ARPA) of 2021. The major contributors of this increase are the General Fund with an increase of $827.773 million or 16.17 percent and the Education Fund increased of $337.286 million or 53.03 percent. In fiscal year 2021 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and homeless programs and COVID-19 relief funding from the CARES Act, American Rescue Plan Act (ARPA) and Federal Emergency Management Agency.

(2) The Fund Balance is derived from revenues, expenditures, transfers, and other financing sources and uses, which are not presented in this table, and the beginning fund balance from the prior fiscal year.

(3) In fiscal year 2022 prepaid items decreased due to the decline in special relief funding. Prepaid Items increased in fiscal year 2021 by $26.859 million related to advance payment of COVID-19 funds for software costs for distance learning. In fiscal year 2020 increased due to $122.417 million in Accountable Care Organization payments required in advance for the Medicaid Program and $41.076 million in monies received from the CARES Act which were advanced to local governments.

(4) Inventories increased in fiscal year 2021 by $16.259 million related to the purchase of personal protective equipment in response to the COVID-19 pandemic.

Sources: Office of State Treasurer; Department of Government Operations, Division of Finance; and the 2022 ACFR

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Fund Balances

The following tables summarize the combined changes in fund balances and the fund balances for all governmental fund types reported in the State's audited financial statements by fiscal year. The information was extracted from the State's audited financial statements for the fiscal years 2018 through 2022, however the following summaries have not been audited.

Fund Balances – All Governmental Fund Types [1]

As of June 30 *(in thousands)*

	2022	2021	2020	2019	2018
General	$ 3,392,533	$ 2,244,424	$ 1,454,028	$ 1,238,520	$ 1,055,216
Special Revenue:					
Education	3,698,729	2,435,735	1,919,739	1,203,696	1,144,738
Transportation	586,906	503,487	487,323	511,606	407,653
State Endowment	304,860	314,574	260,080	245,153	215,184
Rural Development	26,163	22,249	24,179	23,498	24,305
Medicaid Expansion [2]	197,844	158,920	109,317	—	—
Environmental Reclamation	53,523	47,678	49,320	15,082	16,551
Miscellaneous Special Revenue	134,239	94,528	50,375	108,795	43,192
Consumer Education [3]	—	5,277	4,728	5,029	4,919
Crime Victim Reparation [3]	—	8,112	7,021	5,936	4,223
Universal Telephone Services	15,848	16,812	11,480	5,566	6,881
State Capitol [4]	—	—	—	1,555	1,030
Capital Projects:					
Transportation Investment	1,714,449	688,839	957,985	670,295	654,819
General Government	643,538	616,363	542,938	593,206	401,758
State Building Ownership Authority	1,989	5,148	5,265	6,029	15,521
Debt Service:					
General Government	20,675	20,333	19,020	14,209	8,222
State Building Ownership Authority	8,560	5,951	6,028	6,332	35,654
Total	$ 10,799,856	$ 7,188,430	$ 5,908,826	$ 4,654,507	$ 4,039,866

(1) Includes all governmental fund types, except Trust Lands. Fund Balances as reported above have not been restated for any prior year adjustments.
(2) Medicaid Expansion Fund Balance was reported individually for the first time in fiscal year 2020. In fiscal years 2018 and 2019, these fund balances had been reported in aggregate within Miscellaneous Special Revenue at $6.1 million and $62.7 million respectively.
(3) Beginning fiscal year 2022, Consumer Education and Crime Victim Reparation were aggregated within Miscellaneous Special Revenue Fund Balance.
(4) Beginning fiscal year 2020, State Capitol Fund Balances were aggregated within the Miscellaneous Special Revenue Fund Balance.

Sources: Office of State Treasurer; Department of Government Operations, Division of Finance; and the 2022 ACFR

Summary of Changes in Fund Balance – All Governmental Fund Types [1]

Fiscal Year Ended June 30 *(dollars in thousands)*

	2022	2021	2020	2019	2018
Revenues	$ 22,640,972	$ 19,025,241	$ 15,555,392	$ 14,167,702	$ 13,395,449
% change over previous year	19.0%	22.3%	9.8%	5.8%	8.0%
Expenditures	(19,259,089)	(18,017,106)	(15,635,751)	(13,930,957)	(13,315,497)
% change over previous year	6.9%	15.2%	12.2%	4.6%	5.3%
Net other financing sources (uses) [2]	181,894	269,956	1,334,678	377,896	814,621
Adjustment to beginning fund balance [3]	47,649	1,513	—	—	—
Net change in Fund Balance	$ 3,611,426	$ 1,279,604	$ 1,254,319	$ 614,641	$ 894,573

(1) Includes all governmental fund types, except Trust Lands.
(2) Includes sale of capital assets, bond proceeds, net of any refunding issues, plus financing provided from capital leasing and net fund transfers. In addition, beginning balances are not reflected in this table.
(3) The fiscal year 2022 evaluation of GASB Statement 84 resulted in the recognition of $47.357 million of funding maintained in the State controlled escrow accounts to the General Fund and a miscellaneous adjustment for non-major governmental funds of $292 thousand for a total of $47.649 million. During fiscal year 2021 GASB Statement 84, *Fiduciary Activities* (GASB 84) was implemented resulting in the restatement of beginning net position General Fund of $367 thousand and Miscellaneous Special Revenue Fund of $1.146 million.

Sources: Department of Government Operations, Division of Finance and the 2022 ACFR

Expenditures and Appropriations

The following table summarizes expenditures by function for all government fund types as reported in the State's audited financial statements by fiscal year. This information has been extracted from the State's audited financials statements for the last five fiscal years, however, the summaries have not been audited.

Expenditures by Function – All Governmental Fund Types [1]

Fiscal Year Ended June 30 *(in thousands)*

Function	2022	2021	2020	2019	2018
Public Education	$ 5,249,375	$ 4,829,615	$ 4,409,279	$ 4,140,263	$ 3,983,098
Health and Environmental Quality	4,771,546	4,048,719	3,427,211	2,997,039	2,823,947
Transportation	1,131,668	1,206,786	1,166,194	996,728	1,024,576
Higher Education (Colleges and Universities)	1,319,456	1,267,376	1,105,108	1,098,237	1,014,419
Employment and Family Services	1,385,699	1,067,848	778,046	755,613	749,620
Human Services and Juvenile Justice Services	1,107,034	1,023,128	984,607	919,227	858,099
Debt Service	464,627	440,050	471,915	364,366	391,917
Capital Outlay	1,117,262	1,394,526	1,286,659	847,541	778,543
General Government	1,091,477	1,197,643	589,499	478,438	448,366
Public Safety	458,918	363,518	341,668	340,210	294,693
Corrections	377,325	341,174	337,885	328,586	317,425
Natural Resources	297,321	274,500	272,994	251,545	231,665
Courts	176,715	162,466	165,465	165,369	170,233
Business, Labor, and Agriculture	136,921	149,968	132,022	119,491	119,158
Higher Education - State Administration	114,235	182,070	125,335	96,323	78,773
Heritage and Arts	59,510	67,719	41,864	31,981	30,965
Total Expenditures	$19,259,089	$18,017,106	$15,635,751	$13,930,957	$13,315,497

(1) Includes all governmental fund types, except Trust Lands.

Sources: Office of State Treasurer; Department of Government Operations; Division of Finance; and the 2022 ACFR

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The following table represents legislative appropriations for fiscal years 2022 and 2023, extracted from the *Budget of the State of Utah and Related Appropriations*, a report produced annually by the Office of the Legislative Fiscal Analyst.

All Appropriations - Fiscal Years 2022 and 2023

(dollars in thousands)

	Fiscal Year 2022				Fiscal Year 2023	
	Appropriated	Supplemental	Revised	% Change	Appropriated	% Change
Sources of Finance						
Beginning Balance	$ 4,990,606	$ (294,853)	$ 4,695,753	(5.9)	$ 4,677,301	(0.4)
Federal Funds	8,496,400	1,118,327	9,614,727	13.2	7,571,472	(21.3)
Federal Funds - CARES Act	99,950	146,406	246,356	146.5	949	(99.6)
Federal Funds - ARPA	524,390	692,986	1,217,376	132.2	151,014	(87.6)
Education Fund	1,522,410		1,522,410		1,865,032	22.5
Education Fund, One-time	1,022,317	552,489	1,574,806	54.0	1,195,834	(24.1)
General Fund	2,983,983		2,983,983		3,342,006	12.0
General Fund, One-time	564,156	(73,987)	490,169	(13.1)	1,083,697	121.1
Dedicated Credits	2,699,842	170,422	2,870,265	6.3	2,879,678	0.3
Other Financing Sources	731,172	5,336	736,507	0.7	753,737	2.3
Capital Project Funds	661,014	317,461	978,475	48.0	505,780	(48.3)
Transfers	1,792,352	66,953	1,859,305	3.7	807,778	(56.6)
Transportation Fund	696,212		696,212		777,218	11.6
Transportation Fund, One-time	16,840	17,253	34,092	102.5	2,971	(91.3)
Other Trust and Agency Funds	432,876	50,000	482,876	11.6	483,659	0.2
General Fund Restricted	524,350	57,209	581,560	10.9	544,058	(6.4)
Enterprise Funds	225,040	1,236	226,276	0.5	242,262	7.1
Education Special Revenue	432,658		432,658		738,232	70.6
Local Education Revenue	1,296,208	(15,000)	1,281,208	(1.2)	1,445,440	12.8
Special Revenue	288,757	5,614	294,371	1.9	289,547	(1.6)
Federal Mineral Lease	60,475	674	61,148	1.1	61,245	0.2
Transportation Special Revenue	60,697	336	61,033	0.6	63,084	3.4
Transportation Fund Restricted	366	3,200	32,366	8743.2	366	(98.9)
Transportation Investment Fund	1,704,368		1,704,368		1,583,554	(7.1)
Uniform School Fund	3,760,559		3,760,559		4,122,192	9.6
Uniform School Fund, One-time	(81,700)	3,631	(78,070)	(4.4)	15,346	(119.7)
Pass-through	3,872	(1,100)	2,772	(28.4)	2,788	0.6
Private Purpose Trust Funds	4,737	(181)	4,556	(3.8)	4,745	4.2
Lapsing Balance	(1,648)	(225,981)	(227,628)	13715.7	(1,757)	(99.2)
Closing Balance	(4,557,650)	477,632	(4,080,018)	(10.5)	(4,278,136)	4.9
Total	$ 30,955,610	$ 3,104,862	$ 34,060,472	10.0	$ 30,931,088	(9.2)
Appropriation Categories						
Operating and Capital Budgets	$ 25,629,199	$ 2,029,889	$ 27,659,088	7.9	$ 25,985,724	(6.0)
Capital Project Funds	3,160,049	829,594	3,989,643	26.3	2,638,494	(33.9)
Enterprise/Loan Funds	671,374	(157,419)	513,955	(23.4)	534,994	4.1
Internal Service Funds	392,532	18,084	410,616	4.6	414,429	0.9
Fiduciary Funds	225,481	172	225,653	0.1	226,219	0.3
Transfers to Restricted Funds/Accounts	856,187	47,634	903,821	5.6	1,121,908	24.1
Transfers to Unrestricted Funds	20,790	336,907	357,696	1620.5	9,320	(97.4)
Total	$ 30,955,610	$ 3,104,862	$ 34,060,472	10.0	$ 30,931,088	(9.2)

Source: Office of the Legislative Fiscal Analyst, *Budget of the State of Utah and Related Appropriations*

Statutory Spending Limitations

Under the State Appropriations and Tax Limitation Act the State has statutory appropriation limits. The appropriations limit adjusts annually pursuant to a statutory formula based on population and inflation. The definition of appropriations includes unrestricted capital and operating appropriations from unrestricted General Fund and Education Fund sources. Spending for public education in addition to spending for transportation is exempt from the limitation.

Capital Expenditure Authorizations

The following table presents historical data on capital expenditures in the year authorized from all sources, excluding bond proceeds and other available funds. Included in these figures are capital outlay expenses and authorizations for the construction of new buildings and the improvement of existing buildings. These figures also include expenditures for the construction of buildings for higher education, water development or storage projects, flood control projects, the construction or improvement of roads and related transportation projects, State and some local recreation projects and local projects in energy–impacted areas funded with community impact moneys. These figures exclude debt service.

Capital Expenditure Authorizations
(in millions)

Fiscal Year				
2023	2022	2021	2020	2019
$3,400.1	$3,726.8	$2,154.0	$1,816.2	$1,808.7

Source: Governor's Office of Planning and Budget

Budget Reserve Accounts

The State maintains a General Fund Budget Reserve Account and an Education Fund Budget Reserve Account. State law requires that 25% of any General Fund revenue surplus be deposited in the General Fund Budget Reserve Account not to exceed 9% of the General Fund appropriations for the fiscal year and 25% of any Education Fund revenue surplus be deposited in the Education Fund Budget Reserve Account not to exceed 11% of the Education Fund appropriations for the fiscal year, in each case up to the statutory limit. Unless such reserve funds are drawn upon for their respective purposes, annual mandatory surplus transfers will be limited to the lesser of 25% of the applicable surplus or the amount necessary to reach the statutory limit of 9% for the General Fund and 11% for the Education Fund. Subject to the automatic transfer limits specified above, an additional 25% of a revenue surplus may be allocated if funds have been drawn upon and not repaid.

The State has also established a Medicaid Growth Reduction and Budget Stabilization Account. If at the end of a fiscal year, there is a General Fund revenue surplus and Medicaid growth remains below specified levels, State law requires that a portion of any General Fund revenue surplus be transferred from the General Fund to the Medicaid Growth Reduction and Budget Stabilization Account. This transfer is before, and consequently reduces, the annual mandatory year-end surplus transfer to the General Fund Budget Reserve Account.

The State has also created a Growth in Student Population Account to set aside funds to manage public education enrollment growth. In addition, the State maintains budget reserves for natural disasters through the Wildland Fire Suppression and Disaster Recovery accounts.

As of December 31, 2022 the balance in the General Fund Budget Reserve Account was $330 million; the balance in the Education Fund Budget Reserve Account was $856 million; the balance in the Growth in Student Population Account was $22 million; the balance in the Medicaid Growth Reduction and Budget Stabilization Account was $114 million, and the combined balance in the Wildland Fire Suppression and Disaster Recovery accounts was $137 million.

State Employee Workforce and Public Retirement Systems

State Employee Workforce. The State is among the largest employers in the State employing 20,798 people (full-time equivalents) in Fiscal Year 2022. For a 10-year history of the State's employment numbers see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022-Statistical Section-Schedule E-1 Full-time Equivalent State Employees by Function.

Public Retirement Systems. All full-time employees of the State are members of the Utah Retirement Systems ("URS") and the State participates in various contribution systems and pension plans provided by URS. URS has separate accounting systems and prepares a separate financial report covering all retirement systems and deferred compensation plans it administers. The pension plans administered by URS, and reported by URS in their 2021 calendar year ACFR, are reported as pension trust funds in the State's 2022 ACFR. See ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022-Fiduciary Fund Financial Statements. Copies of URS's CAFR for Calendar Year 2021 may be found at https://www.urs.org/general/publications.

For fiscal year 2022, the State reported the following liability and related transactions equal to its proportionate share of the collective net pension liability of URS (measured as of December 31, 2021): $294.486 million in net pension assets, $333.807 million in deferred outflows of resources, $0.927 million in net pension liability and $925.550 million in deferred inflows of resources for the primary government. For Fiscal Year 2022, the State contributed approximately $256.363 million to URS, which was 100 percent of its contractually and statutorily required contributions.

Investment Returns. The following table displays the investment returns for the previous 10 Calendar Years (dollars in thousands).

	Total Investment Portfolio Fair Value	Smoothed Expected Rate of Return [1]	Fair Value Rate of Return [2]	Actuarial Assumed Interest Rate [3]	Money Weighted Rate of Return [4]
2021	$45,538,000	11.52%	17.46%	6.85%	17.28%
2020	39,308,000	9.58	12.96	6.95	12.64
2019	35,612,000	7.08	14.45	6.95	13.80
2018	31,376,000	5.99	(0.22)	6.95	(0.38)
2017	32,125,000	8.32	13.57	6.95	13.38
2016	29,017,000	8.06	8.79	7.20	8.73
2015	27,086,000	7.84	1.92	7.50	2.02
2014	26,955,000	10.20	7.52	7.50	7.94
2013	25,765,000	11.03	14.89	7.50	14.55
2012	22,871,000	2.66	13.10	7.50	—

(1) Smoothed Expected Rate of Return consists of investment income in excess or shortfall of the expected actuarial assumed interest rate on fair value smoothed over a 5-year period with 20% of a year's excess or shortfall being recognized each year beginning with the current year.
(2) Fair Value Rate of Return consists of cash income plus gains and losses due to changes in fair value, whether realized or unrealized (before deduction of investment fees). (For 2021, 17.29% net of fees.)
(3) Actuarial Assumed Interest Rate is the assumed rate of return on the fair value of assets, and is used in establishing retirement contribution rates and in determining current benefit reserve requirements.
(4) Money Weighted Rate of Return is calculated as the internal rate of return on pension plan investments, net of investment expenses.

Source: URS December 31, 2021 ACFR

Funding Ratios. The funding progress for all retirement funds in URS with funding ratios for the last 10 Calendar Years is shown in the following schedule (dollars in billions).

	Actuarial Value of Assets	Accrued Actuarial Liability	Funding Ratios
2021	$40.2	$42.80	94%
2020	36.6	40.4	91
2019	34.0	38.4	89
2018	32.2	36.7	88
2017	30.9	35.3	88
2016	28.9	33.2	87
2015	27.1	31.2	87
2014	25.5	30.0	85
2013	23.4	29.2	80
2012	21.4	27.9	77

Source: URS December 31, 2021 ACFR

As of December 31, 2021, URS pension plans' fiduciary net position as a percent of the total pension liability is 105 percent. For a detailed discussion regarding retirement benefits and contributions, information regarding the Fiduciary Net Position, the Total Pension Liability, and the Net Pension Liability or Asset of the URS systems providing benefits to employees of the State see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022-Notes to the Financial Statements-Note 17. Pension Plans.

Other Postemployment Benefits

The State administers the State Employee Other Postemployment Benefit Plan ("State Employee OPEB Plan") through the State Post-Retirement Benefits Trust Fund. A separate Elected Official Other Postemployment Benefit Plan ("Elected Official OPEB Plan") is provided for governors and legislators, and is administered through the Elected Official Post-Retirement Benefits Trust Fund. Both trust funds are irrevocable and legally protected from creditors. Both plans are single-employer defined benefit healthcare plans and are closed plans available to only employees and elected officials that meet certain eligibility criteria.

For fiscal year 2022, the State reported a collective $22.721 million in deferred outflows of resources, $32.635 million in deferred inflows of resources and $28.434 million in net OPEB assets for both Plans. For the State Employee OPEB Plan and the Elected Official OPEB Plan the fiduciary net position as a percentage of the total OPEB liability was 112.48% and 90.63%, respectively.

The State Legislature is contributing amounts to each OPEB trust fund that, at a minimum, is sufficient to fully fund the Actuarially Determined Contribution ("ADC"), an actuarially determined amount. For fiscal year 2022, the State contributed $28.842 million to the State Employee OPEB Plan and $1.249 million to the Elected Official OPEB Plan, which were $1.940 million and $649 thousand more than the ADC, respectively.

For additional detailed discussion of the State's postemployment benefits see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022-Notes to the Financial Statements-Note 18. Other Postemployment Benefits.

Risk Management and Insurance; Cybersecurity

The State is a member of a risk pool where the State self–insures portions of certain property and liability claims and purchases commercial insurance for claims above the self–insured retention amounts. This is done through the Administrative Services Risk Management Fund. The fund is maintained via premiums charged to its members—State agencies, institutions of higher education, Utah school districts and charter schools.

The State is self–insured for liability claims up to $2 million and beyond the excess insurance policy limit of $10 million. The State is self–insured for individual property and casualty claims up to $1 million and up to $3.5 million in aggregate claims and beyond the excess insurance policy limit of $1 billion per occurrence. The Risk Management Fund has not had a liability loss that exceeded the State's self–insured claim limit of $1 million for Fiscal Years 2016 through 2018. However, the Risk Management Fund had a liability loss of $1.5 million that exceeded the State's self-insured claim limit of $1 million for Fiscal Year 2019. The Fund also experienced property losses that exceeded its $1 million self-insured retention in the fiscal years ending June 30, 2019, June 30, 2020, June 30, 2021 and June 30, 2022.

As of June 30, 2022, the Administrative Services Risk Management Fund contained approximately $66.886 million in reserve available to pay for claims incurred. For the financial statements of the risk management fund see ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022—Supplementary Information–Internal Service Funds–Risk Management. Also see ANNUAL COMPREHENSIVE REPORT OF THE STATE OF UTAH FOR FISCAL YEAR 2022—Notes to the Financial Statements—Note 16. Litigation, Contingencies and Commitments; and —Note 19. Risk Management And Insurance.

Earthquake Insurance. The Utah Division of Risk Management (the "DRM") annually procures excess property insurance with earthquake coverage for its Covered Members. The State is self-insured for property claims up to $1 million per occurrence and with sub-limits of $525 million for earthquake. Beginning fiscal year 2022, the State's per occurrence deductible for earthquakes is 2% of the value of each damage structure subject to a minimum of $5 million and a maximum of $25 million. DRM procured a parametric earthquake policy from a private insurance company with limits of $50 million and then this year DRM added a second parametric earthquake policy with limits of $25 million; these policies overlap and cover up to $75 million in the event of an earthquake. Payments under the parametric policy are based upon the severity and location of an earthquake, irrespective of actual property damage. As a result of a 2020 earthquake in the Salt Lake County, Utah area, the private insurance company tendered DRM the sum of $963,750 which was applied against the $1 million self-insurance retention, or deductible under the excess property policy.

Cybersecurity. Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the State's systems technology for the purpose of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage by cybersecurity incidents or cyberattacks, the state invests in multiple forms of cybersecurity and operational safeguards including: (i) $11.4 million annual budget for security operations and security privacy and compliance; (ii) a Chief Information Security Officer reporting directly to the State's Chief Information Officer; (iii) a security team of 19 employees; (iv) a self-assessment every two years in cooperation with the Department of Homeland Security using National Institute of Standards and Technology standards; (v) compliance audits regularly performed by the Internal Revenue Service, Federal Bureau of Investigation, Medicaid and Medicare, and the Office of the Inspector General; and (vi) a Cyber Center that provides a central location for multiple agencies to share intelligence and tactics, and respond to events in a coordinated fashion. In addition, the State has a $10 million liability insurance policy regarding cybersecurity. In 2012, the State experienced a cybersecurity breach in the Utah Department of Health related to individual personal information on Medicaid data. The State does not believe this breach had a material impact on overall State finances.

Property Tax Matters

Ad Valorem Levy. Though authorized to do so under Part 9 of the Property Tax Act (defined below), the State does not presently levy ad valorem property taxes and has not done so since 1974. *However, if the State does not have sufficient moneys available to pay principal and interest on its general obligation bonds from sources other than ad valorem taxes, the State Tax Commission would be required to levy ad valorem property taxes on all taxable property in the State to cover the shortfall.*

Property Tax Act. The State Constitution and Title 59, Chapter 2, Utah Code (the "Property Tax Act") provide that all taxable property is assessed and taxed at a uniform and equal rate on the basis of 100% of its "fair market value" as of January 1 of each year, unless otherwise provided by law. Section 3(2)(a)(iv) of Article XIII of the State Constitution provides that the Legislature may exempt from property tax up to 45% of the "fair market value" of residential property. The Legislature has enacted legislation that reduces the "fair market value" of primary residential property by 45%. No more than one acre of land per residential unit may qualify for the residential exemption. The residential

exemption is limited to one acre of land per residential unit or to one primary residence per household, except that an owner of multiple residential properties may exempt his or her primary resident and each residential property that is the primary residence of a tenant.

The following tables reflect the effect of the current 45% reduction from Fair Market Value for assessment of ad valorem property tax. The tables on the following page also shows the Centrally–Assessed Property compared with the Locally–Assessed Property.

Taxable Value Compared with Fair Market Value of All Taxable Property in the State
(dollars in thousands)

Tax Year	Taxable Value [1]	% Change over Prior Year	Fair Market Value	% Change over Prior Year
2021	$ 378,913,850	11.3%	$ 544,941,047	12.4%
2020	$ 340,575,858	7.9%	$ 484,739,862	8.3%
2019	$ 315,576,621	10.8%	$ 447,545,072	11.2%
2018	$ 284,817,133	9.9%	$ 402,353,022	10.3%
2017	$ 259,071,436	8.2%	$ 364,682,337	8.7%

(1) Includes all state-wide redevelopment agencies valuations. Does not include Uniform Fees (as defined below) or semi-conductor manufacturing equipment.

Source: Utah State Tax Commission, Property Tax Division

Uniform Fees. An annual statewide uniform fee is levied on certain tangible personal property in lieu of the ad valorem tax. Subject to certain exemptions, the current uniform fee on motor vehicles that weigh 12,001 pounds or more, recreational vehicles and all other tangible personal property required to be registered with the State is equal to 1.5% of the market value. Motor vehicles weighing 12,000 pounds or less are subject to an "age based" fee that is due each time the vehicle is registered. Such fees range from $5 to $150. Various other fees are levied against other types of tangible personal property. The revenues collected from the various uniform fees are distributed by the county of each taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

Historical Summaries of Taxable Values of Property *(dollars in thousands)*

	2021		2020		2019		2018		2017	
	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total
Set by State Tax Commission (Centrally Assessed)										
Natural Resources	$ 9,062,078	2.4 %	$ 8,408,505	2.5 %	$ 9,778,940	3.1 %	$ 9,408,602	3.3 %	$ 8,896,551	3.4 %
Utilities	18,136,855	4.8	18,479,465	5.4	17,342,823	5.5	17,122,795	6.0	15,419,849	6.0
Total Centrally Assessed	27,198,933	7.2	26,887,970	7.9	27,121,763	8.6	26,531,397	9.3	24,316,400	9.4
Set by County Assessor (Locally Assessed)										
Real Property:										
Primary Residential	202,922,129	53.5	176,200,448	51.7	161,294,774	51.1	143,654,975	50.4	129,079,990	49.8
Commercial	79,863,422	21.1	74,931,533	22.0	69,264,564	22.0	63,154,638	22.2	57,198,293	22.1
Other Real	47,981,886	12.7	42,610,740	12.5	38,860,173	12.3	34,464,943	12.1	31,872,271	12.3
Total Real Property	330,767,437	87.3	293,742,721	86.2	269,419,511	85.4	241,274,556	84.7	218,150,554	84.2
Personal Property:										
Total Personal Property	20,947,480	5.5	19,945,167	5.9	19,035,346	6.0	17,011,179	6.0	16,604,482	6.4
Total Locally Assessed	351,714,917	92.8	313,687,888	92.1	288,454,857	91.4	258,285,735	90.7	234,755,036	90.6
Total Taxable Value	$ 378,913,850	100.0%	$ 340,575,858	100.0%	$ 315,576,621	100.0%	$ 284,817,133	100.0 %	$ 259,071,436	100.0 %

Source: Utah State Tax Commission, Property Tax Division

Financial Summaries

The following summaries were extracted from the State's audited financial statements for the fiscal years 2018 through 2022. The summaries themselves have not been audited. The financial information in the summaries is presented on a fund statement basis and not on a government-wide statement basis.

Five-year historical summaries have been prepared for the Combined Balance Sheets—All Governmental Fund Types Only; Summary of Revenues and Expenditures; Statement of Revenues, Expenditures, and Changes in Fund Balance—General Fund; and Statement of Revenues, Expenditures, and Changes in Fund Balance—Major Special Revenue Funds and Major Capital Projects Funds.

The five-year summary of Statement of Revenues, Expenditures, and Changes in Fund Balance—Major Special Revenue Funds and Major Capital Projects Funds has been included to show the State's sources of revenue for and expenditures on public education and transportation.

Combined Balance Sheet—All Governmental Fund Types Only [1]

As of June 30 *(in thousands)*

	2022	2021	2020	2019	2018
Assets:					
Cash and Investments [2]	$ 401,300	$ 4,868,178	$ 1,924,994	$ 1,925,265	$ 1,061,778
Pooled Cash and Investments [3]	10,291,633	—	—	—	—
Investments [4]	280,449	2,556,089	3,378,708	2,016,631	2,383,503
Receivables:					
Accrued Taxes, net [6]	2,230,925	1,856,947	2,349,189	1,556,933	1,467,881
Accounts, net	1,317,742	906,400	864,566	825,168	804,645
Capital Lease Payments, net [7]	—	58,455	57,630	86,350	86,445
Notes/Mortgages, net	73,791	17,584	23,233	12,245	14,682
Accrued Interest	4,848	87	6,658	1,222	233
Prepaid Items [8]	39,485	210,502	183,603	8,062	3,337
Interfund Loans Receivable	17,403	20,523	24,891	31,417	34,240
Restricted Pooled Cash and Investments [5]	28,632	—	—	—	—
Due From Other Funds	130,682	91,261	88,348	80,106	58,995
Due From Component Units	123,640	55,412	38,849	76,422	49,644
Inventories	63,008	56,881	40,657	13,190	13,680
Other Assets	17,120	16,620	—	250	—
Total Assets	$ 15,020,658	$ 10,714,939	$ 8,981,326	$ 6,633,011	$ 5,979,063
Liabilities:					
Accounts Payable and Accrued Liabilities	$ 1,601,913	$ 1,428,961	$ 1,387,482	$ 1,130,248	$ 1,107,830
Unearned Revenue [9]	1,107,589	1,110,167	924,797	88,831	80,083
Deposits	68,601	35,291	—	—	—
Due To Other Funds	163,573	88,850	80,582	82,259	73,871
Due To Other Governments	448	434	—	—	—
Due To Component Units	161	178	1,501	94	1,749
Total Liabilities	2,942,285	2,663,881	2,394,362	1,301,432	1,263,533
Deferred Inflows of Resources:					
Unavailable Revenue	1,278,517	862,628	678,138	677,322	675,664
Total Deferred Inflows of Resources	1,278,517	862,628	678,138	677,322	675,664
Fund Balance:					
Nonspendable:					
Long-term Portion of Interfund Loans Receivable	5,703	6,272	9,388	12,063	14,950
Prepaid Items [8]	39,485	210,502	183,603	8,062	3,337
Inventories	63,008	56,881	40,657	13,190	13,680
Restricted	4,447,520	3,458,239	3,430,824	1,897,423	1,897,245
Committed	4,033,649	2,437,499	1,730,514	1,834,732	1,551,804
Assigned	2,080,248	909,263	499,384	889,037	550,884
Unassigned	130,243	109,774	14,456	—	7,966
Total Fund Balances	10,799,856	7,188,430	5,908,826	4,654,507	4,039,866
Total Liabilities, Deferred Inflows and Fund Balances	$ 15,020,658	$ 10,714,939	$ 8,981,326	$ 6,633,261	$ 5,979,063

(1) Includes all governmental fund types except Trust Lands.

(2) Beginning fiscal year 2022 Cash and Cash Equivalents consists of overnight bank balances. Prior to fiscal year 2022 Cash and Cash Equivalents consists of overnight bank balances and the portion of the Public Treasurer's Investment Fund balances that were categorized as Cash and Cash Equivalents.

(3) Beginning fiscal year 2022 Pooled Cash and Investments represents balances in the Public Treasurer's Investment Fund. Prior to fiscal year 2022 the balances in the Public Treasurer's Investment Fund were reported as a portion of Cash and Cash Equivalents and Investments on the balance sheet.

(4) Beginning fiscal year 2022 Investments consists primarily of long term investments reported in the State Endowment Fund - Nonmajor Special Revenue Fund. Prior fiscal year 2022 Investments included long term investments and a portion of the Public Treasurer's Investment Fund balance that were categorized as Investments.

(5) As a result of evaluating funds for compliance with GASB 84, Fiduciary Activities, the State determined that various State agencies had State controlled escrow account cash balances that were not recorded in the State's general ledger. These escrow accounts represent funds set aside for awarded grant and loans for unspent construction project costs.

(6) In Fiscal year 2022 Accrued Taxes increased due receivables for taxpayer-assessed taxes where the exchange occurred in the period ending June 30, or prior. Accrued taxes increased in fiscal year 2020 as a result of a shift in individual and corporate income payments from April 2020 to July 2020 due to the COVID-19 pandemic.

(7) Due to GASB Statement No. 87, *Leases* beginning in fiscal year 2022 amounts previously reported as capital leases payments net are now reported as a part of notes/mortgages net.

(8) In fiscal year 2022 Prepaid Items decreased primarily due to a $154.241 million decrease related to the timing of Medical Provider Payments being disbursed. Prepaid Items increased in fiscal year 2021 by $26.859 million related to advance payment of COVID-19 funds for software costs for distance learning. In fiscal year 2020 increased due to $122.417 million in Accountable Care Organization payments required in advance for the Medicaid Program and $41.076 million in monies received from the CARES Act which were advanced to local governments

(9) For fiscal year 2021 the increase was due to American Rescue Plan Act (ARPA) funding received, but not spent with a collective unearned revenue amount of $188.991 million which is offset slightly by other decreases overall. Unspent federal CARES Act money of $784.824 million represents the majority of the Unearned Revenue in fiscal year 2020.

Source: Department of Government Operations, Division of Finance.

The following table summarizes the State's revenues and expenditures for the last five fiscal years:

Summary of Revenues and Expenditures [1]

Analysis of Operations – General Fund, Major Special Revenue Funds and Major Capital Project Fund

(dollars in thousands)

	Fiscal Years Ended									
	2022		2021		2020		2019		2018	
	Amounts	% Change From Prior Year	Amounts	% Change From Prior Year	Amounts	% Change From Prior Year	Amounts	% Change From Prior Year	Amounts	% Change From Prior Year
Revenues:										
Federal Contracts and Grants [2]	$7,295,923	18.2 %	$6,172,978	34.3 %	$4,596,925	17.3 %	$3,918,450	1.8 %	$3,848,275	1.7 %
Individual and Corporate Income Taxes	7,774,417	26.6 %	6,139,088	18.9 %	5,163,714	6.0 %	4,871,414	9.3 %	4,456,339	12.2 %
Sales and Use Tax	4,061,879	17.7 %	3,452,294	16.8 %	2,955,253	6.2 %	2,782,188	5.4 %	2,639,600	10.0 %
Other Taxes	498,206	16.5 %	427,700	4.8 %	408,211	6.7 %	382,594	(0.9)%	386,073	12.0 %
Motor and Special Fuels Tax	577,407	3.0 %	560,763	12.5 %	498,402	(4.4)%	521,199	4.2 %	500,049	3.2 %
Other Revenues	1,672,333	8.7 %	1,538,109	5.1 %	1,464,090	8.4 %	1,351,238	4.4 %	1,294,376	7.0 %
Total Revenues	$21,880,165	19.6 %	$18,290,932	21.2 %	$15,086,595	9.1 %	$13,827,083	5.4 %	$13,124,712	7.7 %
Total Expenditures	$17,811,528	8.2 %	$16,460,754	13.9 %	$14,456,635	10.1 %	$13,132,226	5.5 %	$12,451,773	6.0 %

(1) Includes revenues and expenditures for the General Fund, the Major Special Revenue Funds (Education Fund and Transportation Fund) and the Major Capital Project Fund (Transportation Investment Fund).

(2) In fiscal year 2022 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and COVID-19 relief funding from American Rescue Plan Act (ARPA) of 2021. The major contributors of this increase are the General Fund with an increase of $827.773 million or 16.17 percent and the Education Fund increased of $337.286 million or 53.03 percent. In fiscal year 2021 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and homeless programs and COVID-19 relief funding from the CARES Act, American Rescue Plan Act (ARPA) and Federal Emergency Management Agency..

Sources: Office of State Treasurer; Department of Government Operations, Division of Finance; and the 2022 ACFR

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Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund Type - General Fund
Fiscal Year Ended June 30 *(in thousands)*

	2022	2021	2020	2019	2018
Revenues:					
Taxes:					
Sales and Use Tax	$ 3,207,116	$ 2,711,382	$ 2,302,910	$ 2,147,235	$ 2,063,883
Other Taxes	446,509	385,635	364,794	342,048	341,481
Total Taxes	3,653,625	3,097,017	2,667,704	2,489,283	2,405,364
Other Revenues:					
Federal Contracts and Grants [1]	5,945,597	5,117,824	3,652,812	3,103,195	2,977,665
Charges for Services	607,031	552,524	537,191	501,910	491,686
Miscellaneous and Other	496,536	430,007	343,952	268,298	278,109
Federal Mineral Lease	75,616	49,039	58,606	77,607	76,693
Licenses, Permits, and Fees	24,367	25,635	25,659	25,664	25,805
Investment Income	(4,304)	27,415	35,148	43,630	24,174
Total Revenues	10,798,468	9,299,461	7,321,072	6,509,587	6,279,496
Expenditures:					
Health and Environmental Quality	4,766,967	4,043,152	3,423,327	2,995,463	2,821,745
Higher Education–Colleges and Universities	1,274,218	1,221,898	1,063,339	1,063,258	979,827
Employment and Family Services	1,379,278	1,057,614	769,126	744,336	736,278
Human Services and Juvenile Justice Services	1,092,554	1,013,956	969,244	908,593	851,057
General Government	697,259	851,602	525,846	420,062	393,449
Corrections	358,339	330,760	331,116	322,230	312,599
Public Safety	405,790	320,785	299,167	300,839	259,073
Natural Resources	294,380	271,596	263,264	247,042	222,167
Courts	170,465	159,020	161,204	159,098	152,114
Capital Outlay	3,342	—	—	—	—
Business, Labor, and Agriculture	115,282	129,151	108,421	97,919	101,858
Higher Education–State Administration	114,235	182,070	125,335	96,323	78,118
Heritage and Arts	56,942	66,373	40,124	31,145	30,337
Total Expenditures	10,729,051	9,647,977	8,079,513	7,386,308	6,938,622
Excess Revenues Over (Under) Expenditures	69,417	(348,516)	(758,441)	(876,721)	(659,126)
Other Financing Sources (Uses):					
Transfers In	2,560,643	1,907,321	1,124,262	1,501,574	1,095,534
Transfers Out	(1,532,650)	(768,776)	(150,520)	(441,552)	(212,625)
Lease Proceeds	3,342	—	—	—	—
Sale of Capital Assets	—	—	207	3	278
Total Other Financing Sources (Uses)	1,031,335	1,138,545	973,949	1,060,025	883,187
Net Change in Fund Balances	1,100,752	790,029	215,508	183,304	224,061
Beginning Fund Balances	2,244,424	1,454,028	1,238,520	1,055,216	831,155
Adjustments to Beginning Fund Balances [2]	47,357	367	—	—	—
Beginning Fund Balances As Adjusted	2,291,781	1,454,395	1,238,520	1,055,216	831,155
Ending Fund Balances	$ 3,392,533	$ 2,244,424	$ 1,454,028	$ 1,238,520	$ 1,055,216

(1) In fiscal year 2022 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and COVID-19 relief funding from American Rescue Plan Act (ARPA) of 2021 with an increase of $827.773 million or 16.17 percent. In fiscal year 2021 federal contracts and grants increased primarily due to an increase in federal funding for Medicaid and homeless programs and COVID-19 relief funding from the CARES Act, American Rescue Plan Act (ARPA) and Federal Emergency Management Agency. In fiscal year 2020 federal contracts and grants increased primarily due to an increase in federal funding of $362.282 million for Medicaid programs and $161.153 million for the CARES Act.

(2) The fiscal year 2022 evaluation of GASB Statement 84, resulted in the recognition of $47.357 million of funding maintained in the State controlled escrow accounts to the General Fund. During fiscal year 2021 GASB Statement 84, *Fiduciary Activities* (GASB 84) was implemented resulting in the restatement of beginning net position General Fund of $367 thousand.

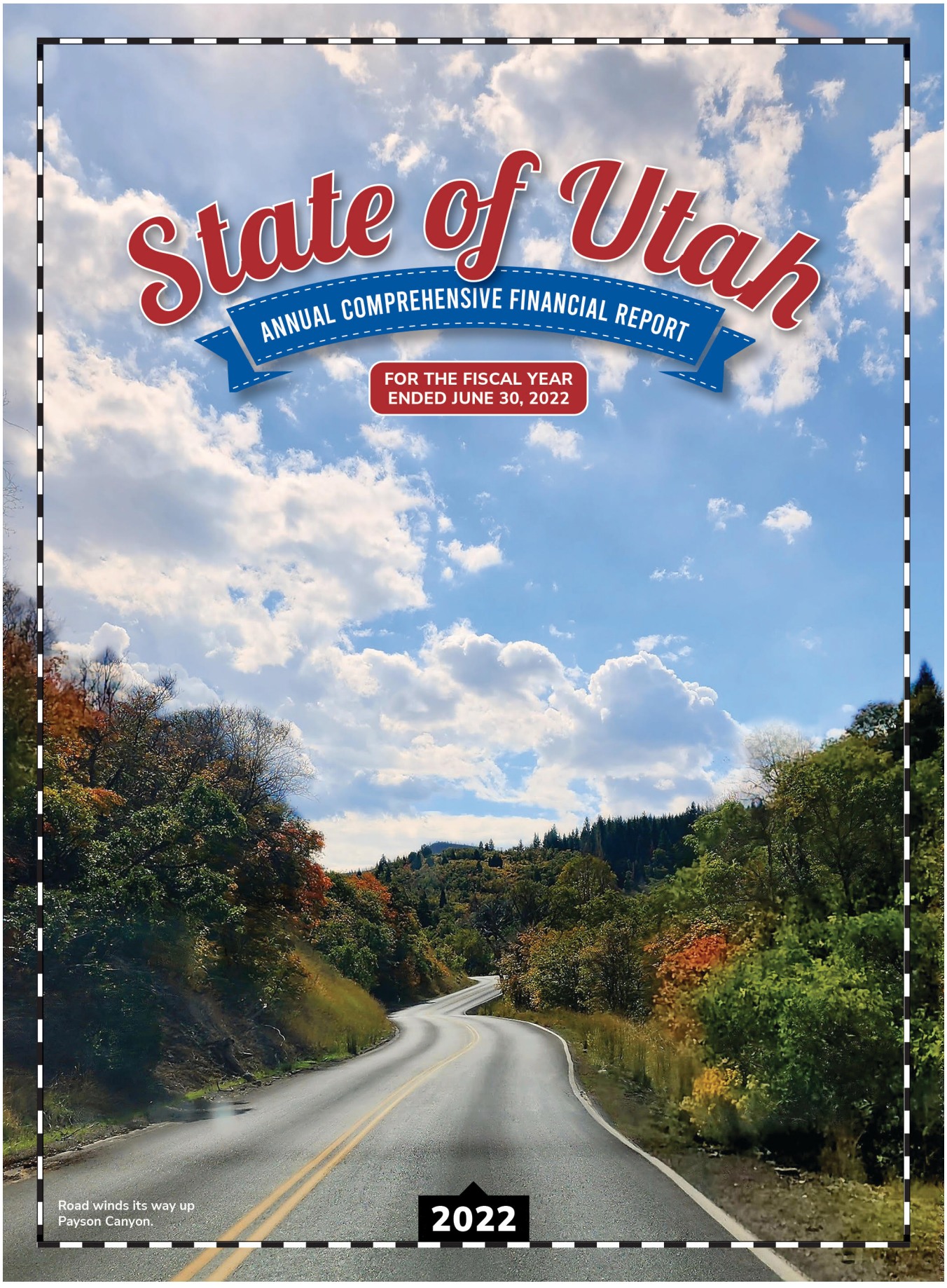
Source: Department of Government Operations, Division of Finance.

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund Type – Major Special Revenue Funds and Major Capital Projects Funds [1]
For Fiscal Years Ended June 30 *(in thousands)*

	2022	2021	2020	2019	2018
Revenues					
Taxes:					
Individual Income Tax	$ 6,814,382	$ 5,451,297	$ 4,758,082	$ 4,336,437	$ 4,033,320
Sales and Use Tax	854,763	740,912	652,343	634,953	575,717
Motor and Special Fuels Tax	577,407	560,763	498,402	521,199	500,049
Corporate Tax	960,035	687,791	405,632	534,977	423,019
Other Taxes	51,697	42,065	43,417	40,546	44,592
Total Taxes	9,258,284	7,482,828	6,357,876	6,068,112	5,576,697
Other Revenues:					
Federal Contracts and Grants [2]	1,350,326	1,055,154	944,113	815,255	870,610
Licenses, Permits, and Fees	222,415	212,067	199,599	194,308	185,240
Charges for Services	70,907	69,964	63,350	56,345	52,931
Liquor Sales Allocated for School Lunch	54,498	51,746	50,022	48,024	45,432
Miscellaneous and Other	139,693	109,015	118,321	87,472	93,411
Investment Income [3]	(14,426)	10,697	32,242	47,980	20,895
Total Other Revenues	1,823,413	1,508,643	1,407,647	1,249,384	1,268,519
Total Revenues	11,081,697	8,991,471	7,765,523	7,317,496	6,845,216
Expenditures:					
Current:					
Public Education	5,248,996	4,829,288	4,408,707	4,138,708	3,981,455
Transportation	1,125,558	1,202,511	1,162,676	994,803	1,019,882
Capital Outlay	707,923	780,978	805,739	612,407	511,814
Total Expenditures	7,082,477	6,812,777	6,377,122	5,745,918	5,513,151
Excess Revenues Over (Under) Expenditures	3,999,220	2,178,694	1,388,401	1,571,578	1,332,065
Other Financing Sources (Uses):					
Transfers In	1,347,225	242,725	157,120	176,248	209,262
General Obligation Bonds Issued	—	—	600,055	127,715	295,810
Premium on Bonds Issued	—	—	116,741	22,688	35,735
Sale of Capital Assets	27,877	18,644	28,736	31,134	19,421
Lease Proceeds	24	—	—	—	—
Transfers Out	(3,002,323)	(2,177,049)	(1,311,603)	(1,750,976)	(1,356,247)
Total Other Financing Sources (Uses)	(1,627,197)	(1,915,680)	(408,951)	(1,393,191)	(796,019)
Net Change in Fund Balances	2,372,023	263,014	979,450	178,387	536,046
Beginning Fund Balances	3,628,061	3,365,047	2,385,597	2,207,210	1,671,164
Ending Fund Balances	$ 6,000,084	$ 3,628,061	$ 3,365,047	$ 2,385,597	$ 2,207,210

(1) The major special revenue funds include the Education Fund (which includes all the activity of the Uniform School Fund) and Transportation Fund. The major capital projects fund is the Transportation Investment Fund.
(2) In fiscal year 2022 federal contracts and grants increased primarily due to an increase in federal funding for COVID-19 relief funding.
(3) In fiscal year 2022 investment income was negative as a result of the decrease of the fair market value of the investments that exceeded investment earnings.

Source: Department of Government Operations, Division of Finance.


State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR
ENDED JUNE 30, 2022
Road winds its way up
Payson Canyon.
2022

State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022

CONSTITUTIONAL OFFICERS OF THE STATE OF UTAH

Spencer J. Cox ..... Governor
Deidre M. Henderson ..... Lt. Governor
John Dougall ..... State Auditor
Marlo M. Oaks ..... State Treasurer
Sean D. Reyes ..... Attorney General
J. Stuart Adams ..... President of the Senate
Brad R. Wilson ..... Speaker of the House
Matthew B. Durrant ..... Chief Justice, Supreme Court

OTHER STATE OFFICIALS

Jenney Rees ..... Executive Director, Department of Government Operations
Janica M. Gines, CPA ..... Director, Division of Finance
Sophia M. DiCaro ..... Executive Director, Governor's Office of Planning and Budget
Jonathan C. Ball ..... Director, Office of the Legislative Fiscal Analyst
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Utah Department of Government Operations

Division of Finance Accounting Standards and Financial Reporting Section

State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022
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State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Government Operations
Division of Finance

JENNEY REES
Executive Director

JANICA M. GINES, CPA
Division Director

December 14, 2022

To the Citizens, Governor,
and Members of the Legislature
of the State of Utah:

It is our pleasure to present the 2022 Annual Comprehensive Financial Report of the State of Utah in accordance with Section 63A-3-204 of the *Utah Code*. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the State's management. To the best of our knowledge and belief, the enclosed data accurately presents the State's financial position and results of operations in all material respects in accordance with generally accepted accounting principles (GAAP). We believe that all disclosures necessary to enable the reader to gain an understanding of the State's financial activities are included.

Internal Control – The State's systems of internal control over assets recorded in the accounting system have been designed to provide reasonable, but not absolute, assurance of safeguarding assets against loss from unauthorized use or disposition and to ensure the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

Independent Auditors – In compliance with state statute, an annual financial audit of the "State Reporting Entity" is completed each year by the Office of the State Auditor in conjunction with other independent audit firms. Their audits were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The State Auditor's report and the opinion on the fair presentation of the Basic Financial Statements are included in the Financial Section of this report.

Single Audit – Federal regulations also require the State to undergo an annual "Single Audit" in conformance with the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, Schedule of Findings and Questioned Costs, Summary Schedule of Prior Audit Findings, and the State Auditor's report, is issued in a separate report.

Management's Discussion and Analysis (MD&A) – The discussion and analysis provides an overview and analysis of the State's Basic Financial Statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Structure – As shown in the Organizational Chart, state government is divided into three separate branches: legislative, executive, and judicial. The duties of each branch are outlined in the *Utah Constitution,* which can be amended only by vote of the Legislature and a majority vote of the State's citizens, and in the *Utah Code*, which can be amended by the Legislature or by citizen initiatives. State government provides various services to over 3,399,000 citizens. Services include building and maintaining roads; providing public safety, health, and environmental protection services to protect the general welfare of the State's citizens; helping adults, children, and families through difficult times such as abuse, divorce, illness, death, and unemployment; fostering an attractive business climate to encourage economic growth; and protecting public lands and natural

resources for conservation and recreational activities. The State also provides significant financial support to its higher education institutions, local governments, and school districts to help those entities meet the specific needs of their constituents.

The State Reporting Entity – The State Reporting Entity includes the *primary government* and its *discretely presented component units.* The *primary government* of the State of Utah includes all funds, departments, boards, and commissions that make up its legal entity. In addition to these *primary government* activities, this report includes information related to discretely presented component units for which the primary government is financially accountable. Although such information is provided in this report, the MD&A and Basic Financial Statements focus on the primary government and its activities. Separately issued financial statements are available from the significant discretely presented component units and should be read to obtain a better understanding of their financial conditions. Additional information on all discretely presented component units can be found in Note 1. A. to the financial statements.

Budgetary Process and Control – The *Utah Constitution* requires that budgeted expenditures not exceed estimated revenues and other sources of funding, including beginning fund balances. Annually, the Governor is required to submit a balanced budget for the governmental funds with an annual appropriated budget (General, Education, Transportation, Transportation Investment, and Debt Service Funds), by function (e.g., health), and activity (e.g., medical assistance) to the Legislature. The Legislature authorizes expenditures by line item in the annual *Appropriations Acts*. Line item is the legal level of budgetary control. The Acts also identify the sources of funding for budgeted expenditures. In the event actual revenues are insufficient to cover budgeted expenditures, the Governor must order budget reductions or call a special session of the Legislature to address budget issues. Adjustments to the budget may also be made throughout the year for changes in departmental or fund revenues so that line items and funds will not end the fiscal year in a deficit position. For additional information on the budgetary process and control, see the Required Supplementary Information and related notes.

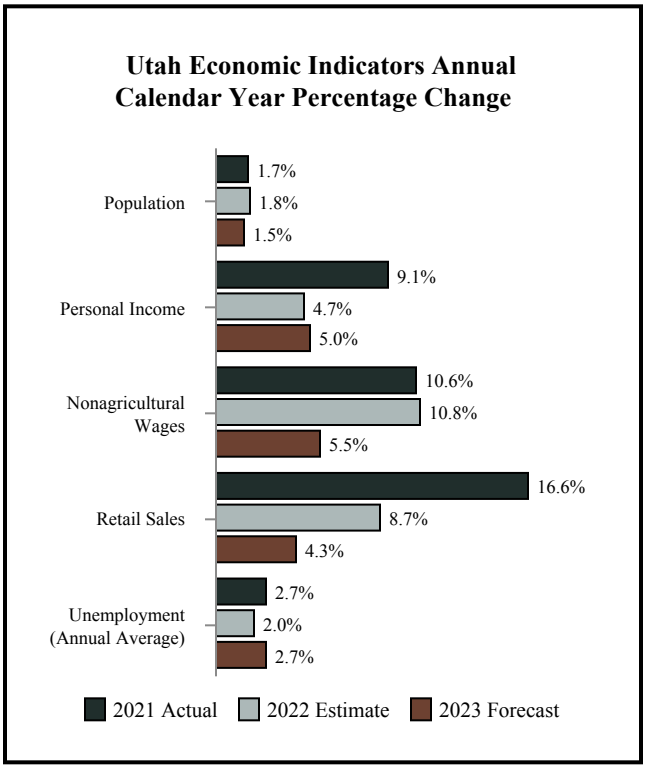
INFORMATION USEFUL IN ASSESSING A GOVERNMENT'S ECONOMIC CONDITION

Local Economy – Utah's economy has continued to bounce back from the pandemic recession shock. During fiscal year 2022, the state recovered 20,900 jobs lost in 2020 and added an additional 51,600 new jobs. The State's recovery has been extensive but challenges remain such as labor supply, inflation, and housing affordability.

Utah's unemployment rate averaged 2.7 percent in calendar year 2021, and is expected to decrease to an average of 2 percent in 2022, and 2.7 percent in 2023. In 2021, personal income increased by 9.1 percent and nonagricultural wages increased by 10.6 percent. In 2022, personal income is expected to increase by 4.7 percent and nonagricultural wages are expected to increase by 10.8 percent. Taxable retail sales increased by 16.6 percent in 2021 and are expected to increase by 8.7 percent in 2022.

Total construction value was $13.7 billion in 2021, a 28.0 percent increase from the prior year. In 2022, total construction value is expected to decrease to $10.4 billion, a 24.1 percent decrease due to a declining housing market. Residential construction was $8.9 billion in 2021, a 39.8 percent increase from the prior year. Residential permit value is expected to decrease 31.1 percent to $6.1 billion in 2022. Nonresidential construction was $2.9 billion in 2021, a 16.8 percent increase from the prior year. Nonresidential construction is expected to decrease 7.9 percent to $2.7 billion in 2022.

In 2022, Utah's population is estimated at 3,399,000, which is an increase of 1.8 percent over the prior year. Utah had positive net migration of approximately 33,300 people in 2021 and is expected to grow by 38,300 in 2022. Utah has had positive net migration for the past 30 years and this trend is expected to continue in the coming years.



Source: State of Utah Revenue Assumptions Working Group, Moody's Economy.com, and IHS Markit.

Industries – At the end of fiscal year 2022, 20,900 jobs lost caused by the pandemic were recovered. Utah's unemployment rate continues to be among the lowest in the nation. Utah's nonagricultural employment opportunities are expected to increase by 3.7 percent in 2022 with the recovering economy, which exceeds the Utah average yearly rate of 3.1 percent (1950 through June 2022). In 2023, nonagricultural employment opportunities are expected to increase by 2.0 percent. All industrial sectors except for Financial Activities and Professional and Business Services added jobs to Utah's employment base. Leisure and Hospitality added 9,900 jobs, primarily in Accommodation and Food Services. Natural Resources and Mining added 900 jobs. Trade, Transportation, and Utilities added 13,600 jobs, with Retail Trade contributing most of the gains. Manufacturing added 2,600 jobs, primarily in Durable Goods. The results for September 2021 to September 2022 are presented in the following table:

Jobs by Industry of Utah's Labor Force
(expressed in thousands)

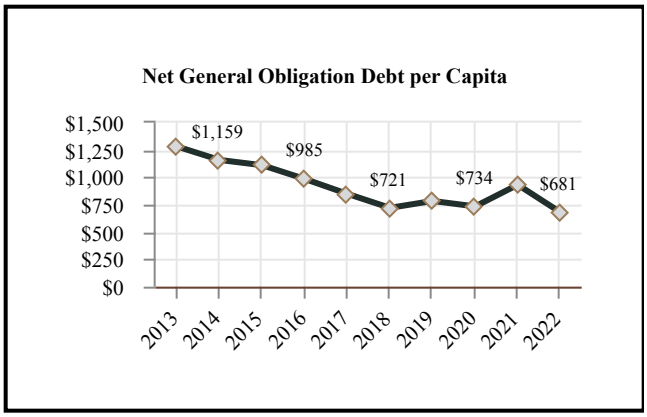
	Number of Jobs				Components of Labor Force
	September (p) 2022	**September (r) 2021**	**Numerical Change**	**Percentage Change**	**September (p) 2022**
Trade, Transportation, and Utilities	320.00	306.40	13.60	4.44 %	19.03 %
Professional and Business	234.50	235.10	(0.60)	(0.26)%	13.95 %
Education and Health Services	228.20	216.70	11.50	5.31 %	13.57 %
Government (Local/Federal)	175.40	170.50	4.90	2.87 %	10.43 %
Leisure and Hospitality	162.40	152.50	9.90	6.49 %	9.66 %
Manufacturing	149.40	146.80	2.60	1.77 %	8.89 %
Construction	137.20	124.60	12.60	10.11 %	8.16 %
Financial Activities	95.00	97.90	(2.90)	(2.96)%	5.65 %
Government (State/Higher Ed.)	80.70	81.40	(0.70)	(0.86)%	4.80 %
Other Services	42.50	42.50	—	0.00 %	2.53 %
Information	46.00	41.70	4.30	10.31 %	2.74 %
Natural Resources and Mining	10.00	9.10	0.90	9.89 %	0.59 %
Total	**1,681.30**	**1,625.20**	**56.10**	3.45 %	**100.00 %**

Source: Utah Department of Workforce Services and the U.S. Bureau of Labor Statistics, September 2022.
(p) = preliminary (r) = revised

Outlook –Utah's economy continues to grow and is among the best in the nation. Moderate economic expansion is forecasted for Utah in 2022 despite the growth challenges the state is facing such as limited labor supply, housing affordability, air quality, and water challenges. Overall, economic growth in Utah has a positive outlook due to the economic diversity, educated workforce, and high levels of net migration.

FINANCIAL PLANNING AND POLICIES

General Obligation Debt Administration – As part of long-term financial planning, the State has used a combination of bonding and pay-as-you-go methods to meet its infrastructure needs. In fiscal years 2010 through 2014, under budget constraints coupled with a low interest rate environment, the State elected to increase its debt by issuing bonds for highway and/or building projects that otherwise would have been funded from current resources. During the years debt was issued, the State continued to fund some projects with cash. In fiscal years 2015 and 2016, the State continued its prudent fiscal management by paying cash for most buildings, highways, and other projects.



In fiscal year 2015, the State authorized $474.7 million in general obligation debt for the new prison project. There were no general obligation bond issuances, authorizations, or refundings in fiscal year 2016. In fiscal year 2017, the State authorized $1.0 billion in general obligation bonds for highway construction projects and authorized an additional $101.0 million for the prison project. In fiscal year 2018, the State authorized no new general obligation bonds, but issued $295.8 million for highway construction projects and $189.4 million for the prison project from prior authorizations. The State also advance refunded $118.7 million of general obligation bonds to take advantage of the low interest rate environment. In fiscal year 2019, the State issued $127.7 million for highway construction projects from prior bond authorizations. In fiscal year 2020, the State authorized

$89.5 million in general obligation bonds for highway projects, cash defeased $78.4 million of highway bonds, and issued $600.1 million for highway construction projects and $295.7 million for the prison project from fiscal year 2020 and prior authorizations. In fiscal year 2021, the State authorized $52.1 million in general obligation bonds for highway projects and $266.6 million for rail and transit projects. There were no general obligation bond issuances, authorizations, or refundings in fiscal year 2022. As of June 30, 2022, the State's general obligation debt per capita was $681. The State has an aggressive policy of repaying its general obligation debt within ten years for debt associated with capital facilities and fifteen years for highway construction projects. More information about the State's long-term debt is found in Note 10 to the Basic Financial Statements.

Revenue and Expenditure Forecasts – Economists and budget analysts from the Executive and Legislative branches of government work with experts from the private sector and academia to develop the consensus revenue forecast used for establishing the State's annual budget. The final 2022 consensus revenue forecast projected an increase of 0.69 percent in fiscal year 2022 from 2021 actual revenue for the General and Education Funds combined. For fiscal year 2023, a 4.06 percent decrease is projected. The long-term average revenue growth rate, adjusted for inflation, was approximately 3.9 percent for fiscal periods 1971 through 2021. See the Budgetary Highlights – General Fund in the MD&A for a comparison of budgeted to actual results for fiscal year 2022.

Budget Stabilization – In accordance with Sections 63J-1-312 and 313 of the *Utah Code*, the State maintains the General Fund Budget Reserve Account in the General Fund (the "Rainy Day Fund") and an Education Budget Reserve Account in the Education Fund (the "Education Reserve"). State law requires 25 percent of any revenue surplus in the General Fund to be deposited in the Rainy Day Fund after any required Medicaid growth savings transfer is made (see Medicaid Sustainability section below) and 25 percent of any revenue surplus in the Education Fund to be deposited in the Education Reserve, in each case up to a statutory limit. State law limits the totals of the Rainy Day Fund and Education Reserve based on the amount of appropriations from the General Fund and Education Fund, respectively, for the fiscal year in which the surplus occurred. Both the General Fund and Education Fund had a revenue surplus in fiscal year 2022. A transfer of $115.585 million was made to the Education Reserve Fund in fiscal year 2022. A transfer of $37.75 million was made to the Rainy Day Fund in fiscal year 2022 . For additional information on the State's budget stabilization accounts see Note 12.B.

Medicaid Sustainability – The State implemented reforms in the Medicaid program in an effort to bring Medicaid growth more in line with overall revenue growth. The reforms align financial incentives in the health care system by replacing the fee-for-service model with one or more risk-based delivery models. When a General Fund revenue surplus occurs, an amount representing the Medicaid growth savings from the risk-based delivery models will be deposited into the "Medicaid Budget Stabilization Account." The account will then be used to meet the growing needs in the program in years when growth is expected to be at least 8 percent. There was no transfer made into the account in fiscal year 2022 because there was no savings in the Medicaid Program. For additional information on the State's budget stabilization accounts see Note 12.B.

Public Education Growth – Projections indicate that an additional 3,680 new students will enroll in fall 2022. Due to the current and future enrollment growth and the demands it places on state funding, public education continues to be a top priority for the Governor and the Legislature.

Federal Funding – In an effort to prepare for potential future reductions in federal funding, Section 63J-1-219 of the *Utah Code* requires most state agencies, including public education and higher education institutions, to report specific federal funding information to the Legislature. Annually, these entities must report total federal receipts received the preceding fiscal year in addition to providing contingency plans in the event federal receipts are reduced by either 5 percent or 25 percent.

Additionally, the Legislature created the Federalism Commission in Section 63C-4a-302 of the *Utah Code*. One aspect of the Commission's responsibilities is to study and make recommendations on federal funding issues. The Commission is tasked with considering the financial stability of the federal government, the risk that the State will experience a reduction in the amount or value of federal funds, and methods to avoid or minimize the risk. Utah law requires economists and budget analysts from the Executive and Legislative branches of government to consider expected changes in federal funding when preparing the annual revenue volatility report and, if appropriate, recommend changes to amounts or limits of reserve funds. Section 63J-1-205 of the *Utah Code* requires the analysts to evaluate current and long-term trends relating to federal funds receipts and taxes, and prepare a three-year cycle of analysis on revenue volatility and budget matters.

In addition, all federal funds for state agencies must go through the annual appropriations process. To gain tighter control over federal grants that span several years, the Legislature also requires multiyear grants to go through an approval and summary requirements process, including approval in the annual *Appropriations Acts*.

Spending Limitation – The State has a statutory appropriations limit. The appropriations limit adjusts annually pursuant to a statutory formula based on population and inflation. Section 63J-3-103 of the *Utah Code* states the definition of appropriations

includes only appropriations from General Fund and Education Fund sources (i.e., spending for public education and for transportation is exempt from the limitation). For the fiscal year ended June 30, 2022, the State was $646.5 million below the appropriations limitation.

Adequate Funding for Ongoing Programs – The Legislature works to ensure all programs have adequate ongoing funding. Coming into the 2022 General Session of the Legislature, before accounting for growth in either costs or revenues, Utah had a temporal surplus of $28.2 million (i.e., ongoing projected revenue exceeded ongoing commitments by this amount). A temporal balance is a short-term measure of structural balance, comparing current year revenue to current budget year commitments to determine whether ongoing revenue equals or exceeds ongoing appropriations. However, most of the temporal surplus was associated with budgeted reserves. At the end of the 2022 First Special Session, Utah's budget had a $17.9 million temporal surplus–most of which was associated with budgeted reserves.

Operating/Capital Expenditure Accountability – Section 63J-1-205 of the *Utah Code* requires an annual revenue volatility report, with the purpose of managing volatility with rainy day deposit mechanisms and treating windfalls as one-time revenue. Section 36-12-13 of the *Utah Code* adds an in-depth budget review to the regular budget process. It also provides that the Office of the Legislative Fiscal Analyst shall prepare, before each annual general session of the Legislature, a summary showing the current status of the State's debt, long-term liabilities, contingent liabilities, General Fund borrowing, reserves, fund and nonlapsing balances, and cash-funded capital investments, as compared to the prior nine fiscal years. In addition, the Legislative Fiscal Analyst also implemented a "fiscal health dashboard" website where legislators and citizens can quickly and easily check Utah's fiscal health. The website can be found at le.utah.gov/lfa/fiscalhealth.

MAJOR INITIATIVES

During the 2022 General Session, Utah was able to make historic one-time and ongoing investments in infrastructure and services benefiting Utahns. The General Fund and Education Fund consensus revenue forecast adopted during the 2022 General Session projected $10.1 billion for fiscal year 2022 and $10.0 billion for fiscal year 2023. The combination of projected fiscal year 2022 and 2023 revenue growth and prior year balances provided over $3.8 billion available for appropriation or tax cuts during the 2022 General Session. Acknowledging that a portion of the fiscal year 2023 revenue growth was likely due to federal stimulus, the Legislature set aside $400 million of the revenue growth for one-time uses, leaving $1.5 billion available for ongoing uses and $2.3 billion available for one-time uses.

Actual fiscal year 2022 revenue collections performed better than the general session forecast, primarily due to strong sales tax and income tax performance. Fiscal year 2022 closed out with a General Fund and Education Fund revenue surplus of $1.377 billion before adjustments and statutory transfers.

During the General Session, the legislature allocated $200 million of the $1.5 billion ongoing revenue for tax cuts. Of the remaining ongoing revenue growth, $418 million was appropriated for K-12 education. Key ongoing investments for K-12 education included $219 million for a 6 percent increase in weighted pupil unit and $121 million for the public education economic stabilization account. Additionally, $183 million ongoing was provided for post-secondary education plus $120 million ongoing for higher and technical education capital project funds. A total of $162 million ongoing was provided for social service agencies.

Significant infrastructure investments were made from the $2.3 billion one-time funding that was appropriated, including $1.3 billion for transportation and transit projects. These General Fund appropriations augment the dedicated transportation funds that also fund these types of projects and cash funds some projects that previously received bonding authorizations. A total of $761 million of new one-time and ongoing funding was provided for other capital projects, including $404 million for higher education buildings.

In fiscal year 2022, the state deposited an additional $300 million one-time, including $153 million from the end-of-year surplus, into the General Fund, and Education Fund rainy day accounts, bringing the total balances of those accounts to $1.187 billion. The state also made significant ongoing funding investments in state employee compensation. The state agency and higher education compensation bill passed during the session included $181 million of ongoing increases for compensation and benefits, including a funding for a 3.5 percent COLA for state employees; targeted funding for below market positions; additional funding for corrections and public safety pay plans; and a 5.75 percent increase for higher education employees.

State Employee Other Postemployment Benefit Plan – The Actuarially Determined Contribution (ADC) for the State Employee Other Postemployment Benefit (OPEB) plan was $26.9 million. The Legislature considered this ADC when establishing the OPEB budget for fiscal year 2023. If paid on an ongoing basis, the ADC represents a level of funding that is projected actuarially to fund the unfunded liability over a period of two years.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to the State of Utah for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the thirty-seventh consecutive year the State has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate. We are committed to this effort, and we intend to maintain a highly qualified and professional staff to make this certification possible.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Division of Finance, Department of Government Operations. We also express our gratitude to the budget and accounting officers throughout state government and the Office of the State Auditor for their assistance.

Sincerely,



Janica Gines, CPA
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Utah

For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

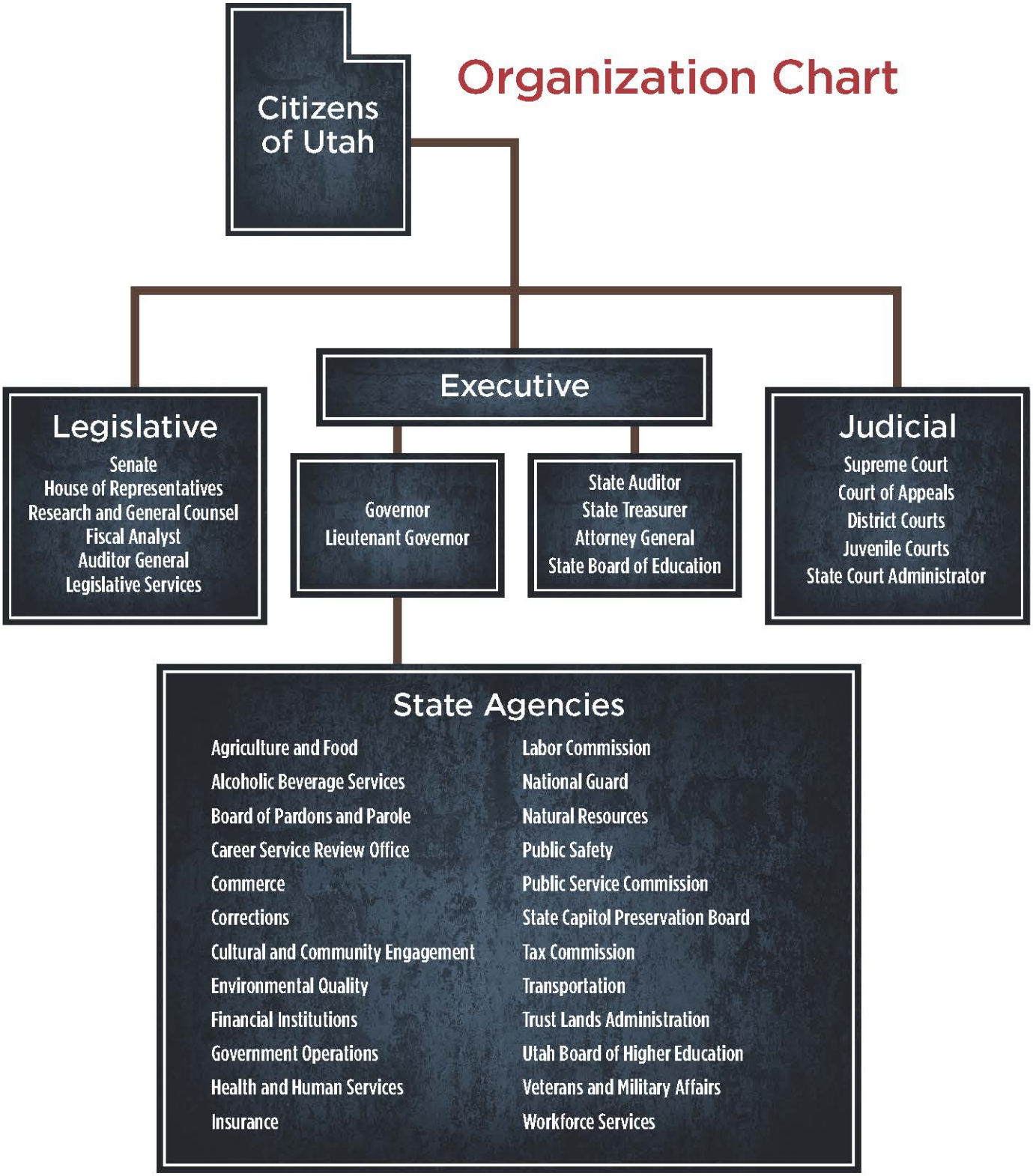
Executive Director/CEO

State of Utah

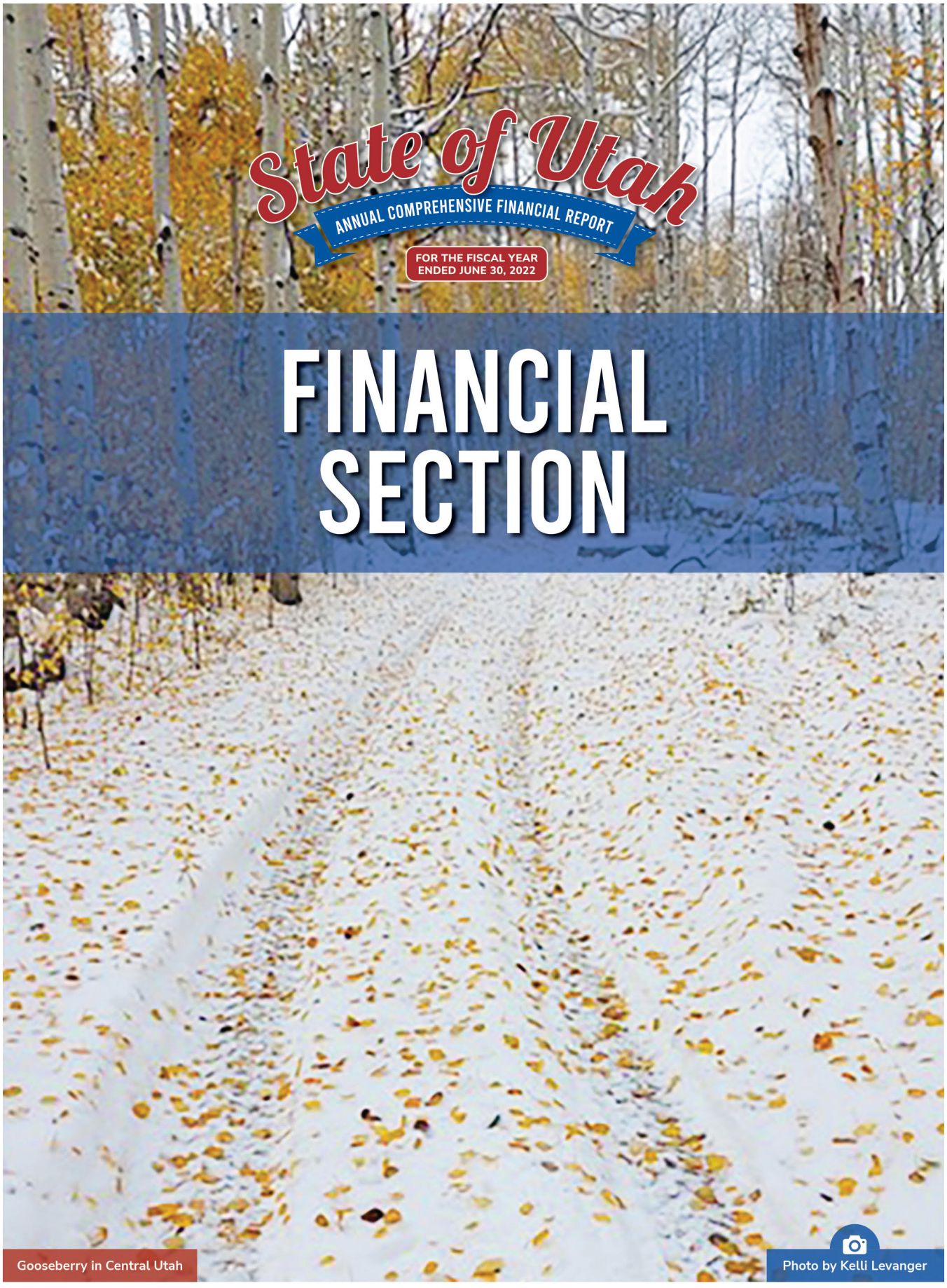
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Organization Chart



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State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
FINANCIAL SECTION
Gooseberry in Central Utah
Photo by Kelli Levanger

OFFICE OF THE
STATE AUDITOR

Independent Auditor's Report

To Members of the Utah State Legislature
and
The Honorable Spencer J. Cox
Governor, State of Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Utah (State) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The following components of the State's basic financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for these entities, are based solely on the reports of the other auditors:

- School and Institutional Trust Funds Office, a division of the Trust Lands Permanent Fund (Permanent Fund), which represents 97 percent of the assets and 98 percent of Permanent Fund's fund balance.
- Student Assistance Programs, a major enterprise fund, which represent 100 percent of the assets, the net position, and the revenues of the fund.
- Public Employees Health Program, Utah Transit Authority, the University of Utah's Hospitals and Clinics and component units, Utah State University's Space Dynamics Laboratory, and Utah Inland Port Authority, discrete component units or divisions of discrete component units, which collectively represent 40 percent of the assets, 29 percent of the net position, and 52 percent of the revenues of the aggregate discretely presented component units.
- Utah Retirement Systems and Utah Education Savings Plan dba my529, fiduciary component units, which represent 80 percent of the assets, 81 percent of the fund

balance/net position, and 41 percent of the revenues/additions of the aggregate remaining fund information.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 2, the State of Utah implemented Governmental Accounting Standards Board (GASB) Statement 87 *Leases*. See Notes 8, 9, and 10.A. for additional lease disclosures. The State also corrected its accounting for construction in progress and re-evaluated its accounting treatment for certain escrow activities. See Note 2 for further explanation of the effect of these accounting corrections.

As described in Notes 1.E. and 4, the State changed its accounting policy and treatment of the internal portion of the Public Treasurer's Investment Fund (PTIF) and now reports a fund's portion of the PTIF as "Pooled Cash and Investments".

Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we;

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; Budgetary Comparison Schedules and Reporting; and, Information about the State's Pension Plans, Other Postemployment Benefit Plans, and Infrastructure Reporting; comprising the Required Supplementary Information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the State of Utah's basic financial statements. The combining and individual nonmajor fund financial statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the reports of other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

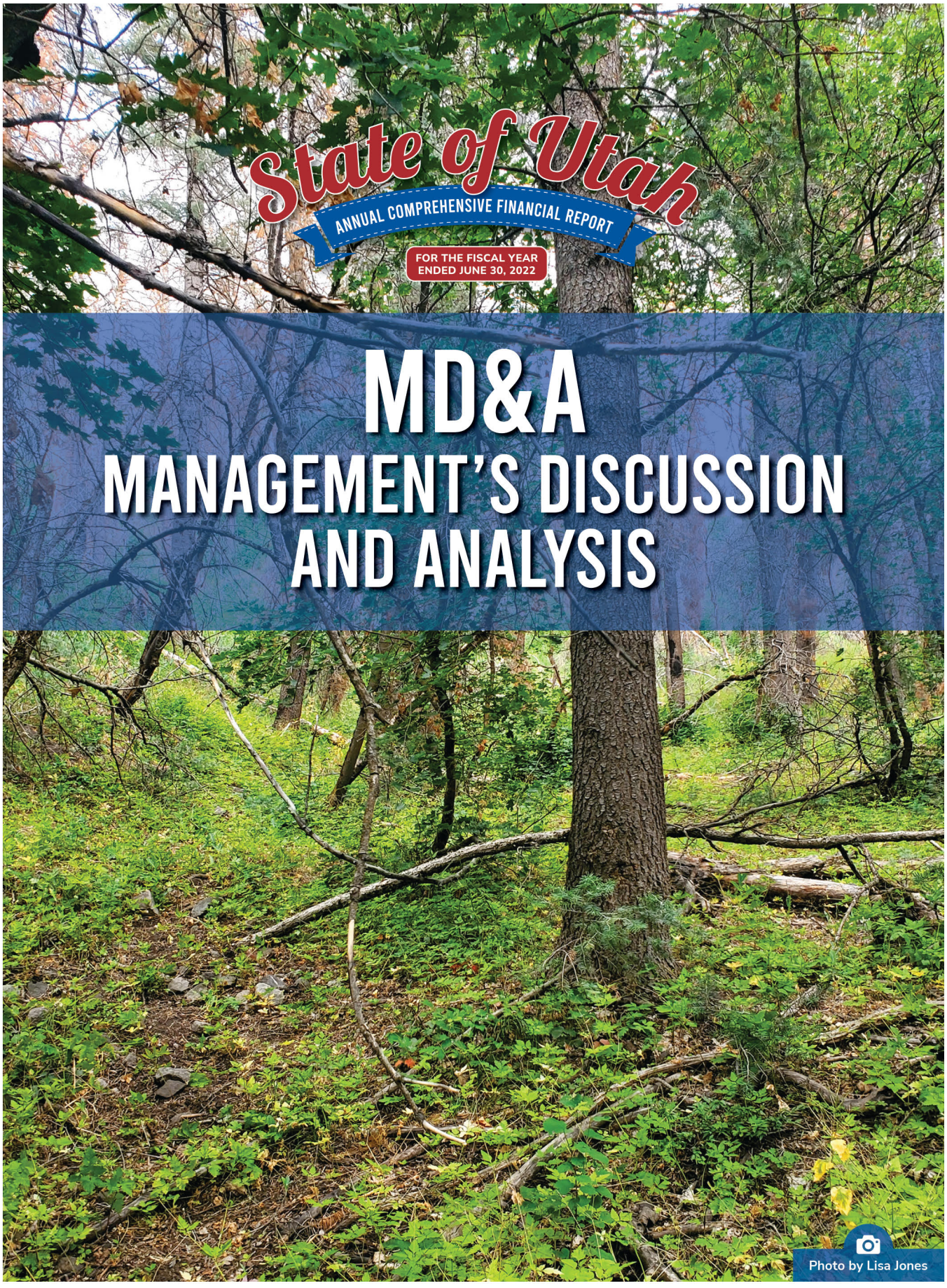
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2022 on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

Office of the State Auditor

Office of the State Auditor
Salt Lake City, Utah
December 14, 2022

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State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
MD&A
MANAGEMENT'S DISCUSSION AND ANALYSIS
Photo by Lisa Jones

INTRODUCTION

The following is a discussion and analysis of the State of Utah's financial performance and condition providing an overview of the State's activities for the fiscal year ended June 30, 2022. Please read this in conjunction with the Letter of Transmittal located in the Introductory Section of this report along with the State's Basic Financial Statements that follow this section.

HIGHLIGHTS

Government-wide

- Total assets and deferred outflows of resources of the State exceeded liabilities and deferred inflows of resources by $39.088 billion (reported as net position). Of this amount, $7.433 billion (unrestricted net position) may be used to meet the government's ongoing obligations, while $31.656 billion is restricted for specific uses or invested in capital assets.

- The State's total net position increased $6.767 billion or 20.94 percent over the prior year. Net position of governmental activities increased $6.631 billion or 22.94 percent. Net position of business-type activities increased $136.636 million or 4.00 percent.

Fund Level

- The governmental funds reported combined ending fund balances of $13.907 billion, an increase of $3.535 billion in comparison to the prior year. Approximately 44.90 percent, or $6.244 billion of the ending fund balance is considered unrestricted (i.e., committed, assigned, or unassigned) and is available for spending either at the government's discretion or upon legislative approval.

- The General Fund ended the fiscal year with a $130.243 million surplus. There was no statutory transfer to Wildland Fire Suppression Fund due to the fund ending the year at their statutory limit. However, $37.747 million was transferred to the General Fund Budget Reserve Account (Rainy Day Fund); $25.479 million was transferred to the Disaster Recovery Fund; and $2.831 million was transferred to the Local Government Emergency Response Loan Fund.

- The Education Fund ended the fiscal year with a $1.124 billion surplus after a statutory transfer of $115.585 million to the Education Budget Reserve Account.

- The State's stabilization accounts, the General Fund Budget Reserve Account (Rainy Day Fund), Medicaid Budget Stabilization Account, and Education Budget Reserve Account, ended the fiscal year with balances of $330.285 million, $113.862 million, and $856.285 million, respectively.

- Sales tax revenues in the governmental funds increased $631.412 million or 17.69 percent, compared to $262.384 million or 9.35 percent increase from the prior year. Total tax revenues increased $556.608 million or 17.97 percent in the General Fund and $1.639 billion or 26.57 percent in the Education Fund.

Long-term Debt

- The State's long-term bonded debt decreased by a net $1.301 billion or 33.27 percent. General obligation bonds for the primary government decreased $392.000 million or 14.49 percent, while revenue bonds for the primary government decreased $909.000 million or 75.44 percent.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report includes the State's Basic Financial Statements, Required Supplementary Information, and Supplementary Information. The Basic Financial Statements include three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-wide Statements – Reporting the State as a Whole

The Statement of Net Position and the Statement of Activities together comprise the *government-wide financial statements*. These statements provide a broad overview of the State's finances as a whole with a long-term focus and are prepared using the *full-accrual* basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term debt, are reported at the entity level. The government-wide statements report

the State's *net position*–the difference between assets and deferred outflows of resources, compared to liabilities and deferred inflows of resources–and how it has changed from the prior year. Over time, increases and decreases in net position measure whether the State's overall financial condition is improving or deteriorating. In evaluating the State's overall condition, additional non-financial factors should be considered such as the State's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure. The government-wide statements report three activities:

- *Governmental Activities* – Most of the State's basic services fall under this activity including education, transportation, public safety, courts, corrections, health, and human services. Taxes and federal grants are the major funding sources for these programs.

- *Business-type Activities* – The State operates certain activities much like private-sector companies by charging fees to customers to cover all or most of the costs of providing the goods and services. Student loans, unemployment compensation, water loan programs, and liquor sales are examples of business-type activities.

- *Component Units* – A number of entities are legally separate from the State, yet the State remains financially accountable for them. Colleges and Universities, Utah Communications Authority, and Utah State Fair Corporation are examples of discrete component units.

Fund Financial Statements – Reporting the State's Most Significant Funds

The Governmental Fund Financial Statements provide detailed information about individual major funds, not the State as a whole. A fund is a group of related accounts that the State uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. All of the State's funds are divided into three types, each of which uses a different accounting approach:

- *Governmental Funds* – Most of the State's basic services are accounted for in governmental funds and are essentially the same functions reported as *governmental activities* in the government-wide statements. Governmental funds use the *modified accrual* basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at yearend that are available for future spending. This *short-term* view of the State's financial position helps determine whether the State has sufficient resources to cover expenditures for its basic services in the near future.

- *Proprietary Funds* – Proprietary funds include enterprise funds and internal service funds and account for state activities that are operated much like private-sector companies. Like the government-wide statements, proprietary fund statements are presented using the *full-accrual* basis of accounting. Activities whose customers are mostly outside of state government (e.g., water loans to local governments) are accounted for in *enterprise funds* and are the same functions reported as *business-type activities.* Thus, the *enterprise fund* financial statements reinforce the information reported for *business-type* activities in the government-wide statements, but provide more detail and additional information, such as cash flows. Activities whose customers are mostly other state entities (e.g., motor pool) are accounted for in *internal service funds*. The internal service fund activities are consolidated with the governmental activities in the government-wide statements because those services predominantly benefit governmental rather than business-type activities.

- *Fiduciary Funds* – Fiduciary funds account for assets that, because of trust relationships, can be used only for trust beneficiaries. The State is responsible for ensuring these assets are used for their intended purposes. Fiduciary funds use the *full-accrual* basis of accounting, but are *not* included in the government-wide statements because their assets are not available to finance the State's own programs.

Reconciliation between Government-wide and Fund Statements

The financial statements include reconciliation schedules that explain the differences between the amounts reported for *governmental activities* on the government-wide statements (i.e., full accrual basis of accounting, long-term focus) with amounts reported on the *governmental* fund statements (i.e., modified accrual basis of accounting, short-term focus). The following are some of the major differences between the two statements:

- Capital assets and long-term debt are included on the government-wide statements, but are not reported on the governmental fund statements.
- Capital outlay expenses result in capital assets on the government-wide statements, but are reported as expenditures on the governmental fund statements.
- Bond proceeds result in liabilities on the government-wide statements, but are other financing sources on the governmental fund statements.

- Certain tax revenues that are earned but not yet available are reported as revenue on the government-wide statements, but are deferred inflows of resources (unavailable revenue) on the governmental fund statements.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information and schedules that are essential to a complete understanding of the financial statements. The notes apply to both the government-wide financial statements and the governmental fund financial statements.

Required Supplementary Information (RSI)

Following the Basic Financial Statements are budgetary comparison schedules for major funds with legally adopted budgets. In addition, RSI includes up to ten years of information on the State's pension plans, including schedules on the changes in the net pension liability and employer contributions for all systems with up to ten years of information. RSI also includes schedules for the State's defined benefit Other Postemployment Benefit Plans and condition assessment data related to infrastructure. RSI further supports the information in the basic financial statements.

Supplementary Information

Supplementary Information includes combining statements for the State's nonmajor governmental, nonmajor enterprise, internal service funds, fiduciary funds, and nonmajor discretely presented component units. This section also includes schedules that compare budgeted expenditures to actual results at the legal level of control, which is generally the line item level of the *Appropriations Acts*.

Statistical Section

The Statistical Section provides up to ten years of financial, economic, and demographic information.

Adjustments to Beginning Net Position and Other Significant Changes

As discussed in Note 2 of the financial statements, the following prior period adjustments were reflected in the Statement of Activities:

- The State reviewed construction-in-progress and determined that $336.907 million of infrastructure should have been recognized in prior years, as well as a net increase of $809.130 million of construction-in-progress. Additionally, $14.228 million of projects in construction-in-progress did not qualify to be capitalized. These adjustments resulted in a $1.132 billion addition to beginning net position for governmental activities.
- As a result of evaluating funds for compliance with Governmental Accounting Standards Board (GASB) 84, *Fiduciary Activities*, the State determined that a portion of cash held in State controlled escrow accounts representing unspent grant funds was incorrectly reported as expenditures in prior years. This resulted in an increase of governmental activities' beginning net position of $48.689 million.
- The State implemented GASB Statement No. 87, *Leases.* Various assets associated with capital lease arrangements were reclassified as "leased assets", a new capital asset category under GASB 87, which required a change in the depreciation method for those assets. Beginning net position for governmental activities decreased by $4.075 million as a result of implementation.

In March 2022, the Student Assistance Programs (major proprietary fund) sold the Federal Family Education Loan Program (FFELP) portfolio that the Program administered. The Program is currently in the process of terminating operations and will transfer all remaining assets and liabilities to the Utah Board of Higher Education (UBHE) on or before June 30, 2023.

Special Item - National Opioids Settlement Revenue - In May of 2022, the State of Utah signed settlement agreements with the pharmaceutical distributors who manufactured and marketed opioids for $136.192 million to be received over 18 years with the first payment due in fiscal year 2023. The State also recorded a corresponding receivable related to this settlement agreement.

See Note 2 for addition information and other changes.

FINANCIAL ANALYSIS OF THE STATE AS A WHOLE

Net Position

The largest component of the State's net position, 53.43 percent, reflects investments in capital assets (e.g., land, buildings, equipment, intangible assets, roads, and other infrastructure) less the outstanding debt issued to finance those assets. These types of assets are not available for future spending, nor can they be readily liquidated to pay off their related liabilities. Resources needed to repay capital-related debt must be provided from other sources.

Restricted net position comprises 27.56 percent of total net position and is subject to constitutional, legal, or external constraints on use. Net position that is restricted by the *Utah Constitution* includes individual income and corporate income taxes that can be used only for public and higher education costs, proceeds from fees, taxes, charges related to motor vehicles that can be used only for transportation expenses, and earnings received from investment of the permanent State School Fund.

The remaining balance of unrestricted net position may be used to meet the State's ongoing obligations, though certain laws and internally imposed commitments or assignments of resources further limit the purposes for which much of the overall net position may be used.

State of Utah
Net Position as of June 30
(dollars expressed in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2022	2021[1]	2022	2021[1]	2022	2021[1]	2021–2022
Current and Other Assets	$ 18,667,155	$ 14,164,528	$ 3,867,777	$ 4,662,065	$ 22,534,932	$ 18,826,593	19.70%
Capital Assets	23,463,872	21,410,948	136,071	116,661	23,599,943	21,527,609	9.63%
Total Assets	**42,131,027**	**35,575,476**	**4,003,848**	**4,778,726**	**46,134,875**	**40,354,202**	14.32%
Deferred Outflows of Resources	**351,920**	**235,667**	**8,071**	**6,598**	**359,991**	**242,265**	48.59%
Current and Other Liabilities	3,025,180	2,751,079	49,361	55,269	3,074,541	2,806,348	9.56%
Long-term Liabilities	2,979,839	3,631,876	395,959	1,291,601	3,375,798	4,923,477	(31.43)%
Total Liabilities	**6,005,019**	**6,382,955**	**445,320**	**1,346,870**	**6,450,339**	**7,729,825**	(16.55)%
Deferred Inflows of Resources	**940,644**	**521,417**	**15,401**	**24,620**	**956,045**	**546,037**	75.09%
Net Position:							
Net Investment in Capital Assets	20,829,680	18,939,682	54,715	44,002	20,884,395	18,983,684	10.01%
Restricted	8,687,475	7,020,889	2,083,669	1,904,934	10,771,144	8,925,823	20.67%
Unrestricted	6,020,128	2,946,200	1,412,814	1,465,626	7,432,942	4,411,826	68.48%
Total Net Position	**$ 35,537,283**	**$ 28,906,771**	**$ 3,551,198**	**$ 3,414,562**	**$ 39,088,481**	**$ 32,321,333**	20.94%
Percent change in total Net Position from prior year	22.94%		4.00%		20.94%		

[1] As reported in the published fiscal year ended June 30, 2021 annual comprehensive financial report.

Current and other assets increased $3.708 billion or 19.70 percent as follows:

- The majority of the increase in current and other assets in governmental activities of $4.503 billion or 31.79 percent is related to the increase in cash and investments due to a revenue surplus in the General Fund and Education Fund with the recovering economy.

- Current and other assets in business-type activities decreased $794.288 million or 17.04 percent largely in part to the liquidation of the Student Assistance Programs' loan portfolio.

Current and other liabilities increased $268.193 million or 9.56 percent as follows:

- Current and other liabilities in governmental activities increased $274.101 million or 9.96 percent. This is primarily due to an increase in accounts payable and accrued liabilities related to ***(1)*** an increase of $67.557 million in the way Medicaid system yearend payments were being handled at yearend with the newly implemented payment tracking system; ***(2)*** an increase in various vendor payments due to timing at yearend of $25.869 million in the General Fund and $14.528 million in Internal Service Funds; ***(3)*** an increase of $13.067 million in securities lending activity by the School and Institutional Trust Fund Office due to favorable market conditions and $39.300 million in other payables due at yearend to School and Institutional Trust Land beneficiaries; and ***(4)*** an increase of $72.073 million in payments due to local educational agencies (LEAs) for expenditures incurred by the LEAs but not yet reported to the state.

- Current and other liabilities in business-type activities decreased by $5.908 million or 10.69 percent from the prior year due to reductions in accounts payable and accrued liabilities related to the Student Assistance Program dissolution.

Long-term liabilities decreased $1.548 billion or 31.43 percent due to the repayment of debt and a decrease of net pension

liability. Upon the sale of the related student loans during fiscal year 2022, all Student Assistance Programs bonds were redeemed, including $940.447 million of Student Assistance Revenue bonds.

The State's total net position increased $6.767 billion or 20.94 percent in fiscal year 2022. In comparison, net position in the prior year increased $3.681 billion or 12.85 percent. The increase in total net position reflects a recovering economy and the active management of the State's resources. The change in net position is comprised of the following:

- *Net Investment in Capital Assets* – Total net investment in capital assets increased by 10.01 percent or $1,900.711 million as the State continues to construct infrastructure projects.

- *Restricted Net Position* – Total restricted net position increased $1.845 billion or 20.67 percent over the prior year adjusted net position as follows:

  Restricted Net Position of Governmental Activities increased $1.667 billion or 23.74 percent:
  - Public Education – Expendable net position increased $1.322 billion or 30.35 percent due to an increase in individual income tax revenues as a result of the recovering economy.
  - Public Education – Nonexpendable net position increased $114.669 million or 6.27 percent, primarily due to revenues generated from land use and gains on the sale of trust lands in the Trust Lands Permanent Fund.

  Restricted Net Position of Business-type Activities increased $178.735 million or 9.38 percent due in large part to a $235.567 million increase in the Unemployment Compensation and Insurance Programs net position as unemployment compensation-related claims decline due to a reduction in COVID-19 pandemic funding. In addition, restricted net position for loan programs decreased $51.364 million with the sale of the Student Assistance Programs loan portfolio.

- *Unrestricted Net Position* – Total unrestricted net position in governmental activities increased $3.074 billion or 104.34 percent primarily due to an increase in the amount unspent and carried forward in the General Fund and Education Fund due to the surplus in each fund. Unrestricted net position in business-type activities decreased $52.812 million or 3.60 percent primarily due to the sale of the loan portfolio of the Student Assistance Programs.

(MD&A continues on next page.)

Changes in Net Position

The following table and charts summarize the State's total revenues, expenses, and changes in net position for fiscal year 2022:

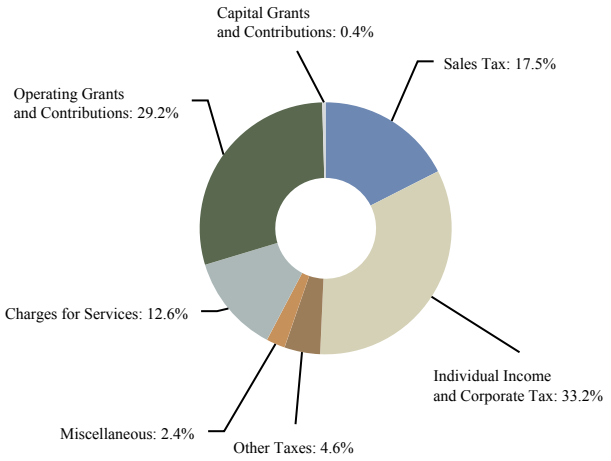
State of Utah
Changes in Net Position
for the Fiscal Year Ended June 30
(dollars expressed in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2022	2021[1]	2022	2021[1]	2022	2021[1]	2021–2022
Revenues							
General Revenues:							
Taxes	$13,354,940	$10,910,260	$ 51,905	$ 48,927	$13,406,845	$10,959,187	22.33 %
Other General Revenues	569,887	243,218	17,141	50,781	587,028	293,999	99.67 %
Program Revenues:							
Charges for Services	2,146,101	1,785,833	908,658	799,208	3,054,759	2,585,041	18.17 %
Operating Grants and Contributions	6,925,662	6,993,130	162,799	783,845	7,088,461	7,776,975	(8.85)%
Capital Grants and Contributions	104,400	154,058	—	—	104,400	154,058	(32.23)%
Total Revenues	**23,100,990**	**20,086,499**	**1,140,503**	**1,682,761**	**24,241,493**	**21,769,260**	11.36 %
Expenses							
General Government	1,192,448	1,284,195	—	—	1,192,448	1,284,195	(7.14)%
Human Services and Juvenile Justice Services	1,049,810	995,914	—	—	1,049,810	995,914	5.41 %
Corrections	325,273	313,584	—	—	325,273	313,584	3.73 %
Public Safety	428,758	361,004	—	—	428,758	361,004	18.77 %
Courts	146,490	153,986	—	—	146,490	153,986	(4.87)%
Health and Environmental Quality	4,701,394	4,007,254	—	—	4,701,394	4,007,254	17.32 %
Higher Education	1,575,526	1,561,004	—	—	1,575,526	1,561,004	0.93 %
Employment and Family Services	1,356,482	1,063,022	—	—	1,356,482	1,063,022	27.61 %
Natural Resources	293,246	264,901	—	—	293,246	264,901	10.70 %
Cultural and Community Engagement	57,187	67,086	—	—	57,187	67,086	(14.76)%
Business, Labor, and Agriculture	127,807	147,102	—	—	127,807	147,102	(13.12)%
Public Education	5,236,842	4,827,043	—	—	5,236,842	4,827,043	8.49 %
Transportation	1,277,249	1,368,487	—	—	1,277,249	1,368,487	(6.67)%
Interest and Charges on Long-term Debt	60,623	74,879	—	—	60,623	74,879	(19.04)%
Student Assistance Programs	—	—	359,063	77,918	359,063	77,918	360.82 %
Unemployment Compensation	—	—	140,358	1,115,481	140,358	1,115,481	(87.42)%
Water Loan Programs	—	—	13,063	15,463	13,063	15,463	(15.52)%
Community and Economic Loan Programs	—	—	36,037	18,556	36,037	18,556	94.21 %
Liquor Retail Sales	—	—	366,989	340,951	366,989	340,951	7.64 %
Other Business-type Activities	—	—	43,438	46,597	43,438	46,597	(6.78)%
Total Expenses	**17,829,135**	**16,489,461**	**958,948**	**1,614,966**	**18,788,083**	**18,104,427**	3.78 %
Excess (Deficit) Before Transfers	5,271,855	3,597,038	181,555	67,795	5,453,410	3,664,833	
Special Item - Opioid Settlement	136,192	—	—	—	136,192	—	
Transfers	47,460	151,676	(47,460)	(151,676)	—	—	
Change in Net Position	**5,455,507**	**3,748,714**	**134,095**	**(83,881)**	**5,589,602**	**3,664,833**	
Net Position – Beginning	28,906,771	25,172,326	3,414,562	3,467,619	32,321,333	28,639,945	
Adjustment to Beginning Net position	1,175,005	(14,269)	2,541	30,824	1,177,546	16,555	
Net Position – Beginning as Adjusted	30,081,776	25,158,057	3,417,103	3,498,443	33,498,879	28,656,500	
Net Position – Ending	**$35,537,283**	**$28,906,771**	**$ 3,551,198**	**$ 3,414,562**	**$39,088,481**	**$32,321,333**	20.94 %

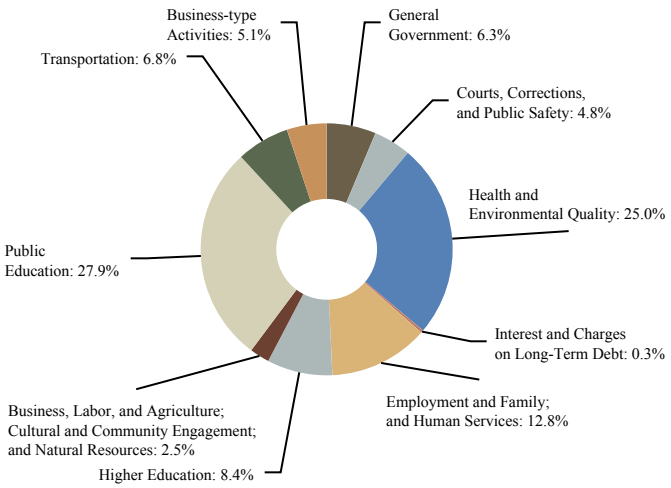
[1] As reported in the published fiscal year ended June 30, 2021 annual comprehensive financial report.

(Charts on next page)

State of Utah Total Revenues FY 2022



State of Utah Total Expenses FY 2022



This year the State received 55.31 percent of its revenues from state taxes and 29.67 percent of its revenues from grants and contributions, primarily from federal sources. In the prior year, state taxes accounted for 50.34 percent and grants and contributions were 36.43 percent of total revenues. Charges for goods and services such as licenses, permits, liquor sales, park fees, and court fees, combined with other miscellaneous collections, comprised 15.02 percent of total revenues in fiscal year 2022 as compared to 13.23 percent in fiscal year 2021.

Governmental Activities

The State's total governmental revenues from all sources increased $3.014 billion or 15.01 percent. The increase was due in part to an increase in tax revenues of $2.445 billion or 22.41 percent due to economic growth. Significant changes in governmental activities' revenues and expenses at the government-wide level mirror changes in the governmental funds, except for Public Safety and Courts expenses. Public Safety expenses increased $67.754 million or 18.77% in the government-wide statements, while corresponding expenditures in the fund statements increased $95.400 million or 26.24 percent. Government-wide Court expenses decreased $7.496 million or 4.87 percent, while corresponding fund statement expenditures increased $14.249 million or 8.77 percent. These differences were due to the recognition of changes in net pension liability which is only recorded in the government-wide statements due to the measurement focus of each statement.

Due to differences in measurement focus and timing of collections, the increase at the government-wide level should not be used to predict future increases at the fund statement or budget level.

The following table shows to what extent program revenues (i.e., charges for services and grants) covered program expenses. For fiscal year 2022, program revenues covered $9.176 billion or 51.47 percent of $17.829 billion in total program expenses. For the remaining $8.653 billion or 48.53 percent of program expenses, the State relied on state taxes and other general revenues. For further discussion of changes, see the section entitled "Financial Analysis of the State's Governmental Funds."

(MD&A continues on next page.)

State of Utah
Net Cost of Governmental Activities
(dollars expressed in thousands)

	Program Expenses	Less Program Revenues	Net Program (Expenses)/Revenues		Program Revenues as a Percentage of Program Expenses	
	2022	2022	2022	2021	2022	2021
General Government	$ 1,192,448	$ 883,537	$ (308,911)	$ 186,374	74.09 %	114.51 %
Human Services and Juvenile Justice Services	1,049,810	552,283	(497,527)	(495,044)	52.61 %	50.29 %
Corrections	325,273	3,743	(321,530)	(309,372)	1.15 %	1.34 %
Public Safety	428,758	293,473	(135,285)	(65,472)	68.45 %	81.86 %
Courts	146,490	64,746	(81,744)	(98,979)	44.20 %	35.72 %
Health and Environmental Quality	4,701,394	4,152,146	(549,248)	(685,342)	88.32 %	82.90 %
Higher Education	1,575,526	15,000	(1,560,526)	(1,561,004)	0.95 %	0.00 %
Employment and Family Services	1,356,482	1,212,019	(144,463)	(201,317)	89.35 %	81.06 %
Natural Resources	293,246	226,878	(66,368)	(57,886)	77.37 %	78.15 %
Cultural and Community Engagement	57,187	20,134	(37,053)	(54,175)	35.21 %	19.25 %
Business, Labor, and Agriculture	127,807	138,949	11,142	(5,935)	108.72 %	95.97 %
Public Education	5,236,842	950,302	(4,286,540)	(3,465,179)	18.15 %	28.21 %
Transportation	1,277,249	662,953	(614,296)	(668,230)	51.90 %	51.17 %
Interest and Charges on Long-term Debt	60,623	—	(60,623)	(74,879)	0.00 %	0.00 %
Total Governmental Activities	**$ 17,829,135**	**$ 9,176,163**	**$ (8,652,972)**	**$ (7,556,440)**	51.47 %	54.17 %

Business-type Activities

The State's business-type activities operate primarily from program revenues, except for the Water Loan Programs and Agriculture Loan Fund, which by law receive dedicated sales tax revenues. Accounting standards require unemployment taxes collected from employers and deposited in the Unemployment Compensation Fund to be reported as charges for services rather than taxes. Therefore, taxes in business-type activities are comprised entirely of sales tax revenues reported for water and agriculture loan programs.

Overall, total revenues from the State's business-type activities decreased $542.258 million or 32.22 percent with a corresponding decrease of $656.018 million or 40.62% of expenses largely due to decreased claims in the Unemployment Compensation Fund as the state recovers from the COVID-19 pandemic.

Changes in the State's business-type activities at the government-wide level mirror the changes noted in the State's proprietary funds, except that the State's proprietary funds provide detail summarized by program or fund, while the business-type activity at the government-wide level is presented overall. The changes in the State's proprietary funds are detailed further in the section entitled "Financial Analysis of the State's Proprietary Funds."

FINANCIAL ANALYSIS OF THE STATE'S GOVERNMENTAL FUNDS

Fund Balances

At June 30, 2022, the State's governmental funds reported combined ending fund balances of $13.907 billion. Of this amount, $2.182 billion or 15.69 percent is nonspendable, either due to its form or legal constraints, and $5.481 billion or 39.41 percent is restricted for specific programs by either external constraints, constitutional provisions, or contractual obligations. Revenue restricted for public education, revenue that derives from the operation of motor vehicles on public highways, mineral lease revenues, and earnings received from investment of the Trust Lands Permanent Fund are included in restricted fund balance. An additional $4.034 billion or 29.00 percent of the total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other purpose unless approved by the Legislature. An additional $2.080 billion or 14.96 percent of the total fund balance has been assigned for specific purposes, as expressed by legislative intent. The remaining $130.243 million or 0.95 percent of the fund balance is unassigned and available for future appropriations.

(MD&A continues on next page.)

State of Utah
Governmental Fund Balances as of June 30
(dollars expressed in thousands)

	General Fund	Education Fund	Transportation Fund	Transportation Investment Fund	Trust Lands Fund	Nonmajor Funds	Total
Nonspendable	$ 92,598	$ 127	$ 14,919	$ —	$ 2,074,255	$ 552	$ 2,182,451
Restricted	117,384	3,698,602	536,510	—	1,033,198	95,024	5,480,718
Committed	1,692,944	—	—	1,714,449	—	626,256	4,033,649
Assigned	1,359,364	—	35,477	—	—	685,407	2,080,248
Unassigned	130,243	—	—	—	—	—	130,243
Total	**$ 3,392,533**	**$ 3,698,729**	**$ 586,906**	**$ 1,714,449**	**$ 3,107,453**	**$ 1,407,239**	**$ 13,907,309**
Percent change from prior year	51.15 %	51.85 %	16.57 %	148.89 %	(2.39)%	6.94 %	34.08 %

General Fund

The General Fund's total fund balance increased $1.148 billion or 51.15 percent in fiscal year 2022. The General Fund ended the year with a $130.24 million surplus, or unassigned fund balance, primarily due to an increase in sales taxes as a result of the recovering economy. In the prior year, the General Fund ended the year with a $109.771 million surplus, or unassigned fund balance.

Specific changes in the General Fund balance include the following:

- Nonspendable fund balance decreased $167.430 million or 64.39 percent primarily due to a $154.241 million decrease in prepaid items related to the timing of Medical Provider Payments being disbursed.

- Restricted fund balance increased $32.352 million or 38.05 percent primarily due to an increase in revenues set aside for specific purposes due to constraints that are imposed externally or by law.

- Committed fund balance increased $511.148 million or 43.25 percent due to an increase in funding set aside for specific purposes as follows: ***(1)*** agency carry-forward balances increased $288.630 million; ***(2)*** funding set aside for committed purposes in various restricted accounts increased $147.962 million; and ***(3)*** the General Fund Budget Reserve Account balance increased $73.494 million due to a legislative appropriation of $35.747 million and the statutory surplus transfer of $37.749 million to the account.

- Assigned fund balance increased $751.570 million or 123.66 percent. The increase was primarily due to a $560.796 million increase in the amount set aside for next year's budget by the Legislature. Assigned fund balance also increased $190.774 million due to an increase in tax accruals and other liabilities assigned by law.

Total tax revenues in the General Fund increased $556.608 million or 17.97 percent, the largest of which was sales and use tax increasing $495.734 million or 18.28 percent. Overall, sales and use tax revenue in all governmental funds also increased $631.41 million or 17.69 percent primarily due to growth in the Utah economy.

Total General Fund non-related tax revenues increased $942.40 million or 15.19 percent as explained below:

- Federal contracts and grants increased $827.773 million or 16.17 percent primarily due to an increase in federal funding for Medicaid and COVID-19 relief funding from the American Rescue Plan Act of 2021.

- Miscellaneous and other revenues increased $66.529 million or 15.47 percent. This was primarily due to ***(1)*** a $36.985 million increase in Medicaid drug manufacturer rebates; and ***(2)*** $42.401 million of revenue from local governments for the Emergency Rental Assistance program.

- Federal mineral lease revenue increased $26.577 million or 54.20 percent due to a increase in prices and production.

- Investment income decreased $31.719 million or 115.70 percent due to lower interest rates.

Overall, total General Fund expenditures increased $1.081 billion or 11.21 percent as the State responded to a growing economy and an increase in the public's demand for government services due to the COVID-19 pandemic. Significant changes in expenditures occurred in the following areas:

- *General Government* – Total expenditures decreased $154.343 million or 18.12% as the result of decrease in available CARES Act pandemic funding.

- *Public Safety* – Total expenditures increased $85.005 million or 26.50% as a result of increased Federal Emergency Management Act funding related to the COVID-19 pandemic.

- *Health and Environmental Quality* – Total expenditures increased $723.815 million or 17.90 percent as a result of increased Medicaid program expenditures due to the federally declared Public Health Emergency (PHE). Congress passed the Families First Coronavirus Response Act (FFCRA) which required a Maintenance of Effort (MOE) that states provide continuous eligibility to Medicaid members through the end of the PHE unless the member requested to be disenrolled, passed away, or moved out of State. Under normal circumstances, Medicaid members improve their situations and leave the program due to changes in their family income or health situations. With the MOE in place, Medicaid enrollment grew approximately 30% during the same period of time. Secondary causes would be the normal caseload and utilization changes within the Medicaid program.

- *Employment and Family Services*– Total expenditures increased by $321.664 million or 30.41 percent as a result of: ***(1)*** $134.990 million increase in Supplemental Nutrition Assistance Program (SNAP) due to pandemic emergency allotments which increased SNAP benefits in an amount equal to the maximum benefit for the household size. The issuance of emergency allotments is based on the public health emergency (PHE) declaration by the Secretary of the U.S. Department of Health and Human Services; and ***(2)*** $186.674 million increase is attributed to Emergency Rental Assistance and Child Care programs.

In addition to the significant changes in expenditures described above, the increase in overall expenditures is also due to a 3.5 percent salary increase of most state employees, increases in health insurance costs, workers' compensation rate reduction, and other payroll adjustments with a total net impact of $59.400 million.

Budgetary Highlights – General Fund

The Legislature adopted the initial or original fiscal year 2022 budget during the 2021 General Session (January to March 2021). The original consensus revenue estimates for the General Fund budget at the start of fiscal year 2022, excluding department-specific revenue sources such as federal grants and departmental collections, and miscellaneous transfers, were 3.28 percent higher than the final fiscal year 2021 budget. The increase was primarily due to growth in the sales and use tax based on the strong Utah economy. Budgeted expenditures were 27.70 percent higher than the final fiscal year 2021 budget. The Governor and Legislature were able to balance the original fiscal year 2022 budget using revenue growth, prior year reserves, and fund balances.

Adjustments to the original budget were made in the 2021 First Special Session and 2022 General Session. Final general revenue estimates increased $434.958 million from the original consensus estimates adopted during the 2021 General Session due to projected increases in sales and use tax, insurance premium tax, oil and gas severance estimates. Base budget resources allowed the Legislature to set aside $1.046 billion for fiscal year 2023 appropriations. In the end, taxes and other general revenues ended the year $119.930 million above final budgeted amounts. Final budgets of department-specific revenue sources decreased in total from original budgets primarily due to a decrease in expected federal contracts and grants. Final budgets for departmental-specific revenue sources and related expenditures are revised based on actual collections. The difference between final budgeted and actual expenditures is primarily due to nonlapsing and unspent restricted funds that will be carried forward into the next year. However, $38.985 million of unspent budgeted funds were lapsed back to the General Fund by various state agencies.

Education Fund

The fund balance in the Education Fund increased overall by $1.263 billion or 51.85 percent from the prior year. The Education Fund, including the Uniform School Fund, ended the year with a $1.124 billion surplus after a $13.179 million property tax recapture and a $115.585 million transfer to the Education Budget Reserve Account from an original revenue surplus of $1.226 billion. In the event of a "revenue surplus" in the Education Fund, state law requires that 25.00 percent of the surplus be transferred to the Education Budget Reserve Account, a budget stabilization account as explained in Note 12.B. State law further requires an additional 25.00 percent be transferred to repay prior year transfers out of the account, but limits these transfers to 11.00 percent of Education Fund appropriations. The Education Budget Reserve Account ended the year with a balance of $856.285 million.

Overall, total revenues in the Education Fund increased $1.996 billion or 28.93 percent. Individual income tax increased $1.363 billion or 25.00 percent and corporate tax increased $272.244 million or 39.58 percent due to economic growth. Federal contracts and grants revenue increased $337.286 million or 53.03 percent as a result of an increase in federally funded expenditures, as described below, including additional CARES Act funding of $67.668 million and $6.617 million of American Rescue Plan Act funding.

Overall, expenditures increased $419.708 million or 8.69 percent in the Education Fund. The increase in spending was partially due to a $97.539 million increase in expenditures within the Minimum School Program to provide for growth in student enrollment, and to fund a 5.9 percent increase in the weighted pupil unit value, which is the primary funding mechanism for public education.

The remaining balance of the increase in expenditures was primarily due to $322.932 million increases in the following education programs: ***(1)*** $132.094 million for child nutrition and food commodities for school children due to the impacts of the COVID-19 pandemic; ***(2)*** $42.162 million increase in administrative expenses primarily for student support services; and ***(3)*** $148.676 million in programs to support low income children during the COVID-19 pandemic.

Net other financing uses decreased $829.121 million or 53.40 percent. This change resulted from a $796.676 million increase in transfers to the General Fund for higher education, and from a $32.445 million decrease in transfers in from the Trust Lands Permanent Fund for the School Land Program.

Transportation Fund

The total fund balance in the Transportation Fund increased $83.419 million or 16.57 percent from the prior year. Expenditures within the Transportation Fund decreased $76.953 million or 6.40 percent due to the winding down of major projects. Overall, transportation revenues decreased $14.026 million or 1.12 percent. The decrease resulted from a decrease in Federal contracts and grants of $42.114 million or 10.05 percent as a result of winding down current major federally funded projects. This large decrease was partially offset by the following increases in revenue as compared to the prior year:

- Motor and special fuels tax increased $16.644 million or 2.97 percent due to an increase in fuel rates and taxable gallons sold.

- License, permits, and fees increased $6.664 million or 5.90 percent primarily due to an increase in vehicle registration fees. Vehicle registration fees increase each year by an inflation factor. This increase plus the recovering economy caused the overall increase in fees.

- Other tax revenue increased $5.551 million or 52.76 percent due to an increase Motor Vehicle Rental Taxes. These taxes increased due to the increase in tourism as the State recovers from the COVID-19 pandemic.

Authorized federal funding for highway construction remains relatively stable from year to year. However, the spending of state and federal revenue may vary from year to year since it reflects the timing of highway construction projects. These projects may span fiscal years and are impacted by a variety of circumstances such as environmental studies or supply chain issues. In addition, the Department of Transportation has discretion on allocating federal funds among projects, which impacts the amount of federal revenue reported in the Transportation Fund.

Transportation Investment Fund

The total fund balance in the Transportation Investment Fund increased $1.026 billion or 148.89 percent from the prior year. Committed fund balance increased $1.026 billion or 148.89 percent due to growth in dedicated sales and use tax revenue and unspent appropriations at yearend.

Overall, revenues increased $108.425 million or 12.94 percent. Sales and use tax revenues, statutorily reallocated from use in the General Fund to use for highway projects, increased $113.720 million or 15.35 percent due to growth in the economy. Investment income decreased $7.994 million or 205.13 percent primarily due to declining interest rates. Expenditures decreased $73.079 million or 9.36 percent from the prior year due to decreased spending on highway construction projects. Net other financing sources increased $1.113 billion or 341.75 percent, primarily due to an increase in appropriated transfers in when compared to the prior year for the Transportation Capacity Program.

Trust Lands Permanent Fund

The fund balance of the Trust Lands Permanent Fund decreased $76.145 million or 2.39 percent from the prior year. This decrease was due to an decrease in investment returns as explained below. The increase in nonspendable fund balance of $141.490 million or 7.32 percent was attributable to increased revenues generated from trust land sales in fiscal year 2022. As a result of a constitutional amendment that became effective July 1, 2017, the *Utah Constitution* allows all investment earnings of the Trust Lands Fund Permanent Fund to be distributed to beneficiaries, limited to annual distributions not to exceed 4.00 percent of the fund, which is based on a calculation described in Section 53C-3-102 of the *Utah Code*.

Revenues decreased $757.976 million or 106.69 percent. The decrease was attributable to a $786.372 million or 117.65 percent swing in investment income as the Permanent Fund navigated a volatile investment market during the fiscal year relative to the strong investment performance in the prior fiscal year. The investment losses and other activity resulted in a $217.635 million

decrease in the Permanent Funds restricted fund balance. Expenditures and transfers out increased $13.973 million or 13.34 percent primarily due to an increase in the amount available for distribution to beneficiaries based on the statutory formula. The sale of trust land assets increased $39.244 million or 77.20 percent due to an increase in surface and developed land sales. Therefore, overall expenditures exceeded revenues resulting in a decrease in fund balance. Securities lending liabilities also increased $13.067 million or 10.23 percent primarily due to changes in the market environment that led to more securities lending activity during the fiscal year.

FINANCIAL ANALYSIS OF THE STATE'S PROPRIETARY FUNDS

Student Assistance Programs

The net position of the Student Assistance Programs decreased by $275.685 million or 74.72 percent from the prior year. Total assets decreased $1.227 billion or 92.40 percent primarily due to a decrease in student loans receivable of $1.111 billion or 99.82 percent as a result of the sale of the student loan portfolio. Total liabilities decreased $936.738 million or 99.29 percent due to using proceeds from the student loan portfolio to redeem all outstanding student loan backed notes. Operating revenue increased by a total of $4.013 million or 5.91 percent. Operating expenses decreased $8.011 million or 10.35 percent. The restricted portion of the net position decreased by $124.258 million or 65.53 percent due to loan sales and the redemption of all outstanding notes. The unrestricted net position decreased by $151.398 million or 87.66 percent due to loan sales and transfers of portfolio liquidation proceeds to the Utah Board of Higher Education, a discrete component unit.

Unemployment Compensation Fund

The State's average unemployment rate for the fiscal year 2022 decreased to an estimated 2 percent from 2.7 percent the prior year. Employer tax revenue increased $65.362 million or 30.51 percent due to an overall contribution rate increase from the prior year. Expenses decreased $975.123 million or 87.42 percent due to fewer claims being paid than prior year, primarily due to the COVID-19 pandemic relief funding ending. Overall, employer taxes and other revenues exceeded benefit payments and transfers out, resulting in an increase of net position of $258.644 million or 32.07 percent. The entire net position of $1.065 billion is restricted for use within the fund by state and federal law.

Employers' Reinsurance Fund

The net position of the Employers' Reinsurance Fund decreased $24.960 million or 67.34 percent. Benefit claims decreased $4.857 million or 35.32 percent due to an decrease in the actuarial estimate of claims incurred but not yet reported. Investment income decreased $29.290 million or 301.09 percent due to declining interest rates. Tax revenues decreased $3.893 million or 60.59 percent due to a decrease in the assessment rate. The entire net position of $12.105 million is restricted for use within the fund.

Water Loan Programs

Net position increased $61.386 million or 5.17 percent from the prior year as program revenues exceed grants awarded. Additional capital for loans issued was provided by $48.848 million in dedicated sales tax revenues, $9.197 million in investment income, and $30.896 million in federal grants. Of the total net position of $1.249 billion, $563.182 million is restricted for use within the Water Loan Programs by federal grant requirements, and $140.357 million is restricted pursuant to bond agreements within the programs.

Community Impact Loan Fund

The net position of the Community Impact Loan Fund increased $44.550 million or 6.53 percent from the prior year due to a change in accounting policy which recognized an additional $47.357 million of funding maintained in State controlled escrow accounts (see Note 2). There is no restriction on the Fund's net position of $726.728 million.

Alcoholic Beverage Services Fund

The net position of the Alcoholic Beverage Services Fund remained unchanged from the prior year as net profits earned from the sale of liquor are required by *Utah Code* Section 32B-2-301 to be transferred to the General fund. The current year net profit of $134.826 million exceed the prior year by $9.385 million.

CAPITAL ASSET AND LONG-TERM DEBT ADMINISTRATION

Capital Assets

The State's capital assets increased by a net $744.184 million during the year. The significant changes consisted of net increases in infrastructure (i.e., state roads and bridges) of $878.325 million and buildings and improvements of $989.675 million. The increases are offset by net decreases in construction in progress of $1,176.928 million, which includes the completion of the new state prison. Significant projects include the following:

- Completion of the new State Prison project
- Completion of I-15 Northbound Bangerter Highway to I-215 Expansion
- Completion of the West Davis UDOT Project
- Completion of the US-89 Farmington to I-84 Expansion project

The State implemented Governmental Accounting Standard Statement No. 87, *Leases*, during fiscal year 2022, which introduced "right-to-use", or leased assets, as a new capital asset category. Implementation of this standard resulted in additions of beginning balances of leased assets totaling $212.030 million for governmental activities and $7.96 million for business-type activities. See Note 2, Note 8 and Note 9 for more information on leased assets.

Several buildings financed by the State are actually owned by the colleges and universities, which are discrete component units of the State. Therefore, while the capital assets are on the discrete component unit's financial statements, any outstanding debt issued by the State to finance the construction of those assets is reported as a liability of the State's governmental activities. This in turn reduces unrestricted net position. As of June 30, 2022, the State had $68.915 million of outstanding debt related to capital assets of discretely presented component units.

At June 30, 2022, the State had commitments in capital projects funds of $522.191 million for building projects and $422.806 million for highway construction and improvement projects. The State also had commitments of $447.588 million for road construction and other contract commitments in the Transportation Fund. Funding for the commitments will come from existing resources in these funds and from future appropriations and bond proceeds.

The State has adopted an allowable alternative to reporting depreciation for state roads and bridges (infrastructure assets) maintained by the Utah Department of Transportation (UDOT). Under this alternative method, referred to as the "modified approach," UDOT must maintain an asset management system and demonstrate that the infrastructure is being preserved at or above established condition levels. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

The State's established condition level for state roads is to maintain a certain percentage of mileage at a "fair" or better condition. The overall system has a target of 80.00 percent rated as "fair" or better. The most recent condition assessment completed in 2021 indicated that 95.10 percent of roads were in "fair" or better condition. These results reflect maintaining roads above target percentages and are consistent with calendar year 2020, when 93.26 percent of roads were assessed as "fair" or better condition.

The State's established condition level for bridges is to maintain 50.00 percent with a rating of "good" and no more than 10.00 percent of bridges with a "poor" rating. The most recent condition assessment, completed in fiscal year 2022, indicated that 61.10 percent and 2.90 percent of bridges were in "good" and "poor" condition, respectively. These results reflect maintaining bridges at a consistent condition level as 2021 when 61.50 percent of the bridges were assessed as "good" and 2.90 percent assessed were in "poor" condition.

During fiscal year 2022, the State spent $399.974 million and $70.584 million to maintain and preserve roads and bridges, respectively. These combined amounts were 21.90 percent below the estimated amounts of $512.113 million and $90.373 million needed to maintain these roads and bridges at established condition levels, respectively.

More information about capital assets is included in Note 8 and more detailed information on the State's modified approach for reporting infrastructure is presented in the Required Supplementary Information – Information About Infrastructure Assets Reported Using the Modified Approach.

Long-term Debt

The *Utah Constitution* allows the State to contract debts not exceeding 1.50 percent of the value of the total taxable property of the State (i.e., constitutional debt limit). The Legislature authorizes general obligation indebtedness within this limit. The *State Appropriation and Tax Limitation Act* (i.e., statutory debt limit) further limits the outstanding general obligation debt of the State to not exceed 45.00 percent of the maximum allowable state budget appropriation limit. As of June 30, 2022, the general obligation indebtedness of the State was $6.081 billion below the constitutional debt limit and $1.561 billion below the statutory debt limit.

Revenue bonds of the State Building Ownership Authority are not backed by the general taxing authority of the State, but are payable from revenue provided through appropriations of the Legislature or other operating revenues. Revenue bonds of the Student Assistance Programs and Water Loan Programs are not backed by the general taxing authority of the State, but are payable solely from specific fees or loan repayments as pledged in the bond indentures.

State of Utah
Net Outstanding Bonded Debt as of June 30
(expressed in millions)

	Governmental Activities		Business-type Activities		Total Primary Government		Percentage Change
	2022	2021	2022	2021	2022	2021	2021 to 2022
General Obligation Bonds	$ 2,314	$ 2,706	$ —	$ —	$ 2,314	$ 2,706	(14.49)%
Revenue Bonds:							
State Building Ownership Authority	163	177	126	84	289	261	10.73 %
Student Assistance Programs	—	—	—	931	—	931	(100.00)%
Water Loan Programs	—	—	7	13	7	13	(46.15)%
Total Bonds Payable	**$ 2,477**	**$ 2,883**	**$ 133**	**$ 1,028**	**$ 2,610**	**$ 3,911**	(33.27)%

Total general obligation bonds payable net of premiums and discounts decreased $391.946 million. Revenue bonds payable net of premiums and discounts decreased $909.000 million for an overall net decrease of $1.301 billion during the fiscal year. Note 10 contains more information about the State's outstanding debt.

The State's active management of its resources has helped the State maintain its triple-A rating on general obligation bonds from all three national rating agencies, and double-A rating on lease revenue bonds from two national rating agencies from which ratings were sought. These ratings are the best available and save millions of dollars in interest costs each year because the State is able to obtain very favorable interest rates on new debt.

ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET

Original general revenue estimates of the General Fund for fiscal year 2023 are 6.82 percent lower than actual fiscal year 2022 revenues. Original revenue estimates of the Education Fund for fiscal year 2023 are 16.11 percent lower than actual fiscal year 2022 revenues. The Legislature balanced the 2023 budget using projected revenue growth, prior year reserves, and fund balances.

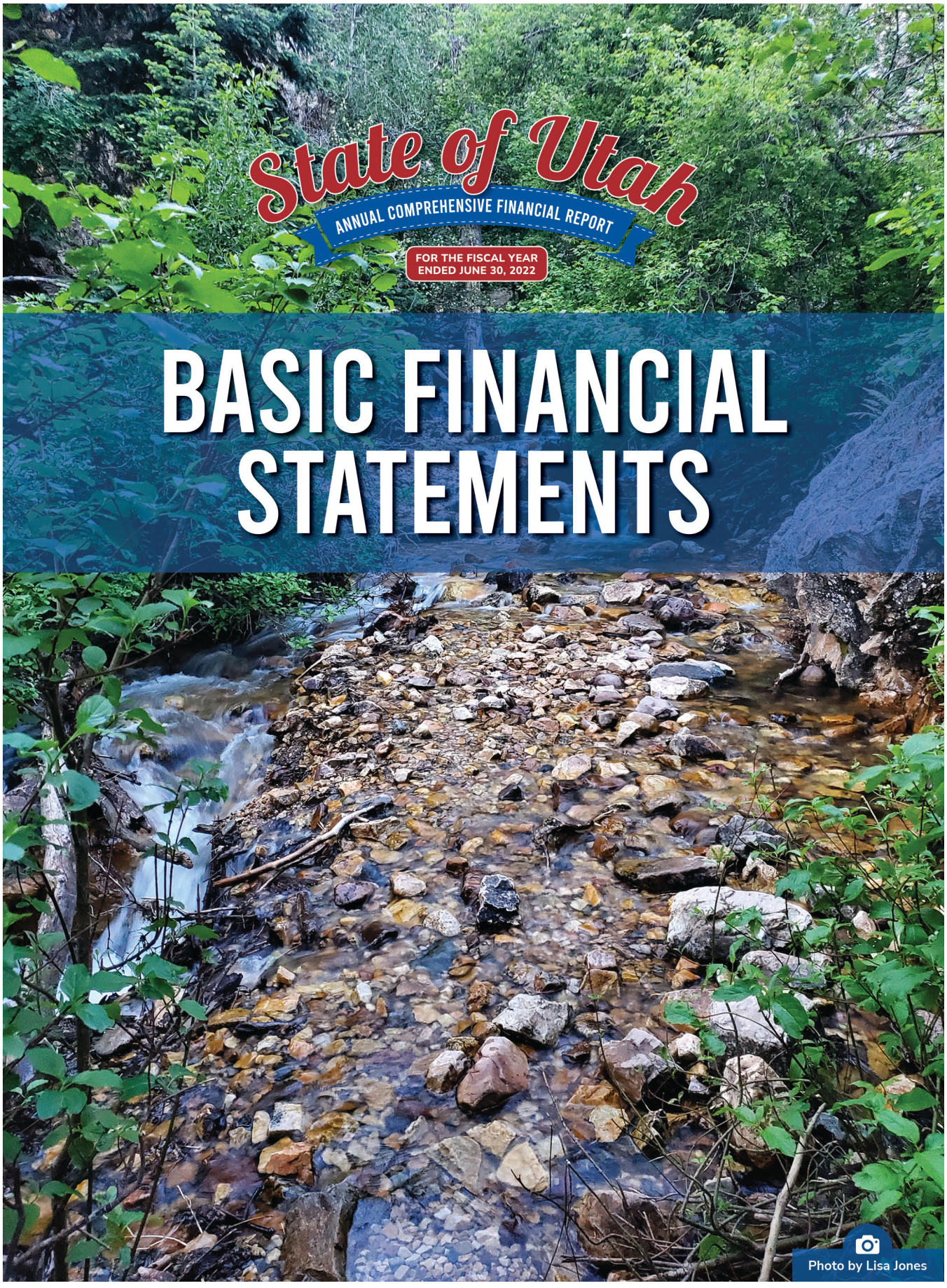
Preliminary data for fiscal year 2023 show tax revenues to be in line with estimates. The State's overall unemployment rate is expected to be 2.0 percent in 2022, a decrease from the average 2021 rate of 2.7 percent. Taxable retail sales are expected to increase 8.70 percent in 2022 and increase 4.30 percent in 2023. Personal income is expected to increase 4.70 percent in 2022, and 5.00 percent in 2023. Because these indicators are measured on a calendar year basis, the impact on the State budget will not be fully realized until well into fiscal year 2023. The Governor and Legislature will review the fiscal year 2023 budget again during the upcoming 2023 General Session and take action as necessary to ensure a balanced budget.

CONTACTING THE STATE'S DIVISION OF FINANCE

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Department of Government Operations: Division of Finance, Financial Reporting Section at P.O. Box 141031, Salt Lake City, UT, 84114, phone (801) 957-7780 or by email at financesupport@utah.gov. You may also visit our website at finance.utah.gov.

The preceding discussion and analysis focuses on the State's primary government operations. With the exception of a few nonmajor discretely presented component units, the State's discrete component units each issue separate audited financial statements that include their respective management's discussion and analysis. Discrete component unit statements may be obtained from their respective administrative offices or from the Office of the State Auditor, Utah State Capitol Complex, East Office Building, Suite E310, Salt Lake City, UT 84114. You may also visit their website at auditor.utah.gov.

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State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
BASIC FINANCIAL STATEMENTS
Photo by Lisa Jones

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Statement of Net Position

(expressed in thousands)

June 30, 2022

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and Cash Equivalents	$ 445,208	$ 1,004,022	$ 1,449,230	$ 1,810,399
Pooled Cash and Investments	10,408,141	918,003	11,326,144	—
Investments	3,442,681	5,580	3,448,261	5,094,164
Taxes Receivable, net	2,230,925	5,727	2,236,652	—
Accounts and Interest Receivable, net	1,392,898	175,818	1,568,716	1,334,320
Amounts Due From:				
Component Units	124,400	—	124,400	—
Primary Government	—	—	—	5,591
Prepaid Items	53,488	8,134	61,622	53,012
Inventories	66,993	34,161	101,154	181,466
Internal Balances	2,292	(2,292)	—	—
Restricted Cash and Cash Equivalents	—	53,203	53,203	914,419
Restricted Pooled Cash and Investments	28,632	49,572	78,204	—
Restricted Investments	—	132,339	132,339	1,105,566
Restricted Receivables	—	—	—	24,591
Notes/Leases/Loans/Mortgages/Pledges Receivable, net	73,791	1,415,126	1,488,917	307,884
Pledged Loans Receivables	—	63,254	63,254	—
Other Assets	114,471	—	114,471	141,027
Net Pension Asset	283,235	4,777	288,012	288,386
Net Other Postemployment Benefit Asset	—	353	353	297
Capital Assets:				
Land and Other Non-depreciable Assets	2,478,205	39,866	2,518,071	958,160
Infrastructure	16,274,901	—	16,274,901	—
Construction in Progress	1,939,089	4,997	1,944,086	1,002,732
Buildings, Equipment, and Other Depreciable Assets	4,717,527	166,192	4,883,719	16,010,751
Less Accumulated Depreciation	(1,945,851)	(74,984)	(2,020,835)	(7,199,349)
Total Capital Assets	23,463,871	136,071	23,599,942	10,772,294
Total Assets	42,131,026	4,003,848	46,134,874	22,033,416
DEFERRED OUTFLOWS OF RESOURCES				
Total Deferred Outflows of Resources	351,920	8,071	359,991	241,934
LIABILITIES				
Accounts Payable and Accrued Liabilities	1,707,300	41,201	1,748,501	700,250
Amounts Due to:				
Component Units	399	—	399	—
Primary Government	—	—	—	130,226
Other Governments	448	—	448	—
Securities Lending	140,838	—	140,838	750
Unearned Revenue	1,107,594	6,754	1,114,348	269,282
Deposits	68,601	1,406	70,007	191,147
Long-term Liabilities:				
Due Within One Year	562,444	71,744	634,188	582,721
Due in More Than One Year	2,417,395	324,215	2,741,610	5,339,898
Total Liabilities	6,005,019	445,320	6,450,339	7,214,274
DEFERRED INFLOWS OF RESOURCES				
Total Deferred Inflows of Resources	940,644	15,401	956,045	633,740
NET POSITION				
Net Investment in Capital Assets	20,829,680	54,715	20,884,395	6,444,974
Restricted for:				
Transportation	522,890	—	522,890	—
Public Education – Expendable	5,678,059	—	5,678,059	—
Public Education – Nonexpendable	1,942,333	—	1,942,333	—
Higher Education – Expendable	32,500	—	32,500	1,711,053
Higher Education – Nonexpendable	90,909	—	90,909	1,254,865
Capital Projects	783	—	783	—
Debt Service	—	140,357	140,357	—
Unemployment Compensation and Insurance Programs	15,313	1,079,080	1,094,393	417,294
Loan Programs	—	864,232	864,232	—
Transit Services	—	—	—	27,016
Other Purposes – Expendable	362,750	—	362,750	255,580
Other Purposes – Nonexpendable	41,938	—	41,938	—
Unrestricted	6,020,128	1,412,814	7,432,942	4,316,554
Total Net Position	$ 35,537,283	$ 3,551,198	$ 39,088,481	$ 14,427,336

The Notes to the Financial Statements are an integral part of this statement.

Statement of Activities

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022		Program Revenues		
Activities	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary Government:				
Governmental:				
General Government	$ 1,192,448	$ 644,309	$ 238,392	$ 836
Human Services and Juvenile Justice Services	1,049,810	13,335	538,948	—
Corrections	325,273	3,642	101	—
Public Safety	428,758	93,403	200,070	—
Courts	146,490	58,271	6,475	—
Health and Environmental Quality	4,701,394	671,530	3,480,616	—
Higher Education	1,575,526	—	15,000	—
Employment and Family Services	1,356,482	7,114	1,204,905	—
Natural Resources	293,246	149,939	76,939	—
Cultural and Community Engagement	57,187	2,720	17,414	—
Business, Labor, and Agriculture	127,807	129,518	9,431	—
Public Education	5,236,842	92,491	857,811	—
Transportation	1,277,249	279,829	279,560	103,564
Interest and Other Charges on Long-term Debt	60,623	—	—	—
Total Governmental Activities	17,829,135	2,146,101	6,925,662	104,400
Business-type:				
Student Assistance Programs	359,063	59,914	23,069	—
Unemployment Compensation	140,358	280,087	106,356	—
Water Loan Programs	13,063	793	30,896	—
Community and Economic Loan Programs	36,037	4,892	2,218	—
Liquor Retail Sales	366,989	501,496	260	—
Other Business-type Activities	43,438	61,476	—	—
Total Business-type Activities	958,948	908,658	162,799	0
Total Primary Government	$ 18,788,083	$ 3,054,759	$ 7,088,461	$ 104,400
Component Units:				
Public Employees Health Program	$ 975,762	$ 931,475	$ 25,906	$ —
University of Utah	6,633,499	5,641,668	756,056	45,705
Utah State University	964,888	259,495	434,147	49,089
Utah Transit Authority	574,219	465,179	130,631	68,234
Nonmajor Colleges and Universities	1,669,519	523,804	796,083	171,063
Nonmajor Component Units	107,906	190,250	3,973	93
Total Component Units	$ 10,925,793	$ 8,011,871	$ 2,146,796	$ 334,184

Continues

The Notes to the Financial Statements are an integral part of this statement.

Statement of Activities

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022 *Continued*	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Governmental:				
General Government	$ (308,911)	$ —	$ (308,911)	$ —
Human Services and Juvenile Justice Services	(497,527)	—	(497,527)	—
Corrections	(321,530)	—	(321,530)	—
Public Safety	(135,285)	—	(135,285)	—
Courts	(81,744)	—	(81,744)	—
Health and Environmental Quality	(549,248)	—	(549,248)	—
Higher Education	(1,560,526)	—	(1,560,526)	—
Employment and Family Services	(144,463)	—	(144,463)	—
Natural Resources	(66,368)	—	(66,368)	—
Cultural and Community Engagement	(37,053)	—	(37,053)	—
Business, Labor, and Agriculture	11,142	—	11,142	—
Public Education	(4,286,540)	—	(4,286,540)	—
Transportation	(614,296)	—	(614,296)	—
Interest and Other Charges on Long-term Debt	(60,623)	—	(60,623)	—
Total Governmental Activities	(8,652,972)	0	(8,652,972)	0
Business-type:				
Student Assistance Programs	—	(276,080)	(276,080)	—
Unemployment Compensation	—	246,085	246,085	—
Water Loan Programs	—	18,626	18,626	—
Community and Economic Loan Programs	—	(28,927)	(28,927)	—
Liquor Retail Sales	—	134,767	134,767	—
Other Business-type Activities	—	18,038	18,038	—
Total Business-type Activities	0	112,509	112,509	0
Total Primary Government	(8,652,972)	112,509	(8,540,463)	0
Component Units:				
Public Employees Health Program	—	—	—	(18,381)
University of Utah	—	—	—	(190,070)
Utah State University	—	—	—	(222,157)
Utah Transit Authority	—	—	—	89,825
Nonmajor Colleges and Universities	—	—	—	(178,569)
Nonmajor Component Units	—	—	—	86,410
Total Component Units	0	0	0	(432,942)
General Revenues:				
Taxes:				
Sales and Use Tax	4,203,297	51,905	4,255,202	—
Individual Income Tax Imposed for Education	7,078,771	—	7,078,771	—
Corporate Tax Imposed for Education	960,673	—	960,673	—
Motor and Special Fuel Taxes Imposed for Transportation	576,705	—	576,705	—
Other Taxes	535,494	—	535,494	—
Total Taxes	13,354,940	51,905	13,406,845	0
American Rescue Plan Act	332,774	—	332,774	—
Investment Income (Loss)	(32,549)	12,053	(20,496)	—
State Funding for Colleges and Universities	—	—	—	1,338,415
State Funding for Other Component Units	—	—	—	101,722
Gain on Sale of Capital Assets	126,797	—	126,797	1,552
Miscellaneous	142,865	5,088	147,953	109,091
Permanent Endowments Contributions	—	—	—	59,776
Special Item - Opioid Settlement	136,192		136,192	
Transfers—Internal Activities	47,460	(47,460)	—	—
Total General Revenues, Contributions and Transfers	14,108,479	21,586	14,130,065	1,610,556
Change in Net Position	5,455,507	134,095	5,589,602	1,177,614
Net Position—Beginning	28,906,771	3,414,562	32,321,333	13,250,255
Adjustment to Beginning Net Position	1,175,005	2,541	1,177,546	(533)
Net Position—Beginning as Adjusted	30,081,776	3,417,103	33,498,879	13,249,722
Net Position—Ending	$ 35,537,283	$ 3,551,198	$ 39,088,481	$ 14,427,336

The Notes to the Financial Statements are an integral part of this statement.

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General Fund

This fund is the principal operating fund of the State. It accounts for all financial resources not accounted for and reported in another fund.

Education Fund

This fund accounts for all corporate and income taxes that support public and higher education in the State. This fund is also used to account for specific revenues and expenditures that support the public elementary and secondary schools.

Transportation Fund

This fund is maintained to account for revenues and expenditures associated with highway construction and maintenance. Principal funding is provided from dedicated highway user taxes, fees, and federal funds.

Transportation Investment Fund

This capital projects fund is used to account for revenues and expenditures associated with the construction and reconstruction of specific state and federal highways. Projects designated for the Transportation Investment Capacity program are accounted for within this fund. Funding is provided from highway general obligation bonds, federal funds, vehicle registration fees, sales and use taxes, and appropriations.

Trust Lands Fund

This permanent fund accounts for the investment earnings, land grants, and the sale of lands received from the federal *Enabling Act*. The principal in the fund is perpetual with the earnings used primarily to support public education.

Nonmajor Governmental Funds

Nonmajor governmental funds are presented in more detail by fund type within Supplementary Information – Combining Statements and Individual Fund Statements and Schedules.

Balance Sheet
Governmental Funds
(expressed in thousands)

June 30, 2022

	General Fund	Special Revenue Funds: Education	Special Revenue Funds: Transportation	Capital Projects Fund: Transportation Investment	Permanent Fund: Trust Lands	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	$ 190,306	$ 114,905	$ 36,706	$ —	$ 43,908	$ 59,383	$ 445,208
Pooled Cash and Investments	3,763,862	2,993,585	651,577	1,627,409	—	1,255,200	10,291,633
Investments	8,049	—	—	—	3,162,232	272,400	3,442,681
Receivables:							
Accounts, net	817,182	378,381	92,776	—	60,501	29,403	1,378,243
Accrued Interest	31	31	—	—	317	4,786	5,165
Accrued Taxes, net	426,537	1,622,194	78,785	89,976	—	13,433	2,230,925
Notes/Mortgages, net	366	4,510	—	—	—	68,915	73,791
Due From Other Funds	81,796	37,322	382	—	5,740	11,182	136,422
Due From Component Units	50,285	—	—	—	—	73,355	123,640
Prepaid Items	38,683	127	123	—	22	552	39,507
Inventories	48,212	—	14,796	—	—	—	63,008
Interfund Loans Receivable	17,403	—	—	—	—	—	17,403
Restricted Pooled Cash and Investments	—	—	—	—	—	28,632	28,632
Other Assets	17,120	—	—	—	67,555	—	84,675
Total Assets	$ 5,459,832	$ 5,151,055	$ 875,145	$ 1,717,385	$ 3,340,275	$ 1,817,241	$ 18,360,933
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts Payable and Accrued Liabilities	$ 682,466	$ 450,159	$ 256,786	$ —	$ 53,189	$ 212,502	$ 1,655,102
Deposits	39,969	—	—	—	—	28,632	68,601
Due To Other Funds	70,230	545	7,985	—	24,091	84,813	187,664
Due To Component Units	161	—	—	—	238	—	399
Due To Other Governments	448	—	—	—	—	—	448
Securities Lending	—	—	—	—	140,838	—	140,838
Unearned Revenue	1,069,852	320	22,277	—	—	15,140	1,107,589
Total Liabilities	1,863,126	451,024	287,048	0	218,356	341,087	3,160,641
Deferred Inflows of Resources:							
Unavailable Revenue	204,173	1,001,302	1,191	2,936	14,466	68,915	1,292,983
Total Deferred Inflows of Resources	204,173	1,001,302	1,191	2,936	14,466	68,915	1,292,983
Fund Balances:							
Nonspendable:							
Long-term Portion of Interfund Loans Receivable	5,703	—	—	—	—	—	5,703
Prepaid Items	38,683	127	123	—	22	552	39,507
Inventories	48,212	—	14,796	—	—	—	63,008
Permanent Fund Principal	—	—	—	—	2,074,233	—	2,074,233
Restricted	117,384	3,698,602	536,510	—	1,033,198	95,024	5,480,718
Committed	1,692,944	—	—	1,714,449	—	626,256	4,033,649
Assigned	1,359,364	—	35,477	—	—	685,407	2,080,248
Unassigned	130,243	—	—	—	—	—	130,243
Total Fund Balances	3,392,533	3,698,729	586,906	1,714,449	3,107,453	1,407,239	13,907,309
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 5,459,832	$ 5,151,055	$ 875,145	$ 1,717,385	$ 3,340,275	$ 1,817,241	$ 18,360,933

The Notes to the Financial Statements are an integral part of this statement.

Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
(expressed in thousands)

June 30, 2022

Total Fund Balances – Governmental Funds		$ 13,907,309
The total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds: (See Note 8)		
Land and Related Non-depreciable Assets	$ 2,478,205	
Infrastructure, Non-depreciable	16,274,901	
Construction in Progress	1,939,089	
Buildings, Equipment, and Other Depreciable Assets	4,515,645	
Accumulated Depreciation	(1,826,090)	23,381,750
Deferred inflows of resources are not reported in the governmental funds:		
Revenues are not available soon enough after yearend to pay for the current period's expenditures	1,282,582	
Related to Pensions	(820,506)	
Related to Other Postemployment Benefits	(29,181)	432,895
Internal service funds are used by management to charge the costs of certain activities, such as insurance, technology services, and fleet operations to individual governmental funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position.		111,713
Deferred outflows of resources are not reported in the governmental funds:		
Amount on Refundings of Bonded Debt	7,023	
Related to Pensions	292,461	
Related to OPEB	20,488	319,972
Other assets not available in the current period and therefore are not reported in the governmental funds:		
Other Postemployment Benefit Asset, net	28,324	
Net Pension Asset	263,629	291,953
Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported in the governmental funds: (See Note 10)		
General Obligation and Revenue Bonds Payable	(2,325,105)	
Unamortized Bond Premiums	(152,374)	
Accrued Interest on Bonds Payable	(874)	
Pollution Remediation Obligation	(5,183)	
Settlement Obligation	(461)	
Compensated Absences	(231,060)	
Notes Payable	(3,713)	
Lease Liability	(186,600)	
Net Other Postemployment Benefits Liability	(2,012)	
Net Pension Liability	(927)	(2,908,309)
Total Net Position – Governmental Activities		$ 35,537,283

The Notes to the Financial Statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Funds: Education	Special Revenue Funds: Transportation	Capital Projects Fund: Transportation Investment	Permanent Fund: Trust Lands	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes:							
Sales and Use Tax	$ 3,207,116	$ 300	$ 120	$ 854,343	$ —	$ 139,239	$ 4,201,118
Individual Income Tax	—	6,814,382	—	—	—	—	6,814,382
Corporate Tax	—	960,035	—	—	—	—	960,035
Motor and Special Fuels Tax	—	—	577,407	—	—	—	577,407
Other Taxes	446,509	35,625	16,072	—	—	36,933	535,139
Total Taxes	3,653,625	7,810,342	593,599	854,343	0	176,172	13,088,081
Other Revenues:							
Federal Contracts and Grants	5,945,597	973,310	377,016	—	—	70,132	7,366,055
Charges for Services/Royalties	607,031	1,780	69,127	—	70,469	483,201	1,231,608
Licenses, Permits, and Fees	24,367	6,996	119,657	95,762	—	—	246,782
Federal Mineral Lease	75,616	—	—	—	—	—	75,616
Investment Income (Loss)	(4,304)	(10,033)	(296)	(4,097)	(117,993)	(40,601)	(177,324)
Miscellaneous Other:							
Liquor Sales Allocated for School Lunch	—	54,498	—	—	—	—	54,498
Miscellaneous and Other	496,536	56,775	82,918	—	—	71,903	708,132
Total Revenues	10,798,468	8,893,668	1,242,021	946,008	(47,524)	760,807	22,593,448
EXPENDITURES							
Current:							
General Government	697,259	—	—	—	18,235	394,218	1,109,712
Human Services and Juvenile Justice Services	1,092,554	—	—	—	—	14,480	1,107,034
Corrections	358,339	—	—	—	—	18,986	377,325
Public Safety	405,790	—	—	—	—	53,128	458,918
Courts	170,465	—	—	—	—	6,250	176,715
Health and Environmental Quality	4,766,967	—	—	—	—	4,579	4,771,546
Higher Education – State Administration	114,235	—	—	—	—	—	114,235
Higher Education – Colleges and Universities	1,274,218	—	—	—	4,642	45,238	1,324,098
Employment and Family Services	1,379,278	—	—	—	—	6,421	1,385,699
Natural Resources	294,380	—	—	—	—	2,941	297,321
Cultural and Community Engagement	56,942	—	—	—	—	2,568	59,510
Business, Labor, and Agriculture	115,282	—	—	—	—	21,639	136,921
Public Education	—	5,248,996	—	—	—	379	5,249,375
Transportation	—	—	1,125,558	—	—	6,110	1,131,668
Capital Outlay	3,342	—	24	707,899	—	405,997	1,117,262
Debt Service:							
Principal Retirement	—	—	—	—	—	363,067	363,067
Interest and Other Charges	—	—	—	—	—	101,560	101,560
Total Expenditures	10,729,051	5,248,996	1,125,582	707,899	22,877	1,447,561	19,281,966
Excess Revenues Over (Under) Expenditures	69,417	3,644,672	116,439	238,109	(70,401)	(686,754)	3,311,482
OTHER FINANCING SOURCES (USES)							
Lease Proceeds	3,342	—	24	—	—	—	3,366
Sale of Capital Assets	—	—	27,877	—	90,081	16,400	134,358
Transfers In	2,560,643	112,674	49,639	1,184,912	25	990,404	4,898,297
Transfers Out	(1,532,650)	(2,494,352)	(110,560)	(397,411)	(95,850)	(229,048)	(4,859,871)
Total Other Financing Sources (Uses)	1,031,335	(2,381,678)	(33,020)	787,501	(5,744)	777,756	176,150
Net Change in Fund Balances	1,100,752	1,262,994	83,419	1,025,610	(76,145)	91,002	3,487,632
Fund Balances – Beginning	2,244,424	2,435,735	503,487	688,839	3,183,598	1,315,945	10,372,028
Adjustment to Beginning Fund Balances	47,357	—	—	—	—	292	47,649
Fund Balances – Beginning As Adjusted	2,291,781	2,435,735	503,487	688,839	3,183,598	1,316,237	10,419,677
Fund Balances – Ending	$ 3,392,533	$ 3,698,729	$ 586,906	$ 1,714,449	$ 3,107,453	$ 1,407,239	$ 13,907,309

The Notes to the Financial Statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
Governmental Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balances – Governmental Funds		$ 3,487,632
The change in net position reported for governmental activities in the Statement of Activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. The primary government also constructs buildings for discrete component units. When the buildings are completed they are "transferred" to the respective discrete component unit and reported as expenses in its Statement of Activities. This is the amount by which capital outlays of $1,030,393 exceeded depreciation expense of $(135,039) and buildings "transferred" to discrete component units of $(137,193) in the current period. (See Note 8)		758,194
In the Statement of Activities only the gain/loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus the change in net position differs from the change in governmental fund balance by the cost of the assets sold.		(22,380)
Net effect of revenues reported on the accrual basis in the Statement of Activities that are reported as deferred inflows of resources in the governmental funds, as they are unavailable and do not provide current financial resources.		418,921
Internal service funds are used by management to charge the costs of certain activities, such as insurance, technology services, and fleet operations to individual governmental funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		50,302
Bond proceeds, note proceeds and leases provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the Statement of Net Position. Repayments of bond and lease principal are expenditures in the governmental funds, but reduce liabilities in the Statement of Net Position: (See Note 10)		
Payment of Bond Principal	$ 363,067	
Note Payments	681	
Lease Payments	18,453	382,201
Expenditures are recognized in the governmental funds when paid or due for: items not normally paid with available financial resources; and interest on long-term debt unless certain conditions are met. However, the Statement of Activities is presented on the accrual basis and expenses are reported when incurred, regardless of when financial resources are available or expenditures are paid or due. This adjustment combines the net changes of the following balances:		
Pollution Remediation Outlays	5,456	
Settlement Obligations	307	
Compensated Absences Expense	(13,780)	
Accrued Interest on Bonds Payable	79	
Amortization of Bond Premiums	42,793	
Amortization of Deferred Amount on Refundings of Bonded Debt	(2,800)	
Arbitrage Interest Expense	198	
Other Postemployment Benefits Expense	32,529	
Pension Expense	315,855	380,637
Change in Net Position – Governmental Activities		$ 5,455,507

The Notes to the Financial Statements are an integral part of this statement.

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Student Assistance Programs

These programs are administered by the Utah Board of Higher Education and are comprised of the Utah Higher Education Assistance Authority Student Loan Guarantee Program and the Student Loan Purchase Program. The purpose of these programs is to guarantee the repayment of student loans made by participating lenders to eligible borrowers and service outstanding student loans. Funds are acquired from the sale of bonds, lines of credit, and funding notes.

Unemployment Compensation Fund

This fund pays claims for unemployment to eligible recipients and is funded through employer contributions and reimbursements, and federal grants.

Water Loan Programs

These programs provide loans to local governments, water districts, and other entities for the purpose of upgrading water storage facilities and other related structures. Capital for this fund was provided from the General Fund and from general obligation bonds that were repaid with general tax revenues. Additional funds have been generated by issuing water loan recapitalization revenue bonds that are secured by pledged principal and interest payments of specific revolving water resources loan funds.

Community Impact Loan Fund

This fund provides loans to local governments to alleviate the social, economic, and public financial impacts resulting from the development of the State's natural resources. Working capital for this fund is provided from federal mineral lease funds transferred from the General Fund. This fund also administers loans and loan guarantees from federal funds to small businesses under the Small Business Credit Initiative.

Employers' Reinsurance Fund

This fund primarily provides compensation to individuals injured from industrial accidents or occupational diseases occurring on or before June 30, 1994, where the injury is of a permanent nature and workers' compensation benefits have expired. Revenues come from assessments on insurance premiums and court-ordered penalties. The net position of the fund is held for use for injured workers and cannot be used for any other purpose.

Alcoholic Beverage Services

The Alcoholic Beverage Services Commission was established to conduct, license, and regulate the sale of alcoholic beverages. Funding is provided through the sale of products. The net profit from the fund is transferred to the State's General Fund and is used for general government purposes.

Nonmajor Enterprise Funds

Nonmajor enterprise funds are presented in more detail within Supplementary Information – Combining Statements and Individual Fund Statements and Schedules.

Governmental Activities – Internal Service Funds

These funds are maintained to account for the operation of state agencies that provide goods or services to other state agencies and other governmental units on a cost-reimbursement basis. These funds are presented in more detail within Supplementary Information – Combining Statements and Individual Fund Statements and Schedules.

Statement of Net Position
Proprietary Funds
(expressed in thousands)

June 30, 2022

	Business-type Activities - Enterprise Funds								Governmental Activities
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Community Impact Loan Fund	Employers' Reinsurance Fund	Alcoholic Beverage Services	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
ASSETS									
Current Assets:									
Cash and Cash Equivalents	$ 2,678	$ 999,355	$ 1,013	$ —	$ —	$ 195	$ 781	$1,004,022	$ 500
Pooled Cash and Investments	80,534	—	381,841	264,666	53,881	—	137,081	918,003	116,008
Restricted Investments	—	—	—	—	132,339	—	—	132,339	—
Receivables:									
Accounts, net	6,763	108,462	5,789	—	—	3,436	11,480	135,930	9,460
Accrued Interest	17	—	4,198	4,209	—	—	2,935	11,359	—
Accrued Taxes, net	—	—	5,037	—	690	—	—	5,727	—
Notes/Loans/Mortgages, net	1,983	—	48,232	32,151	—	—	12,740	95,106	—
Due From Other Funds	—	—	12,624	—	—	59,724	650	72,998	52,780
Due From Component Units	—	—	—	—	—	—	—	—	760
Prepaid Items	1,518	—	—	—	—	6,548	68	8,134	5,336
Inventories	—	—	—	—	—	31,960	2,201	34,161	3,986
Total Current Assets	93,493	1,107,817	458,734	301,026	186,910	101,863	167,936	2,417,779	188,830
Noncurrent Assets:									
Restricted Cash and Cash Equivalents	—	—	53,203	—	—	—	—	53,203	—
Restricted Pooled Cash and Investments	—	—	7,501	29,533	—	—	12,538	49,572	—
Accounts Receivables	—	21,226	—	—	2,279	—	—	23,505	—
Investments	—	—	—	—	5,250	—	330	5,580	—
Prepaid Items	—	—	—	—	—	—	—	—	8,646
Accrued Interest Receivable	—	—	3,725	455	—	—	844	5,024	—
Notes/Loans/Mortgages Receivables, net	—	—	666,885	397,632	—	1,399	254,104	1,320,020	—
Pledged Loans Receivables	—	—	63,254	—	—	—	—	63,254	—
Net Pension Asset	925	—	—	—	—	1,616	2,236	4,777	19,606
Net Other Postemployment Benefit Asset	—	—	—	—	—	287	66	353	1,452
Capital Assets:									
Land	—	—	780	—	—	38,789	297	39,866	—
Infrastructure – depreciating	—	—	—	—	—	126	304	430	—
Buildings and Improvements	13,471	—	2,579	—	—	119,294	6,833	142,177	5,778
Machinery and Equipment	3,112	—	—	—	—	8,809	6,164	18,085	184,628
Intangible Assets–Software	2,522	—	—	—	—	2,304	674	5,500	11,476
Construction in Progress	—	—	—	—	—	4,997	—	4,997	—
Less Accumulated Depreciation / Amortization	(12,527)	—	(97)	—	—	(54,855)	(7,505)	(74,984)	(119,763)
Total Capital Assets	6,578	0	3,262	0	0	119,464	6,767	136,071	82,119
Total Noncurrent Assets	7,503	21,226	797,830	427,620	7,529	122,766	276,885	1,661,359	111,823
Total Assets	100,996	1,129,043	1,256,564	728,646	194,439	224,629	444,821	4,079,138	300,653
DEFERRED OUTFLOWS OF RESOURCES									
Deferred Amount on Refundings of Bonded Debt	—	—	—	—	—	1,392	27	1,419	—
Deferred Outflows Relating to Pensions	126	—	—	—	—	2,914	3,215	6,255	30,396
Deferred Outflows Relating to Other Postemployment Benefit	—	—	—	—	—	225	172	397	1,552
Total Deferred Outflows of Resources	126	0	0	0	0	4,531	3,414	8,071	31,948

Continues

The Notes to the Financial Statements are an integral part of this statement.

Statement of Net Position
Proprietary Funds
(expressed in thousands)

June 30, 2022

	Business-type Activities - Enterprise Funds								Governmental Activities
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Community Impact Loan Fund	Employers' Reinsurance Fund	Alcoholic Beverage Services	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
Continued									
LIABILITIES									
Current Liabilities:									
Accounts Payable and Accrued Liabilities	$ 6,649	$ 10,646	$ 835	$ 843	$ 347	$ 17,995	$ 3,874	$ 41,189	$ 46,683
Deposits	—	10	314	1,075	—	—	7	1,406	—
Due To Other Funds	—	16,227	28	—	38	52,527	6,470	75,290	3,856
Interfund Loans Payable	—	—	—	—	—	—	—	—	11,699
Unearned Revenue	60	197	—	—	—	1,402	5,095	6,754	5
Policy Claims and Uninsured Liabilities	—	36,871	—	—	15,645	—	2,435	54,951	23,561
Notes Payable	—	—	—	—	—	—	—	—	58
Revenue Bonds Payable	—	—	6,830	—	—	8,642	85	15,557	—
Lease Liability	—	—	—	—	—	920	316	1,236	3,226
Total Current Liabilities	6,709	63,951	8,007	1,918	16,030	81,486	18,282	196,383	89,088
Noncurrent Liabilities:									
Unearned Revenue	—	—	—	—	—	—	—	—	—
Accrued Liabilities	12	—	—	—	—	—	—	12	—
Interfund Loans Payable	—	—	—	—	—	—	—	—	5,704
Policy Claims and Uninsured Liabilities	—	—	—	—	166,304	—	25,737	192,041	43,325
Notes Payable	—	—	—	—	—	—	—	—	23
Revenue Bonds Payable	—	—	—	—	—	116,360	540	116,900	—
Lease Liability	—	—	—	—	—	14,682	592	15,274	2,212
Net Pension Liability	—	—	—	—	—	—	—	—	—
Total Noncurrent Liabilities	12	0	0	0	166,304	131,042	26,869	324,227	51,264
Total Liabilities	6,721	63,951	8,007	1,918	182,334	212,528	45,151	520,610	140,352
DEFERRED INFLOWS OF RESOURCES									
Deferred Inflows Relating to Pensions	1,145	—	—	—	—	6,216	7,475	14,836	78,142
Deferred Inflows Relating to Other Postemployment Benefit	—	—	—	—	—	303	262	565	2,394
Total Deferred Inflows of Resources	1,145	0	0	0	0	6,519	7,737	15,401	80,536
NET POSITION									
Net Investment in Capital Assets	6,578	—	3,261	—	—	39,380	5,496	54,715	82,119
Restricted for:									
Unemployment Compensation and Insurance Programs	—	1,065,092	—	—	12,105	—	1,883	1,079,080	15,313
Loan Programs	65,357	—	563,182	—	—	—	235,693	864,232	—
Debt Service	—	—	140,357	—	—	—	—	140,357	—
Unrestricted (Deficit)	21,321	—	541,757	726,728	—	(29,267)	152,275	1,412,814	14,281
Total Net Position	$ 93,256	$ 1,065,092	$1,248,557	$ 726,728	$ 12,105	$ 10,113	$ 395,347	$3,551,198	$ 111,713

The Notes to the Financial Statements are an integral part of this statement.

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds								Governmental Activities
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Community Impact Loan Fund	Employers' Reinsurance Fund	Alcoholic Beverage Services	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
OPERATING REVENUES									
Sales and Charges for Services/ Premiums	$ 29,354	$ 279,586	$ 367	$ —	$ —	$ 496,883	$ 51,517	$ 857,707	$ 409,011
Fees and Assessments	432	501	319	—	1,702	3,856	9,960	16,770	—
Interest on Notes/Mortgages	28,981	—	—	—	—	24	3,175	32,180	—
Federal Reinsurance and Allowances/ Reimbursements	11,971	—	—	—	—	—	—	11,971	—
Miscellaneous	1,147	—	107	—	—	733	14	2,001	343
Total Operating Revenues	71,885	280,087	793	0	1,702	501,496	64,666	920,629	409,354
OPERATING EXPENSES									
Administration	5,328	—	—	—	171	27,936	14,174	47,609	143,474
Purchases, Materials, and Services for Resale	—	—	—	—	—	306,644	12,136	318,780	115,364
Grants	—	—	11,001	—	—	—	25,491	36,492	—
Rentals and Leases	—	—	8	—	—	319	441	768	1,275
Maintenance	—	—	—	—	—	5,580	512	6,092	20,834
Interest	17,671	—	—	—	—	—	—	17,671	—
Depreciation/Amortization	1,230	—	71	—	—	4,621	828	6,750	20,257
Student Loan Servicing and Related Expenses	33,162	—	—	—	—	—	—	33,162	—
Payment to Lenders for Guaranteed Claims	11,966	—	—	—	—	—	—	11,966	—
Benefit Claims and Unemployment Compensation	—	140,358	—	—	8,895	—	3,227	152,480	11,330
Supplies and Other Miscellaneous	—	—	1,656	73	871	18,797	12,623	34,020	56,412
Total Operating Expenses	69,357	140,358	12,736	73	9,937	363,897	69,432	665,790	368,946
Operating Income (Loss)	2,528	139,729	(11,943)	(73)	(8,235)	137,599	(4,766)	254,839	40,408
NONOPERATING REVENUES (EXPENSES)									
Investment Income	395	14,073	9,197	6,012	(19,562)	59	1,879	12,053	254
Federal Contracts and Grants	—	106,356	30,896	—	—	260	2,218	139,730	—
Disposal of Capital Assets	—	—	—	—	—	—	—	—	1,245
Tax Revenues	—	—	48,848	—	2,532	—	525	51,905	—
Interest Expense	—	—	(327)	—	—	(3,092)	(33)	(3,452)	(146)
Refunds Paid to Federal Government	—	—	—	—	—	—	—	—	(659)
Program Liquidation Conveyance	(289,706)	—	—	—	—	—	—	(289,706)	—
Other Revenues (Expenses)	11,098	—	35	44	—	—	5,009	16,186	(671)
Total Nonoperating Revenues (Expenses)	(278,213)	120,429	88,649	6,056	(17,030)	(2,773)	9,598	(73,284)	23
Income (Loss) before Capital Contributions and Transfers	(275,685)	260,158	76,706	5,983	(25,265)	134,826	4,832	181,555	40,431
Capital Contributions	—	—	—	—	—	—	—	—	837
Transfers In	—	—	8,950	39,378	391	72	71,375	120,166	9,301
Transfers Out	—	(1,514)	(24,270)	(811)	(86)	(136,422)	(4,523)	(167,626)	(267)
Change in Net Position	(275,685)	258,644	61,386	44,550	(24,960)	(1,524)	71,684	134,095	50,302
Net Position – Beginning	368,941	806,448	1,187,486	680,846	37,065	10,113	323,663	3,414,562	64,521
Adjustment to Beginning Net Position	—	—	(315)	1,332	—	1,524	—	2,541	(3,110)
Net Position – Beginning as Adjusted	368,941	806,448	1,187,171	682,178	37,065	11,637	323,663	3,417,103	61,411
Net Position – Ending	$ 93,256	$ 1,065,092	$1,248,557	$ 726,728	$ 12,105	$ 10,113	$ 395,347	$3,551,198	$ 111,713

The Notes to the Financial Statements are an integral part of this statement.

Statement of Cash Flows
Proprietary Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Business-type Activities – Enterprise Funds								Governmental Activities
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Community Impact Loan Fund	Employers' Reinsurance Fund	Alcoholic Beverage Services	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from Customers/Loan Interest/ Fees/Premiums	$ 18,192	$ 266,146	$ (3,776)	$ —	$ 3,063	$ 560,655	$ 31,229	$ 875,509	$ 72,914
Receipts from Loan Maturities	1,193,789	—	—	—	—	—	11,950	1,205,739	—
Receipts (Payments) Federal Reinsurance and Allowances/Reimbursements	(18,135)	—	—	—	—	—	—	(18,135)	—
Receipts from State Departments and Component Unit Customers	—	—	—	—	—	—	30,124	30,124	605,901
Payments to Suppliers/Claims/Grants	(10,117)	(145,760)	(8,306)	843	(16,160)	(330,846)	(23,276)	(533,622)	(477,288)
Disbursements for Loans Receivable	(4,636)	—	—	—	—	—	(21,106)	(25,742)	—
Payments on Loan Guarantees	(8,345)	—	—	—	—	—	—	(8,345)	—
Payments for Employee Services and Benefits	(10,588)	—	—	—	(171)	(26,232)	(17,170)	(54,161)	(173,602)
Payments to State Suppliers and Grants	—	—	(6,097)	(73)	(219)	(9,340)	(26,790)	(42,519)	(17,386)
Payments of Sales Tax and School Lunch Collections	—	—	—	—	—	(60,617)	—	(60,617)	—
Net Cash Provided (Used) by Operating Activities	1,160,160	120,386	(18,179)	770	(13,487)	133,620	(15,039)	1,368,231	10,539
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Borrowings Under Interfund Loans	—	—	—	—	—	51,373	—	51,373	294
Repayments Under Interfund Loans	—	—	—	—	—	(35,182)	—	(35,182)	(1,651)
Receipts from Bonds, Notes, and Deposits	—	—	433	1,075	—	—	—	1,508	—
Payments of Bonds, Notes, Deposits, and Refunds	(940,447)	—	(6,515)	—	—	—	—	(946,962)	(53)
Payments to Utah System of Higher Education	(289,706)	—	—	—	—	—	—	(289,706)	—
Interest Paid on Bonds, Notes, and Financing Costs	(16,166)	—	(603)	—	—	—	—	(16,769)	(5)
Federal Contracts and Grants and Other Revenues	—	112,033	30,931	44	—	—	7,302	150,310	—
Restricted Sales Tax	—	—	48,800	—	2,532	—	525	51,857	—
Transfers In from Other Funds	—	—	8,950	39,378	391	72	71,375	120,166	7,685
Transfers Out to Other Funds		(1,514)	(24,270)	(811)	(86)	(136,422)	(4,523)	(167,626)	—
Net Cash Provided (Used) by Noncapital Financing Activities	(1,246,319)	110,519	57,726	39,686	2,837	(120,159)	74,679	(1,081,031)	6,270
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Borrowings Under Interfund Loans	—	—	—	—	—	—	—	—	12,571
Repayments Under Interfund Loans	—	—	—	—	—	—	—	—	(14,334)
Proceeds from Bond and Note Debt Issuance	—	—	—	—	—	45,265	—	45,265	—
Proceeds from Disposition of Capital Assets	—	—	—	—	—	—	—	—	3,360
Federal Grants and Other Revenues	134	—	—	—	—	—	18	152	1,008
Principal Paid on Debt and Contract Maturities	—	—	—	—	—	(8,932)	—	(8,932)	(5,049)
Acquisition and Construction of Capital Assets	(216)	—	(767)	—	—	(46,927)	(638)	(48,548)	(17,437)
Interest Paid on Bonds, Notes, and Capital Leases	—	—	—	—	—	(2,924)	(42)	(2,966)	(141)
Transfers In from Other Funds	—	—	—	—	—	—	—	—	1,616
Transfers Out to Other Funds	—	—	—	—	—	—	—	—	(267)
Net Cash Provided (Used) by Capital and Related Financing Activities	(82)	0	(767)	0	0	(13,518)	(662)	(15,029)	(18,673)

Continues

The Notes to the Financial Statements are an integral part of this statement.

Statement of Cash Flows
Proprietary Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Business-type Activities – Enterprise Funds								Governmental Activities
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Community Impact Loan Fund	Employers' Reinsurance Fund	Alcoholic Beverage Services	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
Continued									
CASH FLOWS FROM INVESTING ACTIVITIES									
Proceeds from the Sale and Maturity of Investments	$ 151,008	$ —	$ —	$ —	$ —	$ —	$ 1	$ 151,009	$ —
Receipts of Interest and Dividends	587	14,073	9,178	1,062	5,755	59	487	31,201	254
Receipts from Loan Maturities	—	—	61,531	35,815	—	—	3,899	101,245	—
Receipts of Interest from Loans	—	—	(594)	6,011	—	—	1,285	6,702	—
Payments to Purchase Investments	(123,862)	—	—	—	(3,140)	—	—	(127,002)	—
Disbursements for Loans Receivable	—	—	(43,278)	(14,444)	—	—	(25,461)	(83,183)	—
Net Cash Provided (Used) by Investing Activities	27,733	14,073	26,837	28,444	2,615	59	(19,789)	79,972	254
Net Cash Provided (Used) – All Activities	(58,508)	244,978	65,617	68,900	(8,035)	2	39,189	352,143	(1,610)
Cash and Cash Equivalents – Beginning	141,720	754,377	377,941	223,967	61,916	193	111,211	1,671,325	118,118
Adjustment to Beginning Cash and Cash Equivalents	—	—	—	1,332	—	—	—	1,332	—
Cash and Cash Equivalents – Beginning As Adjusted	141,720	754,377	377,941	225,299	61,916	193	111,211	1,672,657	118,118
Cash and Cash Equivalents – Ending	$ 83,212	$ 999,355	$ 443,558	$ 294,199	$ 53,881	$ 195	$ 150,400	$2,024,800	$ 116,508
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES									
Operating Income (Loss)	$ 2,528	$ 139,729	$ (11,943)	$ (73)	$ (8,235)	$ 137,599	$ (4,766)	$ 254,839	$ 40,408
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:									
Depreciation/Amortization Expense	1,230	—	71	—	—	4,621	829	6,751	20,257
Interest Expense for Noncapital and Capital Financing	17,673	—	—	—	—	—	—	17,673	—
Pension and OPEB Expense Accruals	190	—	—	—	—	(1,996)	(3,220)	(5,026)	(32,144)
Miscellaneous Gains, Losses, and Other Items	2,948	—	—	—	—	—	—	2,948	(1,330)
Net Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:									
Accounts Receivable/Due From Other Funds	(12,553)	(23,971)	(4,569)	843	(53)	(1,501)	(4,346)	(46,150)	(9,055)
Notes/Accrued Interest Receivables	1,147,777	—	—	—	1,414	151	(9,038)	1,140,304	—
Inventories	—	—	—	—	—	(3,247)	(386)	(3,633)	253
Prepaid Items/Deferred Charges	(968)	—	—	—	—	(461)	(63)	(1,492)	(2,820)
Accrued Liabilities/Due to Other Funds	1,335	9,733	(1,738)	—	5	(1,438)	3,996	11,893	16,747
Unearned Revenue/Deposits	—	—	—	—	—	(108)	880	772	(1,346)
Policy Claims Liabilities	—	(5,105)	—	—	(6,618)	—	1,076	(10,647)	(20,431)
Net Cash Provided (Used) by Operating Activities	$1,160,160	$ 120,386	$ (18,179)	$ 770	$ (13,487)	$ 133,620	$ (15,038)	$1,368,232	$ 10,539
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES									
Increase (Decrease) in Fair Value of Investments	$ —	$ —	$ (2,213)	$ (1,713)	$ (25,317)	$ —	$ —	$ (29,243)	$ (248)
Total Noncash Investing, Capital, and Financing Activities	$ 0	$ 0	$ (2,213)	$ (1,713)	$ (25,317)	$ —	$ 0	$ (29,243)	$ (248)

The Notes to the Financial Statements are an integral part of this statement.



Pension and Other Employee Benefit Trust Funds

These funds are used to account for the defined benefit pension plans and defined contribution plans administered by the Utah Retirement Systems, and the Post-Retirement Benefits Trust Funds, defined benefit other postemployment benefit plans (OPEB Plans), and other employee benefit plans administered by the State.

Private Purpose Trust Funds

These funds are used to report resources of all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Custodial Funds

Custodial funds account for assets held by the State as an agent for other governmental units, other organizations, or individuals.

Individual funds are presented in more detail by fund type within Supplementary Information – Combining Statements and Individual Fund Statements and Schedules.

Statement of Fiduciary Net Position
Fiduciary Funds
(expressed in thousands)

June 30, 2022

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds	Custodial Funds
ASSETS			
Cash and Cash Equivalents	$ 3,395,294	$ 1,102	$ 3,131,238
Pooled Cash and Investments	126,979	55,413	359,437
Receivables:			
Accounts	270	432	21,690
Contributions	61,670	—	—
Investments	729,286	—	—
Accrued Interest	—	—	27,895
Leases	—	378	—
Loans	—	36	—
Due From Other Funds	—	11	4,630
Restricted Pooled Cash and Investments	—	—	682
Investments:			
Debt Securities	8,225,052	4,300,863	11,637,737
Equity Investments	23,002,823	14,156,374	—
Absolute Return	6,875,009	—	—
Private Equity	5,973,612	—	—
Real Assets	7,286,389	—	—
Private Debt	8,464	3,266	—
Invested Securities Lending Collateral	888,919	—	—
Total Investments	52,260,268	18,460,503	11,637,737
Other Assets	—	107	76,493
Net Pension Asset	—	1047	—
Capital Assets:			
Land	1,780	686	—
Infrastructure	—	236	—
Buildings and Improvements	21,042	10,715	—
Machinery and Equipment	5,248	2,960	—
Intangible Assets	18,340	11	—
Less Accumulated Depreciation	(33,588)	(7,957)	—
Total Capital Assets	12,822	6,651	0
Total Assets	56,586,589	18,525,680	15,259,802
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Relating to Pensions	0	213	0
LIABILITIES			
Accounts Payable	1,061,850	1,473	29,708
Securities Lending Liability	888,919	—	—
Disbursements in Excess of Cash Balance	36,048	—	—
Deposits	—	—	682
Due To Other Funds	—	31	—
Due To Other Governments	—	—	208,823
Unearned Revenue	—	—	443
Leave/Postemployment Benefits	24,820	—	—
Policy Claims Liabilities/Insurance Reserves	5,876	—	—
Real Estate Liabilities	100,000	—	—
Total Liabilities	2,117,513	1,504	239,656
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Relating to Leases	—	378	—
Deferred Inflows Relating to Pensions	—	1,356	—
Total Deferred Inflows of Resources	0	1,734	0
NET POSITION			
Restricted for:			
Pension Benefits	45,052,735	—	—
Other Postemployment Benefits	293,820	—	—
Other Employee Benefits	78,236	—	—
Defined Contribution	9,044,285	—	—
Pool Participants	—	—	14,754,981
Individuals, Organizations, and Other Governments	—	18,522,655	265,165
Total Net Position	$ 54,469,076	$ 18,522,655	$ 15,020,146

The Notes to the Financial Statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds	Custodial Funds
ADDITIONS			
Contributions:			
Member	$ 595,701	$ 1,682,927	$ 26,217
Employer	1,367,480	—	—
Court Fees and Fire Insurance Premiums	22,490	—	—
Total Contributions	1,985,671	1,682,927	26,217
Pool Participant Deposits	—	—	12,351,053
Investment Income:			
Net Increase (Decrease) in Fair Value of Investments	7,114,030	(2,817,811)	(107,392)
Interest, Dividends, and Other Investment Income	777,664	402,047	124,824
Total Income From Investment Activity	7,891,694	(2,415,764)	17,432
Less Investment Expenses	(95,560)	—	(795)
Net Income from Investment Activity	7,796,134	(2,415,764)	16,637
Income from Security Lending Activity	8,511	—	—
Less Security Lending Expenses	(813)	—	—
Net Income from Security Lending Activity	7,698	—	—
Net Investment Income	7,803,832	(2,415,764)	16,637
Transfers From Affiliated Systems	21,495	—	—
Other Additions:			
Escheats	—	—	48,923
Royalties and Rents	—	3,986	—
Fees, Assessments, and Revenues	—	1,251	60,142
Collections for Individuals and Other Organizations	—	—	262,095
Tax and Fee Collections for Other Governments	—	—	2,621,528
Federal Grants	—	—	139,665
Miscellaneous	—	85	—
Total Other	0	5,322	3,132,353
Total Additions	9,810,998	(727,515)	15,526,260
DEDUCTIONS			
Pension Benefits	1,978,593	—	—
Retiree Healthcare Benefits	31,606	—	—
Member Distributions	—	—	26,934
Refunds/Plan Distributions	506,865	—	—
Earnings Distribution	—	—	123,159
Pool Participant Withdrawals	—	—	10,576,402
Transfers To Affiliated Systems	21,495	—	—
Trust Operating Expenses	—	1,955	860
Distributions and Benefit Payments	—	1,006,543	29,345
Payment of Taxes and Fees to Other Governments	—	—	2,617,838
Distributions to Individuals and Other Organizations	—	—	305,008
Pass Through of Federal Grants	—	—	139,665
Administrative and General Expenses	21,126	17,251	4,534
Total Deductions	2,559,685	1,025,749	13,823,745
Change in Net Position Restricted for:			
Pension Benefits	6,056,356	—	—
Other Postemployment Benefits	(25,999)	—	—
Other Employee Benefits	(5,345)	—	—
Defined Contributions	1,226,301	—	—
Pool Participants	—	—	1,669,073
Individuals, Organizations, and Other Governments	—	(1,753,264)	33,442
Net Position – Beginning	47,217,763	20,275,919	13,317,631
Net Position – Ending	$ 54,469,076	$ 18,522,655	$ 15,020,146

The Notes to the Financial Statements are an integral part of this statement.

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Public Employees Health Program

This program provides employee medical and other insurance services predominantly for agencies of the State. It also provides claims processing and insurance services for local governments and other public entities within Utah.

University of Utah and Utah State University

These universities are funded through state appropriations, tuition, federal grants, and private donations and grants. In addition to instruction, these universities provide research and other services. The operations of the University of Utah also include the University of Utah Health Insurance Plans, a legally separate non-profit corporation of which the University is the sole corporate member, and its hospitals and clinics.

Utah Transit Authority

The Authority is an independent, nonprofit corporation whose purpose is to provide a public mass transportation system for Utah communities along the Wasatch Front and a small portion of Juab County. The Authority's operations include commuter rail service, light rail service, bus service, paratransit service for the transit disabled, rideshare and van pool programs system-wide.

Nonmajor Component Units

Nonmajor component units are presented in more detail within Supplementary Information – Combining Statements and Individual Fund Statements and Schedules.

Combining Statement of Net Position
Component Units
(expressed in thousands)

June 30, 2022	Public Employees Health Program	University of Utah	Utah State University	Utah Transit Authority	Nonmajor Component Units	Total Component Units
ASSETS						
Current Assets:						
Cash and Cash Equivalents	$ 108,376	$ 437,332	$ 142,850	$ 190,968	$ 930,873	$ 1,810,399
Restricted Cash and Cash Equivalents	—	—	—	16,938	9,822	26,760
Investments	3,218	1,422,222	86,290	151,672	178,944	1,842,346
Receivables:						
Accounts, net	48,414	693,156	93,092	124,211	94,390	1,053,263
Notes/Leases/Loans/Mortgages/Pledges, net	—	25,213	997	—	6,662	32,872
Accrued Interest	18,350	7,916	—	—	271	26,537
Due From Primary Government	—	—	—	3,447	2,144	5,591
Prepaid Items	23,935	—	6,395	2,246	20,436	53,012
Inventories	—	131,945	5,267	34,175	10,079	181,466
Other Assets	—	112,887	—	—	760	113,647
Total Current Assets	202,293	2,830,671	334,891	523,657	1,254,381	5,145,893
Noncurrent Assets:						
Restricted Cash and Cash Equivalents	—	377,926	37,247	113,934	358,552	887,659
Investments	431,085	1,869,151	444,318	—	507,264	3,251,818
Restricted Investments	—	769,165	272,448	—	63,953	1,105,566
Accounts Receivables, net	—	—	42,392	—	212,128	254,520
Restricted Receivables, net	—	—	5,129	19,462	—	24,591
Notes/Leases/Loans/Mortgages/Pledges Receivables, net	—	228,891	13,870	—	32,251	275,012
Net Pension Asset	—	147,439	45,379	—	95,568	288,386
Net Other Postemployment Benefit Asset	—	—	—	—	297	297
Other Assets	317	5,895	—	11,080	10,088	27,380
Capital Assets (net of Accumulated Depreciation)	7	4,315,081	1,107,373	2,887,958	2,461,875	10,772,294
Total Noncurrent Assets	431,409	7,713,548	1,968,156	3,032,434	3,741,976	16,887,523
Total Assets	633,702	10,544,219	2,303,047	3,556,091	4,996,357	22,033,416
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amount on Refundings of Bonded Debt	—	6,368	6,973	111,435	652	125,428
Deferred Outflows Relating to Pensions	5,186	21,734	7,438	24,435	29,956	88,749
Deferred Outflows Relating to Other Postemployment Benefits	701	26,772	—	—	284	27,757
Total Deferred Outflows of Resources	5,887	54,874	14,411	135,870	30,892	241,934
LIABILITIES						
Current Liabilities:						
Accounts Payable and Accrued Liabilities	47,246	435,433	81,983	49,228	73,362	687,252
Securities Lending Liability	750	—	—	—	—	750
Deposits	—	166,284	105	47	3,888	170,324
Due To Primary Government	—	57,023	5,305	5,827	62,071	130,226
Unearned Revenue	3,003	103,805	38,359	59,258	64,601	269,026
Current Portion of Long-term Liabilities	110,301	299,216	43,413	77,792	51,999	582,721
Total Current Liabilities	161,300	1,061,761	169,165	192,152	255,921	1,840,299

The Notes to the Financial Statements are an integral part of this statement.

Continues

Combining Statement of Net Position
Component Units
(expressed in thousands)

June 30, 2022	Public Employees Health Program	University of Utah	Utah State University	Utah Transit Authority	Nonmajor Component Units	Total Component Units
Continued						
Noncurrent Liabilities:						
Accrued Liabilities	$ 7,930	$ —	$ —	$ 3,643	$ 1,425	$ 12,998
Unearned Revenue	—	—	—	—	256	256
Deposits	—	20,473	350	—	—	20,823
Net Pension Liability	6,384	—	—	90,643	364	97,391
Long-term Liabilities	70,555	1,673,300	379,427	2,350,775	768,450	5,242,507
Total Noncurrent Liabilities	84,869	1,693,773	379,777	2,445,061	770,495	5,373,975
Total Liabilities	246,169	2,755,534	548,942	2,637,213	1,026,416	7,214,274
DEFERRED INFLOWS OF RESOURCES						
Deferred Revenue	—	—	247	—	—	247
Deferred Inflows Relating to Beneficial Interests	—	—	5,361	—	12,194	17,555
Deferred Amount on Refundings of Bonded Debt	—	5,950	—	5,538	290	11,778
Deferred Inflows Relating to Pensions	6,791	178,037	58,656	22,789	148,758	415,031
Deferred Inflows Relating to Other Postemployment Benefits	611	—	—	—	495	1,106
Deferred Inflows Relating to Leases	—	146,937	15,168	—	25,918	188,023
Total Deferred Inflows of Resources	7,402	330,924	79,432	28,327	187,655	633,740
NET POSITION						
Net Investment in Capital Assets	7	2,945,760	784,010	667,968	2,047,229	6,444,974
Restricted for:						
Nonexpendable:						
Higher Education	—	794,882	177,493	—	282,490	1,254,865
Expendable:						
Higher Education	—	804,327	354,905	—	551,821	1,711,053
Insurance Plan	386,011	31,283	—	—	—	417,294
Transit Services	—	—	—	27,016	—	27,016
Other	—	—	—	—	255,580	255,580
Unrestricted	—	2,936,383	372,676	331,437	676,058	4,316,554
Total Net Position	$ 386,018	$ 7,512,635	$ 1,689,084	$ 1,026,421	$ 3,813,178	$14,427,336

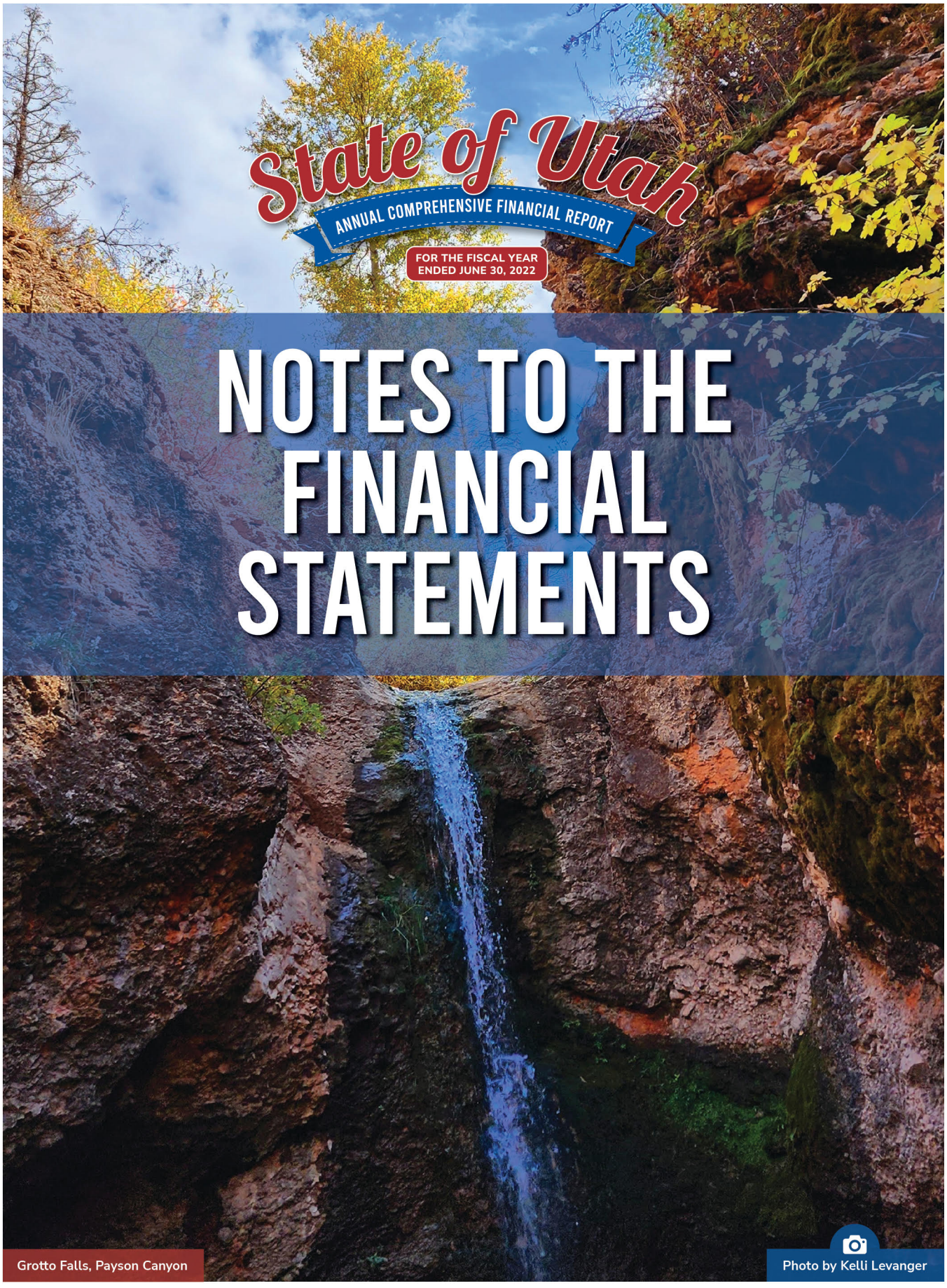
The Notes to the Financial Statements are an integral part of this statement.

Combining Statement of Activities
Component Units
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Public Employees Health Program	University of Utah	Utah State University	Utah Transit Authority	Nonmajor Component Units	Total Component Units
Expenses	$ 975,762	$ 6,633,499	$ 964,888	$ 574,219	$ 1,777,425	$ 10,925,793
Program Revenues:						
Charges for Services:						
Tuition and Fees	—	529,633	250,599	—	648,256	1,428,488
Scholarship Allowances	—	(123,866)	(95,529)	—	(229,271)	(448,666)
Sales, Services, and Other Revenues (net of University of Utah patient services allowance of $90,415)	931,475	5,235,901	104,425	465,179	295,069	7,032,049
Operating Grants and Contributions	25,906	756,056	434,147	130,631	800,056	2,146,796
Capital Grants and Contributions	—	45,705	49,089	68,234	171,156	334,184
Total Program Revenues	957,381	6,443,429	742,731	664,044	1,685,266	10,492,851
Net (Expenses) Revenues	(18,381)	(190,070)	(222,157)	89,825	(92,159)	(432,942)
General Revenues:						
State Appropriations	—	391,094	264,721	—	784,322	1,440,137
Gain (Loss) on Sale of Capital Assets	—	—	—	1,411	141	1,552
Miscellaneous	—	79,791	—	17,981	11,319	109,091
Permanent Endowments Contributions	—	42,362	10,784	—	6,630	59,776
Total General Revenues and Contributions	0	513,247	275,505	19,392	802,412	1,610,556
Change in Net Position	(18,381)	323,177	53,348	109,217	710,253	1,177,614
Net Position – Beginning	404,399	7,192,517	1,635,817	917,204	3,100,318	13,250,255
Adjustment to Beginning Net Position	—	(3,059)	(81)	—	2,607	(533)
Net Position – Beginning as Adjusted	404,399	7,189,458	1,635,736	917,204	3,102,925	13,249,722
Net Position – Ending	$ 386,018	$ 7,512,635	$ 1,689,084	$ 1,026,421	$ 3,813,178	$ 14,427,336

The Notes to the Financial Statements are an integral part of this statement.


State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
NOTES TO THE FINANCIAL STATEMENTS
Grotto Falls, Payson Canyon
Photo by Kelli Levanger

For the Fiscal Year Ended June 30, 2022

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the State of Utah conform in all material respects with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

A. Reporting Entity

For financial reporting purposes, the State of Utah's reporting entity includes the "primary government" and its "discrete component units." The primary government includes all funds, organizations, institutions, agencies, boards, and commissions that make up its legal entity. The State's component units are legally separate organizations for which the State's elected officials are financially accountable.

Generally, the State as the primary government is financially accountable if it appoints a voting majority of the organization's board and it can either ***(1)*** impose its will on the organization, or ***(2)*** there is a financial benefit or burden relationship. If the primary government does not control the board, it may be financially accountable if the organization is fiscally dependent on the State.

Except where noted below, the State's discrete component units issue their own separately audited financial statements as special-purpose governments engaged only in business-type activities. These financial statements can be obtained from their respective administrative offices or from the Office of the State Auditor, Utah State Capitol Complex, East Office Building, Suite E310, Salt Lake City, UT 84114, or online at auditor.utah.gov.

Entities such as the local school districts, charter schools, and other local authorities of various kinds that may only partially meet the criteria for inclusion in this report have not been included. The State's support of the public education system is reported in the Education Fund (special revenue fund).

Blended Component Units

Blended component units are legally separate but either exist solely to provide services exclusively to the State, their debt is expected to be paid using primary government resources, or the State is the sole corporate member of a not-for-profit entity. Because of this close relationship, they are blended with and reported as though they are a part of the primary government.

Utah State Building Ownership Authority (blended with the primary government's debt service and capital projects funds) was created by the Legislature as a body politic and corporate for the sole purpose of financing, owning, leasing, and operating facilities to meet the needs of state government. In addition, any debt is paid entirely with resources of the State. The Board is comprised of three members: the Governor or designee, the State Treasurer, and the executive director of the Department of Government Operations. Separate financial statements are not required or issued for the Authority.

SOU Captive Insurance, LLC, was created during fiscal year 2022 under the Captive Insurance Companies Act in UCA Title 31A, Chapter 37, of *Utah Code*, to directly issue public entity liability and auto liability policies for the State. The Department of Government Operations, Division of Risk Management, is the sole member of the LLC. The LLC is reported as part of the Risk Management Internal Service Fund. Separate financial statements are not required or issued for the LLC.

Discrete Component Units

Discretely presented component units are organizations that are legally separate and do not exist to provide services exclusively to the primary government. Financial information for discretely presented component units is segregated on the financial statements and the notes to emphasize that they are legally separate from the State.

Except for the Utah Schools for the Deaf and the Blind (USDB), the discretely presented component units have boards that are controlled by the primary government through the appointment of a majority of the board members. The State has been determined to be financially accountable for each organization because it can impose its will on each organization. The USDB is included in the reporting entity because it is fiscally dependent on the State.

The State also has fiscal accountability through the ability to approve and modify the budgets of the Utah System of Higher Education, the Utah Communications Authority, the Public Employees Health Program, the Utah State Fair Corporation, USDB, the Utah Inland Port Authority and the Point of the Mountain Authority.

The determination that a discrete component unit is "major" is based on the nature and significance of its relationship to the primary government. The State's major discrete component units are:

Public Employees Health Program – This Program provides employee medical and other insurance services predominantly for agencies of the State. It also provides claims processing and insurance services for local governments and other public entities within Utah. The Program is administered by the Utah State Retirement Board.

University of Utah and Utah State University – As part of the Utah System of Higher Education, these universities are funded primarily through state appropriations, tuition, federal grants, and private donations and grants. In addition to instruction, these universities provide research and other services. The operations of the University of Utah also include the following legally separate, blended component units: the University of Utah Research Foundation, ARUP Laboratories, Inc., the University of Utah Health Insurance Plans, Community Nursing Services and George S. and the Dolores Dore Eccles Endowment for Medical School Excellence.

Utah Transit Authority – This Authority is an independent, nonprofit corporation whose purpose is to provide a public mass transportation system for Utah communities along the Wasatch Front and for a small portion of Juab County. The Authority's operations include commuter rail service, light rail service, bus service, paratransit service for the transit disabled, rideshare and van pool programs system wide.

The State's nonmajor discrete component units are:

Utah Communications Authority – This Authority was established by the Utah State Legislature to provide public safety communication services and facilities on a regional or statewide basis for the benefit and use of all state and local governmental agencies.

Utah Schools for the Deaf and the Blind – These Schools provide practical education to individuals with hearing and/or vision impairments. Although not required, these Schools issue separate but unaudited financial statements.

Utah State Fair Corporation – This Corporation is a nonprofit public corporation that operates the State Fair Park and conducts the Utah State Fair and other various expositions and entertainment events.

Utah System of Higher Education – Weber State University, Southern Utah University, Salt Lake Community College, Utah Valley University, Utah Tech University, Snow College, Bridgerland Technical College, Davis Technical College, Dixie Technical College, Mountainland Technical College, Ogden-Weber Technical College, Southwest Technical College, Tooele Technical College; and Uintah Basin Technical College. These colleges and universities are funded primarily through state appropriations, tuition, federal grants, and private donations and grants. The Utah Board of Higher Education (UBHE) is the governing board of the institutions of higher education and is funded primarily through state appropriations. No financial statements are required or issued for UBHE.

Utah Charter School Finance Authority – This Authority was created to provide an efficient and cost-effective method of issuing conduit debt on behalf of charter schools to acquire or construct charter school facilities. The debt is the responsibility of the charter schools and neither the State nor any political subdivision of the State is obligated for repayment of the debt. Accordingly, this debt is not included as part of the State's reporting entity. No financial statements are required or issued.

Military Installation Development Authority – This Authority is an independent nonprofit entity whose purpose is to provide for the development and improvement of project areas near military installations throughout the State.

Heber Valley Historic Railroad Authority – This Authority is an independent state agency that maintains and operates a scenic and historic railroad in and around the Heber Valley.

Utah Inland Port Authority – This Authority is an independent, nonprofit corporation whose purpose is to facilitate the development of the authority jurisdictional land to maximize the long-term economic and other benefits for the State. The Authority also includes the Crossroads Public Infrastructure District, a legally separate, blended component unit, created by the Authority during fiscal year 2022 for the purpose of financing and operating infrastructure costs.

Point of the Mountain Development Authority – This Authority was created by the Utah Legislature to facilitate the disposition of land, nearly 700 acres, where the Utah State Prison now stands and to oversee the process of developing the current site once the prison has been relocated. The Authority is an independent, nonprofit corporation. Operations are funded through state appropriations. No financial statements are required or issued.

Fiduciary Component Units

Utah Retirement Systems (URS) (pension trust and defined contribution plans) – URS administers pension funds for various public employee retirement systems and plans of the State and its political subdivisions. URS is an independent state agency subject to legislative and executive department budgetary examination and comment. The Utah State Retirement Board, a seven-member board, is established by statute to administer the systems and plans, and to serve as investment trustees of the funds. Six members are appointed by the State with the advice and consent of the Senate, while the State Treasurer serves as the seventh member. Because of the State's trustee responsibilities for these systems and plans, GAAP requires them to be reported as pension trust funds of the primary government rather than discrete component units.

Utah Educational Savings Plan Trust, dba my529 (Private Purpose Trust Fund) – This trust is a non-profit, self-supporting entity that was created as a means to encourage investment in a public trust to pay for future higher education costs. It is administered by the Utah State Board of Higher Education acting in its capacity as the Utah Higher Education Assistance Authority. Because of the State's trustee responsibilities for this plan, GAAP requires it to be reported as a private purpose trust fund of the primary government rather than a discrete component unit.

In accordance with GAAP, fiduciary funds and discretely presented component units that are fiduciary in nature are excluded from the government-wide financial statements.

Related Organization (Excluded from Financial Statements)

Utah Housing Corporation (UHC) – UHC is a statutorily created public corporation. UHC issues bonds to provide capital for housing and home mortgages, especially for low and moderate-income families. Although the Governor appoints eight of the nine members of the governing board, and the ninth member is the State Treasurer, the State does not have the ability to impose its will on UHC since board members can only be removed for cause. UHC does not provide specific financial benefits to, or impose specific financial burdens on the State.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities report information on all nonfiduciary activities of the primary government and its discrete component units. Primary government activities are distinguished between *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Net Position presents the reporting entity's nonfiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is restricted when there are constraints

either externally imposed or imposed by constitutional provisions or enabling legislation.

The Statement of Activities demonstrates the degree to which the direct expenses of a given activity or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific activity. The State does not allocate general government (indirect) expenses to other activities. Program revenues include: (***1***) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given activity; and (***2***) grants and contributions that are restricted to meeting the operational or capital requirements of a particular activity. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide statements. For governmental and proprietary fund financial statements, the emphasis is on major individual governmental and enterprise funds, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Internal service funds are also aggregated and reported in a separate column on the proprietary fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Nonexchange transactions in which the State receives value without directly giving equal value in exchange include taxes, grants, and donations. Tax revenue is recognized in the fiscal year in which the related sales, wages, or activities being taxed occur. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been met.

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. For this purpose, the State generally considers taxes and other revenues to be available if the revenues are collected within 45 days after yearend. An exception to this policy is federal grant revenues, which generally are considered to be available if collection is expected within 12 months after yearend.

Expenditures are generally recorded when the related liability is incurred, as under the accrual basis of accounting. However, expenditures for principal and interest on long-term debt are recorded when due or when amounts have been accumulated in the debt service fund for payment of interest to be made early in the following year. Also, expenditures and related liabilities for compensated absences and claims and judgments are recorded only to the extent they have matured (i.e., come due for payment).

Major Governmental Funds – The State reports the following major governmental funds:

- **General Fund**. This fund is the principal operating fund of the State. It accounts for all financial resources not accounted for and reported in another fund.
- **Education Fund**. This special revenue fund accounts for all corporate taxes, income taxes, and revenues from taxes on intangible property that support public and higher education. Specific revenues that support public elementary and secondary schools in the State are also reported in the Education Fund.
- **Transportation Fund**. This special revenue fund accounts for dedicated highway user taxes, fees, and federal funds associated with the construction, maintenance, and repair of state highways and local roads.
- **Transportation Investment Fund**. This capital projects fund accounts for vehicle registration fees, sales and use taxes, bond proceeds, and federal funds used in the construction and reconstruction of specific highway projects. Projects designated for the Transportation Investment Capacity program are accounted for in this fund.
- **Trust Lands Fund**. This is a permanent fund that accounts for investment earnings, land grants, and the sale of lands received from the federal *Enabling Act*. The principal in the fund is perpetual, with the earnings used primarily to support public education. The Utah Constitution allows all investment earnings of the permanent fund to be distributed, limited to four percent of the fund (calculation described in statute). The Utah School and Institutional Trust Lands Administration (SITLA) and the School and Institutional Trust Fund Office (SITFO) manage the assets of the Trust. SITFO issues separate audited statements for the investments they manage.

Nonmajor Governmental Funds – The State's nonmajor governmental funds include special revenue funds, capital projects funds, and debt service funds. The nonmajor special revenue funds account for specific revenue sources that are restricted or committed to expenditures for specific purposes. Examples include tobacco settlement funds, environmental activities, preserving and promoting universal telephone services, rural development programs, and medicaid expansion funding. The capital projects funds account for resources used for capital outlays, including the acquisition, construction, or improvement of capital facilities other than those financed by the Transportation Investment Fund, proprietary funds, or assets held in trust. The debt service funds account for resources used for the payment of principal and interest on general long-term debt obligations.

Proprietary Fund Financial Statements

The financial statements of the proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements described previously. Proprietary funds include both enterprise and internal service fund types. Enterprise funds report the activities for which fees are charged to external users for goods or services. Internal service funds account for goods and services provided primarily to other agencies or funds of the State, rather than to the general public.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally

result from providing services, and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition, such as subsidies and investment earnings, are reported as non-operating.

Major Enterprise Funds – The State reports the following major enterprise funds in its proprietary fund statements:

- **Student Assistance Programs**. These programs guarantee the repayment of student loans made by participating lenders to eligible borrowers and service outstanding student loans.
- **Unemployment Compensation Fund**. This fund pays claims for unemployment to eligible recipients.
- **Water Loan Programs**. These programs provide loans to local governments, water districts, and other entities for the purpose of upgrading water storage facilities and other related structures.
- **Community Impact Loan Fund**. This fund provides loans to local governments to alleviate the social, economic, and public financial impacts resulting from the development of the State's natural resources. This fund also provides oversight of loans and loan guarantees from federal funds to small businesses under the Small Business Credit Initiative.
- **Employers' Reinsurance Fund**. This fund primarily provides compensation to individuals injured from industrial accidents or occupational diseases occurring on or before June 30, 1994, where the injury is of a permanent nature and workers' compensation benefits have expired. Revenues come from assessments on insurance premiums.
- **Alcoholic Beverage Services**. This fund consists of the activities of the state liquor stores administered through the Alcoholic Beverage Services Commission which conducts, licenses and regulates the sale of alcoholic beverages.

Nonmajor Enterprise Funds – The State's nonmajor enterprise funds include loan programs for low-income housing, agricultural and energy efficiency programs, and local governments. Nonmajor enterprise funds also include the Utah Correctional Industries, State Trust Lands Administration, the Utah Dairy Commission, the Petroleum Storage Tank program, and Medical Cannabis funds.

Internal Service Funds – The State reports the internal service fund type in the proprietary funds statements. The activities accounted for in internal service funds include technology services, general services, fleet operations, risk management, property management, human resource management, and attorney general legal services. In the government-wide financial statements, internal service funds are included with governmental activities.

Fiduciary Fund Financial Statements

The fiduciary funds account for assets held by the State in a trustee or custodial capacity for others that cannot be used to support the State's own programs. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The following fiduciary fund types are reported:

- **Pension and Other Employee Benefit Trust Funds**. These funds account for the plan assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, and changes in net position of: (***1***) defined benefit pension plans and defined contribution plans administered by Utah Retirement Systems; (***2***) the Post-Retirement Benefits Trust Funds, defined benefit other postemployment health care plans administered by the State for state employees and elected officials; and (***3***) Other Employee Benefits Trust Fund used to separately account and report assets dedicated for employee benefits other than postemployment healthcare benefits that are administered through the Post-Retirement Benefits Trust Funds.
- **Private Purpose Trust Funds**. These funds report resources held in a trust or trust arrangement that are required to be used for specific purposes for the benefit of individuals or other organizations. Examples include the Utah Navajo Trust Fund and the Utah Educational Savings Plan Trust.
- **Custodial Funds**. These funds are assets held by the State as a custodial agent for the benefit of individuals, organizations, or other governments that are not part of the State's reporting entity. They also include the external investment pool which is used to account for the investments related to external participants in the Utah State Public Treasurers' Investment Fund; the Unclaimed Property fund; and funds related to fines, forfeitures, tax collections, and restitution payments collected on behalf of others.

Discrete Component Unit Financial Statements

The combining discrete component unit financial statements are presented to provide information on each of the major discrete component units included in the discrete component unit's column of the government-wide statements. The discrete component unit financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The information is presented to be consistent with the government-wide statements and is less detailed than the presentation in each discrete component unit's separately issued financial statements.

D. Fiscal Yearends

All funds and discretely presented component units are reported using fiscal years which end on June 30, except for the following entities which have fiscal years ending December 31:

- The defined benefit pension plans and defined contribution plans (fiduciary funds) administered by Utah Retirement Systems.
- The Public Employees Health Program (major discrete component unit).
- The Utah Transit Authority (major discrete component unit).
- The Utah State Fair Corporation (nonmajor discrete component unit).
- The Utah Dairy Commission (nonmajor enterprise fund).
- The Heber Valley Historic Railroad Authority (nonmajor discrete component unit).
- The University of Utah Health Insurance Plans and Community Nursing Services (blended component units of the University of Utah, a major discrete component unit).

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balances

Cash and Cash Equivalents

Cash equivalents are generally considered short-term, highly liquid investments with a maturity of three months or less from the purchase date. The Student Assistance Programs (major enterprise fund) use a trustee for their long-term investing needs, and they consider any cash and cash equivalents held by their trustee as investments.

Pooled Cash and Investments

All cash deposited with the State Treasurer by state entities, including surplus cash balances of State funds, are maintained in the Public Treasurer's Investment Fund (PTIF) and reported as "Pooled Cash and Investments". The State Treasurer invests the deposited cash, including the cash float, in short-term securities and other investments that are readily convertible to cash without prior notice or penalty. For purposes of reporting cash flows, the State considers Pooled Cash and Investments to be cash equivalents.

All interest revenue is allocated to the General Fund unless state law or trust agreements require allocations of interest to other funds. For funds authorized to receive interest earnings, interest is allocated based on cash balances in the pool. The operations and investments of the PTIF are described in Note 4.

Investments

Investments (including cash equivalents) are under the control of the State Treasurer or other administrative bodies as determined by law. In certain instances, investments may be restricted by law or other legal instruments. Investments are presented at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The fair value measurement of investments is based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Also, certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. The Trust Lands Fund (permanent fund) invests in both open and closed-end real estate funds that issue quarterly account statements and the fair value of the investments is based upon the Fund's ownership interest in partners' capital.

The State's Unemployment Compensation Fund (major enterprise fund) monies are required by the Social Security Act to be invested in the U.S. Department of Treasury, Bureau of Public Debt Unemployment Trust Fund (BPDUTF), which is not registered with the United State Securities and Exchange Commission (SEC). The fair value of the position in the BPDUTF is the same as the value of the BPDUTF shares.

Utah Retirement Systems (URS) (pension trust and defined contribution plans) had five types of derivative instruments at yearend: futures, currency forwards, options, swaps, and Synthetic Guaranteed Investment Contracts. Futures contracts are traded on organized exchanges to minimize credit risk. Currency forwards are entered into to hedge the exposure to changes in foreign currency exchange rates on foreign currency denominated portfolio holdings. Options give the right, but not the obligation, to buy (call) or sell (put) an asset at a preset price over a specified period. Interest rate swap agreements are entered into an attempt to manage their exposure to interest rate risk. Interest rate risk represents the exposure to fair value losses arising from future changes in prevailing market interest rates. Synthetic Guaranteed Investment Contracts are available to members in the Utah Retirement Systems Defined Contribution Plans.

See Note 3 for additional information about derivative instruments.

Receivables

Accounts receivables in governmental and business-type activities consist mainly of amounts due from the Federal Government, customers, and others. Receivables from the Federal Government are reasonably assured; accordingly, no allowance for uncollectible accounts has been established.

Notes/mortgages receivables in governmental and business-type activities are primarily long-term loans for local governments and agricultural development, home mortgages, and individual student loans. The interest rates on the loans vary but are generally lower than market rates and, in some cases, are non-interest-bearing. Student loans in the Student Assistance Programs (business-type activities) are fixed and variable rate federally insured loans. Student loans are insured at 97 to 100 percent of their principal balance depending on the date disbursed.

Notes receivables as reported in the governmental activities, are financed purchase arrangements between the State Building Ownership Authority (blended component unit) and certain Colleges and Universities (discrete component units). The notes receivable are reported net and represents the sum of the future principal payments to be received, less any executor costs and any unearned interest revenue. Receivables from the discrete component unit are reasonably assured; accordingly, no allowance for uncollectible accounts has been established.

Accrued taxes include receivables for taxpayer-assessed taxes where the underlying exchange has occurred in the period ending June 30, or prior and is presented net of applicable estimated refunds and allowances.

Note 5 provides a disaggregation of governmental and business-type receivables, including a breakout of current/noncurrent balances and established allowances.

Inventories, Prepaid Items, and Other Assets

Proprietary funds' and discrete component units' inventories are valued at the lower of cost or market. Cost evaluation methods include first-in-first-out (FIFO), last-in-first-out (LIFO), average cost, weighted average, weighted moving average, and retail inventory method.

Governmental fund consumable items are recorded as expenditures when purchased except for General Fund state park merchandise inventory, General Fund personal protective equipment inventory, and Transportation Fund road material inventories which are recorded as expenditures when consumed. General Fund state park merchandise inventories held for resale are valued at lower of cost or market. General Fund personal protective equipment inventory and Transportation Fund inventories used in road construction are valued using average cost and a weighted average cost, respectively.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Other Assets, as reported on the Statement of Net Position, governmental activities column, include assets of the Trust Lands Fund (permanent fund) acquired under the *1894 Utah Enabling Act* that are not considered investments. The net pension asset and

the net other postemployment benefit asset are also reported as other assets.

Capital Assets

Capital assets, including leased assets, consisting of land and related assets, buildings, equipment, intangible assets (software), and infrastructure (roads, bridges, drainage systems, lighting systems, and similar items), are reported in the applicable governmental or business-type activities columns, or in the component units column on the government-wide Statement of Net Position. Capital assets of proprietary funds and fiduciary funds are also recorded in their respective fund statements. Capital assets, with the exception of infrastructure and internally generated software (funded with nonfederal resources), are defined by the State as assets, which cost $5 thousand or more when acquired and have an estimated useful life greater than one year. Infrastructure assets are capitalized if the cost is over $1 million. Internally generated software, funded with nonfederal resources, is capitalized if the cost is over $500 thousand. Purchased or constructed capital assets are recorded at cost or at an estimated historical cost where historical cost is not available. Donated capital assets are reported at acquisition value as of their acquisition date. Capital assets purchased by governmental funds are recorded as expenditures in the governmental fund financial statements.

Buildings, equipment, and other assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

Asset Class	Years
Equipment/Software	3-15
Aircraft and Heavy Equipment	5-30
Buildings and Improvements	30-40
Land Improvements	5-20
Infrastructure	15-80

Leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the effective interest method.

As provided by GASB standards, the State has elected to use the "modified approach" to account for infrastructure assets (i.e., roads and bridges) maintained by the State's Department of Transportation. This includes infrastructure acquired prior to fiscal year 1981. Under this approach, depreciation expense is not recorded and only improvements that increase the capacity or efficiency of an infrastructure asset are capitalized. Using this approach requires the State to: ***(1)*** maintain an inventory of the assets and perform periodic condition assessments; ***(2)*** estimate each year the annual amount to maintain and preserve the assets at the condition level set by the State; and ***(3)*** document that the assets are being preserved approximately at, or above the condition level set by the State. Other infrastructure, which is primarily maintained by the Department of Natural Resources, is capitalized and depreciated.

Most works of art and historical treasures of the primary government are not capitalized or depreciated. These assets are held for public exhibition, education, or research rather than financial gain. These assets are also protected, unencumbered, preserved, and subject to policies requiring the proceeds from sales of collection items to be used to acquire other collection items. The State's assets of this nature include the State Fine Art Collection, photographs, prints, paintings, historical documents and artifacts, monuments, statues, and pale-ontological and archaeological collections. See Note 8 for additional information about capital assets.

Deferred Outflows of Resources

Deferred outflow of resources represents a consumption of net assets by the government that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. Deferred outflows of resources are reported in the applicable governmental or business-type activities columns, or in the component units column on the government-wide Statement of Net Position. See Note 11 for a disaggregation of deferred outflows. Deferred outflows of resources of governmental funds, proprietary funds, and discrete component units are reported in detail in their respective fund statements.

Accrued Liabilities

Accrued liabilities include the liability for employee payrolls and liabilities accruing over time where demand for payment is due shortly after fiscal yearend. See Note 6 for additional information about accrued liabilities.

Unearned Revenue

In the government-wide statements, governmental fund statements, proprietary fund statements, and fiduciary fund statements, unearned revenue is recorded when cash or other assets are received prior to being earned.

Policy Claims Liabilities

Policy claims liabilities are for insurance claims incurred prior to the reporting date and are based on actuarial estimates; however, policy claims liabilities for Unemployment Insurance are for claims filed as of the reporting date. A substantial portion of policy claims liabilities is long-term in nature. Therefore, claims liabilities are reported as long-term liabilities on the Statement of Net Position. See Note 10 for additional information about policy claims liabilities.

Long-term Debt

Long-term debt, such as the net pension liability (NPL), net OPEB liability (NOL), revenue bonds, leases payable, claims, contracts and notes payable, directly related to and intended to be paid from proprietary funds or discretely presented component units is included in the accounts of such funds. All other long-term debt, such as the compensated absences, claim or settlement obligations, pollution remediation obligations, general obligation bonds, and lease revenue bonds (and remaining NPL, NOL, and leases payable liabilities not allocated to proprietary funds or discretely presented component units), is reported in the government-wide financial statements. Bond premiums and discounts are amortized over the life of the bonds using the bonds outstanding method or straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized during the current period.

In the governmental fund financial statements, long-term debt is recognized when due or expected to be financed from current expendable available financial resources. Amortization of bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The *Tax Reform Act of 1986* requires governmental entities issuing tax-exempt bonds to refund to the U.S. Treasury interest earnings on bond proceeds in excess of the yield on those bonds. Governmental entities must comply with arbitrage rebate requirements in order for their bonds to maintain tax-exempt status. Entities are required to remit arbitrage rebate payments for non-purpose interest to the federal government at least once every five years over the life of the bonds. Some State of Utah bonds may be exempt from the rebate requirements if they meet certain statutory exceptions per the regulations.

Arbitrage liability is treated as an expense in the government-wide Statement of Net Position and the proprietary fund financial statements when the liability is recognized. Arbitrage liability is recorded as an expenditure in the governmental fund financial statements when the liability is due. Other arbitrage liabilities are immaterial.

Compensated Absences

For most employees, vacation leave is accrued at a rate of four hours every two weeks for the first five years of employment, and grows to a rate of seven hours every two weeks after 20 years of employment. There is no requirement to use vacation leave, but a maximum of 320 hours may be carried forward at the beginning of each calendar year. The State established the State Employees' Annual Leave Trust Fund (other employee benefit trust funds) where any unused vacation leave is paid to employees upon termination. The ongoing termination payments from the Trust Fund are provided by charges to agency budgets as benefits are earned. Vacation leave taken as time off is paid from current budgets when used.

Most employees earn sick leave at a rate of four hours for each two-week period, with no limit to the amount that can be accumulated. The State does not reimburse employees for unused sick leave upon termination unless the leave was earned prior to January 4, 2014, and employees had the option under certain circumstances to "convert" sick leave. Employees may use converted sick leave in place of vacation leave. Any unused converted sick is paid to employees upon termination. Sick leave is expended when used.

At retirement, for participating agencies, an employee receives 25 percent of the value of all unused accumulated sick leave, earned prior to January 4, 2014, as a mandatory employer contribution into a 401(k) account. Each day of remaining sick leave earned prior to January 1, 2006, may be used to participate in the State Employee Other Postemployment Benefit Plan (State Employee OPEB Plan), to purchase health and life insurance coverage or Medicare supplemental insurance. See Note 18 for additional information about the State Employee OPEB Plan.

Any remaining sick leave earned on or after January 1, 2006, but before January 4, 2014, is converted to a value (based on the higher of the employee's rate of pay at retirement or the average pay rate of retirees in the previous year) and placed in a Health Reimbursement Arrangement administered by Public Employees Health Plan. Any payouts by the State of converted sick leave upon termination, contributions into a 401(k) account, or Health Reimbursement Arrangement upon retirement, are paid from the Other Employee Benefits Trust Fund. The ongoing termination payments from the Trust Fund are provided by charges to agency budgets.

Proprietary funds, Utah Schools for the Deaf and the Blind, and private purpose trust funds of the primary government also participate in the compensated absences and have no liability for leave benefits once their contributions have been made. The total liability of the governmental activities for compensated absences is recorded in the government-wide Statement of Net Position as part of long-term liabilities. However, in accordance with GAAP, the liability is not recorded in the governmental fund financial statements. See Note 10 for additional information about the liability.

Compensatory time for overtime work may be earned up to a maximum of 80 hours. Any overtime exceeding 80 hours is paid when earned. In accordance with GAAP, compensatory time is expended when the leave is taken in governmental funds, but is expensed when earned for budgetary purposes.

Vacation earnings, sick leave earnings, and termination policies vary among discrete component units and from the primary government's policies, but usually vacation leave is expended when earned and sick leave is expended when used.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems (URS) Pension Plan and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The primary government's proportionate share of pension amounts were further allocated to proprietary funds (business-type activities) based on the amount of employer contributions paid by each proprietary fund. Pension investments are reported at fair value.

Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources and expenses, information about the fiduciary net positions of the State Employee Other Postemployment Benefit Plan and the Elected Official OPEB Plan (Plans), and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, the Plans recognize benefit payments when due and payable in accordance with the benefit terms. The Plans' proportionate share of OPEB amounts were further allocated to proprietary funds (business-type activities) based on the amount of employer contributions paid by each proprietary fund. OPEB investments for the Plans are reported at fair value.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period, and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources are reported in the applicable governmental or business-type activities columns or in the discrete component units column on the government-wide Statement of Net Position. See Note 11 for a disaggregation of deferred inflows. Deferred inflows of resources of governmental

funds, proprietary funds, and discrete component units are reported in detail in their respective fund statements.

Net Position/Fund Balances

The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is "Net Position" on the government-wide, proprietary fund, and fiduciary fund financial statements and "Fund Balance" on the governmental fund financial statements.

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted balances represent those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislature, such as dedicated revenues or legislation. Assigned fund balance is constrained by the Legislature's intent to be used for specific purposes, by directive of the Executive Appropriations Committee of the Legislature or in some cases by legislation. See Note 12 for additional information about fund balances.

The State maintains three stabilization accounts: ***(1)*** the General Fund Budget Reserve Account in the General Fund (the "Rainy Day Fund") reported as committed fund balance; ***(2)*** the Medicaid Growth Reduction and Budget Stabilization Restricted Account in the General Fund ("the Medicaid Budget Stabilization Account") reported as committed fund balance; and ***(3)*** the Education Budget Reserve Account in the Education Fund (the "Education Reserve") reported as restricted fund balance. The resources of these accounts may only be expended when specific non-routine budget shortfalls occur and upon appropriation by the Legislature.

Statutorily, the State established a minimum fund balance policy for the Disaster Recovery Restricted Account and the Local Government Emergency Response Loan Fund. Both these funds may issue loans for specific emergencies as long as a minimum fund balance is maintained in the funds. See Note 12 for additional information about the stabilization accounts and funds with a statutory minimum fund balance requirement.

F. Restricted and Unrestricted Resources

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's general policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted resources (i.e., committed, assigned, or unassigned) are available, and amounts in any of these unrestricted classifications could be used, it is the State's general policy to spend committed resources first. However, the State has some programs that are funded by appropriations from both unrestricted resources and resources required by law to be deposited in a specific subfund for a specific purpose (which may include restricted resources and unrestricted-committed resources). In those instances, it is the State's policy to expend those resources proportionally based on the amounts appropriated from each source.

Grants

Federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs. All federal reimbursement-type grants are recorded as revenues when the related allowable expenditures are incurred and all applicable eligibility requirements are met.

Federal grants include nonmonetary transactions for food and vaccine commodities and personal protective equipment (PPE). Commodity revenues and expenditures are valued at their federally reported value. PPE revenue and expenditures are valued at acquisition value at the time the items were received. Commodity and federal grant PPE inventories at yearend are immaterial. For the fiscal year ended June 30, 2022, the State reported revenues and expenditures of $28.762 million and $675 thousand for commodities and PPE, respectively, in the General Fund, and $31.538 million for commodities in the Education Fund (special revenue fund).

Investment Income

Investment income includes interest, dividends, realized gains and other earnings, and the change in fair value of investments. Negative investment income is reported where the decrease in the fair value of investments due to market conditions exceeded the other components of investment income.

In accordance with state law, interest and dividend income from the State Endowment Fund (nonmajor governmental fund) is assigned to and reported directly in the General Fund. A portion of the applicable income in the General Fund is transferred into the State Endowment Fund to increase the principal in the fund as required by state law. The State Endowment Fund generated $5.967 million of interest and dividend income, of which $3.772 million was reported in the General Fund and $2.195 million was reported in the State Endowment Fund.

G. Interfund Transactions

Government-wide Financial Statements

Interfund Activity – In general, eliminations have been made to minimize the double counting of internal activity, including internal service fund-type activity. However, interfund services, provided and used between different functional categories, have not been eliminated to avoid distorting the direct costs and program revenues of the applicable functions. Transfers between governmental and business-type activities are reported at the net amount.

Interfund Balances – Interfund receivables and payables have been eliminated from the government-wide Statement of Net Position, except for the residual amounts due between governmental and business-type activities.

Governmental Fund Financial Statements

Interfund Activity – Interfund transactions for goods sold or services rendered for a price approximating their external exchange value, and employee benefit contributions are accounted for as revenues and expenditures/expenses in the funds involved.

Transfers are used to report flows of cash (or other assets) between funds without equivalent flows of assets in return or a requirement for repayment. The State's transfers are based on legislative appropriations or other legal authority. Transfers are presented in Note 14.

NOTE 2. BEGINNING NET POSITION ADJUSTMENTS AND OTHER CHANGES AND INFORMATION

Implementation of New Governmental Accounting Standards

During the fiscal year ended June 30, 2022, the State adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 87, *Leases.* This new accounting standard modified the definitions of what is considered a capital lease agreement, introduced "right-to-use", or leased assets, as a new capital asset category, and requires lessees to record a lease liability and corresponding leased asset at the net present value of the future lease payments over the term of the agreement, including any options for renewal that are reasonably certain will be exercised. Similarly, lessors are required to recognize a lease receivable and deferred inflow of resources for applicable lease agreements. Lease agreements where the title to the underlying asset transfers to the lessee at the end of the contract are now reported as a financed purchase (note payable).

Implementation of this standard resulted in additions of beginning balances of leased assets and a corresponding lease payable for those assets, with no affect on beginning net position. See the schedule of changes to capital assets' beginning balances below. The standard also required the reclassification of the beginning balances of capital leases payable of $25.624 million to leases payable of $21.097 million and notes payable of $4.527 million. This change also resulted in a decrease to beginning net position of $4.075 million for governmental activities as the depreciation method for the corresponding leased assets was changed from straight line to effective interest rate method.

The following GASB statements were implemented and had little or no effect on the State's financial activities:

- **GASB Statement No. 89**, *Accounting for Interest Cost Incurred Before the End of a Construction Period*
- **GASB Statement No. 92**, *Omnibus 2020*
- **GASB Statement No. 93**, *Replacement of Interbank Offered Rates*
- **GASB Statement No. 97**, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*
- **GASB Statement No. 99**, *Omnibus 2022*

Other Beginning Net Position Adjustments

The State reviewed the Department of Facilities and Construction Management's projects reported as construction-in-progress for governmental activities and determined that $14.228 million did not qualify to be capitalized and should have been expensed in prior years. This resulted in a reduction of construction in progress and a corresponding adjustment to beginning net position in the government-wide Statement of Activities.

During fiscal year 2022, the Department of Transportation noted that reports used to calculate construction in progress were not complete. This resulted in an increase to the beginning balance of infrastructure of $336.907 million, a net increase in construction in progress of $809.130 million and an increase in beginning net position of $1.146 billion in the Statement of Activities for governmental activities.

Adjustments to capital assets beginning balances were as follows:

Capital Asset Beginning Balance Adjustments

(expressed in thousands)

Governmental Activities	Beginning Balance	Addition (Deletion) of Leased Assets	Construction in Progress / Infrastructure Corrections	Other Misc. Reclassifications	Beginning Balance as Adjusted
Land and Related Assets	$ 2,411,058	$ (134)	$ —	$ —	$ 2,410,924
Infrastructure	$ 15,067,888	$ —	$ 336,907	$ —	$ 15,404,795
Construction in Progress	$ 2,321,879	$ —	$ 794,902	$ —	$ 3,116,781
Leased Buildings	$ —	$ 201,882	$ —	$ —	$ 201,882
Buildings and Improvements	$ 2,465,584	$ (43,806)	$ —	$ —	$ 2,421,778
Machinery and Equipment	$ 548,989	$ (769)	$ —	$ —	$ 548,220
Leased Machinery and Equipment	$ —	$ 10,148		$ —	$ 10,148
Accumulated Depreciation/Amortization for Buildings and Improvements	$ (1,156,425)	$ 18,770	$ —	$ —	$ (1,137,655)
Accumulated Depreciation /Amortization for Machinery and Equipment	$ (334,964)	$ 768	$ —	$ —	$ (334,196)
Business-type Activities					
Construction in Progress	$ 2,709		$ —	$ 1,524	$ 4,233
Leased Buildings	$ —	$ 7,958	$ —	$ —	$ 7,958
Machinery and Equipment	$ 19,241	$ —	$ —	$ (1,404)	$ 17,837
Intangible Assets- Software	$ 4,152	$ —	$ —	$ 1,404	$ 5,556
Accumulated Depreciation/Amortization for Buildings and Improvements	$ (49,198)	$ —	$ —	$ (129)	$ (49,327)
Accumulated Depreciation/Amortization for Machinery and Equipment	$ (15,395)	$ —	$ —	$ 1,079	$ (14,316)
Accumulated Depreciation/Amortization for Intangible Assets- Software	$ (3,624)	$ —	$ —	$ (950)	$ (4,574)

As a result of evaluating funds for compliance with GASB 84, *Fiduciary Activities*, the State determined that various State agencies had State controlled escrow account cash balances totaling $180.274 million that were not recorded in the State's general ledger. These escrow accounts represent funds set aside for awarded grant and loans for unspent construction project costs, as well as to maintain and track contractor retainage payable and contractor deposits. The State determined that the portion of cash held in escrow accounts representing unspent grant funds was incorrectly reported as expenditures in prior years. This resulted in an increase of beginning fund balance of $47.357 million and $1.332 million in the General fund and Community Impact Loan fund (major proprietary fund), respectively, to correct this error. No other adjustments to beginning net position or fund balance were necessary to correctly record the escrow account activity.

During fiscal year 2022, management of the Office of the Attorney General reclassified a portion of services and employees to the Attorney General Legal Services (AGLS) Fund (internal service fund). As a result, the AGLS Fund was allocated a proportionate share of the State's net pension and OPEB liabilities in accordance with GASB statements 68 and 75. This resulted in a reduction of the fund's beginning net position of $3.110 million.

The Department of Alcoholic Beverage Services (major proprietary fund) recognized fiscal year 2021 software development costs of $1.524 million as construction-in-progress in fiscal year 2022. These costs were not properly capitalized in fiscal year 2021, which resulted in an adjustment to net position to correct this error.

After a review of the debt service related to the University of Utah (major discrete component unit) lease revenue bond, it was determined that a portion of the 2009E bond series was refinanced with the 2017 refunding series, and that the 2017 refunding portion had not been included as a lease receivable from the University. As a result, notes receivable and a corresponding deferred inflow of resources in the State Building Ownership Authority Debt Service Fund (nonmajor governmental fund) increased $15.985 million during fiscal year 2022 with no affect on beginning net position.

Other Changes

Surplus cash balances of State funds are maintained in the Public Treasurer's Investment Pool (PTIF). Various State entities also invest in the PTIF. In previous years, the State reported State funds' equity in the PTIF as cash equivalents or investments, depending on the fund type. Beginning fiscal year 2022, all State funds' equity in the PTIF are reported as "Pooled Cash and Investments" as described in Note 1 and Note 4.

During fiscal year 2022, the State reevaluated recent statue changes to the component unit criteria for the Utah Board of Higher Education (UBHE) and determined that UBHE should be included as a nonmajor discrete component unit.

In March 2022, the Student Assistance Programs (major enterprise fund) sold the Federal Family Education Loan Program (FFELP) portfolio that the Program administered. The Program is currently in the process of terminating operations and will transfer all remaining assets and liabilities to the Utah Board of of Higher Education (UBHE) on or before June 30, 2023. During fiscal year 2022, the Program transferred $14.706 million for administrative and office facility expenses to UBHE and $275.000 million for the creation of an endowment fund for Utah students.

The Student Assistance Program (major enterprise fund) recognized an impairment charge to operations of $558.902 million, which is the amount management determined was not realizable given plans to sell the loans at a price less than the outstanding principal and interest.

Special Item - National Opioids Settlement Revenue

In May of 2022, the State of Utah signed settlement agreements with the pharmaceutical distributors who manufactured and marketed opioids for $136.192 million to be received over 18 years with the first payment due in fiscal year 2023. Among other programs, these funds will be used to treat opioid use disorders, support people in treatment and recovery, help people who need help to get the help they need, and prevent misuse of opioids. The settlement agreements resolve the claims of the State for related lawsuits in federal and state courts. The State also recorded a related receivable for this settlement amount in the General Fund.

Related Party Transaction

During fiscal year 2022 the Utah School and Institutional Trust Lands Administration (SITLA) completed two land sales with the Department of Natural Resources (DNR). The first sale was a negotiated sale with the Division of State Parks for 3,270 acres of land to be included in the newly created Utahraptor State Park near the city of Moab. After soliciting competing offers and receiving none, SITLA sold the property for the appraised value of $6.377 million. The second sale was 8,107 acres of land located primarily in Cache County. Multiple parties expressed interest in the property, therefore it was offered via public auction. The Division of Wildlife Resources was the highest bidder in the auction. The sale price was $20.000 million, which exceeded the appraised value of the property.

Discrete Component Units

The University of Utah (major discrete component unit) implemented GASB Statement No. 87, *Leases*, which decreased beginning net position by $2.500 million. Additionally, a reevaluation of recognition of prior year gifts resulted in a decrease to beginning net position of $500 thousand.

Utah State University (major discrete component unit) implemented GASB Statement No. 87, *Leases*, and as a result, the University's beginning net position was decreased $81 thousand. As a lessee, the University has recorded a lease liability of $23.448 million and an intangible right-to-use lease asset of $22.978 million. As a lessor, the University has recorded a lease receivable of $15.574 million and a deferred inflow of resources of $15.321 million.

Due to a change in Capital Asset Policy in 2018, the Utah Transit Authority (UTA) (major discrete component unit) continues to make asset transfers during each biennial inventory to ensure assets reflect the current correct asset class definition per the policy. The net effect was a 20 percent increase in land

improvements.

UTA also performed an impairment analysis at the end of calendar year 2021 to identify any assets no longer being used for their intended purpose, out of service due to damage, or transit route changes. Accumulated deprecation was increased $10.035 million as a result of this review.

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits and investments for the primary government and its discrete component units are governed by the State's Money Management Act (MMA) (Title 51, Chapter 7 of the *Utah Code*) and rules of the State Money Management Council. However, the MMA also exempts certain funds that have a long time horizon to make investments of a long-term nature, such as equities and bond mutual funds. In the primary government these are the Trust Lands (permanent fund), State Endowment (nonmajor special revenue fund), Utah Navajo Trust (private purpose trust), Employers' Reinsurance Trust (major enterprise fund), Utah Educational Savings Plan Trust (private purpose trust), Pension Trust Funds (fiduciary funds), Post-Retirement Benefits Trust Funds (fiduciary funds), and Other Employee Benefits Trust Funds (fiduciary funds). The discrete component units exempt from the MMA are Public Employees Health Program and the Colleges' and Universities' endowment funds.

A. Primary Government

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the State's deposits may not be recovered. The MMA requires that deposits be in a qualified depository. It also defines a qualified depository as any financial institution whose deposits are insured by an agency of the federal government and that has been certified by the State Commissioner of Financial Institutions as having met the requirements of the MMA and adhering to the rules of the State Money Management Council.

Deposits with qualified depository institutions in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits are uninsured and uncollateralized. Deposits are neither collateralized nor are they required to be by State statute. The deposits for the primary government at June 30, 2022, including those of Utah Retirement Systems (URS) (pension trust and defined contribution plans) and Trust Lands (permanent fund), were $2.380 billion. These deposits are exposed to custodial credit risk as follows:

- $506.107 million were exposed to custodial credit risk as uninsured and uncollateralized.
- Exposure to custodial credit risk cannot be determined for $1.840 billion of the primary government deposits and are in FDIC-insured accounts that are held in trust by Utah Educational Savings Plan Trust (private purpose trust fund) at two banks. Funds in the FDIC-insured accounts are insured on a pass-through basis to each account owner at each bank up to $250 thousand. The amount of FDIC insurance provided to an account owner is based on the total of ***(1)*** the value of an account owner's investment in the FDIC-insured account at each bank plus, and ***(2)*** the value of other accounts held (if any) at each bank, as determined by the banks and by FDIC regulations. It is the account owner's responsibility to determine how investments in the FDIC-insured accounts would be aggregated with other investments at the banks for purposes of FDIC insurance coverage.

Investments

The MMA defines the types of securities authorized as appropriate investments and the conditions for making investment transactions. Public treasurers conduct investment transactions through qualified depositories, certified dealers, or directly with issuers of the investment securities. The Utah State Treasurer is exempt from the requirement to conduct investment transactions through a certified dealer.

The MMA authorizes investments in negotiable or nonnegotiable deposits of qualified depositories and permitted depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative instruments, issued by U.S. government-sponsored enterprises (U.S. Agencies), such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed-rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the MMA; the Utah Public Treasurers' Investment Fund; and negotiable brokered certificates of deposit and reciprocal deposits subject to rules of the State Money Management Council.

The Utah Educational Savings Plan Trust (private purpose trust) is permitted to invest in the Utah Public Treasurers' Investment Fund; mutual funds, securities, or other investments registered with the United State Securities and Exchange Commission (SEC); federally insured depository institutions; stable value products, including guaranteed investment contracts, guaranteed interest contracts, and guaranteed insurance contracts; and any investments that are determined by the board of directors of the Utah Educational Savings Plan to be appropriate and that would be authorized under the provisions of the MMA or Rule 2 of the State Money Management Council.

The Pension Trust Funds (fiduciary funds) administered by Utah Retirement Systems (URS) are governed by a seven-member Utah State Retirement Board (Board). The Board has statutory authority to pool pension assets in the Utah Retirement Investment Fund (Fund). Statutes also establish that this Fund will be invested in accordance with the "prudent person rule."

The Trust Lands Fund (permanent fund) is governed by a five-member School and Institutional Trust Fund Board of Trustees (Board). The Board has statutory authority to establish policies and investment philosophy for the management of the permanent fund assets consistent with the enabling act, the Utah Constitution, and other applicable state law. These are to optimize returns and increase the value of the permanent fund following the "prudent person rule."

The following funds are exempt from the MMA where the State Treasurer is responsible for investing with the primary goal of providing for the stability, income, and growth of principal following the "prudent person rule": State Endowment Fund (nonmajor special revenue fund), Post-Retirement Benefits Trust Funds and Other Employee Benefits Trust Funds (fiduciary funds), Utah Navajo Trust (private purpose trust fund), and Employers' Reinsurance Fund (major enterprise fund).

The primary government's investments at June 30, 2022, are presented below except those of the Pension Trust Funds administered by (URS) (fiduciary funds) and the Trust Lands Fund (permanent fund). The investments are presented at fair value and by investment type with debt securities presented by maturity.

Note 3.B. presents the investments of the Pension Trust Funds (fiduciary funds) administered by URS. URS investments are presented consistent with their separately issued financial statements by investment type.

Note 3.C. presents the investments of the Trust Lands Fund (permanent fund). Trust Lands investments are presented consistent with their separately issued financial statements by investment type.

Fair Value Measurements

The State categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Inputs are quoted prices for identical investments in active markets.
- Level 2: Observable inputs other than quoted market prices.
- Level 3: Unobservable inputs.

The following table presents the recurring fair value measurements at June 30, 2022, for the primary government, with the exception of URS and Trust Lands:

Primary Government
(except Utah Retirement Systems and Trust Lands)
Investments and Derivative Instruments Measured at Fair Value
At June 30, 2022
(expressed in thousands)

Investment Type	Fair Value	Fair Value Measurements Using Level 1	Level 2
Investments by Fair Value Level			
Debt Securities			
U.S. Treasuries	$ 3,473,990	$ 3,473,990	$ —
Corporate Debt	19,839,313	—	19,839,313
Money Market Mutual Funds	5,773,833	5,773,833	—
Bond Mutual Funds	4,695,290	4,695,290	—
Stable Value Funds	1,250,516	1,250,516	—
Total Debt Securities	35,032,942	15,193,629	19,839,313
Equity Securities			
Domestic Equity	8,201,368	8,201,368	—
International Equity	3,082,098	3,082,098	—
Total Equity Securities	11,283,466	11,283,466	0
Total Investments by Fair Value Level	46,316,408	$ 26,477,095	$ 19,839,313
Investments Measured at the Net Asset Value (NAV)			
Private Real Estate	24,017		
Private Debt	31,133		
Total Investments Measured at Fair Value	$ 46,371,558		

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Other debt securities classified in Level 2 are valued using the following approach:

- Corporate Bonds and Notes are valued using quoted prices for identical securities in markets that are not active.

Mutual funds classified in Level 1 are valued at the daily closing price as reported by the fund company.

Investments Measured at the Net Asset Value (NAV)

- **Private Real Estate** – The State Endowment (nonmajor governmental fund) and Post-Retirement Benefits Trust (pension and other employee benefit private purpose trust funds) have an investment in an open-end real estate fund measured at the NAV, with fair values of $11.944 million and $12.072 million, respectively. The fair values of the investments have been determined using the NAV per share (or its equivalent) of the fund's ownership interest in partners' capital.

  The real estate fund is structured as a limited partnership and invests in commercial real estate located in the United States. The fund invests in income-producing properties as well as properties that are near core properties with short-term challenges with the intent to sell the properties to core funds when the challenges have been addressed. The fund allows for quarterly redemptions with 90 days' notice subject to the discretion of the general partner based on the fund's liquidity position and other factors. If redemption requests are greater

than available cash, the redemptions are fulfilled on a pro-rata basis each quarter, until all redemption requests have been fulfilled.

- **Private Debt** – The State Endowment (nonmajor governmental fund) and Post-Retirement Benefits Trust (fiduciary funds-pension and other employee benefit trust funds) have an investment in an investment grade private debt strategy measured at the NAV, with fair values of $13.168 million and $8.523 million, respectively. The Utah Navajo Trust Fund (private purpose trust fund) and the Employers' Reinsurance Fund (major enterprise fund) also have an investment in an investment grade private debt strategy with fair values of $3.266 million and $5.359 million, respectively. The fair values of the investments have been determined using the NAV per share (or its equivalent) of the fund's ownership interest in partners' capital.

  The private debt fund invests primarily in debt securities issued by companies registered under the Investment Company Act. The fund has a one-year hard lock-up and 50% investor level gate. After the one-year lock-up redemptions requests are allowed semi-annually with 90 days written notice.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The following table presents the debt investments and maturities at June 30, 2022, for the primary government, with the exception of URS and Trust Lands.

Primary Government
(except Utah Retirement Systems and Trust Lands)
Debt Investments at Fair Value
At June 30, 2022
(expressed in thousands)

Investment Type	Fair Value	Investment Maturities (in years) Less Than 1	1-5	6-10	More Than 10
Debt Securities					
U.S. Treasuries	$ 3,473,990	$ 3,473,990	$ —	$ —	$ —
Corporate Debt	19,839,313	19,839,313	—	—	—
Money Market Mutual Funds	5,773,833	5,773,833	—	—	—
Bond Mutual Funds	4,695,290	—	57,010	4,638,280	
Stable Value Funds	1,250,516	—	1,250,516	—	—
Total	35,032,942	$29,087,136	$ 1,307,526	$ 4,638,280	$ 0
Discrete Component Units Investment in Primary Government's Investment Pool	(1,703,277)				
Total Debt Investments	$33,329,665				

The primary government's policy for managing interest rate risk, with the exception of URS and Trust Lands, is to comply with the Money Management Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed-rate negotiable deposits, and fixed-rate corporate obligations to 270 days – 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government-sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to five years. In addition, variable-rate negotiable deposits and variable-rate securities may not have a remaining term to final maturity exceeding three years.

The majority of the primary government's corporate debt securities are variable-rate securities, which adjust periodically to the prevailing market interest rates. Because these securities frequently reprice, interest rate risk is substantially reduced at each periodic reset date. In the table above, variable-rate securities are presented according to the length of time until the next reset date rather than the stated maturity.

In addition, significant funds with a long-term investment perspective have the following mix of investments:

Utah Educational Savings Plan Trust
Mix of Investments
At June 30, 2022
(expressed in thousands)

Investment Type	Amount	Percent of Total
Bond Mutual Funds	$ 4,222,048	25.44 %
Stable Value Funds	1,250,516	7.54 %
Domestic Equity	8,075,066	48.66 %
International Equity	3,040,556	18.32 %
Utah Public Treasurers' Investment Fund	7,819	0.05 %
Total Investments	$ 16,596,005	

Post-Retirement Benefits Trust Funds and Other Employee Benefits Trust Funds
Mix of Investments
At June 30, 2022
(expressed in thousands)

Investment Type	Amount	Percent of Total
Bond Mutual Funds	$ 216,195	87.78 %
Domestic Equity	5,147	2.09 %
International Equity	4,348	1.77 %
Private Real Estate	12,072	4.90 %
Private Debt	8,523	3.46 %
Total Investments	$ 246,285	

State Endowment Fund
Mix of Investments
At June 30, 2022
(expressed in thousands)

Investment Type	Amount	Percent of Total
Bond Mutual Funds	$ 115,645	41.00 %
Domestic Equity	103,856	36.82 %
International Equity	26,670	9.46 %
Private Real Estate	11,944	4.23 %
Private Debt	13,168	4.67 %
Utah Public Treasurers' Investment fund	10,781	3.82 %
Total Investments	$ 282,064	

Employers' Reinsurance Fund
Mix of Investments
At June 30, 2022
(expressed in thousands)

Investment Type	Amount	Percent of Total
Bond Mutual Funds	$ 115,546	83.98 %
Domestic Equity	10,406	7.56 %
International Equity	6,278	4.56 %
Private Debt	5,359	3.89 %
Total Investments	$ 137,589	

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The primary government, with the exception of URS and Trust Lands, follows the Money Management Act as previously discussed as its policy for reducing exposure to investment credit risk.

The primary government's rated debt investments as of June 30, 2022, with the exception of URS and Trust Lands, were rated by Standard and Poor's and/or an equivalent nationally recognized statistical rating organization and the ratings are presented below using the Standard and Poor's rating scale. Securities rated less than "A" met the investment criteria at the time of purchase.

Primary Government
(except Utah Retirement Systems and Trust Lands)
Debt Investments Quality Ratings
At June 30, 2022
(expressed in thousands)

		Quality Ratings			
Debt Investments	Fair Value	AA	A	BBB	Not Rated
Corporate Debt	$ 19,839,313	$ 1,998,912	$ 15,325,559	$ 2,514,842	$ —
Money Market Mutual Funds	5,773,833	—	—	—	5,773,833
Bond Mutual Funds	4,695,290	—	—	—	4,695,290
Stable Value Funds	1,250,516	—	—	—	1,250,516
Subtotal	31,558,952	$ 1,998,912	$ 15,325,559	$ 2,514,842	$ 11,719,639
U.S. Treasuries	3,473,990				
Total Debt Investments	$ 35,032,942				

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the State will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The primary government does not have a formal policy for custodial credit risk.

The primary government's investments at June 30, 2022, with the exception of URS and Trust Lands, were held by the State or in the State's name by the State's custodial banks.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

Except for URS and Trust Lands, the primary government's policy for reducing this risk of loss is to comply with the Rules of the State Money Management Council. Rule 17 of the State Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to between 5 and 10 percent depending upon the total dollar amount held in the portfolio. Such limitations do not apply to securities issued by the U.S. government and its agencies. The primary government had no debt securities investments at June 30, 2022, with more than 5 percent of the total investments in a single issuer.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The primary government, with the exception of URS and Trust Lands, does not have a formal policy to limit foreign currency risk. The following funds have investments in international equity funds, and as such, no foreign currency risk is presented:

(Table on next page)

At Primary Government
(except Utah Retirement Systems and Trust Lands
Foreign Currency Risk
At June 30, 2022
(expressed in thousands)

Fund	Amount
General Fund	$ 1,028
State Endowment Fund	26,670
Employers' Reinsurance Fund	6,278
Utah Educational Savings Plan Trust	3,040,556
Post-Retirement Benefits Trust Funds and Other Employee Benefits Trust Fund	4,348
Utah Navajo Trust	3,218
Total	$ 3,082,098

B. Primary Government – Utah Retirement Systems

Investments

The Utah Retirement Systems' and Plans' (URS) (pension trust and defined contribution plans) investments by type are presented below.

Utah Retirement Systems
(pension trust and defined contribution plans)
Investments at Fair Value
At December 31, 2021
(expressed in thousands)

Investment Type	Defined Benefit	Defined Contribution	Total All Systems and Plans
Short-term Securities Pools	$ 3,370,782	$ —	$ 3,370,782
Debt Securities	4,923,630	2,552,069	7,475,699
Equity Securities	16,618,677	6,080,643	22,699,320
Absolute Return	6,875,009	—	6,875,009
Private Equity	5,973,612	—	5,973,612
Real Assets	6,948,864	325,452	7,274,316
Investments Held by Broker-dealers under Securities Lending Program:			
Equity Securities	294,008	—	294,008
Debt Securities	533,098	—	533,098
Total	45,537,680	8,958,164	54,495,844
Securities Lending Collateral Pool	888,920	—	888,920
Total Investments	$46,426,600	$ 8,958,164	$55,384,764

URS value these investments in good faith at URS's pro-rata interest in the net assets of these investments based upon audited financial statements or other information provided to URS by the underlying investment managers. The estimated fair value of these investments may differ significantly from values that would have been used had a ready market existed.

Fair Value Measurements

URS categorizes the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements), as follows:

- Level 1: Unadjusted quoted prices for identical instruments in active markets.
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.
- Level 3: Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. URS's

assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Debt and debt derivative securities classified in Level 2 and Level 3 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Index linked debt securities are valued by multiplying the external market price feed by the applicable day's Index Ratio. Level 2 debt securities have non-proprietary information that was readily available to market participants, from multiple independent sources which are known to be actively involved in the market. Level 3 debt securities use proprietary information or single source pricing. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

Real assets classified in Level 1 are valued using prices quoted in active markets for those securities. Real assets classified in Level 3 are real estate investment generally valued using the income approach by internal manager reviews or independent external appraisers. URS's policy is to obtain an external appraisal a minimum of every three years for properties or portfolios where URS has some degree of control or discretion. In practice, some investments are appraised annually. Appraisals are performed by an independent appraiser with preference for Member Appraisal Institute (MAI) designated appraisers.

The appraisals are performed using generally accepted valuation approaches applicable to the property type. The valuation method for investments measured at the NAV per share (or its equivalent) is presented in the tables below. Synthetic guaranteed investment contracts that are fully benefit-responsive are measured at contract value and do not participate in fair value changes.

The following table shows the fair value leveling of the investments for URS:

Utah Retirement Systems
(pension trust and defined contribution plans)
Investments and Derivative Instruments Measured at Fair Value
At December 31, 2021
(expressed in thousands)

	Defined Benefit				Defined Contribution			
		Fair Value Measures Using				Fair Value Measures Using		
Investment Type	**Fair Value**	Quoted Prices in Active Markets for Identical Assets **Level 1**	Significant Other Observable Inputs **Level 2**	Significant Unobservable Inputs **Level 3**	**Fair Value**	Quoted Prices in Active Markets for Identical Assets **Level 1**	Significant Other Observable Inputs **Level 2**	Significant Unobservable Inputs **Level 3**
Investments by Fair Value Level								
Short-term Securities	$ 2,587,155	$ 52,469	$ 2,534,686	$ —	$ —	$ —	$ —	$ —
Debt Securities								
Asset-backed Securities	172,074	—	126,178	45,896	47,758	—	46,299	1,459
Commercial Mortgage-backed	131,326	—	118,215	13,111	4,433	—	4,373	60
Corporate Bonds	1,833,936	—	1,833,905	31	405,107	—	405,090	17
Funds – Other Fixed Income	45,283	—	29,704	15,579	98,955	—	98,955	—
Government Agencies	54,798	—	54,798	—	30,401	—	30,401	—
Government Bonds	1,200,803	—	1,200,803	—	464,167	—	464,167	—
Government Mortgage-backed Securities	796,719	—	765,637	31,082	377,171	—	344,175	32,996
Index-linked Government Bonds	1,201,284	—	1,201,284	—	119,172	—	119,172	—
Non-government Backed C.M.O.s	19,078	—	9,530	9,548	2,231	—	1,393	838
Total Debt Securities	5,455,301	0	5,340,054	115,247	1,549,395	0	1,514,025	35,370
Equity Investments								
Consumer Goods	3,411,831	3,410,747	17	1,067	685,001	685,001	—	—
Energy	491,699	491,685	—	14	60,289	60,289	—	—
Equity Other	661	259	—	402	360,448	360,448	—	—
Financials	1,833,694	1,833,119	83	492	296,032	296,032	—	—
Health Care	1,867,478	1,856,286	—	11,192	388,370	388,370	—	—
Industrials	1,893,044	1,892,375	9	660	234,802	234,802	—	—
Information Technology	3,018,468	3,018,395	—	73	1,074,419	1,074,419	—	—
Materials	632,768	632,320	—	448	55,239	55,214	25	—
Real Estate Investment Trusts	534,542	533,736	19	787	79,189	79,189	—	—

Continues

Utah Retirement Systems
(pension trust and defined contribution plans)
Investments and Derivative Instruments Measured at Fair Value
At December 31, 2021
(expressed in thousands)

	Defined Benefit				Defined Contribution			
		Fair Value Measures Using				Fair Value Measures Using		
Investment Type	**Fair Value**	Quoted Prices in Active Markets for Identical Assets **Level 1**	Significant Other Observable Inputs **Level 2**	Significant Unobservable Inputs **Level 3**	**Fair Value**	Quoted Prices in Active Markets for Identical Assets **Level 1**	Significant Other Observable Inputs **Level 2**	Significant Unobservable Inputs **Level 3**
Continued								
Telecommunication Services	1,145,587	1,145,587	—	—	380,864	380,864	—	—
Utilities	325,562	325,545	—	17	57,425	57,425	—	—
Total Equity Investments	15,155,334	15,140,054	128	15,152	3,672,078	3,672,053	25	0
Real Assets								
Real Estate	3,168,213	10,382	—	3,157,831	—	—	—	—
Total Real Assets	3,168,213	10,382	0	3,157,831	0	0	0	0
Total Investments by Fair Value Level	$ 26,366,003	$15,202,905	$ 7,874,868	$ 3,288,230	$ 5,221,473	$ 3,672,053	$ 1,514,050	$ 35,370
Investments Measured at the Net Asset Value (NAV)								
Short-Term Securities	$ 783,627				$ —			
Equity Investments								
Co-mingled Equity Fund	1,754,006				2,408,565			
Absolute Return								
Directional	2,071,669				—			
Equity Long/Short	223,561				—			
Event Driven	2,023,464				—			
Multistrategy	211,480				—			
Relative Value	480,147				—			
Plus	1,864,688				—			
Total Absolute Return Measured at the NAV	6,875,009				0			
Private Equity – Private Equity Partnerships	5,973,612				0			
Real Assets								
Co-mingled Real Estate Fund	—				325,452			
Agriculture	490,838				—			
Energy	1,166,657				—			
Minerals	383,921				—			
Infrastructure	156,527				—			
Real Estate	1,270,296				—			
Royalty	23,470				—			
Timber	288,942				—			
Total Real Assets Measured at the NAV	3,780,651				325,452			
Total Investments Measured at the NAV	19,166,905				2,734,017			
Total Investments Measured at Fair Value	$ 45,532,908				$ 7,955,490			
Synthetic Guaranteed Investments Contracts Measured at Contract Value	$ 0				$ 1,002,536			
Investment Derivative Instruments								
Short-term Securities – Options	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Debt Securities								
Options	48	48	—	—	2	—	2	—
Swaptions	(3,574)	—	(3,574)	—	(92)	—	(92)	—
Swaps	4,953	—	4,953	—	228	—	228	—
Total Debt Security Derivative Instruments	1,427	48	1,379	0	138	0	138	0
Equity Investments – Options	3,345	3,345	—	—	—	—	—	—
Total Investment Derivative Instruments	$ 4,772	$ 3,393	$ 1,379	$ 0	$ 138	$ 0	$ 138	$ 0
Invested Securities Lending Collateral								
Short-Term Securities	$ 132,904	$ 132,904	$ —	$ —	$ —	$ —	$ —	$ —
Debt Securities	121,428	60,539	50,286	10,603	—	—	—	—
Equity Investments	634,588	634,588	—	—	—	—	—	—
Total Invested Securities Lending Collateral	$ 888,920	$ 828,031	$ 50,286	$ 10,603	$ 0	$ 0	$ 0	$ 0

Investments Measured at the Net Asset Value (NAV)

The following table presents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the alternative investments measured at NAV.

Utah Retirement Systems
(pension trust and defined contribution plans)
Investments Measured at the Net Asset Value (NAV) — Defined Benefit
At December 31, 2021
(expressed in thousands)

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Short-term Securities – Beta/Overlays	$ 783,627	$ —	Daily	None
Equity Investments				
Co-mingled Equity fund	1,754,006	—	Daily	None
Total Equity Investments	1,754,006	0		
Absolute Return				
Directional	2,071,669	307	Monthly, quarterly	3–60 days
Equity Long/Short	223,561	—	Monthly, quarterly, annually	30–60 days
Event Driven	2,023,464	68,824	Monthly, quarterly, semi-annually, annually, bi-annually	45–120 days
Multistrategy	211,480	—	Monthly, quarterly, semi-annually, annually	45–90 days
Relative Value	480,147	31,042	Monthly, quarterly, semi-annually, annually	Not applicable
Plus	1,864,688	604,079	Not Applicable	30-90 days, N/A
Total Absolute Return	6,875,009	704,252		
Private Equity – Partnerships	5,973,612	558,817	Not eligible	N/A
Real Assets				
Agriculture	490,838	73,669	Not eligible	N/A
Energy	1,166,657	593,855	Not eligible	N/A
Minerals	383,921	229,892	Not eligible	N/A
Real Estate [1]	1,270,296	660,230	Not eligible	N/A
Royalty	23,470	—	Not eligible	N/A
Timber [1]	288,942	—	Not eligible	N/A
Infrastructure	156,527	232,029		
Total Real Assets	3,780,651	1,789,675		
Total Investments Measured at the NAV	$ 19,166,905	$ 3,052,744		

[1] See redemption descriptions for these investments under Real Estate and Timber Funds.

Defined Benefit

1. **Short-term Beta/Overlays.** This type consists of one pooled investment fund that invests in exchange traded short-term options and futures referencing equity indexes used for portfolio rebalancing. The fair values have been determined using the NAV per share of the investments.

2. **Commingled Equity Funds and Commingled Small Cap Fund.** This type consists of four institutional investment funds that invest in international equities, three funds that invest in domestic equities diversified across all sectors and one fund that invests in U.S. small cap equities. The fair values of the investments in these types have been determined using the NAV per share of the investments.

3. **Absolute Return Funds.** The fair values of the investments in this type have been determined using the NAV per share of the investments. Directional funds include investments in funds whose investments are more directional in nature although they can shift opportunistically between having a directional bias and a non-directional bias. Equity long/short funds include investments in nine funds in which the equity securities maintain some level of market exposure (either net long or net short); however the level of market exposure may vary through time. Event driven funds include investments in fourteen funds whose investments focus on identifying and analyzing securities that can benefit from the occurrence of an extraordinary corporate transaction or event (e.g.: restructurings, takeovers, mergers, spin-offs, bankruptcy, etc). One fund is in the process of redemption totaling $27.1 million over the next 2 to 10 years. Multi-strategy funds include investments in ten funds. Investments in these funds represent a mix of the other absolute return strategies. Two funds are in the process of redemption totaling $101.1 million over the next 1-5 years. Relative value funds include investments in thirteen funds. These funds seek returns by capitalizing on the mispricing of related securities or financial instruments. No other funds currently have redemption restrictions.

4. **Private Equity Partnerships.** This type includes investments in limited partnerships. Generally speaking, the types of partnership strategies included in this portfolio are buyouts, venture capital, growth equity, and special situations. These investments have an approximate life of 10 years and are considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnerships distributions are received as underlying partnership investments are realized. The majority of the private equity partnership investments are managed by two gatekeepers. Both gatekeepers manage discretionary accounts for URS. The gatekeepers and internal managers are required to manage the private equity portfolio in accordance with guidelines established by URS. The Systems have no plans to liquidate the total portfolio. As of

December 31, 2021, it is probable that all the investments in this type will be sold at an amount different from the NAV per share (or its equivalent) of the Systems ownership interest in partners' capital.

5. **Energy, Mineral, and Royalty Funds.** Investments in Energy consist of thirty-three private equity partnerships which invest primarily in oil and gas related investments. Mineral funds include ten private equity partnerships which invest in mineral mining equity securities, commodities and other mining investments. Royalty funds include two private equity partnerships which invest primarily in drug royalties. These investments have an approximate life of 10 years and are considered illiquid. Redemption restrictions are in place over the life of the partnership. During the life of the partnerships distributions are received as underlying partnership investments are realized. As of December 31, 2021, it is probable that all the investments in this type will be sold at an amount different from the NAV per share (or its equivalent) of the Systems' ownership interest in partners' capital. The fair values of these investments have been determined using estimates provided by the underlying partnerships using recent observable transactions information for similar investments.

6. **Real Estate and Timber Funds**. Real Estate type includes eighty-two investments which are invested primarily in apartments, industrial, office, specialty, and retail properties in the United States. Timber includes three funds which invest in timber related resources. Agriculture includes ten investments which operate in the production, processing, and distribution of high value foods. Investments in these types can never be redeemed with the funds. Instead, the nature of these investments are that distributions from each investment will be received as the underlying investments are liquidated. Because it is probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Systems' ownership interest in partners' capital.

Defined Contribution

Commingled Funds. The fair values of the investments in this type have been determined using the NAV per share of the investments. The commingled real estate fund is comprised of institutional quality commercial real estate across a broad range of real estate asset types. The other funds invest in securities indicative of their name.

Utah Retirement Systems
(pension trust and defined contribution plans)
Investments Measured at the Net Asset Value (NAV) — Defined Contribution
At December 31, 2021
(expressed in thousands)

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Equity Securities				
Co-mingled Large Cap Equity Fund	$ 2,408,565	$ —	Daily	None
Total Equity Securities	2,408,565	0		
Real Assets				
Co-mingled Real Estate Equity Fund	325,452	—	Quarterly	N/A
Total Real Asset	325,452	0		
Total Investments Measured at the NAV	$ 2,734,017	$ 0		

Interest Rate Risk

Utah Retirement Systems (URS) (pension trust and defined contribution plans) manages its exposure to fair value loss arising from increasing interest rates by complying with the following policy:

- For domestic debt securities managers, an individual debt securities investment manager's portfolio will have an effective duration between 75 and 125 percent of the effective duration of the appropriate index.
- The international debt securities investment managers will maintain an effective duration of their portfolio between 80 and 120 percent of the appropriate index.
- The global debt securities investment managers will maintain an effective duration of their portfolio between 75 and 125 percent of the appropriate index.
- The global debt inflation-linked debt securities investment managers will maintain an effective duration of their portfolio between 80 and 120 percent of the appropriate index.

Duration is a measure of a debt investment's exposure to fair value changes arising from changes in interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price.

URS compares an investment's effective duration against the Bloomberg Barclays US Aggregate Bond Index for domestic debt securities, the Bloomberg Barclays Global Aggregate Index (USD hedged) for global debt securities, and the Bloomberg Barclays World Government Inflation-Linked Investment Bond Index (USD hedged) for inflation-linked debt securities. The index duration range as of December 31, 2021, was 5.09 to 8.48 percent for domestic debt securities, 5.66 to 9.43 percent for global debt securities, and 9.78 to 14.66 percent for inflation-linked debt securities.

URS compares an investment's effective duration against the Bloomberg Barclays US Intermediate Aggregate Bond Index for domestic debt securities, the Bloomberg Barclays Global Aggregate ex-US Bond Index (USD hedged) for international debt securities, and the Bloomberg Barclays Global Inflation-Linked Bond Index 1-10 Year (USD hedged) for inflation-linked debt securities. The index duration range as of December 31, 2021, was 5.09 to 8.48 percent for domestic debt securities, 6.53 to 9.79 percent for international debt securities, and 3.90 to 5.84 percent for inflation-linked debt securities.

As of December 31, 2021, no individual debt securities investment manager's portfolio was outside of the policy guidelines except for one portfolio in the Systems that was 0.17 percent below its index duration range.

As of December 31, 2021, the following table shows the investments by investment type, amount, and the effective weighted duration.

Utah Retirement Systems
(pension trust and defined contribution plans)
Debt Securities Investments
At December 31, 2021
(dollars expressed in thousands)

	Defined Benefit Plans		Defined Contribution Plans		
Investment	Fair Value	Effective Weighed Duration	Fair Value	Effective Weighed Duration	Total All Systems and Plans
Asset-backed Securities	$ 172,074	2.48	$ 47,758	2.22	$ 219,832
Commercial Mortgage-backed	131,326	3.83	4,432	2.21	135,758
Corporate Bonds	1,833,936	4.24	405,107	6.84	2,239,043
Fixed Income Other	46,710	—	99,093	—	145,803
Government Agencies	54,798	6.56	30,401	7.51	85,199
Government Bonds	1,200,803	10.76	464,167	9.81	1,664,970
Government Mortgage-backed Securities	796,719	3.63	377,171	3.40	1,173,890
Index Linked Bonds	1,201,284	10.72	119,172	4.19	1,320,456
Non-government Backed C.M.O.s	19,078	3.29	2,232	2.86	21,310
Synthetic Guaranteed Investment Contracts – measured at contract value	—	—	1,002,536	—	1,002,536
Total Debt Securities Investments	$ 5,456,728	7.05	$ 2,552,069	5.81	$ 8,008,797

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, URS will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. URS does not have an investment policy regarding custodial credit risk. As of December 31, 2021, URS had $59.905 million of cash and cash equivalents exposed to custodial credit risk and $764.527 million of other assets where exposure to custodial credit risk is not determined. The $59.905 million frictional cash and cash equivalents subject to custodial credit risk are in foreign banks in URS's name. Because it is in foreign banks, it is subject to custodial credit risk. URS does not have an investment policy regarding custodial credit risk for frictional cash in foreign banks.

Concentration of Credit Risk

URS expects investment managers to maintain diversified portfolios by sector and by issuer using the following guidelines:

- **AAA/Aaa Debt Securities** – No more than 5 percent of an investment manager's assets at market with a single issuer.
- **AA-/Aa Debt Securities or higher** – No more than 4 percent of an investment manager's assets at market with a single issuer.
- **A-/A Debt Securities or higher** – No more than 3 percent of an investment manager's assets at market with a single issuer.
- **BBB-/Baa Debt Securities or higher** – No more than 2 percent of an investment manager's assets at market with a single issuer.
- **Debt Securities** – No individual holding will constitute more than 10 percent of the fair value of outstanding debt of a single issuer with the exception of the U.S. Government or its agencies, or collateralized mortgage obligations.

As of December 31, 2021, URS had no single issuer investments that exceeded the above guidelines.

Credit Risk of Debt Securities

URS expects its domestic debt securities investment managers to maintain diversified portfolios by sector and by issuer using the following guidelines:

- U.S. Government and Agency Securities – no restriction.
- Total portfolio quality will maintain a minimum overall rating of "A".
- Securities with a quality rating of below BBB- are considered below investment grade. No more than 5 percent of an investment manager's assets can be below investment grade and no more than 1 percent of an investment manager's assets can be with a single below investment grade issuer. No more than 15 percent of an investment manger's assets can be below investment grade.
- Upon approval, a domestic debt securities investment manager may invest up to 10 percent of the portfolio in non-U.S. dollar-denominated bonds.

The global debt securities investment managers may hold up to 25 percent of the fair value of their portfolios in securities rated below investment grade (below BBB-/Baa3). The remaining assets will have on average an investment grade rating. International debt securities investment managers may hold up to 20 percent of the fair value of their portfolios in securities rated below investment grade (below BBB-/Baa3). The remaining assets will have an investment grade rating.

URS's weighted quality rating average of the global debt securities, excluding pooled investments, as of December 31, 2021, was A+, and the fair value of below grade investments was $208.491 million or 2.60 percent.

The notation N/R represents those securities that are not rated, and N/A represents those securities for which the rating disclosure requirements are not applicable such as obligations of

the United States Government and obligations guaranteed by the United States Government.

The following table presents URS's credit risk ratings as of December 31, 2021:

Utah Retirement Systems
(pension trust and defined contribution plans)
Credit Risk of Debt Securities at Fair Value
At December 31, 2021
(expressed in thousands)

Defined Benefit Plans

Quality Rating	Total	Asset-backed	Commercial Mortgage-backed	Corporate Bonds	Fixed Income Other	Government Agencies	Government Bonds	Government Mortgage-backed	Index-linked Bonds	Non-Government Backed C.M.O.s
AAA	$ 147,796	$ 62,054	$ 36,810	$ 6,725	$ —	$ 8,682	$ 9,685	$ —	$ 22,045	$ 1,795
AA+	92,983	22	2,625	61,272	—	21,296	7,726	—	—	42
AA	24,517	2,494	2,194	11,056	—	6,402	2,371	—	—	—
AA-	156,729	3,081	1,281	146,829	—	528	3,568	—	—	1,442
A+	240,157	4,123	—	235,677	—	—	357	—	—	—
A	213,870	10,085	—	196,346	—	—	6,472	—	—	967
A-	439,026	—	2,833	435,841	—	—	352	—	—	—
BBB+	330,890	1,249	—	306,616	—	—	23,025	—	—	—
BBB	204,882	—	—	173,013	—	3,954	27,915	—	—	—
BBB-	147,281	—	—	141,038	—	—	6,232	—	—	11
BB+	35,888	26	—	21,100	—	2,071	12,660	—	—	31
BB	14,652	—	—	14,448	—	—	—	—	—	204
BB-	15,355	103	—	14,337	—	—	915	—	—	—
B+	6,656	—	—	5,790	—	—	866	—	—	—
B	5,130	—	—	4,295	—	—	768	—	—	67
B-	799	—	—	—	—	—	411	—	—	388
CCC	727	382	—	—	—	—	—	—	—	345
CCC-	439	439	—	—	—	—	—	—	—	—
D	149	149	—	—	—	—	—	—	—	—
NR	2,359,172	87,867	85,583	59,553	46,709	11,865	238,557	636,012	1,179,239	13,787
Subtotal	4,437,098	$ 172,074	$ 131,326	$1,833,936	$ 46,709	$ 54,798	$ 341,880	$ 636,012	$1,201,284	$ 19,079
N/A	1,019,630									
Total Debt Securities Investments	$ 5,456,728									

Defined Contribution Plans

Quality Rating	Total	Asset-backed	Commercial Mortgage-backed	Corporate Bonds	Fixed Income Other	Government Agencies	Government Bonds	Government Mortgage-backed	Index-linked Bonds	Non-Government Backed C.M.O.s
AAA	$ 16,391	$ 1,731	$ 299	$ 375	$ —	$ 2,215	$ 10,010	$ —	$ 1,407	$ 354
AA+	37,724	33,863	—	804	—	—	3,057	—	—	—
AA	1,866	—	—	—	—	1,866	—	—	—	—
AA-	6,145	1,238	—	4,180	—	—	727	—	—	—
A+	600	—	—	600	—	—	—	—	—	—
A	3,950	2,273	—	1,677	—	—	—	—	—	—
A-	31,828	—	—	31,828	—	—	—	—	—	—
BBB+	81,904	—	—	76,898	—	—	5,006	—	—	—
BBB	127,950	—	—	105,720	—	21,659	571	—	—	—
BBB-	52,810	—	—	51,772	—	—	1,038	—	—	—
BB+	61,254	—	—	59,474	—	521	1,259	—	—	—
BB	35,284	—	—	35,284	—	—	—	—	—	—
BB-	27,949	—	—	25,524	—	1,962	463	—	—	—
B+	2,744	—	—	2,355	—	—	389	—	—	—
B	166	—	—	—	—	—	166	—	—	—
B-	1,299	—	—	967	—	—	332	—	—	—
NR	15,966	—	—	—	—	—	9,412	—	6,554	—
Subtotal	505,830	$ 39,105	$ 299	$ 397,458	$ 0	$ 28,223	$ 32,430	0	$ 7,961	$ 354
N/A	1,043,703									
Synthetic Guaranteed Investment Contracts	1,002,536									
Total Debt Securities Investments	$ 2,552,069									

Foreign Currency Risk

URS expects the International Securities Investment Managers to maintain diversified portfolios by sector and by issuer using the following guidelines:

- International investment managers invest in fixed income instruments and equity instruments of corporations headquartered outside of the United States unless specifically authorized within the investment managers' contract.
- Domestic investment managers are allowed to invest in international corporations traded in American Depository Receipts (ADRs).
- Portfolios should be adequately diversified to limit foreign currency and security risk.

Risk of loss arises from changes in currency exchange rates. URS's exposure to foreign currency risk is shown in the table below.

Utah Retirement Systems
(pension trust and defined contribution plans)
Foreign Currency Risk
International Investment Securities at Fair Value

At December 31, 2021

(expressed in thousands)

	Defined Benefit Plans						Defined Contribution Plans			Total All Systems and Plans
Currency	Short-term	Debt	Equity	Absolute Return	Private Equity	Total	Debt	Equity	Total	
Australian dollar	$ 2,135	$ 21,673	$ 208,880	$ —	$ 1,377	$ 234,065	$ 40,514	$ 49,299	$ 89,813	$ 323,878
Brazilian real	576	—	131,321	—	—	131,897	—	—	—	131,897
British pound sterling	5,444	392,471	767,991	39,352	45,032	1,250,290	19,093	113,606	132,699	1,382,989
Canadian dollar	2,135	45,986	582,624	—	—	630,745	15,356	76,357	91,713	722,458
Chilean peso	326	—	19,875	—	—	20,201	—	1,231	1,231	21,432
Chinese yuan renminbi	308	31,009	104,515	—	—	135,832	6,032	85,768	91,800	227,632
Colombian peso	93	—	2,834	18,279	—	21,206	—	520	520	21,726
Czech koruna	95	—	1,119	—	—	1,214	—	371	371	1,585
Danish krone	164	3,165	53,793	—	—	57,122	498	17,043	17,541	74,663
Egyptian pound	—	—	1,135		—	1,135	—	333	333	1,468
Euro	20,394	472,365	1,434,400	477,518	277,473	2,682,150	139,747	210,422	350,169	3,032,319
Hong Kong dollar	605	—	761,741	—	—	762,346	12,877	17,676	30,553	792,899
Hungarian forint	22	—	25,501	—	—	25,523	—	622	622	26,145
Indian rupee	652	—	150,824	—	—	151,476	—	38,359	38,359	189,835
Indonesian rupiah	13	—	17,305	—	—	17,318	—	4,402	4,402	21,720
Japanese yen	4,397	85,737	1,171,100	—	—	1,261,234	68,845	155,195	224,040	1,485,274
Kuwaiti dinar	201	—	8,954	—	—	9,155	—	1,904	1,904	11,059
Malaysian ringgit	89	1,871	37,483	—	—	39,443	902	4,601	5,503	44,946
Mexican peso	433	10,404	92,134	41,769	—	144,740	4,401	5,865	10,266	155,006
Moroccan dirham	18	—	—	—	—	18	—	—	—	18
New Israeli shekel	194	—	21,094	—	—	21,288	—	7,157	7,157	28,445
New Romanian leu	99	—	615	—	—	714	—	—	—	714
New Taiwan dollar	422	—	217,767	—	—	218,189	—	49,359	49,359	267,548
New Zealand dollar	264	15,528	9,446	—	—	25,238	1,521	2,213	3,734	28,972
Norwegian krone	310	—	29,975	—	—	30,285	—	6,276	6,276	36,561
Pakistani rupee	—	—	—	—	—	—	—	3	3	3
Peruvian nuevo sol	21	—	—	—	—	21	—	521	521	542
Philippine peso	10	—	50,544	—	—	50,554	—	2,169	2,169	52,723
Polish zloty	114	—	52,342	—	—	52,456	—	2,400	2,400	54,856
Qatar riyal	—	—	—	—	—	—	—	2,307	2,307	2,307
Russian ruble	—	11,499	22,748	—	—	34,247	5,366	9,600	14,966	49,213
Saudi riyal	378	—	39,586	—	—	39,964	—	9,353	9,353	49,317
Singapore dollar	1,455	—	42,478	—	—	43,933	—	8,842	8,842	52,775
South African rand	489	—	54,013	—	—	54,502	—	9,484	9,484	63,986
South Korean won	1,772	10,551	211,864	—	—	224,187	7,681	38,929	46,610	270,797
Swedish krona	1,086	7,219	208,056	—	—	216,361	2,361	30,003	32,364	248,725
Swiss franc	469	—	352,623	13,584	—	366,676	—	64,308	64,308	430,984
Thai baht	42	5,944	34,755		—	40,741	3,439	5,650	9,089	49,830
Turkish lira	481	—	19,254	—	—	19,735	—	1,005	1,005	20,740
United Arab Emirates dirham	128	—	14,195	—	—	14,323	—	3,143	3,143	17,466
Total Securities Subject to Foreign Currency Risk	$ 45,834	$ 1,115,422	$ 6,954,884	$ 590,502	$ 323,882	$ 9,030,524	$ 328,633	$1,036,296	$1,364,929	$ 10,395,453

C. Primary Government – Trust Lands

Investments

Trust Lands' (permanent fund) investments by type are presented below:

Trust Lands
(permanent fund)
Investments at Fair Value
June 30, 2022
(expressed in thousands)

Investment Category	Fair Value (with accruals)
Growth	$ 1,210,971
Real Assets	560,057
Income	822,398
Defensive	428,548
Total Investments	$ 3,021,974

Trust Lands investment securities are stated at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date. Purchase and sale transactions are recorded on the trade date.

Fair Value Measurements

Trust Lands measures and records investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted Prices in Active Markets for Identical Assets.
- Level 2: Significant Other Observable Inputs.
- Level 3: Significant Unobservable Inputs.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Securities (cash, debt and equity securities, including registered investment companies/mutual funds with daily liquidity holding such securities) in the Investment Thematic categories classified in Level 1 are valued using prices quoted in active markets for those securities.

Securities (debt and equity securities, including derivative instruments and Trust Lands' proportionate share of securities held in commingled vehicles with regular liquidity which hold such securities) in the Investment Thematic categories classified in Level 2 are valued using the following approaches: Mid Evaluation, Bid Evaluation and Theory (a theoretical price calculated by applying a standardized formula to derive a price from a related security).

Securities (debt and equity securities, including derivative securities and the Trust Lands' proportionate share of securities held in commingled vehicles with regular liquidity holding such securities) in the Investment Thematic categories classified in Level 3 are valued using the following approaches: Bid Evaluation and other pricing indications which may be unobservable or with limited volume. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Debt securities classified in Level 3 are valued and priced using proprietary information, single source pricing and/or may have nominal value. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. Trust Lands has determined the fair value of these investments using the NAV per share of the investments (or its equivalent) as reported in current period audited statements of the manager, prior period audited statements of the manager adjusted for subsequent calls and distributions, current period unaudited statements or estimates provided by the underlying investments using recent observable transaction information for similar investments. The objectives and valuation approach for investments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient are more fully described below.

(Notes continue on next page.)

At June 30, 2022, Trust Lands had the following recurring fair value measurements:

Trust Lands
(permanent fund)
Investments Measured at Fair Value
June 30, 2022
(*expressed in thousands)*

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Investments by Fair Value Level				
Growth				
US Equity	$ 306,011	$ 305,979	$ —	$ 32
International Equity	478,338	477,755	13	570
Total Growth	784,349	783,734	13	602
Real Assets				
Public Real Assets	184,220	184,154	66	—
Total Real Assets	184,220	184,154	66	0
Income				
Credit	125,791	64,722	56,171	4,898
Securitized	31,003	31,003	—	—
Non-U.S.	41,123	41,123	—	—
Total Income	197,917	136,848	56,171	4,898
Defensive				
Long US Treasury	74,388	70,275	4,113	—
Cash and Cash Equivalents	52,664	52,684	(20)	—
TIPS	82,788	82,788	—	—
Total Defensive	209,840	205,747	4,093	0
Total Investments by Fair Value Level	1,376,326	$ 1,310,483	$ 60,343	$ 5,500
Investments Measured at the Net Asset Value (NAV)				
Growth				
International Equity	117,087			
Private Equity	309,535			
Real Assets				
Public Real Assets	76,110			
Private Real Estate	158,829			
Private Real Assets	140,898			
Income				
Credit	70,067			
Securitized	161,930			
Non-US	59,510			
Insurance-Linked Securities	106,393			
Private Debt	226,581			
Defensive				
Systematic Convexity	218,708			
Total Investments Measured at the NAV	1,645,648			
Total Investments Measured at Fair Value	$ 3,021,974			

(Notes continue on next page.)

Investments Measured at Net Asset Value (NAV)

The following table presents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the alternative investments measured at NAV.

Trust Lands
(permanent fund)
Investments Measured at Net Asset Value (NAV)
June 30, 2022
(expressed in thousands)

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Growth				
International Equity	$ 117,087	$ —	30-90 Days	90 Days
Private Equity	309,535	169,928	Limited	N/A
Total Growth	426,622	169,928		
Real Assets				
Public Real Assets	76,110	—	90 Days	60 Days
Private Real Estate	158,829	118,384	Limited	N/A
Private Real Assets	140,898	98,131	Limited	N/A
Total Real Assets	375,837	216,515		
Income				
Credit	70,067	—	Quarterly-Semiannually	60-180 Days
Securitized	161,930	—	Monthly - Quarterly	30-90 Days; 25% gate
Non-US	59,510	—	Monthly - Quarterly	45-60 Days
Insurance-Linked Securities	106,393	5,321	Quarterly-Semiannually, Limited	30-180 Days, N/A
Private Debt	226,581	98,459	Limited	N/A
Total Income	624,481	103,780		
Defensive				
Systematic Convexity	218,708	—	5 Days	4 Days (30% investor gate)
Total Defensive	218,708	0		
Total Investments Measured at NAV	$ 1,645,648	$ 490,223		

The description of underlying holdings and valuation methodologies for investments measured at the NAV, detailed above, are described further as follows:

Growth - International Equity: Consists of two (2) investments in a limited partnership with equity investments and one (1) investment in units of a pooled investment fund. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Trust Funds' investments held or ownership interest in partners' capital.

Growth - Private Equity: Consists of thirty-six (36) investments in private equity limited partnerships. Generally speaking, the types of strategies included in this portfolio include venture capital, growth equity, buyouts, and secondaries. These investment commitments were made in 2016 onwards and have an approximate life in excess of 10 years and are considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnership, distributions are received as underlying partnership investments are realized. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2022, it is probable that all the investments in this type would be sold at an amount different from the NAV per share (or its equivalent) of Trust Lands' ownership interest in partners' capital.

Real Assets – Private Real Estate: Consists of fifteen (15) investments in private real estate limited partnerships. Generally speaking, the types of strategies included in this portfolio include value added and opportunistic property interests. These investment commitments were made over a period ranging from 2008 onwards and have an approximate life in excess of 10 years and are therefore considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnership, distributions are received as underlying partnership investments are realized. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2022, it is probable that all the investments in this type would be sold at an amount different from the NAV per share (or its equivalent) of Trust Funds' ownership interest in partners' capital.

Real Assets - Private Real Assets: Consists of twenty-three (23) investments in limited partnerships. Generally speaking, the types of strategies included in this portfolio include infrastructure/ power generation, farmland and opportunistic natural resource investments, including co-investments. These investment commitments were made over a period ranging from 2016 onwards and have an approximate life in excess of 10 years and are therefore considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnership, distributions are received as underlying partnership investments are realized or co-investment holdings are sold. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2022, it is probable that all the investments in this type would be sold at an amount different from the NAV per share (or its equivalent) of Trust Lands' ownership interest in partners' capital.

Real Assets - Public Real Assets: Consists of one (1) investment in a pooled investment fund with a focus on real estate property and property income. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Trust Funds' investments ownership interest in partners' capital.

Income - Credit: Consists of three (3) investments in a limited partnership with underlying credit/securitized fixed income investments and associated investments. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Trust Funds' ownership interest in partners' capital.

Income – Securitized: Consists of four (4) investments in limited partnerships with underlying lower-quality credit/securitized fixed income investments and associated strategies. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Trust Funds' ownership interest in partners' capital.

Income – Non US: Consists of two (2) investment in a limited partnership with underlying global derivatives and associated strategies. The fair value of the investment in this type have been determined using the NAV per share (or its equivalent) of the Trust Funds' ownership interest in partners' capital.

Income – Insurance-Linked Securities: Consists of eight (8) investments in limited partnerships with underlying insurance linked securities investments and associated strategies. The fair value of the investment in this type have been determined using the NAV per share (or its equivalent) of the Trust Funds' ownership interest in partners' capital.

Income - Private Debt: Consists of twenty-two (22) investments in limited partnerships. Generally speaking, the types of strategies included in this portfolio include securitized credit, asset backed/ collateralized loan obligation, mezzanine debt and equity, distressed debt/special situations, co-investments and related investments. These investment commitments were made over a period ranging from 2016 onwards and have an approximate life, including lock-ups of three to nearly ten years and are therefore considered illiquid. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2022, it is probable that all the investments in this type would be sold at an amount different from the NAV per share (or its equivalent) of Trust Lands' ownership interest in partners' capital.

Defensive - Systematic Convexity: Consists of one (1) investment in a limited partnership with underlying investments in Commodity Trading Advisor/Systematic Convexity and associated investment strategies. The fair values of the investments in this type has been determined using the NAV per share (or its equivalent) of the Trust Funds' investments held or ownership interest in partners' capital.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Trust Lands manages the exposure to fair value loss arising from increasing interest rates through prudent deployment, management, and oversight of investments with exposure to interest rate sensitivity. Trust Lands does not have a formal policy for interest rate risk.

As of June 30, 2022, Trust Lands' debt security investments (including the underlying portfolios of indirectly held investments, where available) had the following weighted average maturities:

Trust Lands
(permanent fund)
Debt Securities Investments
June 30, 2022
(*dollars expressed in thousands*)

Investment Category	Fair Value	Weighted Average Maturity (Years)
Asset Backed Securities	$ 4,863	11.45
Bank Loans	20,442	5.29
Commercial Mortgage-Backed	99	0.30
Corporate Bonds	29,738	10.84
Corporate Convertible Bonds	4,461	18.20
Funds – Corporate Bond	31,003	4.84
Funds – Government Bond	40,989	4.86
Funds – Short Term Investments	49,321	1.16
Government Bonds	49,132	24.88
Index Linked Government Bonds	81,878	2.57
Funds – Other Fixed Income	45,203	4.33
Other Fixed Income	15,105	0.18
Total Debt Securities Investments	$ 372,234	6.80

As of June 30, 2022, Trust Lands held $363.469 million in eleven (11) investments with a fixed income (or related) investment emphasis for which Weighted Average Maturity details were unavailable and not evaluated. These investments included Bank Loan investment funds with other assets held, and hedge fund strategies.

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Trust Lands manages the exposure to fair value loss arising from credit risk through prudent deployment, management, and oversight of investments. Trust Lands does not have a formal policy for credit risk.

As of June 30, 2022, the fair value of Trust Lands' debt security investments with exposure to credit risk had the following credit quality ratings (S&P rating is primary, if not available or not rated by S&P, corresponding Moody's rating is substituted).

(Table on next page)

Trust Lands
(permanent fund)
Credit Risk of Debt Securities at Fair Value
June 30, 2022
(expressed in thousands)

Quality Rating	Total	AAA	AA	A	BBB	BB	B	CCC	NR
Asset Backed Securities	$ 4,863	$ —	$ 1,376	$ 972	$ 1,110	$ —	$ —	$ —	$ 1,405
Bank Loans	20,442	—	—	—	318	4,672	11,201	194	4,057
Commercial Mortgage-Backed	99	—	—	99	—	—	—	—	—
Corporate Bonds	29,738	—	892	4,344	10,568	6,196	6,088	1,399	251
Corporate Convertible Bonds	4,461	—	—	30	59	1,328	1,101	—	1,943
Funds – Corporate Bond	31,003	—	—	—	—	—	—	—	31,003
Funds – Government Bond	40,989	—	—	—	—	—	—	—	40,989
Funds –Short Term Investment	49,321	—	—	—	—	—	—	—	49,321
Government Bonds	311	—	311	—	—	—	—	—	—
Index Linked Government Bonds	81,878	81,878	—	—	—	—	—	—	—
Funds – Other Fixed Income	45,203	—	—	—	—	—	—	—	45,203
Other Fixed Income	15,105	—	—	—	—	—	—	—	15,105
Subtotal	323,413	$ 81,878	$ 2,579	$ 5,445	$ 12,055	$ 12,196	$ 18,390	$ 1,593	$189,277
U.S. Treasuries	48,821								
Total Debt Securities	$ 372,234								

* As of June 30, 2022, the Trust Funds held $33.851 million in the Northern Trust Institutional Funds Treasury Portfolio - Premier Class, an AAAm rated money market fund.

Custodial Credit

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, Trust Lands will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Trust Lands does not have a formal policy for custodial credit risk. Investments are registered investments or held by Trust Lands, or by Trust Land's agent in Trust Land's name. The State Treasurer is the custodian of investments of Trust Lands, and the investments are held under a custodial safekeeping agreement with the Northern Trust Company.

As of June 30, 2022, the following investments, including accrued income/expense, have custodial credit risk:

- Cash and Cash Equivalents – The $1.234 million frictional cash and cash equivalents subject to custodial credit risk are in foreign banks in the Trust Lands' name. Because it is in foreign banks, it is subject to custodial credit risk. Trust Lands does not have an investment policy regarding custodial credit risk for frictional cash in foreign banks.
- Other Assets – The $501.263 million other assets represent the investments, including accrued income/expense, that have custodial credit risk which has not been determined.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Trust Lands manages exposure to fair value loss arising from concentrations of credit risk through prudent deployment, management, and oversight of investments. Trust Lands does not have a formal policy for concentrations of credit risk. As of June 30, 2022, Trust Lands does not hold any credit positions exceeding 5.00 percent of the total portfolio.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. Trust Lands manages exposure to fair value loss arising from foreign currency risk through prudent deployment, management, and oversight of investments. The Trust Lands does not have a formal policy for foreign currency risk.

(Notes continue on next page.)

Trust Lands' exposure to foreign currency (inclusive of pending foreign exchange purchases and sales) as of June 30, 2022, is as follows:

Trust Lands
(permanent fund)
Foreign Currency Risk
June 30, 2022
(*expressed in thousands*)

Currency	Alternative Investments	Debt	Short-term	Equity	Total
Australian dollar	$ —	$ —	$ 69	$ 15,609	$ 15,678
British pound sterling	—	225	(192)	16,608	16,641
Canadian dollar	—	—	467	7,289	7,756
Chinese yuan renminbi	—	—	13	7,280	7,293
Danish krone	—	—	48	3,996	4,044
Euro	56,843	901	62	68,389	126,195
HK offshore Chinese Yuan Renminbi	—	—	43	10,954	10,997
Hong Kong dollar	—	—	62	9,080	9,142
Japanese yen	—	—	189	23,875	24,064
New Israeli shekel	—	—	17	3,416	3,433
New Zealand dollar	—	—	4	1,785	1,789
Norwegian krone	—	—	17	3,998	4,015
Singapore dollar	—	—	137	3,568	3,705
Swedish krona	—	—	28	7,943	7,971
Swiss franc	—	—	283	16,519	16,802
Total Securities Subject to Foreign Currency Risk	$ 56,843	$ 1,126	$ 1,247	$ 200,309	$ 259,525

D. Discrete Component Units

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the discrete component units' deposits may not be recovered.

The discrete component units follow the Utah Money Management Act by making deposits only in qualified depository institutions or in foreign depository institutions in accordance with rules of the State Money Management Council. Deposits with qualified depository institutions in excess of FDIC insurance limits amount are uninsured and uncollateralized. Deposits are neither collateralized nor are they required to be by state statute. The deposits for the discrete component units at June 30, 2022, were $463.570 million. Of these, $390.284 million were exposed to custodial credit risk as uninsured and uncollateralized and $59.941 million were exposed to custodial credit risk as uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the discrete component units' names.

Investments

The discrete component units follow the applicable investing criteria described above for the primary government, with the exception of the Public Employees Health Program, which is exempt from the Money Management Act.

The Public Employees Health Program is administered by the Utah State Retirement Board (Board). Investments are in accordance with the "prudent person rule."

College and university funds from gifts, private grants, and the corpus of funds functioning as endowments are invested according to the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Utah Board of Higher Education Management and Reporting of Institutional Investments (Rule 541), or separate endowment investment policies, which have been approved by their Board of Trustees and by the Utah Board of Higher Education. The UPMIFA and Rule 541 allow the colleges and universities to invest endowment funds (including gifts, devises, or bequests of property of any kind from any source) in any investments allowed by the Money Management Act or any of the following subject to satisfying certain criteria: mutual funds registered with the Securities and Exchange Commission; investments sponsored by the Common Fund; any investment made in accordance with the donor's directions in a written instrument; investments in corporate stock listed on a major exchange (direct ownership); and any alternative investment funds that derive returns primarily from high yield and distressed debt (hedged or non-hedged), private capital (including venture capital and private equity), natural resources, and private real estate assets or absolute return and long/short hedge funds.

The discrete component units' investments at June 30, 2022, are presented on the next page. The investments are presented at fair value and by investment type with debt securities presented by maturity.

Fair Value Measurements

The State categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These guidelines recognize a three-tiered hierarchy as follows:

- Level 1: Inputs are quoted prices for identical investments in active markets.
- Level 2: Observable inputs other than quoted market prices.
- Level 3: Unobservable inputs.

The following table presents the recurring fair value measurements at June 30, 2022, for the discrete component units:

Discrete Component Units Debt Securities Investments
Investments and Derivative Instruments Measured at Fair Value

At June 30, 2022

(expressed in thousands)

		Fair Value Measurements Using		
	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level				
Debt Securities				
U.S. Treasuries	$ 866,077	$ 5,213	$ 860,864	$ —
U.S. Agencies	2,213,320	250	2,213,070	—
Government Mortgage-backed Securities	127,176	—	110,081	17,095
Corporate Debt	686,114	—	686,099	15
Commercial Paper	1,998	1,998	—	—
Negotiable Certificates of Deposit	14,437	—	14,437	—
Money Market Mutual Funds	442,146	128,096	314,050	—
Municipal/Public Bonds	20,538	—	20,538	—
Asset-backed Securities	17,321	—	17,321	—
Bond Mutual Funds	266,948	15,980	216,969	33,999
Exchange Traded Products	9,000	—	9,000	—
Non-government-backed CMOs	192	—	192	—
Utah Public Treasurers' Investment Fund	1,703,277	—	1,703,277	—
Total Debt Securities	6,368,544	151,537	6,165,898	51,109
Equity Securities				
Domestic Equity	862,597	14,995	780,260	67,342
Equity Securities	119,226	107,896	2,176	9,154
Total Equity Securities	981,823	122,891	782,436	76,496
Other Investments				
Real Estate	7,378	—	—	7,378
Total Other Investments	7,378	0	0	7,378
Total Investments by Fair Value Level	7,357,745	$ 274,428	$ 6,948,334	$ 134,983
Investments Measured at the Net Asset Value (NAV)				
Core Real Estate	4,084			
Credit Sensitive Fixed Income	90,935			
Diversifying Strategies	204,217			
Environment Sustainability	485			
Global Distressed	19			
Hedge Funds	85,639			
Natural Resource Partners	—			
Other Real Assets	120,667			
Private Equity	95,622			
Private Equity Core Real Estate	9,278			
Private Equity Natural Resources	14,226			
Private Equity Partnerships	34,032			
Private Equity Real Estate	27,304			
Private Infrastructure	11,437			
Private Real Estate	11,176			
Real Estate Opportunity	3,505			
Secondary Partners	5,127			
Venture Capital Funds	141,708			
Total Investments Measured at the NAV	859,461			
Total Investments Measured at Fair Value	$ 8,217,206			
Invested Securities Lending Collateral				
Debt Securities	$ 749	$ 0	$ 749	$ 0

Debt securities and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

The domestic equity securities in Level 1 are valued using prices provided by the fund company.

Securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries and U.S. Agencies are valued using quoted prices for identical securities in markets that are not active or using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices.
- Corporate Debt, Municipal/Public Bonds, Negotiable Certificates of Deposit, Exchange Trade Products, and Equity Securities are valued using quoted prices for similar securities in active markets.
- Money Market Mutual Funds, Bond Mutual Funds, and Domestic Equity Funds are valued using published fair value per share (unit) for each fund.
- Government Mortgage-backed securities, Non-Government Backed collateralized mortgage obligations (CMOs), and Asset-backed Securities are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices.
- Utah Public Treasurers' Investment Funds are valued using the application of the June 30, 2022, fair value factor, as calculated by the Utah State Treasurer, to the June 30, 2022 balance.

Debt Securities Lending Collateral classified in Level 2 are valued using market approaches that consider, as applicable, benchmark interest rates or foreign exchange rates.

Securities classified in Level 3 are valued using the following approaches:

- Government Mortgage-backed are valued using discounted cash flow techniques.
- Corporate Debt are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices.
- Bond Mutual Funds, Domestic Equity, and Equity Securities (namely common and preferred stocks) are valued manually using various sources such as issuer, investment manager, client, etc., or default price if price is not provided.
- Real Estate is valued using current real estate market values.

Investments Measured at the Net Asset Value (NAV)

In order to mitigate market volatility and provide diversification to traditional investments, the State's colleges and universities, (discrete component units), have opted to invest portions of their portfolios in alternative assets, including private capital. Private capital partnerships utilize investments strategies that focus on managers who buy and sell privately owned companies. The fair values of these "alternative investments" are measured at the NAV per share (or its equivalent) as they generally do not have readily obtainable fair values and often take the form of limited partnerships. The NAV is based on the values provided by the partnerships as well as their audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent capital calls and distributions. The following table presents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the alternative investments measured at NAV:

Discrete Component Units Debt Securities
Investments Measured at the Net Asset Value (NAV)
At June 30, 2022
(*expressed in thousands*)

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Core Real Estate	$ 4,084	$ —	N/A	N/A
Credit Sensitive Fixed Income	90,935	20,886	Quarterly	90 days
Diversifying Strategies	204,217	—	Daily, quarterly, annually	0 – 90 Days
Global Distressed	19	76	N/A	N/A
Hedge Funds	14,884	1,513	Quarterly	100 Days
Hedge Funds	7,869	—	Daily, monthly, quarterly	1 – 90 Days
Hedge Funds	62,886	—	Monthly, quarterly	30 – 75 Days
Other Real Assets	120,667	43,146	N/A	N/A
Private Equity	95,622	21,771	N/A	N/A
Private Equity Core Real Estate	9,278	—	Quarterly	60 – 90 Days
Private Equity Natural Resources	14,226	3,753	N/A	N/A
Private Equity Partnerships	1,111	—	Quarterly	45 – 60 Days
Private Equity Partnerships	32,921	26,262	N/A	N/A
Private Equity Real Estate	27,304	9,900	N/A	N/A
Private Infrastructure	11,437	7,583	N/A	N/A
Private Real Estate	11,176	3,732	N/A	N/A
Real Estate Opportunity	3,505	7,210	N/A	N/A
Secondary Partners	5,127	3,913	N/A	N/A
Venture Capital Funds	141,708	42,989	N/A	N/A
Environmental Sustainability	485	1,800	N/A	N/A
Total Investments Measured at NAV	$ 859,461	$ 194,534		

Interest Rate Risk

The following table presents the debt investments and maturities at June 30, 2022, for the discrete component units.

Discrete Component Units
Debt Investments at Fair Value
At June 30, 2022
(expressed in thousands)

Investment Type	Fair Value	Investment Maturities (in years)				
		Less Than 1	1-5	6-10	11-20	More Than 20
U.S. Treasuries	$ 866,077	$ 559,241	$ 277,496	$ 28,088	$ 1,252	$ —
U.S. Agencies	2,213,320	933,300	700,266	561,485	18,269	—
Government Mortgage-backed Securities	127,176	5	369	2,351	6,916	117,535
Corporate Debt	686,114	220,833	324,687	71,679	68,915	—
Commercial Paper	1,998	1,998	—	—	—	—
Negotiable Certificates of Deposit	14,437	249	14,188	—	—	—
Money Market Mutual Funds	442,146	442,146	—	—	—	—
Municipal/Public Bonds	20,538	2,170	7,138	2,540	8,690	—
Asset-backed Securities	17,321	—	46	—	17,275	—
Bond Mutual Funds	266,948	37,718	69,087	157,397	2,746	—
Exchange Traded Securities	9,000	—	532	892	7,576	—
Non-government-backed CMOs	192	—	—	—		192
Securities Lending Cash Collateral Pool	749	749	—	—	—	—
Utah Public Treasurers' Investment Fund	1,703,277	1,703,277	—	—	—	—
Total Debt Investments	$ 6,369,293	$ 3,901,686	$ 1,393,809	$ 824,432	$ 131,639	$ 117,727

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The discrete component units' policy in general for managing interest rate risk is the same as described above for the primary government and endowment funds complying with the State's MMA or the UPMIFA and Rule 541, as applicable. For non-endowment funds, Section 51-7-11 of the MMA requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The MMA further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed-rate negotiable deposits, and fixed-rate corporate obligations to 270 days – 15 months or less. The MMA further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government-sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 10 years for institutions of higher education. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding three years. For endowment funds, Rule 541 is more general, requiring only that investments be made as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the endowments and by exercising reasonable care, skill, and caution.

For the fixed income portfolio, the Public Employees Health Program's (PEHP) (major discrete component unit) policy to manage its exposure to fair value loss arising from increasing interest rates is that the investment manager's portfolio will have an effective duration between 75 – 125 percent of the effective duration of the appropriate index.

Duration is a measure of a debt investment's exposure to fair value changes arising from changes in interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price. PEHP compares an investment's effective duration against the Bloomberg U.S. Intermediate Aggregate Bond Index. The allowable duration range was 3.27 to 5.45 percent as of December 31, 2021 and the portfolio was within the policy guidelines.

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The discrete component units' policy for reducing its exposure to credit risk is to comply with the State's MMA, the UPMIFA, and Rule 541, as previously discussed. The discrete component units' debt investments as of June 30, 2022, were rated by Standard and Poor's and/or an equivalent nationally recognized statistical rating organization and the ratings are presented below using Standard and Poor's rating scale.

(Table on next page)

Discrete Component Units
Debt Investments Quality Ratings
At June 30, 2022
(*expressed in thousands*)

Debt Investments	Fair Value	Quality Ratings						
		AAA	AA	A	BBB	BB	B	Not Rated
U.S. Agencies	$2,213,220	$ 51,349	$329,042	$ —	$ 3,388	$ —	$ —	$ 1,829,441
Government Mortgage-backed Securities	127,176	—	—	—	—	—	—	127,176
Corporate Debt	686,114	9,457	91,430	370,170	189,737	13,263	1,141	10,916
Commercial Paper	1,998	998	—	—	—	—	—	1,000
Negotiable Certificates of Deposit	14,437	—	2,463	4,435	2,294	—	—	5,245
Money Market Mutual Funds	442,146	306,883	—	—	—	—	—	135,263
Municipal/Public Bonds	20,538	11,939	6,425	409	1,700	—	—	65
Asset-backed Securities	17,321	866	16,409	—	—	—	—	46
Bond Mutual Funds	266,948	123	48,514	—	—	—	—	218,311
Exchange Traded Products	9,000	—	517	—	4,550	—	—	3,933
Non-government-backed CMOs	192	—	—	—	—	—	—	192
Securities Lending Cash Collateral Pool	749	—	—	—	—	—	—	749
Utah Public Treasurers' Investment Fund	1,703,277	—	—	—	—	—	—	1,703,277
Subtotal	5,503,116	$ 381,615	$494,800	$ 375,014	$ 201,669	$ 13,263	$ 1,141	$ 4,035,614
U.S. Treasuries	866,077							
U.S. Agencies	100							
Total Debt Securities	$6,369,293							

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the discrete component units will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The discrete component units do not have a formal policy for custodial credit risk.

The various discrete component units' investments at June 30, 2022, were held by the discrete component unit or in the name of the discrete component unit by the discrete component unit's custodial bank or trustee, except the following, which were uninsured, were not registered in the name of the discrete component unit, and were held by other entities, as listed below (expressed in thousands):

Counterparty	
U.S. Treasuries	$ 717,905
U.S. Agencies	$ 2,094,893
Corporate Debt	$ 270,620
Municipal/Public Bonds	$ 19,440
Debt Securities	$ 79,653
Equity Securities	$ 50,335
Counterparty's Trust Department or Agent	
U.S. Treasuries	$ 38,746
U.S. Agencies	$ 33,845
Corporate Debt	$ 139,724

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Except for Public Employees Health Program (PEHP) (major discrete component unit), the discrete component units' policy for reducing this risk of loss is the same as described above for the primary government funds complying with the State's MMA or as applicable for endowments the UPMIFA, Rule 541, or separate endowment investment policies, which have been approved by their boards of trustees and by the Utah Board of Higher Education. Rule 17 of the Money Management Council limits non-endowment fund investments in a single issuer of commercial paper and corporate obligations between 5 – 10 percent depending upon the total dollar amount held in the portfolio. For endowment funds, Rule 541 requires that a minimum of 25 percent of the overall endowment portfolio be invested in fixed income or cash equivalents. Also, the overall endowment portfolio cannot consist of more than 75 percent equity investments. Rule 541 also limits investments in alternative investment funds to between 0 and 30 percent based on the size of the endowment fund.

PEHP's policy limits the amount that may be invested in any one issuer to between 2 and 5 percent, depending on the credit rating of the security. If a security is downgraded, the manager has 30 days to sell enough of the security to comply with the single issuer guideline applicable to the new rating. At no time should more than 1 percent of an Investment Manager's assets at market be with a single below investment grade issuer. No individual holding shall constitute more than 10 percent of the market value of the issuer with the exception of the U.S. government or its agencies, or collateralized mortgage obligations.

The following discrete component units held more than 5 percent of total investments in a single issuer:

- The University of Utah held more than 5 percent of its total investments in the Federal Home Loan Bank, Federal Farm Credit Bank, and the Federal Agricultural Mortgage Corporation. These investments represent 21.53, 8.48 and 5.82 percent, respectively, of the University's total investments.
- Utah State University held more than 5 percent of total investments in securities of the Federal Farm Credit Bank and Federal Home Loan Bank. These investments represent 16.79 and 7.52 percent of the total investments.
- Salt Lake Community College held more than 5 percent of total investments in securities of Federal Home Loan Bank and Federal Home Loan Mortgage Corporation. These investments represent 12.00 and 5.60 percent, respectively, of the College's total investments.

- Utah Valley University held more than 5 percent of its total investments in US Bank 5.80 percent; Freddie Mac 5.78 percent; Toronto Dominion Bank 5.81 percent; Goldman Sachs Group 5.48 percent; and Federal Home Loan Bank 21.34 percent.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The discrete component units do not have a formal policy to limit foreign currency risk.

The University of Utah's exposure to foreign currency risk is $3.839 million in Private Real Estate investments being held in Euro currency denomination.

E. Securities Lending

Utah Retirement Systems (URS) (pension trust and defined contribution plans), Public Employees Health Program (PEHP) (major discrete component unit) and Trust Lands (permanent fund) participate in security lending programs as authorized by their Boards. Under these programs, securities are transferred to an independent broker or dealer in exchange for collateral in the form of cash, government securities, and for URS and Trust Lands, irrevocable bank letters of credit equal to approximately 102 percent of the fair value of the domestic securities on loan and 105 percent of the fair value of the international securities on loan, and for PEHP 102 percent of the fair value of the domestic securities on loan, with simultaneous agreements to return the collateral for the same securities in the future. For all three state entities, their custodial bank is the agent for each of their securities lending programs. URS securities under loan are maintained in the financial records, and corresponding liabilities are recorded for the market value of the collateral received. PEHP and Trust Lands securities are classified as investments. For the state entities, a corresponding liability is recorded for the market value of the collateral received. For PEHP and Trust Lands, under provision of GASB Statement 28, collateral which cannot be pledged or sold is not recorded as investments nor is the related liability recorded in the financial statements. Pledged non-cash collateral was $749 thousand and $82.853 million for PEHP and Trust Lands, respectively.

At yearend, URS, PEHP, and Trust Lands had no credit risk exposure to borrowers because the collateral exceeded the amount borrowed. The securities on loan at yearend for the entities were $827.100 million for URS, $735 thousand for PEHP, and $212.538 million for Trust Lands. Collateral received for those securities on loan was $888.900 million for URS, $749 thousand for PEHP, and $223.691 million for Trust Lands. Under the terms of the lending agreement, all three state entities are indemnified against loss should the lending agent be unable to recover borrowed securities and distributions due to borrower insolvency or failure of the lending agent to properly evaluate the credit worthiness of the borrower. In addition, they are indemnified against loss should the lending agent fail to demand adequate and appropriate collateral on a timely basis. All securities loaned can be terminated on demand by either the state entity or the borrower. Cash collateral is invested in the lending agent's short-term investment pool.

Regarding URS and PEHP, the short-term investment pool guidelines specify that a minimum of 20 percent of the invested cash collateral is to be available each business day and that the dollar-weighted average maturity of holdings should not exceed 60 days. The relationship between the maturities of the short-term investment pool and each of the state entities' loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the state entities cannot determine. Because the securities lending collateral is in a pool maintained by the custodial bank, the state entities do not have the ability to pledge or sell the securities, and it is not necessary to report the total income and expenses of securities lending. Trust Lands' average term of securities loans was 150 days.

F. Derivative Instruments

Utah Retirement Systems

The Utah Retirement Systems (URS) (pension trust and defined contribution plans) invests in derivative instruments as authorized by Board policy. Derivative instruments are financial arrangements between two parties whose payments are based on, or "derived" from, the performance of some agreed-upon benchmark. All derivative instruments are considered investments. The fair value of all derivative instruments is reported in the Statements of Fiduciary Net Position–Pension and Other Employee Benefit Trust Funds. Within the investment asset class, swaptions are recorded in debt securities. By policy, portfolio liabilities associated with investments will be backed by cash equivalents or deliverable securities. URS does not have a policy regarding master netting arrangements. At December 31, 2021, URS had five types of derivative instruments: futures, currency forwards, options, swaps, and Synthetic Guaranteed Investment Contracts (SGIC).

Futures represent commitments to purchase (asset) or sell (liability) securities at a future date and at a specified price. Futures contracts are traded on organized exchanges (exchange traded) thereby minimizing URS' credit risk. The net change in the futures contracts value is settled daily in cash with the exchanges. Net gains or losses resulting from the daily settlements are included with trading account securities gains in the Statement of Changes in Fiduciary Net Position. At December 31, 2021, URS' investments had the following notional futures balances as shown in the following table:

Utah Retirement Systems
(pension trust and defined contribution plans)
Futures — Notional Market Value
At December 31, 2021
(expressed in thousands)

	Defined Benefit Plans	Defined Contribution Plans
Cash and Cash Equivalent		
Long	$ 481,977	$ 17,786
Short	(288,131)	—
Equity		
Long	55,032	32,120
Short	(154,972)	—
Fixed Income		
Long	437,123	—
Short	(590,613)	(63,934)
Total Futures	$ (59,584)	$ (14,028)

Currency Forwards represent forward foreign exchange contracts that are entered into in order to hedge the exposure to changes in foreign currency exchange rates on the foreign currency denominated portfolio holdings. A forward foreign exchange contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. The gain or

loss arising from the difference between the original contracts and the closing of such contracts is included in net realized gains or losses on foreign currency related transactions in the Combining Statement of Fiduciary Net Position–Pension. At December 31, 2021, URS investments included the following currency forwards balances as shown in the following table:

Utah Retirement Systems
(pension trust and defined contribution plans)
Currency Forwards
December 31, 2021
(expressed in thousands)

	Defined Benefit Plans					Defined Contribution Plans			
Currency	Notional Cost	Pending Foreign Exchange Purchases	Pending Foreign Exchange Sales	Fair Value	Currency	Notional Cost	Pending Foreign Exchange Purchases	Pending Foreign Exchange Sales	Fair Value
Australian dollar	$ (21,144)	$ 405	$ (21,816)	$ (21,411)	Australian dollar	$ (6,518)	$ —	$ (6,564)	$ (6,564)
British pound sterling	(389,932)	25,605	(422,746)	(397,141)	British pound sterling	(35,949)	849	(37,284)	(36,435)
Canadian dollar	(42,169)	4,026	(46,689)	(42,663)	Canadian dollar	(14,058)	—	(14,231)	(14,231)
Danish krone	(3,628)	—	(3,654)	(3,654)	Danish krone	(477)	—	(480)	(480)
Euro	(496,407)	2,060	(501,581)	(499,521)	Euro	(138,566)	1,457	(140,805)	(139,348)
Chinese yuan renminbi	(31,074)	—	(31,151)	(31,151)	HK offshore Chinese yuan renminbi	(18,781)	—	(18,823)	(18,823)
Hong Kong dollar	1,102	1,210	(108)	1,102	Hungarian forint	—	719	(719)	—
Hungarian forint	—	1,643	(1,643)	—	Indian rupee	(457)	1,170	(1,638)	(468)
Indian rupee	(1,026)	2,715	(3,769)	(1,054)	Japanese yen	(69,288)	—	(69,000)	(69,000)
Japanese yen	(86,850)	249	(86,472)	(86,223)	Malaysian ringgit	(901)	—	(916)	(916)
Malaysian ringgit	(1,889)	—	(1,921)	(1,921)	Mexican peso	(4,289)	161	(4,632)	(4,471)
Mexican peso	(10,208)	387	(11,028)	(10,641)	New Taiwan dollar	(1,197)	—	(1,194)	(1,194)
New Taiwan dollar	(2,779)	—	(2,772)	(2,772)	New Zealand dollar	(1,507)	—	(1,515)	(1,515)
New Zealand dollar	(15,493)	—	(15,575)	(15,575)	Norwegian krone	(141)	—	(142)	(142)
Russian ruble	(11,901)	—	(11,798)	(11,798)	Polish zloty	—	—	—	—
Singapore dollar	(892)	—	(904)	(904)	Russian ruble	(5,465)	—	(5,418)	(5,418)
South Korean won	(11,043)	—	(10,899)	(10,899)	South African rand	—	—	—	—
Swedish krona	(8,285)	702	(9,020)	(8,318)	South Korean won	(7,771)	121	(7,789)	(7,668)
Swiss franc	(700)	—	(709)	(709)	Swedish krona	(3,069)	—	(3,081)	(3,081)
Thai baht	(6,059)	—	(6,073)	(6,073)	Swiss franc	—	—	—	—
United States dollar	1,140,377	1,179,239	(38,860)	1,140,379	Thai baht	(3,508)	—	(3,516)	(3,516)
					United States dollar	311,942	316,390	(4,450)	311,940
Total Forwards Subject to Foreign Currency Risk	$ 0	$ 1,218,241	$(1,229,188)	$ (10,947)	Total Forwards Subject to Foreign Currency Risk	$ 0	$ 320,867	$ (322,197)	$ (1,330)

(Notes continue on next page.)

At December 31, 2021, URS investments had the following option balances as shown in the table below:

Utah Retirement Systems
(pension trust and defined contribution plans)
Options
At December 31, 2021
(expressed in thousands)

	Defined Benefit Plans	Defined Contribution Plans
Equity		
Put	$ 3,345	$ —
Fixed Income		
Call	48	2
Swaptions		
Call	3,296	115
Put	(6,870)	(209)
Total Options	$ (181)	$ (92)

Options represent or give buyers the right, but not the obligation, to buy (call) or sell (put) an asset at a preset price over a specified period. The option's price is usually a small percentage of the underlying asset's value. As a writer of financial options, URS receives a premium at the outset of the agreement and bears the risk of an unfavorable change in the price of the financial instrument underlying the option. As a purchaser of financial options, URS pays a premium at the outset of the agreement and the counterparty bears the risk of an unfavorable change in the price of the financial instrument underlying the option.

Swaps URS has entered into various inflation, overnight indexed and interest rate swap agreements in an attempt to manage their exposure to inflation, credit, and interest rate risk. Interest rate and inflation risk represents the exposure to fair value losses arising from the future changes in prevailing market interest rates. Credit risk is an investor's risk of loss arising from a borrower who does not make payments as promised. Swaps represent an agreement between two or more parties to exchange sequences of cash flows over a period in the future. In the most common type of interest rate swap arrangement, one party agrees to pay fixed interest payments on designated dates to a counter party who, in turn, agrees to make return interest payments that float with some reference rate. The real estate interest rate swaps allowed URS to effectively convert most of its long-term variable interest rate credit facility loans into fixed interest rate loans, thereby mitigating some of its interest rate risk. All swap instruments contain collateral clauses.

Gains and losses on swaps are determined based on fair values and are recorded in the Combining Statement of Fiduciary Net Position-Pension. Swap fair values are determined by an independent third party. As of December 31, 2021, URS' investments had the swap market value balances as shown in the following table:

Utah Retirement Systems
(pension trust and defined contribution plans)
Swaps
At December 31, 2021
(expressed in thousands)

	Fair Value	
	Defined Benefit	Defined Contribution
Fixed Income Portfolio Swaps		
Interest Rate Swaps		
Pay Fixed Receive Variable	$ 5,892	$ (35)
Pay Variable Receive Fixed	(538)	135
Retail Price Index		
Pay Fixed Receive Variable	9,060	(1,034)
Pay Variable Receive Fixed	(8,430)	1,194
Overnight Indexed Swaps		
Pay Fixed Receive Variable	(849)	(6)
Pay Variable Receive Fixed	(181)	(26)
Total Swaps	$ 4,954	$ 228

Derivative Credit Risk

Derivative instruments that are exchange traded are not subject to credit risk. No derivative instruments held are subject to custodial credit risk. The maximum loss that would be recognized as of December 31, 2021, if all counterparties fail to perform as contracted, was $1.568 million. Derivative instrument credit risk at fair value is shown in the next table.

This maximum exposure is reduced by $1.583 million of liabilities, resulting in $0 exposure to credit risk. Credit ratings for the wrap contracts associated with the Synthetic Guaranteed Investment Contracts (SGICs) are noted in a subsequent table. As of December 31, 2021, the counterparties' credit ratings for currency forwards, options, and swaps are subject to credit risk.

Utah Retirement Systems
(pension trust and defined contribution plans)
Credit Risk Derivative Instruments at Fair Value
At December 31, 2021
(expressed in thousands)

Quality Rating	Forwards	Options	Swaps	Total
A+	$ —	$ 763	$ 1,236	$ 1,999
A	—	283	—	283
A-	—	(4,685)	9,578	4,893
BBB+	—	(30)	300	270
NA	(12,274)	3,394	(10,324)	(19,204)
Total Subject to Credit Risk	$ (12,274)	$ (275)	$ 790	$ (11,759)

(Notes continue on next page.)

Synthetic Guaranteed Investment Contracts

URS Defined Contribution Plans members are able to participate in SGICs. The SGICs are fully benefit responsive, which means that URS is prohibited from assigning and selling the contract or its proceeds to a third party without the consent of the issuer. Prospective interest crediting rate adjustments are provided to plan participants. The SGICs provide assurance that the probability of future rate adjustments resulting in an interest crediting rate less than zero is remote. The underlying investments are high credit quality averaging A+ and therefore credit loss is remote. The terms of the SGICs require all plan participants to initiate transactions within the fund at contract value. The contract value is the fair value (cost plus accrued interest). The fair value of these contracts as of December 31, 2021, was $1.002 million and the market value was $1.026 million. Credit ratings for the wrap contracts associated with the SGICs are also noted below.

Utah Retirement Systems
(pension trust and defined contribution plans)
Synthetic Guaranteed Investment Contracts Underlying Investments
At December 31, 2021
(dollars expressed in thousands)

	1–5 Yr. Government/Credit Bond				Intermediate Government/Credit Bond				MetLife Separate Account				Total Underlying Investments	
	Fair Value	Market Value	Duration	Credit Rating	Fair Value	Market Value	Duration	Credit Rating	Fair Value	Market Value	Duration	Credit Rating	Fair Value	Market Value
Asset–backed Securities	$ 115,444	$ 118,357	1.42	AAA	$ 74,320	$ 63,888	1.44	AAA	$ 40,687	$ 41,270	1.60	AA+	$ 230,451	$ 223,515
Agencies	40,520	41,542	1.56	AA+	27,861	29,626	4.45	AA+	3,109	3,153	1.60	AA+	71,490	74,321
Corporates	179,155	183,675	3.91	A-	132,340	141,124	5.61	A-	51,155	51,888	2.14	A-	362,650	376,687
Government Mortgage – backed Securities	33,741	34,593	2.70	AA+	10,413	51,429	4.45	AA+	4,207	4,268	2.27	AA+	48,361	90,290
U.S. Treasuries	35,525	36,421	3.40	AA+	41,687	44,458	7.05	AA+	14,473	14,680	2.64	AA+	91,685	95,559
Commercial Mortgage – backed Securities	100,000	102,524	4.02	AA+	58,891	36,264	1.78	AAA	28,845	29,258	1.48	AA+	187,736	168,046
Cash	5,301	5,434	1.56	—	2,751	4,005	—	—	2,111	2,141	—	—	10,163	11,580
Total	$ 509,686	$ 522,546			$348,263	$370,794			$144,587	$146,658			$1,002,536	$1,039,998

Utah Retirement Systems
(pension trust and defined contribution plans)
Wrap Contracts
At December 31, 2021
(dollars expressed in thousands)

Contract Issuer	Fair Value	Market Value	Rate	Duration	Quality Ratings
American General	$ 88,644	$ 90,874	1.96%	3.21	A+
Lincoln National Life	121,387	124,261	1.88%	3.22	AA-
MetLife	144,586	146,658	1.76%	1.87	AA-
Pacific LIfe	190,855	196,018	1.98%	3.22	AA-
Prodential	28,814	28,436	0.59%	3.21	AA-
Royal Bank of Canada	156,895	163,201	1.56%	3.22	AA-
RGA Reinsurance	76,606	77,174	1.34%	3.21	AA-
Transamerica	194,749	199,663	1.90%	3.22	A+
Subtotal Wrap Contracts	1,002,536	1,026,285			
Merrill Lynch Repurchase	49,100	49,100			
Total	$ 1,051,636	$ 1,075,385			

Trust Lands

Trust Lands (permanent fund) invests in derivative instruments through external investment managers retained by the Board and subject to investment management agreements and other policy requirements. Derivative instruments are financial arrangements between two parties whose payments are based on, or "derived" from, the performance of some agreed-upon benchmark. All derivative instruments are considered investments. The fair value of all derivative instruments is reported in the Statement of Net Position. Trust Lands does not have a formal policy for derivative instruments.

As of June 30, 2022, Trust Lands had the following exposure types classified within Derivative Instruments: Equity Rights/ Warrants, Currency Forwards, Options, Swaps, and Futures as shown in the table below.

(Table on next page)

Trust Lands
(permanent fund)
Derivative Financial Instruments
June 30, 2022
(*expressed in thousands)*

Risk Type	Gross Notional Value	Asset Fair Market Value	Liability Fair Market Value	Earnings (Losses)
Equity Rights/ Warrants	$ 112	$ —	$ —	$ (117)
Currency Forwards	1,483	2	—	288
Options	—	14	—	244
Swaps	1,351	—	(37)	(286)
Futures	370,439	—	—	(15,254)
Total	$373,385	$ 16	$ (37)	$ (15,125)

Equity Rights are rights given to existing stockholders to purchase newly issued shares in proportion to their holdings at a specific date. Equity Warrants are certificates entitling the holder to acquire shares of stock at a certain price within a stated period. Warrants often are made part of the issuance of bonds or preferred or common stock. The balances of equity rights/ warrants are included in the Statements of Changes in Net Position.

Currency forwards represent forward foreign exchange contracts that are entered into in order to hedge the exposure to changes in foreign currency exchange rates on the foreign currency denominated portfolio holdings. A forward foreign exchange contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts is included in the net realized gains or losses on foreign currency related transactions in the Statements of Changes in Net Position.

Options represent or give buyers the right, but not the obligation, to buy (call) or sell (put) an asset at a preset price over a specified period. The option's price is usually a small percentage of the underlying asset's value. The Trust Funds have exposure to Options related to Interest Rates and Swaps. As a writer of financial options through external investment manager portfolios (as authorized), the Trust Funds receive a premium at the outset of the agreement and bear the risk of an unfavorable change in the price of the financial instrument underlying the option. As a purchaser of financial options through external investment manager portfolios (as authorized), the Trust Funds pay a premium at the outset of the agreement and the counter-party bears the risk of an unfavorable change in the price of the financial instrument underlying the option.

Swaps represent an agreement between two or more parties to exchange sequences of cash flows over a period in the future. In the most common type of interest rate swap arrangement, one party agrees to pay fixed interest payments on designated dates to a counterparty, who in turn agrees to make return interest payments that float with some reference rate. Gains and losses on swaps are determined based on market values and are recorded in the Statements of Changes in Net Position. Swap market values are determined by an independent third party.

Futures represent a financial contract obligating the buyer to purchase an asset or the seller to sell an asset, such as a physical commodity or a financial instrument, at a predetermined future date and price. Futures contracts are valued at their last reported sales price as of measurement date and are included in the Statements of Changes in Net Position.

NOTE 4. INVESTMENT POOL

The Utah State Treasurer's Office operates the Utah Public Treasurers' Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer. Participation is not required and neither is a minimum balance nor a minimum/maximum transaction required. No separate report as an external investment pool has been issued for the PTIF.

The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act, (Title 51, Chapter 7 of the *Utah Code*). The Act establishes the State Money Management Council, which oversees the activities of the State Treasurer and the PTIF. The Act lists the investments that are authorized which are high-grade securities and, therefore, minimizes credit risk except in the most unusual and unforeseen circumstances.

Deposits in the PTIF are neither insured nor otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports monthly statements to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants monthly on the ratio of the participant's share to the total funds in the PTIF based on the participant's average daily balance. This method differs from the fair value method used to value investments in these financial statements because the amortized cost method is not designed to distribute to participants all unrealized gains and losses in the fair values of the pool's investments. The total difference between the fair values of the investments in the pool and the values distributed to the pool participants using the amortized cost method described above is reported in the net position section of the following table as unrealized gains/losses. The PTIF may maintain an interest reserve to stabilize the monthly apportionment of interest.

Any balance maintained in the interest reserve is reflected in the fair value valuation factor discussed below. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value, and participants are informed of the fair value valuation factor that enables them to adjust their statement balances to fair value.

Internal Participant Account Balances

State funds authorized to earn interest and surplus cash balances of State funds invest in the PTIF as an internal investment pool. From the perspective of the various State funds and discrete component units, the PTIF functions as both a cash management pool and a demand deposit account. The State's cash management policy is to invest financial resources as soon as the moneys are available within the banking system. The pooling of cash allows the Treasurer to invest monies not needed to pay immediate obligations so that investment earnings on available cash are maximized. Investments and investment activity of the PTIF are not segregated; rather, each contributing State fund's balance is treated as equity in the PTIF pool and presented as "Pooled Cash and Investments". Discrete component unit's equity in the PTIF is presented as "Cash and Cash Equivalents".

The PTIF condensed financial statements, inclusive of external and internal participants along with the portfolio statistics for the fiscal year ended June 30, 2022, are shown in the tables below:

Utah Public Treasurers' Investment Fund
Statement of Net Position
June 30, 2022
(expressed in thousands)

Assets	
Cash and Cash Equivalents	$ 6,155,467
Investments	22,979,098
Accounts Receivable	55,078
Total Assets	29,189,643
Liabilities	
Payable for Unsettled Trades	55,566
Net Position	
External Participant Account Balances:	
External Participants	14,840,216
Unrealized Gains/(Losses)	(85,235)
Total External Participants	14,754,981
Internal Participant Account Balances:	
Primary Government	12,030,033
Discrete Component Units	2,432,124
Unrealized Gains/(Losses)	(83,061)
Total Internal Participants	14,379,096
Total Net Position	$ 29,134,077
Participant Account Balance: Net Position Valuation Factor	0.99586858

Utah Public Treasurers' Investment Fund
Statement of Changes in Net Position
For the Fiscal Year Ended June 30, 2022
(*expressed in thousands*)

Additions	
Pool Participant Deposits	$ 25,044,058
Investment Income:	
Investment Earnings	134,340
Fair Value Increases (Decreases)	(196,716)
Total Investment Income	(62,376)
Less Administrative Expenses	(909)
Net Investment Income	(63,285)
Total Additions	24,980,773
Deductions	
Pool Participant Withdrawals	18,779,835
Earnings Distributions	134,516
Total Deductions	18,914,351
Net Increase/(Decrease) From Operations	6,066,422
Net Position	
Beginning of Year	23,067,655
Net Position – End of Year	$ 29,134,077

Utah Public Treasurers' Investment Fund
Portfolio Statistics
At June 30, 2022

	Range of Yields	Weighted Average Maturity
U.S. Treasuries	0.20% – 2.48%	117.50 days
Money Market Mutual Funds	1.31% – 1.38%	1 day
Corporate Bonds and Notes	0.21% – 4.40%	67.92 days
Commercial Paper	0.19% – 1.72%	103.14 days
	Weighted Average Yield	**Weighted Average Maturity**
Total Investment Fund	1.46%	64.20 days

Deposits and Investments

The following disclosure of deposits and investments is for the PTIF, which includes external and internal participants. These assets are also included in the Note 3 disclosures of deposits and investments for the primary government. To avoid duplication, some of the detailed information in Note 3 has not been repeated in this note.

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the PTIF's deposits may not be recovered. The PTIF follows the Money Management Act by making deposits only in qualified financial institutions in accordance with the Act.

The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Deposits are neither collateralized nor are they required to be by state statute. The PTIF did not have any deposits at June 30, 2022.

Fair Value Measurements of Investments

The PTIF categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Inputs are quoted prices for identical investments in active markets.
- Level 2: Observable inputs other than quoted market prices.
- Level 3: Unobservable inputs.

The following table presents the recurring fair value measurements at June 30, 2022, for the PTIF:

Utah Public Treasurers' Investment Fund
Investments Measured at Fair Value
At June 30, 2022
(*expressed in thousands*)

Investments by Fair Value Level	Fair Value	Fair Value Measurements Using Level 1	Level 2
Debt Securities			
U.S. Treasuries	$ 3,473,990	$ 3,473,990	$ —
Corporate Bonds and Notes	19,839,313	—	19,839,313
Money Market Mutual Funds	5,773,833	5,773,833	—
Total Debt Securities	$29,087,136	$ 9,247,823	$ 19,839,313

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities. Other debt and securities classified in Level 2 are valued using the following approach:

- Corporate Bonds and Notes are valued using quoted prices for identical securities in markets that are not active.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The PTIF's policy for managing interest rate risk is to comply with the State's Money Management Act. See Note 3 for information on requirements of the Act related to interest rate risk.

The majority of the PTIF's corporate debt securities are variable-rate securities, most of which reset every three months to the market interest rate. Because these securities frequently re-price to prevailing market rates, interest rate risk is substantially reduced at each periodic reset date. In the table below, variable-rate securities are presented according to the length of time until the next reset date rather than the stated maturity.

The PTIF follows the Money Management Act by investing only in securities authorized in the Act. See Note 3 for information on authorized investments.

The PTIF investments at June 30, 2022, are presented on the following table:

Utah Public Treasurers' Investment Fund
At June 30, 2022
(*expressed in thousands*)

Investment Type	Fair Value	Investment Maturities (in years) Less Than 1
Debt Securities		
U.S. Treasuries	$ 3,473,990	$ 3,473,990
Corporate Bonds and Notes	19,839,313	19,839,313
Money Market Mutual Funds	5,773,833	5,773,833
Total Debt Securities	$ 29,087,136	$ 29,087,136

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The PTIF follows the Money Management Act as its policy for reducing exposure to investment credit risk. The PTIF's rated debt investments as of June 30, 2022, were rated by Standard and Poor's and/or an equivalent nationally recognized statistical rating organization and the ratings are presented below using the Standard and Poor's rating scale.

Utah Public Treasurers' Investment Fund
Rated Debt Investments
At June 30, 2022
(*expressed in thousands*)

	Fair Value	Quality Ratings AA	A	BBB	Not Rated
Corporate Bonds and Notes	$ 19,839,313	$ 1,998,912	$ 15,325,559	$ 2,514,842	$ —
Money Market Mutual Funds	5,773,833	—	—	—	5,773,833
Subtotal	25,613,146	1,998,912	15,325,559	2,514,842	5,773,833
U.S. Treasuries	3,473,990				
Total Debt Securities	$ 29,087,136				

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the PTIF will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The PTIF does not have a formal policy for custodial credit risk.

The PTIF's investments at June 30, 2022, were held by the State or in the State's name by the State's custodial bank.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The PTIF's policy for reducing this risk of loss is to comply with the Rules of the State Money Management Council. Rule 17 of the State Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5 percent of the total dollar amount held in the portfolio. The State Money Management Council limitations do not apply to securities issued by the U.S. government and its agencies. The PTIF had no debt securities investments at June 30, 2022, with more than 5 percent of the total investments in a single issuer.

NOTE 5. RECEIVABLES

Accounts receivable balances are an aggregation of amounts due from the federal government, customers, and others. Receivables from customers include charges for services to local governments, fees and fines issued by the courts and corrections, employer contributions for unemployment benefits, and receivables as a result of overpayments to individuals receiving state assistance.

The category of other receivables for the General fund includes a receivable of $136.192 million for the State's portion of the National Opioid Settlement and Litigation Lawsuit.

The majority of receivables for Trust Lands (permanent fund) represent unsettled trades from brokers, dealers, and clearing organizations.

Receivables for Fiduciary Funds listed below represent amounts due from fiduciary funds that were reclassified as external receivables on the government-wide Statement of Net Position.

Other adjustments are due to differences in the presentation and the basis of accounting between the fund financial statements and the government-wide Statement of Net Position.

Aggregated receivables for major and nonmajor discrete component units at June 30, 2022, were $1.321 billion and $345.702 million, respectively. These receivables are net of an allowance for doubtful accounts of $606.152 million and $9.998 million, respectively.

As of June 30, 2022, the State has notes receivables due from the University of Utah (major discrete component unit) for $68.215 million related to the Huntsman Cancer Hospital expansion (2009E and 2017 refunding lease revenue bond series), and due from the Utah System of Technical Colleges (nonmajor discrete component unit) for an administration and training building (2011 lease revenue bond series) totaling $700 thousand.

Receivables as of June 30, 2022, consisted of the following (in thousands):

	Accounts Receivable					
	Federal	Customer	Other	Interest	Taxes	Notes/ Mortgages
Governmental Activities:						
General Fund	$ 438,843	$ 351,125	$ 158,743	$ 31	$ 435,592	$ 1,296
Education Fund	371,774	2,507	4,100	31	1,834,063	4,510
Transportation Fund	69,824	2,760	20,392	—	81,109	—
Transportation Investment Fund	—	—	—	—	92,283	—
Trust Lands Fund	—	—	60,501	317	—	—
Nonmajor Funds	3,769	25,634	—	4,786	13,467	68,915
Internal Service Funds	—	9,459	—	—	—	—
Adjustments:						
Fiduciary Funds	—	—	31		—	—
Total Receivables	884,210	391,485	243,767	5,165	2,456,514	74,721
Less Allowance for Uncollectibles:						
General Fund	—	(131,529)	—	—	(9,055)	(930)
Education Fund		—	—	—	(211,869)	—
Transportation Fund	—	(200)	—	—	(2,324)	—
Transportation Investment Fund	—	—	—	—	(2,307)	—
Nonmajor Funds	—	—	—	—	(34)	—
Receivables, net	$ 884,210	$ 259,756	$ 243,767	$ 5,165	$ 2,230,925	$ 73,791
Current Receivables	$ 884,210	$ 203,498	$ 112,658	$ 5,165	$ 2,060,513	$ 72,107
Noncurrent Receivables	—	56,258	131,109	—	170,412	1,684
Total Receivables, net	$ 884,210	$ 259,756	$ 243,767	$ 5,165	$ 2,230,925	$ 73,791
Business-type Activities:						
Student Assistance Programs	$ 6,547	$ 216	$ —	$ 17	$ —	$ 1,983
Unemployment Compensation	5	198,290	—	—	—	—
Water Loan Programs	5,261	528	—	7,923	5,037	778,371
Community Impact Loan Fund	—	—	—	4,664	—	429,783
Employers' Reinsurance Fund	—	24,879	—	—	690	—
Alcoholic Beverage Services	—	3,436	—	—	—	1,399
Nonmajor Funds	18	11,463	—	3,779	—	266,844
Total Receivables	11,831	238,812	0	16,383	5,727	1,478,380
Less Allowance for Uncollectibles:						
Unemployment Compensation	—	(68,607)	—	—	—	—
Employers' Reinsurance Fund	—	(22,600)	—	—	—	—
Total Receivables, net	$ 11,831	$ 147,605	$ 0	$ 16,383	$ 5,727	$ 1,478,380

NOTE 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities as of June 30, 2022, consisted of the following (in thousands):

	Salaries/ Benefits	Service Providers	Vendors/ Other	Government	Tax Refunds/ Credits	Interest	Total
Governmental Activities:							
General Fund	$ 97,488	$ 335,116	$ 97,047	$ 143,470	$ 9,345	$ —	$ 682,466
Education Fund	2,353	3,284	20,762	314,423	109,337	—	450,159
Transportation Fund	9,848	6	193,903	52,187	842	—	256,786
Trust Lands Fund	—	—	52,377	—	—	812	53,189
Nonmajor Governmental Funds	610	21	159,648	5,162	—	47,061	212,502
Internal Service Funds	10,301	—	35,800	582	—	—	46,683
Adjustments:							
Fiduciary Funds	—	—	—	4,641	—	—	4,641
Other	—	—	—	—	—	874	874
Total Governmental Activities	$ 120,600	$ 338,427	$ 559,537	$ 520,465	$ 119,524	$ 48,747	$ 1,707,300
Business-type Activities:							
Student Assistance Programs	$ 1,037	$ —	$ 5,420	$ 204	$ —	$ —	$ 6,661
Unemployment Compensation Fund	—	10,380	266	—	—	—	10,646
Water Loan Programs	—	—	702	133	—	—	835
Community Impact Loan Fund	—	—	—	843	—	—	843
Employers' Reinsurance Fund	1	—	346	—	—	—	347
Alcoholic Beverage Services Fund	1,848	—	15,553	—	—	594	17,995
Nonmajor Enterprise Funds	1,769	318	1,731	—	52	4	3,874
Total Business-type Activities	$ 4,655	$ 10,698	$ 24,018	$ 1,180	$ 52	$ 598	$ 41,201

Accounts payable and accrued liability balances are an aggregation of amounts due to: (***1***) state employees for salaries/ benefits; (***2***) service providers for childcare, job and health services; (***3***) vendors, miscellaneous suppliers, brokers, dealers, and clearing organizations for unsettled investment trades (Trust Lands Fund); (***4***) local and federal governments for services; (***5***) individuals and others as a result of tax overpayments or credits issued; and (***6***) interest due on bonds and other obligations.

Adjustments for fiduciary funds listed above represent amounts due to fiduciary funds that were reclassified as external payables on the government-wide Statement of Net Position. Other adjustments are due to differences in the presentation and the basis of accounting between the fund financial statements and the government-wide Statement of Net Position.

(Notes continue on next page.)

NOTE 7. INTERFUND BALANCES AND LOANS

Interfund Balances

Interfund balances at June 30, 2022, consisted of the following (in thousands):

Due to General Fund from:		
Education Fund	$	452
Transportation Fund		1,054
Trust Lands Fund		54
Nonmajor Governmental Funds		10,536
Unemployment Compensation Fund		15,948
Water Loan Programs		28
Nonmajor Enterprise Funds		399
Alcoholic Beverage Services Fund		51,377
Internal Service Funds		1,948
Total due to General Fund from other funds	$	81,796
Due to Education Fund from:		
General Fund	$	13,081
Unemployment Compensation Fund		279
Trust Lands Fund		23,962
Total due to Education Fund from other funds	$	37,322
Due to Transportation Fund from:		
General Fund	$	147
Education Fund		10
Nonmajor Governmental Funds		1
Nonmajor Enterprise Funds		2
Internal Service Funds		222
Total due to Transportation Fund from other funds	$	382
Due to Trust Lands from:		
General Fund	$	123
Nonmajor Enterprise Funds		5,617
Total due to Trust Lands from other funds	$	5,740
Due to Nonmajor Governmental Funds from:		
General Fund	$	9,280
Transportation Fund		1,762
Alcoholic Beverage Services Fund		42
Internal Service Funds		86
Fiduciary Funds		12
Total due to Nonmajor Governmental Funds from other funds	$	11,182
Due to Water Loan Programs from:		
Trust Lands Fund	$	75
Nonmajor Governmental Funds		12,549
Total due to Water Loan Programs from other funds	$	12,624
Due to Alcoholic Beverage Services from:		
Nonmajor Governmental Funds	$	59,722
Internal Service Funds		2
Total due to Alcoholic Beverage Services from other funds	$	59,724
Due to Nonmajor Enterprise Funds from:		
General Fund	$	297
Transportation Fund		3
Nonmajor Governmental Funds		141
Nonmajor Enterprise Funds		209
Total due to Nonmajor Enterprise Funds from other funds	$	650
Due to Internal Service Funds from:		
General Fund	$	43,134
Education Fund		83
Transportation Fund		5,166
Employers' Reinsurance Fund		38
Nonmajor Governmental Funds		1,391
Nonmajor Enterprise Funds		243
Alcoholic Beverage Services Fund		1,108
Internal Service Funds		1,598
Fiduciary Funds		19
Total due to Internal Service Funds from other funds	$	52,780
Due to Fiduciary Funds from:		
General Fund	$	4,168
Nonmajor Governmental Funds		473
Total due to Fiduciary Funds from other funds	$	4,641
Total Due to / Due from	$	266,841

These interfund balances resulted from timing lags between the dates that: ***(1)*** interfund goods and services are provided or reimbursable expenditures occur; ***(2)*** transactions are recorded in the accounting system; and ***(3)*** payments between funds are made.

Interfund Loans

At June 30, 2022, interfund loans receivable/payable balances consist of $17.403 million revolving loans payable to the General Fund from Internal Service Funds. The balance payable to the General Fund from Internal Service Funds of $17.403 million includes $5.703 million that is not expected to be repaid within one year and is classified as nonspendable fund balance.

(Notes continue on next page.)

NOTE 8. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows (in thousands):

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets Not Depreciated/Amortized:				
Land and Related Assets [1]	$ 2,410,924	$ 83,430	$ (16,149)	$ 2,478,205
Infrastructure	15,404,795	874,231	(4,125)	16,274,901
Construction in Progress [3]	3,116,781	1,055,560	(2,233,252)	1,939,089
Total Capital Assets Not Depreciated/Amortized	20,932,500	2,013,221	(2,253,526)	20,692,195
Capital Assets Depreciated/Amortized:				
Buildings and Improvements [1]	2,421,778	1,056,541	(124)	3,478,195
Leased Buildings [1]	201,882	3,366	(54)	205,194
Infrastructure	79,788	10,965	(38)	90,715
Machinery and Equipment [1]	548,220	55,536	(20,107)	583,649
Leased Machinery and Equipment [1]	10,148	—	—	10,148
Intangible Assets–Software	346,999	6,837	(4,210)	349,626
Total Capital Assets Depreciated/Amortized	3,608,815	1,133,245	(24,533)	4,717,527
Less Accumulated Depreciation/Amortization for:				
Buildings and Improvements [1]	(1,137,655)	(68,133)	52	(1,205,736)
Leased Buildings [1]	—	(18,320)	31	(18,289)
Infrastructure	(43,972)	(2,734)	38	(46,668)
Machinery and Equipment [1]	(334,196)	(37,808)	16,184	(355,820)
Leased Machinery and Equipment [1]	—	(5,015)	—	(5,015)
Intangible Assets–Software	(295,876)	(23,254)	4,807	(314,323)
Total Accumulated Depreciation/Amortization	(1,811,699)	(155,264)	21,112	(1,945,851)
Total Capital Assets Depreciated/Amortized, Net	1,797,116	977,981	(3,421)	2,771,676
Capital Assets, Net	$ 22,729,616	$ 2,991,202	$ (2,256,947)	$ 23,463,871
Business-type Activities:				
Capital Assets Not Depreciated/Amortized:				
Land and Related Assets	$ 39,722	$ 144	$ —	$ 39,866
Construction in Progress	4,233	1,988	(1,224)	4,997
Total Capital Assets Not Depreciated/Amortized	43,955	2,132	(1,224)	44,863
Capital Assets Depreciated/Amortized:				
Buildings and Improvements	118,809	5,600	—	124,409
Leased Buildings [1]	7,958	9,810	—	17,768
Infrastructure	430	—	—	430
Machinery and Equipment [2]	17,837	496	(248)	18,085
Intangible Assets–Software [2]	5,556	—	(56)	5,500
Total Capital Assets Depreciated/Amortized	150,590	15,906	(304)	166,192
Less Accumulated Depreciation/Amortization for:				
Buildings and Improvements[2]	(49,327)	(4,261)	—	(53,588)
Leased Buildings[1]	—	(1,258)	—	(1,258)
Infrastructure	(186)	(12)	—	(198)
Machinery and Equipment [2]	(14,316)	(744)	137	(14,923)
Intangible Assets–Software [2]	(4,574)	(475)	32	(5,017)
Total Accumulated Depreciation/Amortization	(68,403)	(6,750)	169	(74,984)
Total Capital Assets Depreciated/Amortized, Net	82,187	9,156	(135)	91,208
Capital Assets, Net	$ 126,142	$ 11,288	$ (1,359)	$ 136,071

[1] Leased assets were added during fiscal year 2022 as a new capital asset category with the implementation of GASB Statement 87, *Leases*. Additionally, the beginning balances for various assets related to capital leases were reclassified to leased assets. See Note 2 for additional information.

[2] Reclassified beginning asset balances and accumulated depreciation between asset categories. See Note 2 for additional information.

[3] Construction in process was re-evaluated in 2022 which resulted in a beginning balance adjustment. See Note 2 for additional information.

Construction in progress of governmental activities includes amounts for buildings the State is constructing for colleges and universities and other discrete component units that are funded by state appropriations or state bond proceeds. As the buildings are completed, the applicable amounts are deleted from construction in progress of governmental activities and "transferred" to the colleges and universities and other discrete component units. For fiscal year 2022, $137.193 million of buildings were completed for colleges and universities. On the government-wide statement of activities, the building "transfers" are reported as higher education expenses of governmental activities and as program revenues of discrete component units.

Depreciation and amortization expense of governmental activities was charged to functions as follows (in thousands):

General Government	$ 39,214
Human Services and Juvenile Justice Services	7,953
Corrections	3,884
Public Safety	19,276
Courts	9,768
Health and Environmental Quality	3,925
Employment and Family Services	14,120
Natural Resources	11,610
Cultural and Community Engagement	325
Business, Labor, and Agriculture	2,018
Public Education	548
Transportation	22,398
Depreciation and amortization on capital assets of the State's internal service funds is charged to the various functions based on their usage of services provided	20,225
Total Depreciation and Amortization Expense	$ 155,264

Discrete Component Units

The following table summarizes net capital assets reported by the discrete component units (in thousands):

	Public Employees Health Program	University of Utah	Utah State University	Utah Transit Authority	Nonmajor Component Units	Total
Capital Assets Not Depreciated/Amortized:						
Land and Related Assets	$ —	$ 109,443	$ 73,579	$ 411,343	$ 183,711	$ 778,076
Art and Special Collections	—	107,978	60,467	—	11,639	180,084
Construction in Progress	—	530,776	81,570	203,927	186,459	1,002,732
Total Capital Assets Not Depreciated/Amortized	0	748,197	215,616	615,270	381,809	1,960,892
Capital Assets Depreciated/Amortized:						
Building and Improvements	—	4,683,628	1,403,725	203,911	2,774,548	9,065,812
Infrastructure	—	557,540	—	2,781,626	132,849	3,472,015
Machinery and Equipment	452	1,570,903	302,772	960,766	376,255	3,211,148
Leased Land and Improvements	—	135	229	—	58,336	58,700
Leased Buildings	—	121,740	26,188	—	38,704	186,632
Leased Machinery and Equipment	—	15,252	1,117	—	75	16,444
Total Capital Assets Depreciated/Amortized	452	6,949,198	1,734,031	3,946,303	3,380,767	16,010,751
Less Accumulated Depreciation/Amortization	(445)	(3,382,314)	(842,274)	(1,673,615)	(1,300,701)	(7,199,349)
Total Capital Assets Depreciated/Amortized, Net	7	3,566,884	891,757	2,272,688	2,080,066	8,811,402
Capital Assets, Net	$ 7	$ 4,315,081	$ 1,107,373	$ 2,887,958	$ 2,461,875	$ 10,772,294

NOTE 9. LEASE COMMITMENTS

The State leases various buildings and equipment at various interest rates ranging from 0.51 to 1.89 percent. Although the lease terms vary, most leases are subject to annual appropriations from the State Legislature to continue the lease obligations. If an appropriation is reasonably assured, leases are considered noncancellable for financial reporting purposes. Lease terms also include any options to extend that are reasonably certain will be exercised.

In the government-wide financial statements and proprietary fund financial statements, leased assets and a corresponding lease liability are recorded at the inception of the lease at the present value of the future minimum lease payments. The principal portion of lease payments reduces the liability, and the interest portion is expensed. In the governmental fund financial statements, both the principal and interest portions of capital lease payments are recorded as expenditures of the applicable governmental function. The primary government's lease

payments were $27.140 million in principal and $2.515 million in interest for fiscal year 2022. See Note 8 for additional information on leased assets, including accumulated amortization.

Principal and interest required payments for leases are as follows:

Lease Principal and Interest Requirements
Primary Government
(expressed in thousands)

Fiscal Year	Total Principal Required	Total Interest Required	Total Amount Required
2023	$ 21,995	$ 2,343	$ 24,338
2024	17,335	2,142	19,477
2025	16,780	1,975	18,755
2026	16,797	1,813	18,610
2027	15,596	1,652	17,248
2028-2032	56,243	6,106	62,349
2033-2037	29,646	3,511	33,157
2038-2042	10,526	2,215	12,741
2043-2047	9,000	1,507	10,507
2048-2052	8,078	815	8,893
2053-2057	4,544	343	4,887
2058-2062	1,975	33	2,008
Total	$ 208,515	$ 24,455	$ 232,970

Lease Principal and Interest Requirements
Discrete Component Units (excluding UTA)
(expressed in thousands)

Fiscal Year	Total Principal Required	Total Interest Required	Total Amount Required
2023	$ 24,403	$ 6,208	$ 30,611
2024	19,678	5,758	25,436
2025	15,149	5,416	20,565
2026	13,760	5,148	18,908
2027	11,288	4,886	16,174
2028-2032	41,895	19,557	61,452
2033-2037	27,935	15,818	43,753
2038-2042	21,372	13,004	34,376
2043-2047	8,346	12,243	20,589
2048-2052	2,223	12,199	14,422
2053-2057	—	13,221	13,221
2058-2062	—	14,597	14,597
2063-2067	—	16,116	16,116
2068-2072	—	17,793	17,793
2073-2077	415	19,230	19,645
2078-2082	13,131	8,559	21,690
2083-2087	18,942	5,005	23,947
2088-2092	12,158	722	12,880
Total	$ 230,695	$ 195,480	$ 426,175

Future minimum lease commitments for capital leases as of December 31, 2021 for the Utah Transit Authority (major discrete component unit) is as follows:

Future Minimum Lease Commitments
Capital Leases - Direct Borrowings
Utah Transit Authority
(expressed in thousands)

Calendar Year	Total Future Minimum Lease Payments	Less Amounts Representing Interest	Present Value of Future Minimum Lease Payments
2022	$ 10,809	$ 1,597	$ 9,212
2023	10,016	1,413	8,603
2024	9,429	1,240	8,189
2025	9,048	1,076	7,972
2026	9,047	912	8,135
2027-2031	30,624	2,307	28,317
2032-2036	11,437	396	11,041
Total	$ 90,410	$ 8,941	$ 81,469

NOTE 10. LONG-TERM LIABILITIES

A. Changes in Long-term Debt and Other Long-term Liabilities

Changes in long-term debt and other long-term liabilities for the year ended June 30, 2022 are presented in the following table. Changes for Utah Transit Authority and PEHP (major discrete component units) are included as of year ended December 31, 2021. As referenced below, certain long-term debt and other long-term liabilities are discussed in other notes to the Financial Statements.

Long-term Debt and Other Long-term Liabilities
(*expressed in thousands*)

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Long-term Debt:					
General Obligation Bonds	$ 2,397,925	$ —	$ (348,810)	$ 2,049,115	$ 354,925
General Obligation Bonds - Direct Placement	115,000	—	(1,400)	113,600	1,400
State Building Ownership Authority (SBOA) Lease Revenue Bonds	159,261	—	(7,397)	151,864	7,562
SBOA Lease Revenue Bonds - Direct Placement	15,985	—	(5,460)	10,525	5,085
Net Unamortized Premiums	195,167	—	(42,793)	152,374	36,779
Notes Payable [3]	4,527	—	(733)	3,794	759
Other Long-term Liabilities:					
Leases (Note 9) [3]	212,030	3,366	(23,358)	192,038	20,759
Compensated Absences (Note 1) [2]	217,280	122,280	(108,500)	231,060	111,097
Claims Liability (Note 19) [2]	87,317	11,330	(31,761)	66,886	23,561
Pollution Remediation Obligation [2]	10,639	—	(5,456)	5,183	422
Settlement Obligations [2]	768	—	(307)	461	95
Net Pension Liability (Note 17) [1]	405,970	—	(405,043)	927	—
Net OPEB Liability (Note 18) [1]	608	1,404	—	2,012	—
Arbitrage Liability (Note 1)	198	—	(198)	—	—
Total Governmental Long-term Debt and Liabilities	$ 3,822,675	$ 138,380	$ (981,216)	$ 2,979,839	$ 562,444
Business-type Activities					
Long-term Debt:					
Student Assistance Revenue Bonds	$ 940,447	$ —	$ (940,447)	$ —	$ —
State Building Ownership Authority Lease Revenue Bonds	79,109	42,675	(6,868)	114,916	7,223
Water Loan Recapitalization Revenue Bonds	13,345	—	(6,515)	6,830	6,830
Net Unamortized Premiums/(Discounts)	(4,610)	7,231	8,090	10,711	1,504
Other Long-term Liabilities:					
Leases (Note 9) [3]	7,958	9,810	(1,258)	16,510	1,236
Claims and Uninsured Liabilities	257,864	152,480	(163,352)	246,992	54,951
Net Pension Liability (Note 17) [1]	5,447	—	(5,447)	—	—
Total Business-type Long-term Debt and Liabilities	$ 1,299,560	$ 212,196	$ (1,115,797)	$ 395,959	$ 71,744
Discrete Component Units					
Long-term Debt:					
Revenue Bonds	$ 4,149,872	$ 918,483	$ (498,816)	$ 4,569,539	$ 115,351
Net Unamortized Premiums/(Discounts)	145,006	(51,238)	(9,825)	83,943	1,881
Notes Payable / Annuities Payable [3]	319,740	10,571	(57,329)	272,982	41,683
Other Long-term Liabilities:					
Leases [3] (Note 9)	175,948	79,558	(24,811)	230,695	25,852
Capital Leases Payable (UTA only) (Note 9)	57,263	32,020	(7,814)	81,469	9,212
Claims Liability (Note 19)	295,961	1,675,328	(1,634,895)	336,394	244,282
Leave/Termination Benefits (Note 1)	239,984	182,362	(172,140)	250,206	144,460
Capital Assets Held for Others	11,712	—	(11,712)	—	—
Net Pension Liability (Note 17)	133,852	—	(36,461)	97,391	—
Total Discrete Component Long-term Debt and Liabilities	$ 5,529,338	$ 2,847,084	$ (2,453,803)	$ 5,922,619	$ 582,721

[1] The Net Pension Liability and Net Other Postemployment Benefit (OPEB) Liability of governmental activities are liquidated in the General Fund, Education Fund, or Transportation Fund according to the applicable employing state agency. The changes in these liabilities are either netted as additions or reductions for this schedule since that information is not readily available for inclusion. See Note 17 and Note 18 for further information.

[2] Compensated Absences of governmental activities are liquidated in the General Fund, Education Fund, or Transportation Fund according to the applicable employing state agency. Claims Liability of governmental activities are liquidated in the Risk Management Internal Service Fund. Settlement Obligations of governmental activities are liquidated in the Crime Victim Reparation Fund (nonmajor governmental fund). The Pollution Remediation Obligations of the governmental activities are liquidated in the Environmental Reclamation Fund (nonmajor governmental fund).

[3] Beginning balances increased due to the implementation of GASB Statement 87, *Leases*. See Note 2 for more information.

B. General Obligation Bonds

The State issues general obligation bonds to provide funds for acquisition, construction, and renovation of major capital facilities and for highway construction. In addition, general obligation bonds have been issued to refund general obligation bonds, revenue bonds, and other financed purchases. General obligation bonds are secured by the full faith and credit of the State. Debt service requirements are provided by legislative appropriation from the State's general tax revenues. As of June 30, 2022, the State had $52.077 million of unissued general obligation highway bond authorizations and $266.640 million of unissued general obligation rail and transit bond authorizations remaining.

During fiscal year 2022, no general obligation or general obligation refunding bonds were issued. General obligation bonds payable information is presented below.

General Obligation Bonds Payable
(expressed in thousands)

Bond Issue	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 2022
2009D Highway Issue	09/29/09	2019, 2024	4.15 % – 4.55 %	$ 491,760	$ 243,160
2010B Highway Issue	09/30/10	2019 – 2025	3.19 % – 3.54 %	$ 621,980	388,255
2013 Highway Issue	07/30/13	2014 – 2028	3.00 % – 5.00 %	$ 226,175	15,700
2015 Refunding Issue	04/29/15	2019 – 2026	3.50 % – 5.00 %	$ 220,980	117,785
2017 Highway/Prison Issue	07/10/17	2018 – 2032	3.00 % – 5.00 %	$ 142,070	101,805
2017 Refunding Issue	12/15/17	2018 – 2028	2.21%	$ 118,700	113,600
2018 Highway/Prison Issue	02/28/18	2018 – 2032	3.13 % – 5.00 %	$ 343,155	257,080
2019 Highway Issue	01/15/19	2019 – 2033	5.00%	$ 127,715	108,705
2020 Highway Issue	02/11/20	2020 – 2034	3.00 % – 5.00 %	$ 448,430	410,705
2020B Highway Issue	05/14/20	2020 – 2034	3.00 % – 5.00 %	$ 447,315	405,920
Total General Obligation Bonds Outstanding					2,162,715
Plus Unamortized Bond Premium					151,544
Total General Obligation Bonds Payable					$ 2,314,259

General Obligation Bond Issues
Debt Service Requirements to Maturity
For the Fiscal Year Ended June 30, 2022
(*expressed in thousands*)

	Principal						
Fiscal Year	2009D Highway Bonds	2010B Highway Bonds	2013 Highway Bonds	2015 Refunding Bonds	2017 Highway/ Prison Bonds	2017 Refunding - Direct Placement	2018 Highway/ Prison Bonds
2023	$ 90,825	$ 103,250	$ 15,700	$ 39,290	$ 12,400	$ 1,400	$ 24,180
2024	64,420	104,160	—	39,260	13,050	17,700	25,385
2025	87,915	104,430	—	39,235	13,700	18,100	26,705
2026	—	76,415	—	—	14,425	18,500	28,030
2027	—	—	—	—	15,175	18,900	29,480
2028-2032	—	—	—	—	29,405	39,000	100,715
2033-2037	—	—	—	—	3,650	—	22,585
Total	$ 243,160	$ 388,255	$ 15,700	$ 117,785	$ 101,805	$ 113,600	$ 257,080

	Principal					
Fiscal Year	2019 Highway Bonds	2020 Highway Bonds	2020B Highway/ Prison Bonds	Total Principal Required	Total Interest Required	Total Amount Required
2023	$ 6,780	$ 18,900	$ 43,600	$ 356,325	$ 77,931	$ 434,256
2024	7,125	19,875	45,905	336,880	63,416	400,296
2025	7,490	20,900	48,335	366,810	47,499	414,309
2026	7,875	59,185	50,910	255,340	36,785	292,125
2027	8,280	60,345	53,590	185,770	28,025	213,795
2028-2032	48,225	134,475	123,600	475,420	67,150	542,570
2033-2037	22,930	97,025	39,980	186,170	4,790	190,960
Total	$ 108,705	$ 410,705	$ 405,920	$ 2,162,715	$ 325,596	$ 2,488,311

C. Revenue Bonds

Revenue bonds payable consist of those issued by the Utah State Building Ownership Authority, the Utah Board of Higher Education Student Loan Purchase Programs, the State's Water Loan Programs, and various colleges and universities. These bonds are not considered general obligations of the State.

Governmental Activities

The Utah State Building Ownership Authority (SBOA) has issued bonds for the purchase and construction of facilities to be leased to state agencies and other organizations. The bonds are secured by the facilities, and repayment is made from lease income appropriated by the Legislature and is not considered pledged revenue of the State. The outstanding bonds payable at June 30, 2022, are reported as a long-term liability of the governmental activities, except for $125.002 million and $625 thousand, which are reported in the Alcoholic Beverage Services Fund (major enterprise fund) and the Utah Correctional Industries Fund (nonmajor enterprise fund), respectively. These portions are reported as liabilities of the business-type activities on the government-wide Statement of Net Position.

Business-type Activities

The Utah Board of Higher Education (UBHE) Student Loan Purchase Programs' (Student Assistance Programs) bonds were issued to provide funds for student loans and were secured by all assets of the UBHE Revenue Bond Funds and by the revenues and receipts derived from such assets. The UBHE also issued a revenue bond for an office facility secured by funds within its budget that would otherwise been expended for rent.

Upon the sale of the related student loans in March 2022, all Student Assistance Programs bonds were redeemed. During the year ended June 30, 2021, the Program refunded bonds, resulting in a deferred outflow of resources. During the year ended June 30, 2022, the bonds issued in 2021 were redeemed and the Program recognized in income a gain on bond refundings of $13.098 million.

The State's Water Loan Programs have issued recapitalization revenue bonds to provide additional capital for the State's revolving water resources loan programs. The bonds are secured by and repayments are made from the pledged principal and interest payments (pledged revenues) of specific revolving water resources loan funds. These pledged revenues will not be available for other purposes until the end of fiscal year 2023 when the bonds are completely paid off. Pledged revenues were projected to produce 150 percent of debt service requirements over the life of the bonds. The total principal and interest remaining to be paid on the bonds is $6.830 million. For the current year, the total amount of principal and interest paid was $6.842 million and total pledged revenue recognized was $8.192 million. Of the bonds payable outstanding at June 30, 2022, $6.830 million are reported in the Water Loan Programs Fund (major enterprise fund). These portions are reported as liabilities of the business-type activities on the government-wide Statement of Net Position.

Discrete Component Units

University of Utah, Utah State University and nonmajor discrete component units issued revenue bonds for various capital purposes including student housing, special events centers, student union centers, and hospital and research facilities. The bonds are secured by pledged student building fees and other income of certain college activities.

Utah Transit Authority issued revenue bonds to partially finance the purchase and construction of various capital assets, and to refund other outstanding bond issues. The bonds are secured by a pledge of sales tax revenues and other revenues of the Authority.

Information on pledged revenues for discrete component units for the fiscal year ended June 30, 2022, is presented below.

Pledged Revenue — Discrete Component Units
(dollars expressed in thousands)

	University of Utah	Utah State University	Utah Transit Authority	Nonmajor Component Units
Type of Revenue Pledged [1]	A, B, C	A, B	D	A
Amount of Pledged Revenue	$1,990,120	$469,798	$3,326,527	$746,122
Term of Commitment	Thru 2045	Thru 2052	Thru 2050	Thru 2051
Percent of Revenue Pledged	100.00%	100.00%	100.00%	100.00%
Current Year Pledged Revenue	$162,270	$92,115	$262,251	$25,379
Current Year Principal and Interest Paid	$90,625	$17,658	$147,106	$18,827

[1] Type of Revenue Pledged:

A. Student and housing fees, auxiliary net revenues from bookstores, parking, stadium and event centers, and other campus generated charges and fees.

B. Research net revenue generated from the recovery of allocated facilities and administrative rates to grants and contracts.

C. Hospital and clinic net revenues from providing various health and psychiatric services to the community.

D. Sales tax revenues and other transit revenues.

Revenue Bonds Payable — Primary Government
Governmental Activities
(dollars expressed in thousands)

Bond Issue	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 2022
SBOA Lease Revenue Bonds:					
Series 2009E	09/09/09	2018 – 2030	4.62% – 5.77%	$ 89,470	$ 57,690
Series 2010	11/30/10	2011 – 2024	2.00% – 5.00%	$ 24,555	4,194
Series 2011	10/25/11	2012 – 2031	2.13% – 4.00%	$ 5,250	1,090
Series 2012A	11/20/12	2017 – 2027	1.50% – 5.00%	$ 11,755	6,125
Series 2015	04/29/15	2016 – 2030	3.00% – 5.00%	$ 785	35
Series 2016	04/05/16	2016 – 2038	2.25% – 5.00%	$ 93,625	80,100
Series 2017 – Direct Placement	12/15/17	2020 – 2024	5.00%	$ 25,910	10,525
Series 2018	02/21/18	2020 – 2039	3.00% – 5.00%	$ 2,920	2,630
Total Lease Revenue Bonds Outstanding					162,389
Plus Unamortized Bond Premium					830
Total Lease Revenue Bonds Payable					$ 163,219

Business-type Activities
(dollars expressed in thousands)

SBOA Lease Revenue Bonds:					
Series 2009C	09/09/09	2024, 2029	5.29 %, 5.77 %	$ 16,715	$ 12,595
Series 2010	11/30/10	2011 – 2024	2.00% – 5.00%	$ 12,180	1,956
Series 2012A	11/20/12	2017 – 2027	1.50% – 5.00%	$ 3,855	1,370
Series 2015	04/29/15	2016 – 2030	3.00% – 5.00%	$ 29,230	20,980
Series 2016	04/05/16	2016 – 2038	2.25% – 5.00%	$ 4,525	3,700
Series 2018	02/21/18	2020 – 2039	3.00% – 5.00%	$ 15,545	13,990
Series 2020	02/27/20	2021 – 2039	2.00% – 5.00%	$ 18,865	17,650
Series 2022	06/22/22	2022 – 2042	5.00%	$ 42,675	42,675
Total Lease Revenue Bonds Outstanding					114,916
Plus Unamortized Bond Premium					10,713
Total Lease Revenue Bonds Payable					$ 125,629
Water Loan Programs:					
Series 2010C Recapitalization Revenue Bonds	02/23/10	2018 – 2022	4.19% – 4.79%	$ 31,225	$ 6,830
Total Recapitalization Revenue Bonds Outstanding					6,830
Plus Unamortized Bond Premium					—
Total Recapitalization Revenue Bonds Payable					$ 6,830
Total Revenue/Lease Revenue/Recapitalization Revenue Bonds Payable					$ 295,678

(Notes continue on next page.)

Revenue Bond Issues — Primary Government
Debt Service Requirements to Maturity
For Fiscal Years Ended June 30
(expressed in thousands)

	Principal							
Fiscal Year	2009C Utah SBOA Bonds	2009E Utah SBOA Bonds	2010 Utah SBOA Bonds	2011 Utah SBOA Bonds	2012A Utah SBOA Bonds	2015 Utah SBOA Bonds	2016 Utah SBOA Bonds	2017 Utah SBOA Bonds
2023	$ 1,520	$ —	$ 3,445	$ 455	$ 1,710	$ 2,220	$ 4,025	$ 5,085
2024	1,605	—	2,705	70	1,230	2,875	4,200	5,440
2025	1,685	6,015	—	70	2,850	3,005	4,400	—
2026	1,785	8,635	—	75	1,135	3,150	4,650	—
2027	1,890	9,145	—	80	570	3,325	4,750	—
2028-2032	4,110	33,895	—	340	—	6,440	25,750	—
2033-2037	—	—	—	—	—	—	29,825	—
2038-2042	—	—	—	—	—	—	6,200	—
Total	$ 12,595	$ 57,690	$ 6,150	$ 1,090	$ 7,495	$ 21,015	$ 83,800	$ 10,525

	Principal						
Fiscal Year	2018 Utah SBOA Bonds	2020 Utah SBOA Bonds	2022 Utah SBOA Bonds	2010C Water Loan Recap Bond	Total Principal Required	Total Interest Required	Total Amount Required
2023	$ 675	$ 735	$ —	$ 6,830	$ 26,700	$ 11,996	$ 38,696
2024	720	770	230	—	19,845	11,260	$ 31,105
2025	745	805	1,175	—	20,750	10,288	$ 31,038
2026	785	845	1,680	—	22,740	9,249	$ 31,989
2027	825	890	1,760	—	23,235	8,183	$ 31,418
2028-2032	4,700	5,105	10,220	—	90,560	24,611	$ 115,171
2033-2037	5,630	5,940	13,045	—	54,440	11,147	$ 65,587
2038-2042	2,540	2,560	14,565	—	25,865	2,619	$ 28,484
Total	$ 16,620	$ 17,650	$ 42,675	$ 6,830	$ 284,135	$ 89,353	$ 373,488

Revenue Bonds Payable — Discrete Component Units
(dollars expressed in thousands)

Bond Issue	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 2022
University of Utah Revenue Bonds	1998 - 2022	2026 - 2051	0.17% – 6.28%	$ 1,798,685	$ 1,422,254
Utah State University Revenue Bonds	2007 - 2022	2023 - 2052	1.03% – 5.25%	$ 403,790	319,645
Utah Transit Authority	2005 - 2021	2022 - 2044	0.347% – 5.94%	$ 3,765,136	2,218,726
Nonmajor Component Units Revenue Bonds	2011 – 2022	2021 – 2053	1.87% – 6.50%	$ 707,594	608,914
Total Revenue Bonds Outstanding					4,569,539
Plus Unamortized Bond Premium					83,943
Total Revenue Bonds Payable					$ 4,653,482

Revenue Bond Issues — Discrete Component Units
Debt Service Requirements to Maturity
For Fiscal Years Ended June 30
(expressed in thousands)

	Principal						
Fiscal Year	University of Utah	Utah State University	Utah Transit Authority	Nonmajor Component Units	Total Principal Required	Total Interest Required	Total Amount Required
2023	$ 37,078	$ 10,345	$ 55,735	$ 12,193	$ 115,351	$ 176,365	$ 291,716
2024	80,762	11,200	67,770	11,586	171,318	171,398	342,716
2025	81,447	11,685	70,675	14,180	177,987	163,815	341,802
2026	73,685	12,200	75,675	16,909	178,469	156,407	334,876
2027	81,553	11,905	78,095	22,289	193,842	150,267	344,109
2028-2032	366,903	62,785	475,300	85,302	990,290	636,361	1,626,651
2033-2037	286,221	62,765	562,366	73,750	985,102	462,651	1,447,753
2038-2042	236,925	53,370	684,050	177,850	1,152,195	265,356	1,417,551
2043-2047	92,444	53,045	149,060	82,290	376,839	68,242	445,081
2048-2052	85,236	30,345	—	108,685	224,266	23,217	247,483
2053-2057	—	—	—	3,880	3,880	155	4,035
Total	$ 1,422,254	$ 319,645	$ 2,218,726	$ 608,914	$ 4,569,539	$ 2,274,234	$ 6,843,773

D. Conduit Debt Obligations

The Utah Charter School Finance Authority (nonmajor discrete component unit) issued conduit debt obligations on behalf of various charter schools. The debt is the responsibility of the charter schools, and neither the State nor any political subdivision of the State is obligated in any manner for repayment of the debt. Accordingly, this debt has not been reported in the accompanying financial statements. The outstanding balance at June 30, 2022, is $463.494 million in taxable and tax-exempt conduit debt.

E. Defeased Bonds and Bond Refunding

Primary Government

In prior years, the State defeased certain general obligation and revenue bonds by placing the proceeds of new bonds and other monies available for debt service in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Statement of Net Position. At June 30, 2022, the total amount outstanding of defeased general obligation bonds was $187.930 million. At June 30, 2022, there were no outstanding defeased lease revenue bonds.

Business-type Activities

During fiscal year 2022, funds in the amount of $517 thousand were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the outstanding bond issuance under the State Board of Regents Revenue Refunding Bonds Indenture dated May 1, 2012. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements.

Discrete Component Units

On November 10, 2021, Utah Transit Authority (UTA) (major discrete component unit) issued $431.625 million in Senior Sales Tax Revenue Bonds and $16.220 million in Subordinate Sales Tax Revenue Bonds to provide resources to purchase qualifying open market securities which were placed in an irrevocable trust for the purpose of generating resources for the advanced refunding of certain 2015A Senior and Subordinate Revenue Bonds. As a result, the refunded bonds are considered defeased and a portion of liability for those bonds have been removed. The transaction partial refunding resulted in a reduction of total debt service requirements by $20.338 million which resulted in an economic gain of $20.154 million. Interest on the prior bonds ranged from 4.00 to 5.00 percent depending on the repayment year. Interest rates on the refunded amounts ranges from 0.35 to 2.99 percent in the new bonds.

In prior years, discrete component units defeased certain revenue bonds by placing the proceeds of new bonds and various bond reserves in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the component unit column on the Statement of Net Position. At June 30, 2022, $274.615 million of colleges and universities' bonds outstanding are considered defeased.

F. Pollution Remediation Obligations

Under the federal Superfund law, the State is responsible for sharing remediation costs at sites where the Environmental Protection Agency expends Superfund trust monies for cleanup. Currently there are five sites in various stages of cleanup, from initial assessment to cleanup activities. The pollution remediation liabilities associated with these sites were measured using the actual contract cost, where no changes in cost are expected, or the expected cash flow technique. Liability estimates are subject to change due to price increases or reductions, technology, or changes in applicable laws or regulations governing the remediation efforts. As of June 30, 2022, the liability is $5.183 million. The State does not anticipate recovering reimbursements from the parties who caused the pollution.

G. Notes Payable / Annuities Payable

Primary Government

Notes payable for governmental activities consists of a direct financing lease-purchase arrangement for the Spanish Fork Courthouse. The note contains a 2.85 percent interest rate. On the governmental fund financial statements, both the principal and interest portions of notes payable are recorded as expenditures of the applicable government function. Payments on notes payable were $681 thousand in principal and $116 thousand interest for fiscal year 2022. Payment information on notes payable is presented below.

Notes Payable Debt Service Requirements to Maturity
Primary Government
For Fiscal Year Ended June 30
(expressed in thousands)

Fiscal Year	Principal	Interest	Total Amount Required
2023	$ 701	$ 97	$ 798
2024	721	76	797
2025	742	56	798
2026	763	34	797
2027	785	12	797
Totals	$ 3,712	$ 275	$ 3,987

Discrete Component Units

The notes payable/annuities payable include $4.296 million in life annuity contracts. The notes payable balance consists of notes issued by discrete component units for the purchase of buildings and equipment. The notes bear various interest rates and will be repaid over the next 17 years. They are secured by the related assets. The Utah Transit Authority (UTA) (major discrete component unit) entered into an interlocal agreement with Utah County that requires UTA to reimburse Utah County for all bond costs (i.e., principal, interest, and cost of issuance) prior to December 31, 2028 related to Utah County's $65 million 2016 Subordinated Transportation Sales Tax Revenue Bond that was issued for the construction of the Utah Valley Express bus route. Payment information on notes payable and annuities payable is presented below.

(Table on next page)

Notes Payable Debt Service Requirements to Maturity
Discrete Component Units
For the Fiscal Year Ended June 30
(*expressed in thousands*)

Fiscal Year	Principal				Total Principal Required	Total Interest Required	Total Amount Required
	University of Utah	Utah State University	Utah Transit Authority	Nonmajor Component Units			
2023	$ 33,011	$ 1,700	$ 1,545	$ 5,427	$ 41,683	$ 8,434	$ 50,117
2024	22,444	1,494	1,595	15,689	41,222	7,508	48,730
2025	24,724	513	1,645	4,544	31,426	6,433	37,859
2026	19,798	500	1,700	4,291	26,289	5,601	31,890
2027	20,709	509	1,750	3,547	26,515	5,004	31,519
2028-2032	40,200	377	49,435	10,757	100,769	10,766	111,535
2033-2037	132	—	—	4,914	5,046	316	5,362
2038-2042		—	—	32	32	2	34
Total	$ 161,018	$ 5,093	$ 57,670	$ 49,201	$ 272,982	$ 44,064	$ 317,046

NOTE 11. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred Outflows and Inflows of Resources reported on the Statement of Net Position as of June 30, 2022, consisted of the following:

Deferred Outflows and Inflows of Resources
(expressed in thousands)

	Primary Government		Discrete Component Units
	Governmental Activities	Business-type Activities	
Deferred Outflows:			
Deferred Amount on Refundings of Bonded Debt	$ 7,023	$ 1,419	$ 125,428
Relating to Pensions	322,857	6,255	88,749
Relating to Other Postemployment Benefits	22,040	397	27,757
Total Deferred Outflows	$ 351,920	$ 8,071	$ 241,934
Deferred Inflows:			
Deferred Revenue	$ 10,421	$ —	$ 247
Relating to Beneficial Interests	—	—	17,555
Deferred Amount on Refundings of Bonded Debt	—	—	11,778
Relating to Pensions	898,648	14,836	415,031
Relating to Other Postemployment Benefits	31,575	565	1,106
Relating to Leases	—	—	188,023
Total Deferred Inflows	$ 940,644	$ 15,401	$ 633,740

Of the $351.920 million deferred outflows of resources reported in the governmental activities column on the government-wide Statement of Net Position, $322.857 million represent deferred outflows relating to pensions, of which $30.396 million are reported in the Internal Service Funds; and $22.040 million represent deferred outflows relating to other postemployment, of which $1.552 million are reported in the Internal Service Funds. The remaining $7.023 million represent deferred amount on refundings of bonded debt.

Of the $940.644 million deferred inflows of resources reported in the governmental activities column on the government-wide Statement of Net Position, $898.648 million represent deferred inflows relating to pensions, of which $78.142 million are reported in the Internal Service Funds; and $31.575 million represent deferred inflows relating to other postemployment, of which $2.394 million are reported in the Internal Service Funds. The remaining $10.421 million in deferred revenue represent imposed fees received before the period when those resources are permitted to be used or are unavailable.

Deferred outflows and inflows of resources for governmental funds, proprietary funds, and discrete component units are reported in detail in their respective fund statements.

Under the modified accrual basis of accounting, governmental fund financial statements reported deferred inflows of resources of $1.293 billion in unavailable revenue. This was comprised of $1.020 billion from various taxes and $273.385 million from other sources.

The deferred outflows of resources relating to pensions for governmental activities of $322.857 million and for business-type activities of $6.255 million differ from the deferred outflows of resources for the primary government of $333.807 million as reported in Note 17 due to the following: Student Assistance Programs of $126 thousand is included in business-type activities,

but is excluded in the deferred outflows of resources reported for the primary government; the Utah Schools for the Deaf and the Blind (nonmajor discrete component unit) of $4.820 million is excluded from presentation in the governmental and business-type activities reported above, but is included in the deferred outflows of resources reported for the primary government.

The deferred inflows of resources relating to pensions for governmental activities of $898.648 million and for business-type activities of $14.836 million differ from the deferred inflows of resources for the primary government of $925.550 million in Note 17 due to the following: Student Assistance Programs of $1.145 million is included in business-type activities, but is excluded in the deferred inflows of resources reported for the primary government; the Utah Schools for the Deaf and the Blind (nonmajor discrete component unit) of $13.203 million is excluded from presentation in the governmental and business-type activities reported above, but is included in the deferred inflows of resources reported for the primary government.

These differences are due to the way in which Utah Retirement Systems (pension trust and defined contribution plans) combine and report the State's retirement plans for Note 17, which is different than how the State reports the deferred outflows and inflows of resources by fund type in accordance with generally accepted accounting principles.

NOTE 12. GOVERNMENTAL FUND BALANCES, BUDGET STABILIZATION ACCOUNTS, AND NET POSITION RESTRICTED BY ENABLING LEGISLATION

A. Governmental Fund Balances – Restricted, Committed and Assigned

The State's fund balances represent: *(1)* **Restricted Purposes**, which include balances that are legally restricted for specific purposes due to constraints that are imposed by law through constitutional provisions or are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; *(2)* **Committed Purposes**, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislature; *(3)* **Assigned Purposes**, which include balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. A summary of the nature and purpose of these reserves by fund type at June 30, 2022, follows:

Governmental Fund Balances
(expressed in thousands)

	Restricted Purposes	Committed Purposes	Assigned Purposes
General Fund:			
General Government:			
Legislature	$ —	$ 20,685	$ —
Elected Officials	5,861	10,743	—
Governor's Office	—	77,695	—
Administrative Services	63,941	6,355	—
Revenue Assessments and Collections	—	24,306	—
Human Services and Juvenile Justice Services	3,890	42,504	—
Corrections	—	15,707	—
Public Safety	13,030	53,526	—
Courts	—	13,547	—
Health	—	167,515	—
Environmental Quality	—	24,343	—
Employment and Family Services	808	60,260	—
Natural Resources	25,804	456,683	—
Cultural and Community Engagement	58	9,197	—
Business, Labor, and Agriculture	125	67,243	—
Budget Reserve (Rainy Day) Account	—	330,285	—
Medicaid Budget Stabilization Account	—	113,862	—
Industrial Assistance	—	65,931	—
Tax Accruals and Other Liabilities	—	—	312,400
Fiscal Year 2023 Appropriations:	—	—	—
Line Item Appropriations	—	—	1,046,239
Other Purposes	3,867	132,557	725
Total	$ 117,384	$ 1,692,944	$ 1,359,364

Continues

Governmental Fund Balances
(expressed in thousands)

	Restricted Purposes	Committed Purposes	Assigned Purposes
Continued			
Education Fund:			
Minimum School Program	$ 137,656	$ —	$ —
State Office of Education	145,286	—	—
School Building Program	34,626	—	—
School Land Trust Program	99,352	—	—
Education Budget Reserve Account	856,285	—	—
Tax Accruals and Other Purposes [1]	358,987	—	—
Fiscal Year 2023 Appropriations:			
Line Item Appropriations	919,296	—	—
Available for Appropriation	1,124,279	—	—
Other Purposes	22,835	—	—
Total	$ 3,698,602	$ 0	$ 0
Transportation Fund:			
Transportation – Construction and Maintenance	$ 358,820	$ —	$ 35,477
Public Safety	54,226	—	—
Corridor Preservation	45,084	—	—
Aeronautical Programs	9,741	—	—
Tax Accruals and Other Purposes [1]	68,639	—	—
Total	$ 536,510	$ 0	$ 35,477
Transportation Investment Fund:			
Transportation Investment Capacity Projects	$ —	$ 1,597,979	$ —
Other Purposes	—	116,470	—
Total	$ 0	$ 1,714,449	$ 0
Permanent Fund - Trust Lands:			
Public Education System [1]	$ 989,739	$ —	$ —
Higher Education and Other Purposes	43,459	—	—
Total	$ 1,033,198	$ 0	$ 0
Nonmajor Governmental Funds:			
Capital Projects	$ 783	$ —	$ 644,744
Debt Service	—	—	29,235
State Endowment Fund	—	304,860	—
Environmental Reclamation	46,465	7,058	—
Rural Development	—	26,163	—
Medicaid Expansion	—	187,048	10,796
Other Purposes	47,776	101,127	632
Total	$ 95,024	$ 626,256	$ 685,407

[1] Resources restricted through constitutional provisions.

B. Budget Stabilization Accounts

In accordance with Sections 63J-1-312 and 313 of the *Utah Code*, the State maintains the General Fund Budget Reserve Account in the General Fund (the "Rainy Day Fund") and an Education Fund Budget Reserve Account in the Education Fund (the "Education Reserve"). These stabilization balances can generally only be used for specific purposes detailed in Section 63J-1-312 and 313, upon appropriation by the Legislature. State law requires 25 percent of any revenue surplus in the General Fund to be deposited in the Rainy Day Fund after any required Medicaid growth savings transfer is made (see Medicaid Budget Sustainability Account discussion below) and 25 percent of any revenue surplus in the Education Fund to be deposited in the Education Reserve, in each case up to a statutory limit. State law limits the totals of the Rainy Day Fund and Education Reserve to 9 and 11 percent of appropriations from the General Fund and Education Fund, respectively, for the fiscal year in which the surplus occurred.

The Rainy Day Fund and Education Reserve are available only under specific circumstances detailed in the *Utah Code*. Historically, resources from the Rainy Day Fund or Education Reserve have only been expended during recessionary periods to cover overall budget shortfalls after the Legislature has exhausted other budgetary measures. In two instances, resources from the Rainy Day Fund were also appropriated for state settlement agreements.

Section 63J-1-217 of the *Utah Code* requires the State to maintain a balanced budget. If a budget shortfall is expected, the Governor is required to direct state agencies to reduce commitments and expenditures by an amount proportionate to any revenue shortfall until the Legislature is able to take action to rectify the shortfall. The Legislature utilizes funding reallocations, spending cuts, and reserve funds to address a shortfall. If these measures do not rectify the shortfall, the Legislature may use the stabilization funds in extreme cases. Over the past 18 years, the Rainy Day Fund has been used three times, once for a budget shortfall and twice to pay state settlement agreements. Over the same period of time, the Education reserve has been used twice for budget shortfalls.

The Rainy Day Fund and the Education Reserve ended the year with balances of $330.285 million and $856.285 million, respectively. For the fiscal year ended June 30, 2022, $37.747 million was transferred into the Rainy Day Fund as a result of a revenue surplus. The Education Reserve received $115.585 million as a result of a revenue surplus.

In accordance with Section 63J-1-315 of the *Utah Code*, the State maintains the Medicaid Growth Reduction and Budget Stabilization Restricted Account ("Medicaid Budget Stabilization Account"). The account can only be used for specific purposes detailed in Section 63J-1-315, upon appropriation by the Legislature. The Legislature may appropriate money from the account only if Medicaid program expenditures are estimated to be 108 percent or more of Medicaid program expenditures for the previous year. This is not expected to occur routinely, as the state has implemented reforms in the Medicaid Program to bring Medicaid growth more in line with overall state revenue growth. In the ten years since the fund was created, there have been no appropriations from the fund. The account is funded in a fiscal year when there are savings in the Medicaid Program and a General Fund revenue surplus. For the fiscal year ended June 30, 2022, there was no transfer into the Medicaid Budget Stabilization Account because there were no savings in the Medicaid Program. The account ended the year with a balance of $113.862 million.

C. Minimum Fund Balance Policies

Statutorily, the State established a minimum fund balance policy for two funds, the Disaster Recovery Restricted Account and the Local Government Emergency Response Loan Fund. In accordance with Section 53-2a-603 of the *Utah Code*, under certain circumstances, the Disaster Recovery Restricted Account may be used to provide short-term loans to a member state of the Emergency Management Assistance Compact. Loans may be issued from the account as long as the fund maintains a minimum fund balance of $5 million. Section 53-2a-607 of the *Utah Code*, requires the Local Government Emergency Response Loan Fund to provide short-term, low-interest loans to local government entities. The amount loaned may not be more than 50 percent of the total fund balance available, or an amount that will leave the fund balance at less than $10 million.

D. Net Position Restricted by Enabling Legislation

The State's net position restricted by enabling legislation represents resources which a party external to a government–such as citizens, public interest groups, or the judiciary–can compel the government to use only for the purpose specified by the legislation. The government-wide Statement of Net Position reports $10.771 billion of restricted net position, of which $28.550 million is restricted by enabling legislation.

NOTE 13. DEFICIT NET POSITION AND FUND BALANCE

Funds reporting a deficit total net position at June 30, 2022, are (in thousands):

Internal Service Funds:		
Human Resource Management	$	(1,636)
Attorney General Legal Services	$	(1,247)

The deficit net positions in the Human Resource Management, and Attorney General Legal Services Funds are the result of recording the funds' portions of pensions and other postemployment benefits (OPEB) as required by GASB Statements. These Statements require the recognition and reporting of the net pension liability, net OPEB liability, and related transactions, often resulting in a deficit net position. The Human Resource Management and Attorney General Legal Services Funds also reported a $2.180 million deficit and a $1.552 million deficit respectively, in the unrestricted portions of their net positions at June 30, 2022, primarily as a result of recording the fund's portions of pension and OPEB.

Other than noted above, funds reporting a deficit position in the unrestricted portion of their net position at June 30, 2022, are (in thousands):

Internal Service Funds:		
Fleet Operations	$	(16,319)
Enterprise Funds:		
Alcoholic Beverage Services	$	(29,267)

The deficit in the Fleet Operations Internal Service Fund and Alcoholic Beverage Services Fund are mainly due to the significant investment in capital assets required for these operations.

(Notes continue on next page.)

NOTE 14. INTERFUND TRANSFERS

Transfers between funds occur when one fund collects revenue and transfers the assets to another fund for expenditure or when one fund provides working capital to another fund. All transfers must be legally authorized by the Legislature through statute or an *Appropriation Act*. Interfund transfers for the fiscal year ended June 30, 2022, are as follows (in thousands):

	Transferred To					
	Governmental Funds					
Transferred From	General Fund	Education Fund	Transportation Fund	Transportation Investment Fund	Trust Lands Fund	Nonmajor Governmental Funds
General Fund	$ —	$ 15,074	$ 3,508	$ 1,137,260	$ 25	$ 247,583
Education Fund	2,113,732	—	5,000	—	—	375,620
Transportation Fund	55,129	—	—	47,652	—	7,779
Transportation Investment Fund	—	—	41,131	—	—	356,280
Trust Lands Fund	—	95,850	—	—	—	—
Nonmajor Governmental Funds	225,906	—	—	—	—	3,142
Unemployment Compensation Fund	1,514	—	—	—	—	—
Water Loan Programs	24,270	—	—	—	—	—
Community Impact Loan Fund	811	—	—	—	—	—
Employers' Reinsurance Fund	86	—	—	—	—	—
Alcoholic Beverage Services Fund	134,672	1,750	—	—	—	—
Nonmajor Enterprise Funds	4,523	—	—	—	—	—
Internal Service Funds	—	—	—	—	—	—
Total	$ 2,560,643	$ 112,674	$ 49,639	$ 1,184,912	$ 25	$ 990,404

	Transferred To						
	Enterprise Funds						
Transferred From	Water Loan Programs	Community Impact Loan Fund	Employers' Reinsurance Fund	Alcoholic Beverage Services Fund	Nonmajor Enterprise Funds	Internal Service Funds	Total
General Fund	$ 8,950	$ 39,378	$ 391	$ 72	$ 71,375	$ 9,034	$ 1,532,650
Education Fund	—	—	—	—	—	—	$ 2,494,352
Transportation Fund	—	—	—	—	—	—	$ 110,560
Transportation Investment Fund	—	—	—	—	—	—	$ 397,411
Trust Lands Fund	—	—	—	—	—	—	$ 95,850
Nonmajor Governmental Funds	—	—	—	—	—	—	$ 229,048
Unemployment Compensation Fund	—	—	—	—	—	—	$ 1,514
Water Loan Programs	—	—	—	—	—	—	$ 24,270
Community Impact Loan Fund	—	—	—	—	—	—	$ 811
Employers' Reinsurance Fund	—	—	—	—	—	—	$ 86
Alcoholic Beverage Services Fund	—	—	—	—	—	—	$ 136,422
Nonmajor Enterprise Funds	—	—	—	—	—	—	$ 4,523
Internal Service Funds	—	—	—	—	—	267	$ 267
Total	$ 8,950	$ 39,378	$ 391	$ 72	$ 71,375	$ 9,301	$ 5,027,764

Transfers from major governmental funds to nonmajor governmental funds are primarily for debt service expenditures and capital facility construction. Transfers from Alcoholic Beverage Services Fund (major enterprise fund) to the General Fund are liquor profits required by statute to be deposited in the General Fund. Transfers of Trust Lands Fund (permanent fund) investment earnings are required by State constitution and statute to be deposited in the Education Fund (major governmental fund). All other transfers are made to finance various programs as authorized by the Legislature.

In addition, the Legislature authorized payments of $1.440 billion to discrete component units. Payments to discrete component units are reported as expenditures in both the General Fund governmental fund statements and the governmental activities column of the Statement of Activities. They are also reported as revenues in the discrete component units column of the Statement of Activities.

NOTE 15. TAX ABATEMENTS

The State provides tax abatements through a number of programs administered by the Utah Governor's Office of Economic Opportunity (GOUTAH): the Economic Development Tax Increment Financing (EDTIF) program, the Motion Picture Incentive Program (MPIP), and the Utah Rural Jobs Act program (URJA). These programs offer post-performance tax abatements of corporate and individual tax revenues, which would otherwise fund education, in exchange for specific actions that are intended to benefit the State or its citizens. GOUTAH also administers the New Convention Facility Development Incentives program (NCFDI). This program offers tax abatement of sales tax revenues, which would otherwise fund government services, in exchange for specific actions that are intended to benefit the State or its citizens.

The EDTIF program provides incentives in the form of a refundable tax credit to accelerate business growth, job creation,

and to encourage economic development within specific economic development zones. A business entity must enter into an incentive agreement with GOUTAH, which specifies performance milestones on a commercial project. According to Section 63N-2-1 of the *Utah Code,* the project must: *(1)* be within the development zone; *(2)* include direct investment in the zone; *(3)* bring new incremental jobs to Utah; *(4)* create high-paying jobs and significant capital investment in the State or significant purchases from vendors, contractors, or service providers in the State; *(5)* generate new State revenues; and *(6)* meet the procedural eligibility requirements to qualify for a tax credit.

Each year, a business entity must apply to GOUTAH for a tax credit certificate. GOUTAH reviews the results of the commercial project for compliance before a credit is issued. A tax credit may not exceed 30 percent in urban areas and 50 percent for specific rural areas of new state tax revenues from the new project over the lesser of the life of the project or 20 years. A tax credit may not exceed 50 percent of new state tax revenues from the new project in a given year. If a business entity should fail to meet its obligations or has received more EDTIF refundable tax credits than it is entitled to, the excess amount must be returned and any future claim for credit may be denied and/or the contract may be nullified.

The MPIP provides tax credits to encourage television and movie producers to film in the State of Utah. This refundable tax credit provides financial incentives to qualified, pre-approved participants in the film industry to develop a strong motion picture presence in the State and boost the State's economy. Section 63N-8-104 of the *Utah Code* allows up to a 20 percent refundable tax credit, and an additional 5 percent, not to exceed 25 percent of the dollars left in the state by the motion picture company, if the applicant: *(1)* employs a significant percentage of cast and crew locally; *(2)* highlights Utah and the Utah Film Commission in the motion picture credits; and *(3)* meets other agreed-upon promotion requirements. The tax credit certificates are issued after the company completes production, pays in full all Utah-based vendors, and provides an independently reviewed financial report for verification. Each fiscal year, GOUTAH may issue up to $6.794 million in tax credit certificates, or more if there are remaining unissued tax credits from a prior year.

The NCFDI program was created in order to spur the development of a co-located Utah hotel and convention space to attract larger conventions that will benefit the State by bringing in tax revenue and contributing to the economy. This tax abatement provides financial incentives to a qualified, pre-approved hotel owner or host local government. Section 63N-2-503 of the *Utah Code* allows a refund of sales tax up to a maximum annual amount based on a maximum percentage specified in the agreement, and limited to $75 million in the aggregate for the eligibility period, if the applicant develops a qualified hotel on or after July 1, 2014 that meets the following requirements: *(1)* the project requires a significant capital investment; *(2)* includes at least 85 square feet of convention, exhibit, and meeting space per guest room; and *(3)* is located within 1,000 feet of a convention center that contains at least 500,000 square feet of convention, exhibit, and meeting space. A qualified hotel owner or host local government that wishes to qualify for the convention incentive must submit a written claim that includes all required components described in 63N-2-505 of the *Utah Code.*

GOUTAH entered into an agreement with a qualified hotel owner during fiscal year 2019. While the eligibility period has commenced with beginning construction of the qualified hotel, GOUTAH has not abated any taxes related to this project during fiscal year 2022.

The URJA program enables an eligible small business located in a rural county to expand and create high-paying jobs by providing flexible and affordable capital. This tax abatement provides financial incentives to a qualified claimant in a rural investment company that makes a credit-eligible investment of cash. Section 63N-4-304 of the *Utah Code* allows a tax credit equal to 25 percent of the claimant's total credit-eligible capital contribution in each of the taxable years that include the fourth through the seventh anniversaries of the closing date. According to Section 63N-4-303 of the *Utah Code*, a Rural Investment Company (RIC) must submit an application that includes the following: *(1)* a copy of a license as a federally licensed rural business investment company or as a federally licensed small business investment company; *(2)* evidence that before the date the application is submitted, the applicant has invested at least $50 million in nonpublic companies located in counties in the U.S. with fewer than 50,000 inhabitants; *(3)* a signed affidavit from each claimant stating the amount of the commitment; and *(4)* the sum of all credit-eligible contribution commitments, which must equal 58 percent of the total investment authority sought by the applicant. In addition, an RIC must perform the following within 65 days of approval: *(1)* collect the total amount of committed credit-eligible capital contributions from each claimant included in the application; *(2)* collect one or more cash equity investments contributed by affiliates of the RIC; and *(3)* collect one or more cash investments when combined with collections in *(1)* and *(2)* above that is equal to the RICs investment authority; and *(4)* send sufficient documentation to the office to prove the amounts have been collected.

As authorized by 63N-4-305 of the *Utah Code*, the credit may be recaptured in the following situations: *(1)* if the RIC fails to invest 100 percent of its investment authority in growth investments in the state within three years of the closing date; *(2)* if the RIC fails to invest 100 percent of its investment authority until the seventh anniversary of the closing date; *(3)* if the RIC fails to maintain growth investments in this state equal to 100 percent of its investment authority until the 70th anniversary of the closing date; *(4)* if the RIC makes a distribution or payment that results in the RIC having less than 100 percent of its investment authority invested in growth investments in this state or available for growth investments and held in cash and other marketable securities; *(5)* if the phase one RIC fails to maintain growth investments equal to 70 percent of its investment authority in eligible small businesses that maintain their principal business operations in a rural county; *(6)* if the phase two RIC fails to maintain growth investments equal to 100 percent of the rural investment company's investment authority in eligible small business that maintain their principal business operations in a rural county; *(7)* if the RIC invests more than $5 million from its investment authority in the same eligible small business; and *(8)* if the RIC makes a growth investment in an eligible small business that owns or has the right to acquire an ownership interest in the RIC or makes a loan to or an investment in the RIC.

Three RICs have been given investment authority of $42 million. The applications were approved in calendar year 2017. Credits can only be claimed in taxable years that include the fourth through the seventh anniversary of the closing date. For fiscal year 2022, $6.090 million tax credits were issued.

The gross dollar amounts, on an accrual basis, by which the State's revenues were reduced for the fiscal year ended June 30, 2022 are:

Tax Abatement Programs
(expressed in thousands)

Program	Amount of Taxes Abated
Motion Picture Incentive Program	$ 6,641
Economic Development Tax Increment Financing	24,062
Total	$ 30,703

The State has other recently enacted tax abatement programs where tax abatement agreements have not been entered into or the total tax abatement for these programs is less than 10 percent of the total taxes abated during the fiscal year. The State has no tax abatements that are entered into by other governments that reduce the State's tax revenues. In addition, the State has other various tax credit incentives that are not defined as tax abatements under generally accepted accounting principles and therefore are not described and included here. See Note 16.C for commitments related to the tax abatements.

NOTE 16. LITIGATION, CONTINGENCIES, AND COMMITMENTS

A. Litigation

- The State is involved in various legal actions arising in the ordinary course of business. The State is vigorously contesting all of these matters, but as of this date it is not possible to determine the outcome of these proceedings. In the opinion of the Attorney General and management, the ultimate disposition of these matters will not have a material adverse effect on the State's financial position.
- In addition to the items above, the State is contesting other legal actions totaling over $87.800 million and plus attorneys' fees and interest and other cases where the amount of potential loss is indeterminable. Some portions of the amounts sought have been paid by the State or placed in escrow.

B. Contingencies

- The State receives a significant amount of funding from the federal government. Funds flowing from the federal government to the State are subject to changes to federal laws and appropriations. Based on the financial position of the federal government, it is reasonably possible that events will occur in the near term that will significantly affect the flow of federal funds to the State. The State is taking action to identify and address the impact a significant reduction of federal funds will have on the programs and operations of the State, including requiring contingency plans from state agencies.
- Financial and compliance audits (Single Audit) of federal grants, contracts, and agreements were conducted under the provisions of the Federal Office of Management and Budget's circulars. As a result of the audits, identified questioned costs are immaterial. In addition, program compliance audits by the federal government are conducted periodically; however, an estimate of any potential disallowances on these audits and findings on other audits on noncompliance cannot be estimated as to the potential liability. The Single Audit for the fiscal year ended June 30, 2022, will be available in the Spring of 2023.
- Management's estimated liability for the Petroleum Storage Tank Fund (non-major enterprise fund) is highly sensitive to change based on the short period of historical data and the uncertainty in estimating costs. Since it is not possible to determine the occurrence date of a leak in an underground storage tank, it is not possible to estimate the number or the associated costs of leaks that have not been detected.
- The Utah Fund of Funds (UFOF) (legally separate entity) was created by the passage of the Utah Venture Capital Enhancement Act in fiscal year 2003 to mobilize private investments and enhance the venture capital culture and infrastructure within the State. The State's involvement in this program is limited to public oversight of the UFOF primarily in the form of approving the issuance of contingent tax credit certificates, ensuring that the UFOF is achieving its statutory purposes of spurring economic development and protecting against the redemption of contingent tax credits. The aggregate outstanding tax certificates available to the program cannot exceed: ***(1)*** $130 million of contingent tax credits used as collateral or a guarantee on loans for the debt-based financing of investments initiated before July 1, 2014; or ***(2)*** $120 million of contingent tax credits for a loan refinanced using debt-based or equity-based financing; and ***(3)*** *$100* million used as an incentive for equity investments in the UFOF. The tax certificates are structured so that not more than $20 million of contingent tax credits for each $100 million increment of contingent tax liability may be redeemable in any fiscal year. Under certain circumstances, the holder of a certificate is entitled to a refundable tax credit against tax liabilities imposed by Section 59-7, "Corporate Franchise and Income Taxes," or Section 59-10, "Individual Income Tax Act" of the *Utah Code*. To date, the State has not had to place any contingent tax credits into the program, and it does not anticipate the use of tax credits any time in the near future. On June 30, 2022, in accordance with Senate Bill 218 of the 2022 General Session, the UFOF transferred $15 million to the State's Utah Capital Investment Restricted Account administered by the Governor's Office of Economic Development for economic development, infrastructure, state parks, recreation, education innovation, or other purposes as directed by the Legislature.
- The State is self-insured for liability claims up to $2 million per claim, plus an annual $1 million corridor deductible, augmented by excess liability insurance with a per claim limit of $3 million and an annual aggregate limit of $6 million. The State purchased excess liability reinsurance with a per claim limit of $5 million (excess of $3 million) and an annual aggregate limit of $10 million (excess of $6 million). The State is self-insured for property claims up to $1 million per occurrence, with an annual aggregate of $3.5 million, and with sub-limits of $525 million for earthquake and flood losses. The State's per occurrence deductible for earthquakes is 2 percent of the value of each building involved in the loss, subject to a minimum of $5 million and a maximum of $25 million, and the State's per occurrence deductible for flood losses is $50 thousand. According to actuarial studies and other known factors, $66.886 million exists as either incurred but unfiled or unpaid claims. This amount is reported as a liability of the Department of Government Operations Risk Management Fund (internal service fund).
- The Utah School Bond Guaranty Act (Sections 53G-4-801 to 808 of the *Utah Code*), which took effect on January 1, 1997, pledges the full faith, credit, and unlimited taxing power of the State to guaranty full and timely payment of the

principal and interest on general obligation bonds issued by qualifying local school boards. The primary purpose of the Guaranty Act is to reduce borrowing costs for local school boards by providing credit enhancement for Guaranteed Bonds. The local school boards do not meet the criteria for inclusion as part of the State's reporting entity.

In the event a school board is unable to make the scheduled debt service payments on its Guaranteed Bonds, the State is required to make such payments in a timely manner. For this purpose, the State may use any available monies, may use short-term borrowing from the State Permanent School Fund (part of the permanent Trust Lands Fund), or may issue short-term general obligation notes. The local school board remains liable to the State for any such payments on Guaranteed Bonds. Reimbursements to the State may be obtained by intercepting payment of state funds intended for the local school board. The State may also compel the local school board to levy a tax sufficient to reimburse the State for any guaranty payments.

The State Superintendent of Public Instruction is charged with monitoring the financial condition of local school boards and reporting, at least annually, its conclusions to the Governor, the Legislature, and the State Treasurer. The State Superintendent must report immediately any circumstances that suggest a local school board may not be able to pay its debt service obligations when due. The State has not advanced any monies for the payment of debt service on Guaranteed Bonds and does not expect that it will be required to advance monies for any significant period of time.

Local school boards have $3.588 billion principal amount of Guaranteed Bonds outstanding at June 30, 2022, with the last maturity date being 2042. The State cannot predict the amount of bonds that may be guaranteed in future years, but no limitation is currently imposed by the Guaranty Act.

- The Charter School Credit Enhancement Program (Program) (Sections 53A-20b-201 to 204 of the *Utah Code*) was established to reduce borrowing costs for qualifying charter schools by providing credit enhancement on bonds issued on behalf of those schools. Bonds issued under this Program are not legal obligations of the State, and neither the State nor any political subdivision of the State is obligated in any manner for repayment of the bonds. If a charter school with bonds issued under the Program draws on its debt service reserve fund, state law requires the Governor to request an appropriation from the Legislature to restore the school's debt service reserve fund to its required level or to meet any principal or interest payment deficiency. However, the Legislature is not required to make any such appropriations. A charter school is required to repay the State any appropriations it receives to restore its debt service reserves at the time and in the manner required by the Utah Charter School Finance Authority (Authority) (nonmajor discrete component unit).

  When bonds are issued under the Program, the qualifying school pays up-front and ongoing fees at rates determined by the Authority. These fees are deposited into a restricted reserve account that was funded initially with a $3 million appropriation. These monies may be appropriated by the Legislature to replenish any deficiency in the debt service reserve fund of a charter school under the Program.

  The Authority is the conduit issuer of Credit Enhancement Program bonds and responsible for developing criteria by which a charter school qualifies to participate in the Program. The Authority is also charged with monitoring the financial condition of qualifying charter schools and certifying, at least annually, the amount required to restore amounts on deposit in the debt service reserve funds of charter schools participating in the Program. The total amount of charter school debt enhanced by the Program is limited by formula. As of June 30, 2022, $484.150 million of debt was outstanding under the Program.

- At June 30, 2022, the Utah Higher Education Assistance Authority Student Loan Guarantee Program (Student Assistance Programs, major enterprise fund) had guaranteed student loans outstanding with a current principal and interest balance of $489.194 million.

- The Attorney General of the State sued the tobacco industry for medical costs related to smoking. The State of Utah has signed on to a master settlement agreement along with 45 other states. The major tobacco manufacturers and most of the smaller manufacturers have joined the agreement. The State received $28.383 million from tobacco companies in fiscal year 2022 and expects to receive approximately $24.500 million in fiscal year 2023. Annual payments will be adjusted for factors, such as inflation, decreased sales volume, previously settled lawsuits, disputed payments, and legal fees.

- The Utah School Readiness Initiative (Title 35A Chapter 15 of the *Utah Code*) created the School Readiness Board (the Board) and enabled the Board to provide grants and enter into contracts with private entities in order to improve early childhood education for at-risk students. Under the terms of the contract, private investors fund the program using a social impact bond financial model. This bond offers the investors a return on investment only if students in the program meet specific education benchmarks. The maximum number of students the program will pay on is 353 per year for each of the remaining 3 years. As of June 30, 2022, the State of Utah has reserved a total of $3.750 million to cover student evaluations and any repayment of the social impact bond. The program has repaid $5.128 million to investors as of June 30, 2022. The Board authorized an additional payment to investors of $733 thousand at the September 2022 board meeting. It is anticipated the State of Utah will commit additional funds in future years as necessary.

C. Commitments

- At June 30, 2022, the Industrial Assistance Program of the General Fund had grant commitments of $22.929 million, contingent on participating companies meeting certain performance criteria.

- At June 30, 2022, the Economic Development Tax Increment Financing incentive program had outstanding long-term contract commitments for General Fund cash rebates of $79.248 million and Education Fund tax credits (tax abatements) of $902.212 million. These cash rebates and tax credits are contingent on participating companies meeting certain economic development performance criteria.

- At June 30, 2022, the Motion Picture Incentive Program had outstanding contract commitments for General Fund cash rebates of $7.571 million and Education Fund tax credits (tax abatements) of $31.447 million. These cash rebates and credits are contingent upon participating motion picture companies meeting certain within-the-state production criteria.

- At June 30, 2022, the New Convention Facilities Development Incentives program had outstanding contract commitments for General Fund tax credits (tax abatements) of $75.000 million. These tax credits are contingent on the participating entities meeting certain statutorily required construction criteria.
- At June 30, 2022, the Utah Rural Jobs Act program had outstanding commitments for Education Fund tax credits (tax abatements) of $18.270 million. These tax credits are contingent on the participating entities meeting statutorily required construction criteria.
- At June 30, 2022, the Utah Department of Transportation had construction and other contract commitments of $870.393 million, of which $447.588 million is for Transportation Fund (major special revenue fund) and $422.806 million is for projects within the Transportation Investment Fund (major capital projects fund) highway projects. These commitments will be funded with future appropriations in the Transportation Fund and through proceeds of general obligation bonds and future appropriations in the Transportation Investment Fund.
- As of June 30, 2022, the permanent Trust Lands Fund had contractual commitments of $1.395 billion to various investments. Of this amount, an estimated $490.223 million remained unfunded and subject to call by the funds.
- At June 30, 2022, the capital projects funds had construction commitments of $522.191 million. These commitments will be funded with legislative appropriations, charges for services revenues, and proceeds of general obligation and lease revenue bonds.
- At June 30, 2022, the enterprise funds had loan commitments of approximately $463.708 million and grant commitments of approximately $186.475 million.
- At its yearend December 31, 2021, the Utah Retirement Systems (pension trust and defined contribution plans) had committed to fund certain private equity partnerships, absolute return, and real asset funds projects for an amount of $8.100 billion. Funding of $5.000 billion had been provided by December 31, 2021, leaving an unfunded commitment of $3.100 billion.
- At June 30, 2022, the University of Utah (major discrete component unit) had outstanding commitments for the construction and remodeling of its buildings of approximately $85.200 million.
- The University of Utah, under the terms of various limited partnership agreements approved by the Board of Trustees or University officers, is obligated to make periodic payments for advance commitments to venture capital and private equity investments. As of June 30, 2022, the University had committed, but not paid, a total of $125.657 million in funding for these alternative investments.
- At June 30, 2022, Utah State University (major discrete component unit) had outstanding commitments for the construction and remodeling of its buildings of approximately $28.600 million.
- Utah State University, under the terms of various limited partnership agreements approved by the Board of Trustees or by University officers, is obligated to make periodic payments for advance commitments to venture capital, natural resource, and private equity investments. As of June 30, 2022, the University had committed, but not paid, a total of $36.188 million in funding for these alternative investments.
- At its yearend of December 31, 2021, the Utah Transit Authority (major discrete component unit) had outstanding purchasing commitments of approximately $229.800 million for capital projects that will be funded through a combination of debt, grants, and other revenue..

NOTE 17. PENSION PLANS

Utah Retirement Systems (URS) was established by Title 49 of the *Utah Code*. URS administers the pension systems and plans under the direction of the URS Board whose members are appointed by the Governor. URS has a separate accounting system and prepares a separately issued financial report covering all retirement systems and deferred compensation plans it administers. URS maintains records and prepares financial statements using fund accounting principles and the accrual basis of accounting, under which benefits and expenses are recognized when due and payable, and revenues are recorded in the accounting period in which they are earned and become measurable. URS reports on a calendar yearend. The December 31, 2021, financial report has been included in this Annual Comprehensive Financial Report as a pension trust fund for URS within the fiduciary funds. Copies of the separately issued financial report, which includes financial statements and required supplemental information, may be obtained by writing to Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102-2044, or online at www.urs.org. The Utah Transit Authority (major discrete component unit) does not participate in URS. See Note 17.B for a description of Utah Transit Authority pension plans.

URS operations are comprised of the following groups of systems/plans covering employees of the State and participating local government and public education entities:

- The Public Employees Noncontributory Retirement System (Noncontributory System); the Public Employees Contributory Retirement System (Contributory System); and the Firefighters Retirement System (Firefighters System), which are defined-benefit multiple-employer, cost-sharing, public employee retirement systems;
- The Public Safety Retirement System (Public Safety System), which is a defined-benefit mixed agent and cost-sharing, multiple-employer public employee retirement system;
- The Judges Retirement System (Judges System) and the Utah Governors and Legislators Retirement Plan, which are single-employer service-employee retirement systems;
- The Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); and the Tier 2 Public Safety and Firefighters Contributory System (Tier 2 Public Safety and Firefighters System), which are defined-benefit multiple-employer, cost-sharing, public employee retirement systems;
- Four defined contribution plans comprised of the 401(k) Plan, 457 Plan, and Roth and Traditional IRA Plans.

The Tier 2 Public Employees System and Tier 2 Public Safety and Firefighters System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement Systems.

A. Defined Benefit Plans - Utah Retirement Systems

Retirement benefits are specified by Title 49 of the *Utah Code*. The retirement systems are defined-benefit plans wherein the benefits are based on age and/or years of service and highest average salary. Various plan options within the systems may be selected by retiring members. Some of the options require actuarial reductions based on attained age, age of spouse, and similar actuarial factors. A brief summary of eligibility for and benefits of the systems is provided in the following table:

Summary of Benefits by System

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighters System
Final Average Salary	Highest 3 Years	Highest 5 Years	Highest 3 Years		Highest 2 Years	Highest 5 Years	Highest 5 Years
Years of Service Required and/or Age Eligible for Benefit	30 years any age 25 years any age[1] 20 years age 60[1] 10 years age 62[1] 4 years age 65	30 years any age 20 years age 60[1] 10 years age 62[1] 4 years age 65	20 years any age 10 years age 60 4 years age 65		25 years any age 20 years age 55[1] 10 years age 62 6 years age 70	35 years any age 20 years age 60[1] 10 years age 62[1] 4 years age 65	25 years any age 20 years age 60[1] 10 years age 62[1] 4 years age 65
Benefit Percent per Year of Service [2]	2.00% per year all years	1.25% per year to June 1975 2.00% per year July 1975 to present	2.50% per year up to 20 years 2.00% per year over 20 years		5.00% first 10 years 2.25% second 10 years 1.00% over 20 years	1.50% per year all years	1.50% per year to June 2020; 2.00% per year July 2020 to present
COLA [3]	Up to 4.00% annually	Up to 4.00% annually	Up to 2.50% or 4.00% annually depending on the employer	Up to 4.00% annually	Up to 4.00% compounded annually	Up to 2.50% annually	Up to 2.50% annually

Note: The Utah Governors and Legislators Retirement Plan benefits are explained below.

[1] With actuarial reductions.

[2] For members and retirees in the systems, prior to January 1, 1989, there may be a 3.00 percent benefit enhancement.

[3] All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Former governors at age 65 receive $1,460 per month per term. Legislators with four or more years of service receive a benefit at age 65 at the rate of $31.60 per month per year of service. Legislators retiring at age 62 with ten or more years of service will receive an actuarial reduction. Both the governors' and legislators' benefits are adjusted based on the Consumer Price Index (CPI), limited to 4 percent of the base benefit per year.

Death benefits for active and retired employees are in accordance with retirement statutes. Upon termination of employment, members of the Systems may leave their retirement account intact for future benefits based on vesting qualification, or withdraw the accumulated funds in their individual member account and forfeit service credits and rights to future benefits upon which the contributions were based.

At December 31, 2021, the following number of employees were covered by the State's (primary government) single-employer plans:

Single-employer Plans Covered Employees
December 31, 2021

	Judges System	Governors and Legislators Retirement Plan
Inactive Employees or Beneficiaries Currently Receiving Benefits	155	249
Inactive Employees Entitled to But Not Yet Receiving Benefits	4	84
Active Employees	119	42
Total Single-employer Plans Covered Employees	278	375

Contribution Rates

As a condition of participation in the Defined Benefit Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an

additional amount to finance any unfunded actuarial accrued liability. For the Utah Governors and Legislators plan, an annual appropriation is statutorily required to maintain this plan on a financially and actuarially sound basis. The State paid 100 percent of the contractually and statutorily required contributions. Contribution rates and contributions for the fiscal year ended June 30, 2022, are presented in the following table (dollars expressed in thousands):

Contributions

Systems/Plan	Employee Paid	Paid by Employer for Employee	Employer Paid	Primary Government	Discrete Component Units (except UTA)
Noncontributory Public Employees	$ —	— %	22.19 %	$ 120,735	$ 50,555
Contributory:					
Contributory Public Employees	$ —	6.00 %	17.70 %	$ 487	$ 595
Tier 2 Public Employees [1]	$ —	— %	19.40 %	$ 68,021	$ 12,937
Public Safety:					
Contributory Public Safety	$ —	— %	— %	$ —	
Noncontributory Public Safety	$ —	— %	41.35 %	$ 39,515	$ 1,447
Tier 2 Public Safety [1]	2.27 %	2.00 %	32.54 %	$ 17,801	$ 455
Firefighters:					
Contributory Firefighters	$ —	15.05 %	4.61 %	$ 51	$ —
Tier 2 Firefighters [1]	2.27 %	2.00 %	14.08 %	$ 105	$ —
Judges	$ —	— %	44.31 %	$ 9,287	$ —
Utah Governors and Legislators		Annual Appropriation		$ 361	

[1] Tier 2 plans provide a statutory required contribution (0.08 to 18.54 percent amortization rate) to finance the unfunded actuarial accrued liability of the non-Tier 2 plans.

In addition to the contributions noted above, the primary government and discrete component units (except UTA) also paid to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements of $1.442 million and $230 thousand, respectively.

(Notes continue on next page.)

Below are the changes in net pension liability for the State's (primary government) single-employer system and plan:

Single-employer Plans
Changes in Net Pension Liability and Related Ratios
Increases (Decreases)
For the Fiscal Year Ended December 31, 2021
(dollars expressed in thousands)

		Judges System	Utah Governors and Legislators Retirement Plan
Total Pension Liability			
Service Cost		$ 6,309	$ 46
Interest		18,415	892
Difference between Actual and Expected Experience		2,789	(144)
Assumption Changes		2,928	114
Benefit Payments		(18,600)	(1,036)
Net Change in Total Pension Liability		11,841	(128)
Total Pension Liability – Beginning		271,116	13,330
Total Pension Liability – Ending	***A***	$ 282,957	$ 13,202
Plan Fiduciary Net Position			
Contributions – Employer		$ 8,949	$ 361
Court Fees [1]		1,354	—
Net Investment Income		41,716	2,042
Benefit Payments		(18,600)	(1,036)
Administrative Expense		(85)	(4)
Net Transfers with Affiliated Systems		4,563	7
Net Change in Plan Fiduciary Net Position		37,897	1,370
Plan Fiduciary Net Position – Beginning		244,133	12,055
Plan Fiduciary Net Position – Ending	***B***	$ 282,030	$ 13,425
Net Pension Liability / (Asset) – Ending (A – B)		$ 927	$ (223)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		99.67 %	101.69 %
Covered Payroll		$ 20,537	$ 666
Net Pension Liability as a Percentage of Covered Payroll		4.51 %	(33.48)%

[1] These court fees were recognized as revenue for support provided by non-employer contributing entities.

(Notes continue on next page.)

Proportionate Share of Net Pension Asset and Liability

Utah Retirement Systems (URS) (pension trust and defined contribution plans) provides retirement benefits to employees of the primary government and its discrete component units (except UTA) as well as to public education and other political subdivisions of the State. At December 31, 2021, the net pension asset and the net pension liability for all URS systems is $2.249 billion and $927 thousand, respectively. The plan's fiduciary net position as a percent of the total pension liability is 105.3 percent. At December 31, 2021, the primary government's net pension asset and net pension liability is $291.486 million and $927 thousand, respectively. The following table summarizes the State's (primary government) net pension asset and liability by plan.

Primary Government
Net Pension Asset and Liability
December 31, 2021
(dollars expressed in thousands)

System	Net Pension Asset	Net Pension Liability	Proportionate Share 2021	Proportionate Share 2020	Change
Noncontributory System - State and School Division	$ 159,789	$ —	23.39 %	23.88 %	(0.49)%
Contributory System - State and School Division	32,340	—	35.91 %	35.38 %	0.53 %
Public Safety System - State of Utah Division	88,871	—	96.95 %	96.82 %	0.13 %
Firefighters System - Other Division A	1,893	—	3.25 %	2.89 %	0.36 %
Judges System	—	927	100.00 %	100.00 %	0.00 %
Utah Governors and Legislators Retirement Plan	223	—	100.00 %	100.00 %	0.00 %
Tier 2 Public Employees System	7,329	—	17.32 %	17.55 %	(0.23)%
Tier 2 Public Safety and Firefighters System	1,041	—	20.59 %	20.87 %	(0.28)%
Total Net Pension Asset / Liability	$ 291,486	$ 927			

At December 31, 2021, the net pension asset and the net pension liability for the discrete component units (except UTA) is $288.386 million and $6.748 million, respectively. The following table summarizes the discrete component unit's net pension asset and liability by system.

Discrete Component Units (except UTA)
Net Pension Asset and Liability
December 31, 2021
(dollars expressed in thousands)

System	Net Pension Asset	Net Pension Liability [1]	Proportionate Share 2021	Proportionate Share 2020	Change
Noncontributory System - Higher Education Division	$ 240,963	$ —	100.00 %	100.00 %	0.00 %
Noncontributory System - State and School Division	14,697	6,704	3.82 %	2.05 %	1.77 %
Contributory System - Higher Education Division	28,533	—	100.00 %	100.00 %	0.00 %
Public Safety System - State of Utah Division	2,797	—	3.05 %	3.18 %	(0.13)%
Tier 2 Public Employees System	1,372	44	3.86 %	4.22 %	(0.36)%
Tier 2 Public Safety and Firefighters System	24	—	0.47 %	0.57 %	(0.10)%
Total Net Pension Asset / Liability	$ 288,386	$ 6,748			

[1] Discrete component units with December 31, 2021 yearend (measurement date of December 31, 2020)

Deferred Outflows and Inflows of Resources

The net pension asset and liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year. The following table summarizes the pension expense by system, separated by primary government and the discrete component units (except UTA).

(Notes continue on next page.)

Primary Government and Discrete Component Units (except UTA)
Pension Expense
June 30, 2022
(dollars expressed in thousands)

System	Primary Government	Discrete Component Units
Noncontributory System - State and School Division	$ (85,399)	$ 103,611
Noncontributory System - Higher Education Division	—	(1,356)
Contributory System - State and School Division	(9,202)	—
Contributory System - Higher Education Division	—	4,433
Public Safety System - State of Utah Division	(15,788)	(107)
Firefighters System - Other Division A	(387)	—
Judges System	(1,193)	—
Utah Governors and Legislators Retirement Plan	(391)	—
Tier 2 Public Employees System	25,450	5,173
Tier 2 Public Safety and Firefighters System	5,508	124
Total Pension Expense	$ (81,402)	$ 111,878

Deferred outflows of resources and deferred inflows of resources related to the recognition of pension expense are from the following sources:

Deferred Outflows and Inflows of Resources [1]
Related to Pensions
June 30, 2022
(expressed in thousands)

		Primary Government	
System	Source	Deferred Outflows of Resources	Deferred Inflows of Resources
Noncontributory System	Differences between Expected and Actual Experience	$ 95,848	$ —
	Changes in Assumptions	62,307	—
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	644,447
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	—	17,388
	Contributions Subsequent to the Measurement Date	60,036	—
	Total	$ 218,191	$ 661,835
Contributory System	Differences between Expected and Actual Experience	$ —	$ —
	Changes in Assumptions	—	—
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	30,755
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	—	—
	Contributions Subsequent to the Measurement Date	223	—
	Total	$ 223	$ 30,755
Public Safety System	Differences between Expected and Actual Experience	$ 2,944	$ —
	Changes in Assumptions	10,114	—
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	177,298
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	361	—
	Contributions Subsequent to the Measurement Date	19,713	—
	Total	$ 33,132	$ 177,298

Continues

Deferred Outflows and Inflows of Resources [1]
Related to Pensions
June 30, 2022
(expressed in thousands)

System	Source	Primary Government: Deferred Outflows of Resources	Primary Government: Deferred Inflows of Resources
Continued			
Firefighters System	Differences between Expected and Actual Experience	$ 133	$ 17
	Changes in Assumptions	186	—
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	1,168
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	63	57
	Contributions Subsequent to the Measurement Date	26	—
	Total	$ 408	$ 1,242
Judges Retirement System	Differences between Expected and Actual Experience	$ 4,646	$ —
	Changes in Assumptions	3,977	—
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	30,242
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	—	—
	Contributions Subsequent to the Measurement Date	4,653	—
	Total	$ 13,276	$ 30,242
Governor & Legislators Plan	Differences between Expected and Actual Experience	$ —	$ —
	Changes in Assumptions	—	—
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	1,519
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	—	—
	Contributions Subsequent to the Measurement Date	—	—
	Total	$ —	$ 1,519
Tier 2 Public Employees System	Differences between Expected and Actual Experience	$ 3,560	$ 944
	Changes in Assumptions	6,834	69
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	18,109
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	3,911	—
	Contributions Subsequent to the Measurement Date	41,514	—
	Total	$ 55,819	$ 19,122
Tier 2 Public Safety and Firefighters System	Differences between Expected and Actual Experience	$ 892	$ 171
	Changes in Assumptions	1,168	185
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	3,181
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	471	—
	Contributions Subsequent to the Measurement Date	10,227	—
	Total	$ 12,758	$ 3,537
Grand Total	Differences between Expected and Actual Experience	$ 108,023	$ 1,132
	Changes in Assumptions	84,586	254
	Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	906,719
	Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	4,806	17,445
	Contributions Subsequent to the Measurement Date	136,392	—
	Total	$ 333,807	$ 925,550

[1] Before amounts allocated for financial statement presentation.

Deferred Outflows and Inflows of Resources [1] Related to Pensions

June 30, 2022

(expressed in thousands)

Source	Discrete Component Units (except UTA)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 6,856	$ 60,524
Changes in Assumptions	18,018	24
Net Differences between Projected and Actual Earnings on Pension Plan Investments	—	327,682
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	1,699	4,012
Contributions Subsequent to the Measurement Date	37,742	—
Total	$ 64,315	$ 392,242

[1] Before amounts allocated for financial statement presentation.

The $136.392 million and $37.742 million reported as deferred outflows of resources by the primary government and discrete component units (except UTA), respectively, are the result of contributions subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported above as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Recognition of Remaining Deferred Outflows and (Inflows) of Resources

Year Ended December 31	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges Retirement System
	Primary Government	Primary Government	Primary Government	Primary Government	Primary Government
2022	$ (85,708)	$ (7,814)	$ (31,903)	$ (176)	$ (3,204)
2023	$ (162,514)	$ (10,741)	$ (58,819)	$ (306)	$ (7,634)
2024	$ (148,324)	$ (7,380)	$ (43,762)	$ (229)	$ (6,036)
2025	$ (107,134)	$ (4,820)	$ (29,395)	$ (153)	$ (4,745)
2026	$ —	$ —	$ —	$ 4	$ —
Thereafter	$ —	$ —	$ —	$ —	$ —

Year Ended December 31	Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighters System	Grand Total	
	Primary Government	Primary Government	Primary Government	Primary Government	Discrete Component Units (except UTA)
2022	$ (369)	$ (3,401)	$ (678)	$ (133,253)	$ (124,654)
2023	$ (528)	$ (4,361)	$ (821)	$ (245,724)	$ (109,124)
2024	$ (374)	$ (3,163)	$ (634)	$ (209,902)	$ (80,512)
2025	$ (248)	$ (1,820)	$ (426)	$ (148,741)	$ (52,872)
2026	$ —	$ 1,419	$ 155	$ 1,578	$ 281
Thereafter	$ —	$ 6,509	$ 1,398	$ 7,907	$ 1,212

(*Notes Continue on next page.)*

The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Summary of Actuarial Assumptions

	Non-contributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors and Legislators Retirement Plan	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighters System
Valuation Date	01/01/21	01/01/21	01/01/21	01/01/21	01/01/21	01/01/21	01/01/21	01/01/21
Measurement Date	12/31/21	12/31/21	12/31/21	12/31/21	12/31/21	12/31/21	12/31/21	12/31/21
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Actuarial Assumptions: Investment Rate of Return	6.85%	6.85%	6.85%	6.85%	6.85%	6.85%	6.85%	6.85%
Projected Salary Increases	3.25–9.25%	3.25–9.25%	3.25–6.75%	3.25–8.50%	3.25%	None	3.25–9.25%	3.25–8.50%
Inflation Rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Post-retirement Cost-of-living Adjustment	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Note: All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual CPI increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019. Mortality rates were developed from actual experience and mortality tables, based on gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on the MP-2019 mortality improvement scale using a base year of 2020, a model developed by the Society of Actuaries.

Target Allocations

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of December 31, 2021, are summarized in the table below:

Target Allocations
Expected Return Arithmetic Basis

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return [1]
Equity Securities	37.00 %	6.58 %	2.43 %
Debt Securities	20.00 %	(0.28)%	(0.06)%
Real Assets	15.00 %	5.77 %	0.87 %
Private Equity	12.00 %	9.85 %	1.18 %
Absolute Return	16.00 %	2.91 %	0.47 %
Cash and Cash Equivalents	0.00 %	(1.01)%	0.00 %
Total Asset Classes	100.00 %		4.89 %
Inflation			2.50 %
Expected Arithmetic Nominal Return			7.39 %

[1] The total URS Defined Benefit long-term expected rate of return is 6.85 percent. It is comprised of a 2.50 percent inflation rate, a real long-term expected rate of return of 4.35 percent that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit

payments to determine the total pension liability. The discount rate does not use the municipal bond rate.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the State's (primary government) net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.85 percent) or 1 percentage-point higher (7.85 percent) than the current rate:

Primary Government
Changes in Discount Rate
Net Pension Liability / (Asset)
(expressed in thousands)

System	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	$ 573,859	$ (159,789)	$ (773,125)
Contributory System	(11,401)	(32,340)	(50,318)
Public Safety System	117,683	(88,871)	(258,554)
Firefighters System	(463)	(1,893)	(3,051)
Judges System	33,056	927	(26,321)
Utah Governors and Legislators Retirement Plan	1,027	(223)	(1,289)
Tier 2 Public Employees System	43,667	(7,329)	(46,483)
Tier 2 Public Safety and Firefighters System	8,348	(1,041)	(8,494)
Total Net Pension Liability / (Asset)	$ 765,776	$ (290,559)	$ (1,167,635)

Changes in Assumptions

The investment return assumption was decreased by 0.10 percent to 6.85 percent for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a $509 million increase in the Total Pension Liability, which is about 1.3 percent of the Total Pension Liability of as December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

B. Defined Benefit Plans - Utah Transit Authority

Utah Transit Authority (UTA) (major discrete component unit) offers its employees a single employer non-contributory defined benefit pension plan, The Utah Transit Authority Retirement Plan and Trust (Plan), which includes all employees of UTA who are eligible and who have completed six months or more of service. The Plan is a qualified government plan and is not subject to all of the provisions of ERISA. As a defined benefit pension plan, UTA contributes such amounts as are necessary, on an actuarially sound basis, to provide assets sufficient to meet the benefits to be paid. Required employee contributions were discontinued effective June 1, 1992. Participants may make voluntary contributions as described below. Interest on existing account balances is credited at 5.00 percent per year.

Although UTA has not expressed any intention to do so, UTA has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event the Plan terminates, the trustee will liquidate all assets of the Plan and will determine the value of the trust fund as of the next business day following the date of such termination. The trustee will allocate assets of the Plan among the participants and beneficiaries as required by law.

The Plan is administered by the Pension Committee that consists of nine (9) members, seven (7) appointed by UTA and two (2) appointed by the Amalgamated Transit Union Local 382 in accordance with a collective bargaining agreement.. The members of the Pension Committee may (but need not) be participants in the Plan. In the absence of a Pension Committee, the Plan Administrator assumes the powers, duties and responsibilities of the Pension Committee with respect to the administration of the Plan. U.S. Bank serves as the administrator and custodian of the Plan, with Cambridge Associates, LLC (CA) serving as a third-party investment manager.

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, under which benefits and expenses are recognized when due and payable and revenues are recorded in the accounting period in which they are earned and become measurable in accordance with the terms of the Plan. Accordingly, the valuation of investments is shown at fair value and both realized and unrealized gains (losses) are included in net appreciation and depreciation in fair value of investments. The Plan does not issue a publicly available financial report.

Retirement Benefits

Employees with five or more years of service are entitled to annual pension benefits beginning at normal retirement age 65, or any age with 37.5 years of service in the Plan. For participants who began participating in the Administrative Plan prior to January 1, 1994, the annual benefit is based on a retirement benefit formula equal to:

- 2.30 percent of average compensation multiplied by the participant's years of service (not exceeding 20 years), plus
- 1.50 percent of the average compensation multiplied by the participant's years of service in excess of 20 years (but such excess not to exceed 9 years of service), plus
- 0.50 percent for one year plus 2.00 percent for years in excess of 30 years not to exceed 75 percent of average compensation.

For all other active participants, the annual benefit is based on a retirement benefit formula equal to 2.00 percent of average compensation multiplied by the participant's years of service (not to exceed 37.5 years or 75 percent of average compensation).

Upon termination of employment, members may leave their retirement account intact for future benefits based on vesting qualification or withdraw the accumulated funds in their individual member account and forfeit service credits and rights to future benefits upon which the contributions were based. If employees terminate employment before rendering three years of service, they forfeit the right to receive their non-vested accrued plan benefits.

Early Retirement Benefits
The Plan allows for early retirement benefits if the participant has not reached the age of 65 but is at least age 55 with a vested benefit. Benefits under early retirement are equal to the value of the accrued pension, if the participant had retired at the age of 65, reduced 5.00 percent per year if the payments begin before age 65.

Disability Benefits
The Plan allows for disability benefits. A member who becomes permanently disabled after 5 years of service will immediately receive the greater of the actuarially-reduced monthly accrued benefit or $90 per month, reduced by any UTA sponsored disability plans. Payment of the disability benefit ends at age 65.

Death Benefits
If a participant's death occurs before age 55, but after 5 years of service, the present value of the participant's accrued vested benefit is payable to the participant's beneficiary in the form of a single lump sum regardless of the amount. If a participant's death occurs after age 55 and 5 years of service, the participant's beneficiary can elect to receive a benefit equal to the greater of:

(1) A survivor's pension as if the participant had retired on the date before the death with a 100 percent joint and survivor annuity in effect, or
(2) The present value of the survivor's pension, or
(3) If a spouse of 2 or more years or a minor child, the participant's contribution with interest, plus 50 percent of the average compensation, payable in the form of a lump sum, or
(4) A 10-year term certain.

A participant may elect a joint and survivor annuity with 100, 75, or 50 percent to be continued to the beneficiary upon the death of the participant.

Lump Sum Distributions
Payment in a lump sum, regardless of amount, may be made with the participant's written consent. Effective September 1, 2012, a participant who has not previously received benefits may elect a partial lump sum payment with the remaining part to be paid in the same manner as the traditional annuity. During calendar year 2021, 29 participants elected to receive their benefit in the form of lump sum distribution. Lump sum distributions collectively totaled $5.668 million for 2021. Individuals are removed from the Plan's membership if they choose to take all of their benefit as a lump sum distribution.

As of January 1, 2021, the Plan's membership consisted of:

Utah Transit Authority Retirement Plan and Trust Membership
January 1, 2021

Active participants	2,406
Inactive participants not receiving benefits	479
Retirees and beneficiaries receiving benefits	776
Total	3,661

Contributions

Employer Contribution Requirements
UTA's contributions are determined by the Pension Committee and approved by the Board of Trustees based on funding levels recommended by the Plan's actuary. The Authority's contribution rate consists of ***(1)*** an amount for normal cost, the estimated amount necessary to finance benefits earned by participants during the current year, and ***(2)*** an amount for amortization of the unfunded or excess funded actuarial accrued liability over the service life of the vested participants. The rates are determined using the entry age actuarial cost method. The Authority's Board of Trustees adopted a contribution rate policy of 16.30 percent for calendar year 2021. Employer contributions in calendar year 2021 totaled $25.207 million.

Participant Voluntary Contributions
A participant who is vested in the Plan may make voluntary contributions into the Plan, and transfer funds from the Employee 457 Deferred Compensation Plan, for the purpose of purchasing "permissive service credit" (as defined in *Internal Revenue Code* Section 415(N)(3)(A)), in the Plan. No more than 5 years of "permissive service credit" may be purchased. Any purchase of "permissive service credit" must be made in the final year of employment with UTA.

Below are the changes in net pension liability for the Plan:

Utah Transit Authority Retirement Plan and Trust
Changes in Net Position Liability and Related Ratios
Increases (Decreases)
For the Fiscal Year Ended December 31, 2021
(expressed in thousands)

Total Pension Liability		
Service Cost		$ 12,597
Interest		25,640
Difference between Actual and Expected Experience		9,188
Assumption Changes		—
Plan provision (lump sum interest rate) change		—
Member voluntary contributions		334
Benefit Payments		(19,197)
Net Change in Total Pension Liability		28,562
Total Pension Liability – Beginning		376,689
Total Pension Liability – Ending	***A***	$ 405,251
Plan Fiduciary Net Position		
Member voluntary contributions		$ 334
Contributions – Employer		25,207
Net Investment Income		28,831
Benefit Payments		(19,197)
Administrative Expense		(471)
Net Change in Plan Fiduciary Net Position		34,704
Plan Fiduciary Net Position – Beginning		279,905
Plan Fiduciary Net Position – Ending	***B***	$ 314,609
Net Pension Liability / (Asset) – Ending (A – B)		$ 90,642
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		77.63 %
Covered Payroll		$ 153,984
Net Pension Liability as a Percentage of Covered Payroll		58.86 %

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, UTA reported a net pension liability of $90.642 million. The net pension liability was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021 and rolled-forward using generally accepted

actuarial procedures. For the year ended December 31, 2021, UTA recognized pension expense of $17.420 million.

Utah Transit Authority Retirement Plan and Trust
Deferred Outflows and Inflows of Resources Related to Pensions
December 31, 2021
(expressed in thousands)

Source	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between Expected and Actual Experience	$ (84)	$ 15,890
Changes in Assumptions	(360)	8,545
Net Differences between Projected and Actual on Pension Plan Earnings	(22,345)	—
Total	$ (22,789)	$ 24,435

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Recognition of Remaining Deferred Outflows and (Inflows) of Resources
For the Fiscal Year Ended December 31, 2021
(expressed in thousands)

2022	$ 1,479
2023	$ (4,606)
2024	$ (640)
2025	$ 2,054
2026	$ 2,522
Thereafter	$ 835

Actuarial assumptions

Actuarial valuation of the Plan involves estimates of the reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The total pension liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The significant actuarial assumptions and methods used in the January 1, 2021 valuation are as follows:

Utah Transit Authority Retirement Plan and Trust
Summary of Actuarial Assumptions

Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Salary Increases	5.40% per annum for the first five (5) years of employment; 3.40% per annum thereafter
Investment rate of return	6.75% net of investment expenses
Cost of Living Adjustments	None
Mortality	RP-2014 Blue Collar Mortality Table, with MP-2014 Project Scale (Preretirement; Employee Table; Post-retirement Annuitant Table)
Annual Payroll Growth Including Inflation	3.40%
Percent of Future Retirement Electing Lump Sum	20.00%

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2008.

Investment Policy and Target Allocation

The Pension Committee has adopted an Investment Policy Statement (IPS). The IPS is reviewed by the Pension Committee once a year, and was amended effective February 2016 to revise the asset classes. A normal weighting is now indicated for each asset class. The IPS was also amended to provide a list of prohibited investments.

All Plan investments are stated at fair value. Most types of marketable or actively traded investments are priced by nationally known vendors. In the event that an investment is not priced by the primary vendor, the Custodian (US Bank) engages a secondary vendor or other source. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

In setting the long-term asset policy for the Plan, the Committee has opted to provide a minimum and maximum allowable allocation to the major asset classes. Best estimates of the compound nominal rates of return for each major asset class included in the Plan's target asset allocation is summarized in the table below:

Utah Transit Authority Retirement Plan and Trust
Policy Allocation

	Target Asset Allocation	Range	Long-term Expected Return
Global Equity	63.00 %	51% - 75%	6.80 %
Liquid Diversifiers	10.00 %	0% - 15%	3.40 %
Real Assets	4.00 %	0% - 8%	5.10 %
Alternatives	22.00 %	12% - 32%	2.70 %
Cash & Equivalents	1.00 %	0% - 5%	1.60 %
Total	100.00 %		5.40 %

The long-term rate of return is selected by the Plan's Pension Committee after a review of the expected inflation and long term real returns, reflecting expected volatility and correlation. The 6.75 percent assumed investment rate of return is net of investment expense.

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return is calculated net of investment expenses. For the calendar year ending, December 31, 2021, the annual money-weighted rate of return, net of investments was 10.19 percent.

Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. Based on the actuarial assumptions, the Plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current active and inactive Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The following sensitivity analysis assumes rate volatility of plus and minus one percent of the discount rate of 6.75 percent.

Utah Transit Authority Retirement Plans Changes in Discount Rate Net Pension Liability (Asset)

(expressed in thousands)

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	$ 146,752	$ 90,642	$ 41,409

C. Defined Contribution Plans

The 401(k), 457, and Roth and Traditional IRA Plans, in which the State participates and administered by URS, are defined contribution plans. These plans are available as supplemental plans to the basic retirement benefits of the Retirement Systems and a primary retirement plan for some Tier 2 participants. Contributions may be made into the plans subject to plan and Internal Revenue Code limitations. Employer contributions may be made into the 401(k) and 457 Plans at rates determined by the employers and according to Title 49 of the *Utah Code*. There are 483 employers participating in the 401(k) Plan and 299 employers participating in the 457 Plan. There are 195,841 plan participants in the 401(k) Plan, 19,698 participants in the 457 Plan, 17,198 participants in the Roth IRA Plan, and 3,059 participants in the Traditional IRA Plan.

After termination of employment, benefits are paid out to individuals in lump sum, or as periodic benefit payments, at the option of the participant based on individual account balances and plan provisions. The Defined Contribution Plans account balances are fully vested to the participants at the time of deposit except for Tier 2 required employer contributions and associated earnings during the first four years of employment. Investments in the vested portion of the Defined Contribution Plans are individually directed and controlled by plan participants. Investments of the plans are reported at fair value.

Employees of the State are eligible to participate in the defined contribution 401(k), 457, and Roth and Traditional IRA Plans. Employees, who contribute to a 401(k), 457, or IRA will get a match from the State of up to 2.00 percent and $26 per pay period. In addition, the State and participating employers are required to contribute 1.50 percent of an employee's salary into a 401(k) for those employees who participate in the noncontributory system. The amounts contributed to the 401(k) Plan during the year ended June 30, 2022, by employees and employers are as follows: for primary government, $45.002 million and $37.044 million; for component units, $6.514 million and $9.376 million, respectively. The amounts contributed by employees to the 457, and Roth and Traditional IRA Plans (primary government and discrete component units) were $9.636 million, $8.920 million, and $393 thousand, respectively.

For the Tier 2 Public Employee System, Tier 2 Public Safety System, and the Tier 2 Firefighters System, the State and participating employers are required to contribute varying amounts into a 401(k). The amounts range from 0.62 to 1.50 percent of an employee's salary for the hybrid defined benefit systems and 10 to 14 percent of an employee's salary for the defined contribution systems. These contributions vest immediately, except for the Tier 2 401(k) required contributions that are subject to a 4 year vesting period. The primary government and discrete component units paid in 401(k) defined contributions required by statute $14.428 million and $2.149 million, respectively. In addition to these contributions, the Tier 2 plans provide a statutory required contribution (0.08 to 18.54 percent amortization rate) to finance the unfunded actuarial accrued liability of the non-Tier 2 (defined benefit) plans.

Teachers Insurance and Annuity Association

Teachers Insurance and Annuity Association (TIAA) and Fidelity Investments, privately administered defined-contribution retirement plans, provide individual retirement fund contracts for each eligible participating employee. Eligible employees are mainly state college/university faculty and staff. Benefits to retired employees are generally based on the value of the individual contracts and the estimated life expectancy of the employee at retirement and are fully vested from the date of employment. The total current year required contribution and the amount paid is 14.20 percent of the employee's annual salary. The State has no further liability once annual contributions are made.

The total contribution made by the colleges and universities (discrete component units) to the TIAA and Fidelity retirement systems for June 30, 2022 and June 30, 2021, were $328.930 million and $305.791 million, respectively.

University of Utah

University of Utah (major discrete component unit) Hospitals and Clinics (UUHC) employees hired prior to January 1, 2001, who were not enrolled in the URS program, are enrolled in a 401(a) defined contribution plan that is administered by the UUHC Chief Human Resources Officer. The administrator has the authority to amend, modify, or terminate the plan. UUHC is required to contribute 14.20 percent of covered payroll to the plan for the employees covered under this plan. Hospital employees hired subsequent to December 31, 2000 are enrolled in a separate 401(a) plan, the Hospital Plan Plus (HPP) Benefit Program. UUHC contributes 6.00 percent for employees covered under this plan. In addition, these employees are eligible for a match on employee contributions to a 403(b) Match Plan up to 4.00 percent of salary and fully vest in the UUHC's contributions to both plans after five years of service. The University and plan members contributions were $76.510 million and $55.354 million, respectively, for the year ended June 30, 2022.

The ARUP Laboratories, Inc. (blended component unit of the University of Utah) contribution pension and profit sharing plans provide retirement benefits for all employees. Employees may choose to pay into the federal social security tax system or to participate in an enhanced ARUP retirement program. For those who choose to continue to pay social security taxes, ARUP makes contributions each pay period amounting to 5.00 percent of their compensation and ARUP continues to make matching social security tax contributions. For those who discontinue paying social security taxes, ARUP makes contributions each pay period amounting to 8.10 percent of their compensation and does not contribute any social security tax on their behalf. There are no minimum service and vesting requirements relating to pension contributions. ARUP contributed $21.409 million for the year ended June 30, 2022.

Contributions to the profit sharing plan are at the discretion of ARUP and are made subject to certain tenure-based and hours-worked thresholds. Employees are fully vested in the profit sharing plan after five years of service. Voluntary contributions to the profit sharing plan by employee participants and ARUP totaled $36.118 million and 10.653 million, respectively, for the year ended June 30, 2022.

Utah Transit Authority

The Utah Transit Authority (UTA) (major discrete component unit) offers its employees a deferred compensation plan created in

accordance with Internal Revenue Code Section 457. The plan is available to all employees on a voluntary basis and permits them to defer a portion of their salaries until future years. UTA currently matches $2 for every $3 of employee contributions, up to 2.00 percent of the employee's salary. UTA contributed $1.960 million during calendar year 2021. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As part of its fiduciary role, UTA has an obligation of due care in selecting the third party administrators. In the opinion of management, UTA has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan. The deferred compensation assets are held by third party plan administrators and are generally invested in money market funds, stock or bond mutual funds or guarantee funds as selected by the employee.

NOTE 18. OTHER POSTEMPLOYMENT BENEFITS

The State administers the State Employee Other Postemployment Benefit Plan (State Employee OPEB Plan) through the State Post-Retirement Benefits Trust Fund, as set forth in Section 67-19d-201 of the *Utah Code*. A separate Elected Official Other Post-employment Benefit Plan (Elected Official OPEB Plan) is provided for governors and legislators, and this plan is administered through the Elected Official Post-Retirement Benefits Trust Fund as set forth in Section 67-19d-201.5 of the *Utah Code*. Both trust funds are irrevocable and legally protected from creditors. Both are also administered under the direction of a board of trustees, which consists of the State Treasurer, the Director of the Division of Finance, and the Director of the Governor's Office of Planning and Budget or a designee. Neither plan issues a publicly available financial report, but are included in this report of the primary government.

State Employee OPEB Plan Description

At the option of individual state agencies, employees may participate in the State Employee OPEB Plan, a single-employer defined benefit healthcare plan, as set forth in Section 67-19-14.2 of the *Utah Code*. Only state employees who are entitled to receive retirement benefits are eligible to receive postemployment health and life insurance benefits, and in some situations dental coverage, from the State Employee OPEB Plan. Upon retirement, employees receive up to 25 percent of the value of their unused accumulated sick leave, earned prior to January 1, 2006, as a mandatory employer contribution into a 401(k) account. Employees may exchange eight hours of their remaining unused accumulated sick leave for one month of paid health and life insurance coverage up to age 65. After age 65, employees may use the balance of unused accumulated sick leave, earned prior to January 1, 2006, to exchange for spouse health insurance to age 65, or Medicare supplemental insurance for employee or spouse. In addition, any full-time employees of the Utah State Board of Education and the Utah Schools for the Deaf and the Blind (nonmajor discrete component unit) hired before July 1, 2012, who have attained at least five consecutive years of service with the agency, have the option of receiving postemployment health, dental, and life insurance coverage for up to five years or until reaching age 65 regardless of their unused sick leave balance. Also, judges have their own retiree health coverage that is part of the State Employee OPEB Plan. The State Employee OPEB Plan is closed to new entrants since it is only applicable to employees eligible for retirement who have sick leave earned prior to January 1, 2006, or employees of the Utah State Board of Education hired before July 1, 2012.

Elected Official OPEB Plan Description

The Elected Official OPEB Plan is a single-employer defined benefit healthcare plan, as set forth in Section 49-20-404 of the *Utah Code*. Only governors and legislators (elected officials) who retire after January 1, 1998, and have four or more years of service can elect to receive and apply for health insurance coverage or Medicare supplemental coverage. The State will pay 40 percent of the benefit cost for four years of service and up to 100 percent for ten or more years of service for elected officials and their spouses.

To qualify for health insurance coverage, an elected official must be between 62 and 65 years of age and either be an active member at the time of retirement or have continued coverage with the program until the date of eligibility. In addition, to qualify for health insurance coverage, an elected official must have service as a legislator or governor prior to January 1, 2012.

To qualify for Medicare supplemental coverage, an elected official must be at least 65 years of age. In addition, the elected official must retire under Chapter 19, *Utah Governors' and Legislators' Retirement Act*, and began service as an elected official prior to July 1, 2013. The Plan is closed to new entrants.

At June 30, 2022, the following number of employees were covered by the State's single-employer OPEB plans:

Single-employer Plans Covered Employees
June 30, 2022

	State Employee OPEB Plan	Elected Official OPEB Plan
Inactive Employees or Beneficiaries Currently Receiving Benefits	2,987	102
Inactive Employees Entitled to But Not Yet Receiving Benefits	—	102
Active Employees	3,972	41
Total Single-employer Plans Covered Employees	6,959	245

State Employee OPEB Plan Contributions

The contribution requirements of employees and the State are established, and may be amended, by the State Legislature. For retirees who participate in the State Employee OPEB Plan, health insurance premiums are paid 100 percent by the State for individuals who retired before July 1, 2000. Individuals retiring thereafter are required to contribute specified amounts monthly, ranging from 0 to 30.10 percent, toward the cost of health insurance premiums. For the fiscal year ended June 30, 2022, retirees contributed $1.320 million, or approximately 4.11 percent of total premiums, through their required contributions of $0 to $913.36 per month depending on the coverage (single, double, or family) and health plan selected.

The Actuarially Determined Contribution (ADC) of $26.902 million, from the December 31, 2020, actuarial valuation, was used to establish the fiscal year 2022 annual budget and fund employer contributions. The State Legislature funded $28.842 million in employer contributions, $1.940 million more than the ADC.

Elected Official OPEB Plan Contributions

For the fiscal year ended June 30, 2022, elected officials who participated in the Elected Official OPEB Plan contributed $57 thousand, or approximately 6.79 percent of total premiums, through their required contributions of $0 (for 10 or more years of service) to $1,748.67 per month (for four years of service) depending on the coverage (single or double) and health plan selected.

The Actuarially Determined Contribution (ADC) of $600 thousand from the December 31, 2020, actuarial valuation was used to establish the fiscal year 2022 annual budget and fund employer contributions. For the fiscal year 2022, the State Legislature funded $1.249 million in employer contributions, $649 thousand more than the ADC.

Net OPEB Liability/Asset

The net OPEB liability (Elected Official Plan) and net OPEB asset (State Employee Plan) were measured as of June 30, 2022. The total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of December 31, 2020, and rolled-forward using generally accepted actuarial procedures. The combined total net OPEB asset of both single-employer plans was $28.434 million, and of that amount, the State's (primary government) net OPEB asset was $28.137 million, and $297 thousand was allocated to the Utah Schools for the Deaf and the Blind (nonmajor discrete component unit). Below are the changes in the net OPEB liability/asset and related ratios of the net OPEB liability/asset for the single-employer OPEB plans:

Single-employer Plans
Changes in Net OPEB Liability and Related Ratios
Increases (Decreases)
For the Year Ended June 30, 2022
(dollars expressed in thousands)

		State Employee OPEB Plan	Elected Official OPEB Plan
Total OPEB Liability			
Service Cost		$ 3,867	$ 177
Interest		7,763	1,149
Difference between Actual and Expected Experience		(7,305)	(1,165)
Assumption Changes		—	—
Benefit Payments		(30,818)	(788)
Net Change in Total OPEB Liability		(26,493)	(627)
Total OPEB Liability – Beginning		270,419	22,088
Total OPEB Liability – Ending	**A**	$ 243,926	$ 21,461
Plan Fiduciary Net Position			
Contributions – Employer		$ 28,842	$ 1,249
Net Investment Income (Loss)		(21,991)	(2,492)
Benefit Payments		(30,818)	(788)
Net Change in Plan Fiduciary Net Position		(23,967)	(2,031)
Plan Fiduciary Net Position – Beginning		298,338	21,481
Plan Fiduciary Net Position – Ending	**B**	$ 274,371	$ 19,450
Net OPEB Liability / (Asset) – Ending (A – B)		$ (30,445)	$ 2,011
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		112.48 %	90.63 %
Covered Payroll [1]		$ 1,161,895	
Net OPEB Liability as a Percentage of Covered Payroll		(2.62)%	
Covered-employee Payroll [1]			$ 936
Net OPEB Liability as a Percentage of Covered-employee Payroll			214.85 %

[1] Contributions to the State Employee Plan are based on a measure of pay, therefore covered payroll is presented in the above schedule. Contributions to the Elected Official OPEB Plan are based on appropriations and not on a measure of pay; therefore, for that plan the covered-employee payroll is presented.

Deferred Outflows and Inflows of Resources and OPEB Expense

For the year ended June 30, 2022, the total OPEB expense was $(4.784) million, $(3.867) million for the State Employee OPEB Plan, and $(916.580) thousand for the Elected Official OPEB Plan. Of the total OPEB expense, the State (primary government) recognized $(4.577) million, and $(206) thousand was allocated to the Utah Schools for the Deaf and the Blind (nonmajor discrete component unit).

Total deferred inflows of resources related to the recognition of OPEB expense was $(32.635) million, of which $(32.140) million was recognized by the State, and $(495) thousand was allocated to the Utah Schools for the Deaf and the Blind.

Total deferred outflows of resources related to the recognition of OPEB expense was $22.721 million, of which $22.437 million was recognized by the State, and $284 thousand was allocated to the Utah Schools for the Deaf and the Blind.

Deferred inflows of resources related to OPEB came from the following source:

Deferred Outflows and Inflows of Resources Related to OPEB
June 30, 2022
(expressed in thousands)

Source	State Employee OPEB Plan		Elected Official OPEB Plan	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Differences between expected and Actual Experience	$ —	$ (25,794)	$ —	$ —
Changes in Assumption	6,233	(6,841)	—	—
Net Differences between Projected and Actual Earnings on OPEB Plan Investments	15,326	—	1,162	—
Total	$ 21,559	$ (32,635)	$ 1,162	$ 0

Amounts reported above as deferred inflows and deferred outflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Recognition of Remaining
Deferred Outflows and Inflows of Resources

Fiscal Year Ended June 30, 2022
(expressed in thousands)

Fiscal Year	State Employee OPEB Plan		Elected Official OPEB Plan	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
2023	$ 6,150	$ (15,043)	$ 59	$ —
2024	$ 2,861	$ (9,431)	$ 169	$ —
2025	$ 6,366	$ (6,746)	$ 208	$ —
2026	$ 6,182	$ (1,415)	$ 726	$ —

The total OPEB liability in the December 31, 2020, valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Summary of Actuary Assumptions

	State Employee OPEB Plan	Elected Official OPEB Plan
Actuarial Valuation Date	12/31/2020	12/31/2020
Measurement Date	6/30/2022	6/30/2022
Actuarial Cost Method	Entry Age Normal Level Percentage of Pay Cost Method	
Investment Rate of Return	3.00%	5.25%
Inflation Rate	2.50%	
Healthcare Inflation Rate	5.75% initial 4.04% ultimate	

Rates for the pre-retirement mortality assumption were based on the Pub-2010 Headcount-Weighted General or Public Safety Employees Mortality Tables with generational projection using Scale MP-2020. Rates for the post-employment mortality assumption were based on the Pub-2010 Headcount-Weighted General or Public Safety Retirees or Contingent Survivors Mortality Tables with generational projection using Scale MP-2020. The medical trend assumptions used in the valuation were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model.

Investment Policy and Target Allocations

The State Treasurer is responsible for investing the assets of the State Employee OPEB Plan and the Elected Official OPEB Plan. The State Treasurer has an investment committee which establishes the asset allocation for the OPEB plans with the primary goal of providing for the stability, income, and growth of the principal. The asset allocation for the plans is not expected to change substantially over the short or intermediate time horizons in response to short-term market movements, but may change incrementally based upon long-term capital market projections. For the fiscal year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was 7.19 percent for the State Employee OPEB Plan and 11.05 percent for the Elected Official OPEB Plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in each plan's target asset allocation as of June 30, 2022, are summarized below:

State Employee OPEB Plan
Target Allocations
Expected Return Arithmetic Basis

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Debt Securities	90.00 %	0.90 %	0.80 %
Real Estate	10.00 %	2.00 %	0.20 %
Total Asset Classes	100.00 %		1.00 %
Inflation			2.00 %
Expected Arithmetic Nominal Return			3.00 %

Elected Official OPEB Plan
Target Allocations
Expected Return Arithmetic Basis

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	55.00 %	5.00 %	2.73 %
Debt Securities	35.00 %	0.90 %	0.32 %
Real Estate	10.00 %	2.00 %	0.20 %
Total Asset Classes	100.00 %		3.25 %
Inflation			2.00 %
Expected Arithmetic Nominal Return			5.25 %

Discount Rates

The discount rate used to measure the total OPEB liability was 3.00 percent for the State Employee OPEB Plan and 5.25 percent for the Elected Official OPEB Plan.

The projection of cash flows used to determine the discount rates assumed that future State contributions will be equal to the Actuarially Determined Contribution (ADC) as calculated in each future valuation. Based on those assumptions, the OPEB Plan's Fiduciary Net Position for both plans was projected at the beginning of each year to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the OPEB Plan's investments for both plans, was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rates do not incorporate a municipal bond rate.

The following presents the net OPEB liability for the State for both plans, calculated using the discount rate of 3.00 percent for the State Employee OPEB Plan and 5.25 percent for the Elected Official OPEB Plan, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2 percent – State Employee OPEB Plan, 4.25 percent – Elected Official OPEB Plan) or 1 percentage-point higher (4 percent – State Employee OPEB Plan, 6.25 percent – Elected Official OPEB Plan) than the current rate:

Changes in Discount Rate
Net OPEB Liability / (Asset)
(expressed in thousands)

OPEB Plan	1% Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
State Employee OPEB Plan	$ (18,361)	$ (30,446)	$ (41,982)

	1% Decrease (4.25%)	Current Discount Rate (5.25%)	1% Increase (6.25%)
Elected Official OPEB Plan	$ 5,114	$ 2,011	$ (510)
Total Net OPEB Liability / (Asset)	$ (13,247)	$ (28,435)	$ (42,492)

The following presents the net OPEB liability of the State, as well as what the State's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher the current healthcare cost trend rates:

Healthcare Cost Trend Rates
Net OPEB Liability / (Asset)
(expressed in thousands)

OPEB Plan	1% Decrease (5.0% decreasing to 3.04%)	Current Discount Rate (6.0% decreasing to 4.04%)	1% Increase (7.0% decreasing to 5.04%)
State Employee OPEB Plan	$ (47,245)	$ (30,446)	$ (11,933)
Elected Official OPEB Plan	(758)	2,011	5,396
Total Net OPEB Liability / (Asset)	$ (48,003)	$ (28,435)	$ (6,537)

NOTE 19. RISK MANAGEMENT AND INSURANCE

It is the policy of the State of Utah to use a combination of commercial insurance and self-insurance to cover the risk of losses to which it may be exposed. This is accomplished by the State through the Risk Management Fund (internal service fund) and the Public Employees Health Program (PEHP) (major discrete component unit). The Risk Management Fund manages the general property, auto/physical damage, and general liability risks of the State. PEHP manages the group medical, dental, life insurance, and long-term disability programs of the State. The State is a major participant in both of these programs with all state funds and departments included. All state colleges, universities, school districts, most charter schools, and other state discrete component units participate in the Risk Management Fund. PEHP also provides insurance coverage to approximately 389 municipalities, school districts, and other public entities within the State.

Participants in the Risk Management Fund general property, auto/physical damage, and general liability programs are divided into higher education, school districts (including charter schools), transportation department, and other state departments risk pools. All participants share the risk within the life insurance, Medicare Supplement, and long-term disability pools of PEHP. The PEHP medical and dental programs are divided into state and various other employers risk pools.

The State has determined that the Risk Management Fund and PEHP can economically and effectively manage the State's risks internally and have set aside assets for claim settlements through reserves. Risks are also covered through commercial insurance for excessive losses. The State is self-insured for liability claims up to $2 million per claim, plus an annual $1 million corridor deductible, augmented by excess liability insurance with a per claim limit of $3 million and an annual aggregate limit of $6 million. The State purchased excess liability reinsurance with a per claim limit of $5 million (excess of $3 million) and an annual aggregate limit of $10 million (excess of $6 million). The State is self-insured for property claims up to $1 million per occurrence, with an annual aggregate of $3.5 million, and with sub-limits of $525 million for earthquake and flood losses. The State's per occurrence deductible for earthquakes is 2 percent of the value of each building involved in the loss, subject to a minimum of $5 million and a maximum of $25 million, and the State's per occurrence deductible for flood losses is $50 thousand.

The Risk Management Fund (Fund) did experience liability losses that exceeded the State's self-insured retention of $1 million for the fiscal year ending June 30, 2019. The Fund also experienced property losses that exceeded its $1 million self-insured retention in the fiscal years ending June 30, 2019 and June 30, 2020. During the fiscal year ending June 30, 2021, the Fund did not experience a liability loss that exceeded the State's self-insured retention of $2 million; however, the Fund did experience property losses that exceeded its $1 million self-insured retention. During the fiscal year ending June 30, 2022, the Fund did not experience a liability loss that exceeded the State's self-insured retention of $2 million; however, the Fund did experience property losses that exceeded its $1 million self-insured retention.

PEHP does not enter into any external medical reinsurance agreements. PEHP has reinsurance coverage for a life catastrophic occurrence in excess of $3.5 million, not to exceed $80 million per year with a one-time reinstatement with additional premium. The limit is dependent on the participating group's lifetime maximum. The retention per person will be reapplied to PEHP each calendar year.

The Risk Management Fund and PEHP allocate the cost of providing claims servicing, claims payment, and commercial insurance by charging a premium to each participating public entity or employee. Premiums are based on each organization's recent trends in actual claims experience and property values. The primary government and discrete component units of the State paid premiums to PEHP for health and life insurance coverage in fiscal year 2022 of $367.726 million and $57.500 million, respectively.

Risk Management and PEHP claims liabilities are reported when it is probable that a claim has occurred and the ultimate cost of settling that claim can be reasonably estimated and includes an amount for claims that have been incurred but not reported. Because actual claims liabilities are affected by complex factors (i.e., inflation, changes in legal doctrines and insurance benefits, and unanticipated damage awards), the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities are recomputed periodically by actuaries who take into consideration recently settled claims, frequency of claims, and other economic or social factors. Inflation and other appropriate modifiers are included in this calculation because reliance is based on historical data. The Risk Management Fund claim reserves are reported using a discount rate of 1.5 percent. The PEHP long-term disability benefit reserves of $15.638 million are reported using a discount rate of 0.75 percent.

All employers who participate in the Utah Retirement Systems are eligible to participate in the Public Employees Long-term Disability Program according to Section 49-21-201 of the *Utah Code*. Employees of state departments who meet long-term disability eligibility receive benefits for the duration of their disability up to the time they are eligible for retirement or until

age 65. Benefits beginning after a three-month waiting period are paid 100 percent by the program. As of June 30, 2022, there were 122 state employees receiving benefits. The program is funded by paying premiums to PEHP where assets are set aside for future payments. For the fiscal year ended June 30, 2022, the primary government and the discrete component units of the State paid premiums for the Long-term Disability Program of $5.812 million and $469 thousand, respectively.

The State covers its workers' compensation risk by purchasing insurance from Workers' Compensation Fund (a related organization). The University of Utah, Utah State University, Southern Utah University, Salt Lake Community College, Utah Valley University, and Utah Tech University (major and nonmajor discrete component units) each maintain self-insurance funds to manage health/dental care and report claims liabilities if it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The University of Utah also maintains a self-insurance trust fund to manage medical malpractice liabilities. The University of Utah and the University of Utah Hospital and Clinics also have a "claims made" umbrella medical professional liability insurance policy in the amount of $20 million for catastrophic malpractice liabilities in excess of the trust fund balances. The coverage provides for $5 million per occurrence and $26 million in aggregate.

Utah Transit Authority (UTA) (major discrete component unit) is self-insured for amounts up to the maximum statutory liability in any one accident of $3 million for incidents occurring after May 1, 2019. UTA carries an excess umbrella policy of $10 million over a $7 million self-insurance reserve. UTA has Railroad Liability Coverage of $100 million per annum with $5 million of risk retention. UTA is self-insured for workers' compensation up to the amount of $1 million per incident and has excess insurance for claims over this amount. UTA has insurance for errors and omissions and damage to property in excess of $100 thousand per annum.

The following table presents the prior and current year changes in claims liabilities balances (short and long-term combined). The Risk Management and College and University self-insurance balances are for the fiscal years ended June 30, 2021 and June 30, 2022. The PEHP and UTA balances are for the calendar years ended December 31, 2020 and December 31, 2021:

Changes in Claims Liabilities
(expressed in thousands)

	Beginning Balance	Current Year Claims and Changes in Estimates	Claims Payments	Ending Balance
Risk Management:				
2021	$ 73,622	$ 20,784	$ (7,089)	$ 87,317
2022	$ 87,317	$ 11,330	$ (31,761)	$ 66,886
Public Employees Health Program:				
December 31, 2020	$ 151,548	$ 787,868	$ (765,263)	$ 174,153
December 31, 2021	$ 174,153	$ 925,296	$ (918,593)	$ 180,856
Utah Transit Authority:				
December 31, 2020	$ 863	$ 2,482	$ (2,328)	$ 1,017
December 31, 2021	$ 1,017	$ 4,032	$ (3,988)	$ 1,061
College and University Self-Insurance:				
2021	$ 104,633	$ 376,448	$ (376,639)	$ 104,442
2022	$ 104,442	$ 434,960	$ (430,432)	$ 108,970

NOTE 20. SUBSEQUENT EVENTS

Subsequent to June 30, 2022, the Governor's Office of Economic Development Board recommended and the director approved $141.298 million of additional commitments to be credited over the next several years for the Economic Development Tax Increment Financing (EDTIF) and Motion Picture Incentive (MPIP) programs. These commitments are contingent on participating companies meeting certain economic development performance criteria and within-the-state production criteria.

On September 1, 2022, the Student Loan Purchase Program (major enterprise fund) sold at a discount their portfolio of private education loans for a net purchase price of $1.933 million. The Program is responsible for a two-year warranty covering purchasers of the portfolio and will administer that until operations are terminated. In August 2022, the Program transferred to the Utah Board of Higher Education the ownership of the building suite and related furnishings and equipment with a collective net book value of $6.482 million. The Program is currently in the process of terminating operations and will transfer all remaining assets and liabilities to the Utah Board of Higher Education, on or before June 30, 2023.

Senate Bill 218 *Fund of Funds Modifications* issued during the 2022 General Session changed the structure of the board of the Utah Capital Investment Corporation (UCIC) as of July 1, 2022 to be the State Treasurer and two other individuals designated by the Treasurer. With this legislation, UCIC is now the sole member and manager of the Utah Fund of Funds which will result in the Fund being reported as a blended component unit of the State beginning in fiscal year 2023.

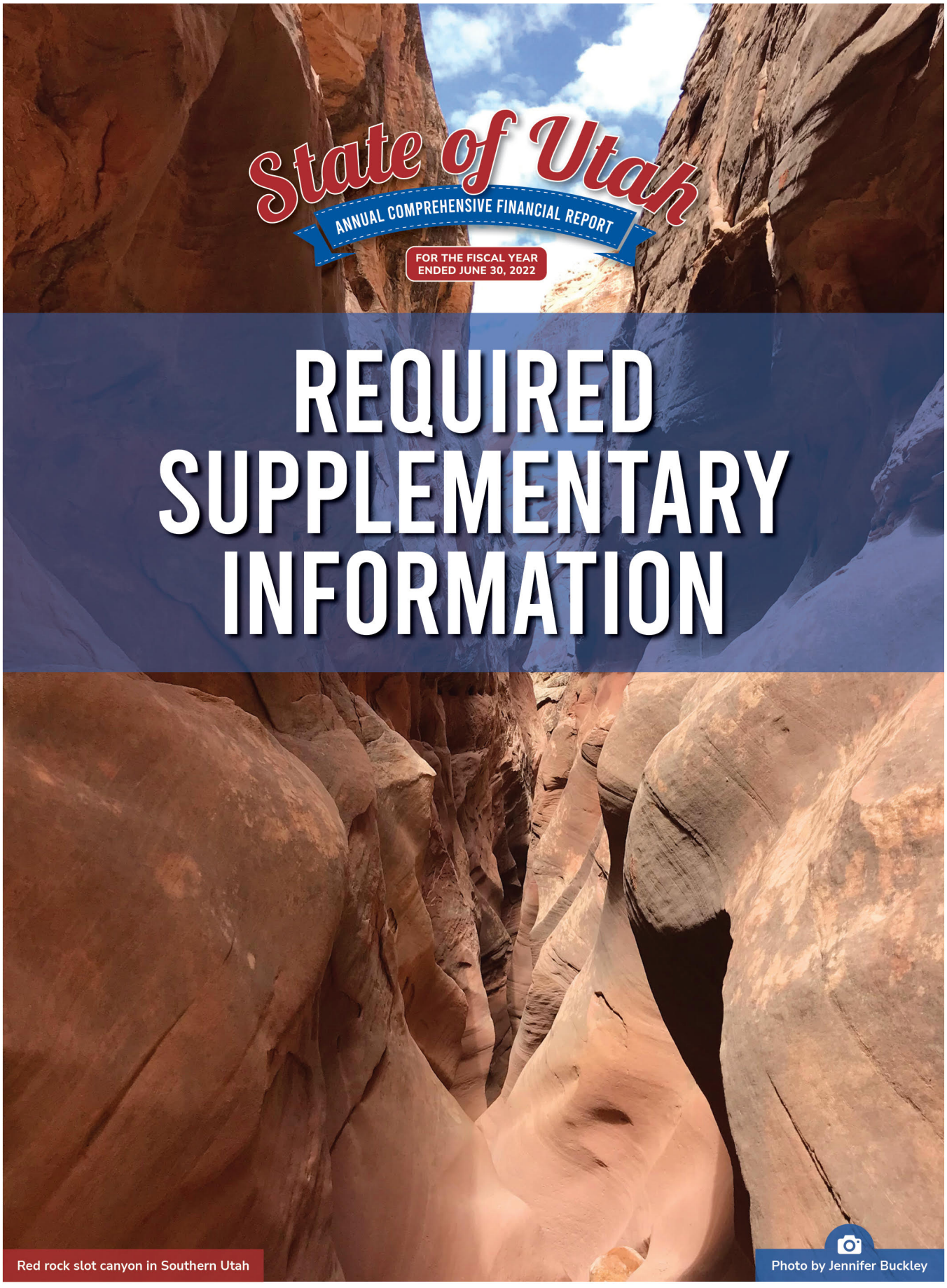
In July 2022, the University of Utah (major discrete component unit) issued $478.430 million of General Revenue Bonds, Series 2022B. Principal on the bonds is due annually commencing August 1, 2024 through August 2047. Proceeds from this bond are to be used to finance construction at the Impact & Prosperity Epi Center, expansion of student housing at Kahlert Village, construction of a mental health translational research facility, and construction of a new healthcare facility in the Salt Lake valley.

In July 2022, Utah State University (major discrete component unit) issued $7.233 million of Student Building Fee Revenue Bonds, Series 2022. Proceeds from this bond are to be used to finance the costs of construction of improvements to the Maverik Stadium and paying certain costs associated with the issuance of the bonds.

In August 2022, Bridgerland Technology College purchased a manufacturing building and 2.85 acres of land for $15.000 million to expand its Entrepreneurship Center and Custom Fit programs.

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State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
REQUIRED SUPPLEMENTARY INFORMATION
Red rock slot canyon in Southern Utah
Photo by Jennifer Buckley

Required Supplementary Information

Budgetary Comparison Schedule
General Fund
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
General Revenues				
Sales Tax	$ 2,579,866	$ 2,981,795	$ 3,098,477	$ 116,682
Licenses, Permits, and Fees:				
Court Fees	22,815	29,884	13,642	(16,242)
Other Licenses, Permits, and Fees	11,806	15,471	11,115	(4,356)
Investment Income	8,945	12,537	22,937	10,400
Miscellaneous Taxes and Other:				
Beer Tax	12,039	11,954	11,598	(356)
Cigarette and Tobacco Tax	92,661	90,631	87,931	(2,700)
Insurance Premium Tax	155,355	169,607	179,772	10,165
Oil, Gas, and Mining Severance Tax	17,438	42,572	54,317	11,745
Court Collections	2,833	5,999	19,967	13,968
Other Taxes	58,946	73,405	53,280	(20,125)
Miscellaneous Other	7,046	8,620	9,369	749
Total General Revenues	2,969,750	3,442,475	3,562,405	119,930
Department Specific Revenues				
Sales Tax	7,110	69,826	69,826	—
Federal Contracts and Grants	7,354,346	5,928,160	5,928,160	—
Departmental Collections	713,202	639,871	639,871	—
Higher Education Collections	918,341	971,654	971,654	—
Federal Mineral Lease	—	75,616	75,616	—
Investment Income	2,480	3,000	3,000	—
Miscellaneous	1,145,900	1,172,474	1,172,474	—
Total Department Specific Revenues	10,141,379	8,860,601	8,860,601	0
Total Revenues	13,111,129	12,303,076	12,423,006	119,930
Expenditures				
General Government	751,073	770,557	636,341	134,216
Human Services and Juvenile Justice Services	1,219,955	1,145,099	1,099,801	45,298
Corrections	392,605	379,266	361,503	17,763
Public Safety	573,409	602,835	545,615	57,220
Courts	191,949	181,884	170,875	11,009
Health and Environmental Quality	6,678,187	5,559,478	5,294,669	264,809
Higher Education – State Administration	153,054	114,235	114,235	—
Higher Education – Colleges and Universities	2,209,468	2,251,239	2,251,239	—
Employment and Family Services	2,685,191	1,446,741	1,399,562	47,179
Natural Resources	817,267	566,432	323,502	242,930
Cultural and Community Engagement	74,882	71,340	57,115	14,225
Business, Labor, and Agriculture	237,149	153,399	116,300	37,099
Total Expenditures	15,984,189	13,242,505	12,370,757	871,748
Excess Revenues Over (Under) Expenditures	(2,873,060)	(939,429)	52,249	991,678
Other Financing Sources (Uses)				
Transfers In	2,051,980	2,562,709	2,562,709	—
Transfers Out	(1,087,329)	(1,504,971)	(1,504,971)	—
Total Other Financing Sources (Uses)	964,651	1,057,738	1,057,738	0
Net Change in Fund Balance	(1,908,409)	118,309	1,109,987	991,678
Budgetary Fund Balance – Beginning	1,782,338	1,782,338	1,782,338	—
Budgetary Fund Balance – Ending	$ (126,071)	$ 1,900,647	$ 2,892,325	$ 991,678

The *Information About Budgetary Reporting* is an integral part of this schedule.

Budgetary Comparison Schedule
Education Fund
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
General Revenues				
Individual Income Tax	$ 5,124,267	$ 5,806,957	$ 6,798,085	$ 991,128
Corporate Tax	439,946	726,236	947,009	220,773
Miscellaneous Other	37,381	32,524	59,918	27,394
Total General Revenues	5,601,594	6,565,717	7,805,012	1,239,295
Department Specific Revenues				
Federal Contracts and Grants	430,876	921,010	921,010	—
Departmental Collections	875	16,600	16,600	—
Federal Mineral Lease	763	—	—	—
Investment Income	(20,850)	2,112	2,112	—
Miscellaneous:				
Liquor Sales Allocated for School Lunch	51,785	54,498	54,498	—
Driver Education Fee	6,590	6,996	6,996	—
Property Tax for Charter Schools	—	30,816	30,816	—
Other	2,641	645	645	—
Total Department Specific Revenues	472,680	1,032,677	1,032,677	0
Total Revenues	6,074,274	7,598,394	8,837,689	1,239,295
Expenditures				
Public Education	7,400,046	5,477,355	5,206,060	271,295
Total Expenditures	7,400,046	5,477,355	5,206,060	271,295
Excess Revenues Over (Under) Expenditures	(1,325,772)	2,121,039	3,631,629	1,510,590
Other Financing Sources (Uses)				
Transfers In	16,584	112,674	112,674	—
Transfers Out	(1,968,336)	(2,494,352)	(2,494,352)	—
Total Other Financing Sources (Uses)	(1,951,752)	(2,381,678)	(2,381,678)	0
Net Change in Fund Balance	(3,277,524)	(260,639)	1,249,951	1,510,590
Budgetary Fund Balance – Beginning	2,089,108	2,089,108	2,089,108	—
Budgetary Fund Balance – Ending	$ (1,188,416)	$ 1,828,469	$ 3,339,059	$ 1,510,590

The *Information About Budgetary Reporting* is an integral part of this schedule.

Budgetary Comparison Schedule
Transportation Fund
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
General Revenues				
Motor Fuel Tax	$ 385,369	$ 402,440	$ 399,290	$ (3,150)
Special Fuel Tax	169,220	168,105	173,864	5,759
Licenses, Permits, and Fees:				
Motor Vehicle Registration Fees	63,260	67,124	67,747	623
Proportional Registration Fees	20,580	19,852	19,814	(38)
Temporary Permits	241	253	252	(1)
Special Transportation Permits	12,526	12,044	12,016	(28)
Highway Use Permits	13,873	12,958	12,933	(25)
Motor Vehicle Control Fees	5,739	6,843	6,829	(14)
Investment Income	4,000	1,300	1,794	494
Miscellaneous Other	—	—	15	15
Total General Revenues	674,808	690,919	694,554	3,635
Department Specific Revenues				
Sales and Aviation Fuel Taxes	—	6,723	6,723	—
Federal Contracts and Grants	603,728	377,016	377,016	—
Departmental Collections	72,019	71,607	71,607	—
Investment Income	386	725	725	—
Miscellaneous	49,897	91,777	91,777	—
Total Department Specific Revenues	726,030	547,848	547,848	0
Total Revenues	1,400,838	1,238,767	1,242,402	3,635
Expenditures				
Transportation	1,357,421	1,164,540	1,128,099	36,441
Total Expenditures	1,357,421	1,164,540	1,128,099	36,441
Excess Revenues Over (Under) Expenditures	43,417	74,227	114,303	40,076
Other Financing Sources (Uses)				
Sale of Capital Assets	—	27,877	27,877	—
Transfers In	15,783	49,639	49,639	—
Transfers Out	(110,226)	(110,560)	(110,560)	—
Total Other Financing Sources (Uses)	(94,443)	(33,044)	(33,044)	0
Net Change in Fund Balance	(51,026)	41,183	81,259	40,076
Budgetary Fund Balance – Beginning	437,025	437,025	437,025	—
Budgetary Fund Balance – Ending	$ 385,999	$ 478,208	$ 518,284	$ 40,076

The *Information About Budgetary Reporting* is an integral part of this schedule.

Required Supplementary Information

Budgetary Comparison Schedule
Budget to GAAP Reconciliation
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	General Fund	Education Fund	Transportation Fund
Revenues			
Actual total revenues (budgetary basis)	$ 12,423,006	$ 8,837,689	$ 1,242,402
Differences – Budget to GAAP:			
Intrafund revenues are budgetary revenues but are not revenues for financial reporting	(694,171)	—	(2,466)
Higher education and Utah Schools for the Deaf and the Blind collections are budgetary revenues but are not revenues for financial reporting	(977,020)	(11,622)	—
Revenues for financial reporting purposes but not for budgetary reporting	13,005	312	—
Budgetary revenues reported as transfers for financial reporting	(61,237)		—
Change in revenue accrual for nonbudgetary Medicaid claims	11,231	—	—
Change in tax accruals designated by law and other liabilities are revenues for financial reporting but not for budgetary reporting	10,842	15,033	2,085
Federal revenue related to pandemic relief moved to the Unemployment Compensation Fund for financial reporting purposes	(671)	—	—
American Rescue Plan Act (ARPA) funds received for local governments as pass through	73,483	—	—
Change in estimated federal receivables recorded as revenues for financial reporting but not for budgetary reporting	—	52,256	—
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	$ 10,798,468	$ 8,893,668	$ 1,242,021
Expenditures			
Actual total expenditures (budgetary basis)	$ 12,370,757	$ 5,206,060	$ 1,128,099
Differences – Budget to GAAP:			
Intrafund expenditures for reimbursements are budgetary expenditures but are not expenditures for financial reporting	(694,171)	—	(2,466)
Expenditures related to higher education (General Fund) and Utah Schools for the Deaf and the Blind (Education Fund) collections are budgetary expenditures but are not expenditures for financial reporting	(977,020)	(11,622)	—
Certain budgetary transfers and other charges are reported as an increase or reduction of expenditures for financial reporting	21,409	—	—
Budgetary expenditures reported as transfers for financial reporting	(88,916)	—	—
Leave charges budgeted as expenditures when earned rather than when taken or due	(1,561)	13	(75)
Change in estimated liabilities recorded as expenditures for financial reporting but not for budgetary reporting	—	54,237	—
Change in accrual for Medicaid (incurred but not reported) claims excluded from the budget by statute	15,827	—	—
Budgetary expenditures related to medical personal protective equipment (PPE) that remains in inventory at yearend.	(3,768)	—	—
Budgetary expenditures for unemployment insurance benefits related to pandemic relief moved to the Unemployment Compensation Fund for reporting purposes	(671)	—	—
Expenditures for financial reporting purposes but not for budgetary reporting	10,634	308	—
Change in Unemployment Claims paid by the State as the Employer	(294)	—	—
Capital Outlay under leases	3,342		24
American Rescue Plan Act (ARPA) funds passed through to local governments not in budget	73,483	—	—
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	$ 10,729,051	$ 5,248,996	$ 1,125,582

The *Information About Budgetary Reporting* is an integral part of this schedule.

INFORMATION ABOUT BUDGETARY REPORTING

Budgetary Presentation

A Budgetary Comparison Schedule is presented for the General Fund and each of the State's major special revenue funds for which the Legislature enacts an annual budget. An annual budget is also adopted for the Transportation Investment Fund, a major capital projects fund, the Debt Service Fund, a nonmajor governmental fund, and the Alcoholic Beverage Services Fund, a major enterprise fund. The budgets are enacted through passage of *Appropriations Acts.* Budgets for specific general revenues are not adopted through an *Appropriations Act*, but are based on supporting estimates approved by the Executive Appropriations Committee of the Legislature. General revenues are those revenues available for appropriation for any program or purpose as allowed by law. Department-specific revenues are revenues dedicated by an *Appropriations Act* or restricted by other law or external grantor to a specific program or purpose.

Original budgets and related revenue estimates represent the spending authority enacted through *Appropriations Acts* as of June 30, 2022, and include nonlapsing carryforward balances from the prior fiscal year. Final budgets represent the original budget as amended by supplemental appropriations and related changes in revenue estimates, executive order reductions when applicable, and changes authorized or required by law when department-specific revenues either exceed or fall short of budgeted amounts.

Unexpended balances at yearend may: ***(1)*** lapse to unrestricted balances (i.e., committed, assigned, or unassigned) and be available for future appropriation; ***(2)*** lapse to restricted balances and be available for future appropriation restricted for specific purposes as defined by statute; or ***(3)*** be nonlapsing, which means balances are reported as either restricted or committed fund balance. The nonlapsing balances are considered automatically reappropriated as authorized by statute, by an *Appropriations Act*, or by limited encumbrances.

Budgetary Control

In September of each year, in accordance with the Budgetary Procedures Act in Title 63J, Chapter 1 of *Utah Code*, all agencies of the government submit requests for appropriations to the Governor's Office of Management and Budget so that a budget may be prepared. The budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

In January, the Governor recommends a budget to the Legislature. The Legislature considers those recommendations and prepares a series of *Appropriations Acts* that modify the State budget for the current year and constitute the State budget for the following year. The Legislature passes the *Appropriations Acts* by a simple majority vote. The *Appropriations Acts* becomes the State's authorized operating budget upon the Governor's signature. The *Constitution of Utah* requires that budgeted expenditures not exceed estimated revenues and other sources of funding, including beginning balances.

Budgetary control is maintained at the functional or organizational level, as identified by numbered line items in the *Appropriations Acts.* Budgets may be modified if federal funding or revenue specifically dedicated for a line item exceeds original estimates in the *Appropriations Acts*. If funding sources are not sufficient to cover the appropriation, the Governor is required to reduce the budget by the amount of the deficiency. Any other changes to the budget must be approved by the Legislature in a supplemental *Appropriations Act*.

Any department that spends more than the authorized amount must submit a report explaining the overspending to the State Board of Examiners. The Board will recommend corrective action, which may include a request to the Legislature for a supplemental appropriation to cover the deficit. If a supplemental appropriation is not approved, the department must cover the overspending with the subsequent year's budget. All appropriated budgets of the State were within their authorized spending levels.

Spending Limitation

The State also has an appropriation limitation statute that limits the growth in state appropriations. The total of the amount appropriated from unrestricted General Fund sources plus the income tax revenues appropriated for higher education is limited to the growth in population and inflation. The appropriations limitation can be exceeded only if a fiscal emergency is declared and approved by more than two-thirds of both houses of the Legislature, or if approved by a vote of the people. However, the appropriations limitation statute may be amended by a majority of both houses of the Legislature. Appropriations for debt service, emergency expenditures, amounts from other than unrestricted revenue sources, transfers to the Budgetary Reserve Account (Rainy Day Fund), Education Budget Reserve Account and the Transportation Investment Fund; or capital developments meeting certain criteria are exempt from the appropriations limitation. For the fiscal year ended June 30, 2022, the State was $646.526 million below the appropriations limitation.

INFORMATION ABOUT THE STATE'S PENSION PLANS

A. Single-employer Plans - Utah Retirement Systems

The State's defined benefit pension systems/plan is administered by Utah Retirement Systems and is included in this Annual Comprehensive Financial Report as a pension trust fund within the fiduciary funds. The Judges System and the Utah Governors and Legislators Retirement Plan are single-employer service retirement plans.

The following schedules present for the State's (primary government) single-employer retirement plans Changes in the Net Pension Liability and Related Ratios and Schedule of Employer Contributions.

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Required Supplementary Information

Changes in Net Pension Liability

Single-employer Plans - Utah Retirement Systems

Last Eight Calendar Years ending December 31 [1]

(dollars expressed in thousands)

Judges System		Calendar Year 2014	2015	2016	2017
Total Pension Liability					
Service Cost		$ 4,895	$ 4,794	$ 5,023	$ 5,328
Interest		13,641	14,136	14,064	14,866
Difference between Actual and Expected Experience		2,602	171	1,995	809
Assumption Changes		(130)	—	2,885	13,067
Benefit Payments		(11,361)	(12,400)	(12,330)	(13,700)
Net Change in Total Pension Liability		9,647	6,701	11,637	20,370
Total Pension Liability – Beginning		182,638	192,285	198,986	210,623
Total Pension Liability – Ending	***A***	$ 192,285	$ 198,986	$ 210,623	$ 230,993
Plan Fiduciary Net Position					
Contributions – Employee		$ 317	$ —	$ —	$ —
Contributions – Employer [2]		5,627	6,555	7,382	7,563
Court Fees [3]		1,486	1,653	1,470	1,477
Net Investment Income		11,068	2,842	13,820	23,435
Benefit Payments		(11,361)	(12,400)	(12,330)	(13,621)
Administrative Expense		(71)	(71)	(71)	(79)
Net Transfers with Affiliated Systems		1,092	1,334	1,600	4,090
Net Change in Plan Fiduciary Net Position		8,158	(87)	11,871	22,865
Plan Fiduciary Net Position – Beginning		155,676	163,834	163,747	175,618
Plan Fiduciary Net Position – Ending	***B***	$ 163,834	$ 163,747	$ 175,618	$ 198,483
Net Pension Liability (A - B)		$ 28,451	$ 35,239	$ 35,005	$ 32,510
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		85.20 %	82.29 %	83.38 %	85.93 %
Covered Payroll		$ 15,264	$ 16,372	$ 16,755	$ 18,661
Net Pension Liability as a Percentage of Covered Payroll		186.39 %	215.24 %	208.92 %	174.21 %
Utah Governors and Legislators Retirement Plan					
Total Pension Liability					
Service Cost		$ 106	$ 99	$ 90	$ 67
Interest		884	890	851	879
Difference between Actual and Expected Experience		307	(105)	167	182
Assumption Changes		—	—	241	264
Refunds		—	—	—	—
Benefit Payments		(909)	(904)	(941)	(978)
Net Change in Total Pension Liability		388	(20)	408	414
Total Pension Liability – Beginning		11,879	12,267	12,247	12,655
Total Pension Liability – Ending	***A***	$ 12,267	$ 12,247	$ 12,655	$ 13,069
Plan Fiduciary Net Position					
Contributions – Employer		$ 411	$ 421	$ 421	$ 404
Net Investment Income		717	181	849	1,353
Benefit Payments		(909)	(904)	(941)	(973)
Refunds		—	—	—	—
Administrative Expense		(5)	(5)	(4)	(5)
Net Transfers with Affiliated Systems		(14)	(20)	(12)	89
Net Change in Plan Fiduciary Net Position		200	(327)	313	868
Plan Fiduciary Net Position – Beginning		10,166	10,366	10,039	10,352
Plan Fiduciary Net Position – Ending	***B***	$ 10,366	$ 10,039	$ 10,352	$ 11,220
Net Pension Liability (A - B)		$ 1,901	$ 2,208	$ 2,303	$ 1,849
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		84.50 %	81.97 %	81.80 %	85.85 %
Covered Payroll		$ 1,045	$ 946	$ 799	$ 722
Net Pension Liability as a Percentage of Covered Payroll		181.91 %	233.40 %	288.24 %	256.09 %

Continues

[1] The State of Utah adopted GASB Statement 68 in fiscal year 2015. This schedule will eventually include ten years of history.

[2] Employer-paid contributions for the Judges System include a 3.00 percent retirement increase (substantial substitute) that is not reflected in this schedule.

[3] These court fees were recognized as revenue for support provided by nonemployer contributing entities.

Required Supplementary Information

Changes in Net Pension Liability

Single-employer Plans - Utah Retirement Systems - continued

Last Eight Calendar Years ending December 31 [1]

(dollars expressed in thousands)

Judges System		Calendar Year 2018	2019	2020	2021
Total Pension Liability					
Service Cost		$ 5,682	$ 6,054	$ 6,144	$ 6,309
Interest		15,697	16,649	17,675	18,415
Difference between Actual and Expected Experience		7,873	7,617	548	2,789
Assumption Changes		—	—	3,588	2,928
Benefit Payments		(16,195)	(15,346)	(15,863)	(18,600)
Net Change in Total Pension Liability		13,057	14,974	12,092	11,841
Total Pension Liability – Beginning		230,993	244,050	259,024	271,116
Total Pension Liability – Ending	***A***	$ 244,050	$ 259,024	$ 271,116	$ 282,957
Plan Fiduciary Net Position					
Contributions – Employee		$ —	$ —	$ —	$ —
Contributions – Employer [2]		8,091	8,500	8,646	8,949
Court Fees [3]		1,518	1,536	1,410	1,354
Net Investment Income		(730)	27,775	27,391	41,716
Benefit Payments		(16,111)	(15,346)	(15,863)	(18,600)
Administrative Expense		(84)	(81)	(84)	(85)
Net Transfers with Affiliated Systems		4,403	2,339	2,340	4,563
Net Change in Plan Fiduciary Net Position		(2,913)	24,723	23,840	37,897
Plan Fiduciary Net Position – Beginning		198,483	195,570	220,293	244,133
Plan Fiduciary Net Position – Ending	***B***	$ 195,570	$ 220,293	$ 244,133	$ 282,030
Net Pension Liability (A - B)		$ 48,480	$ 38,731	$ 26,983	$ 927
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		80.14 %	85.05 %	90.05 %	99.67 %
Covered Payroll		$ 18,802	$ 19,596	$ 20,201	$ 20,537
Net Pension Liability as a Percentage of Covered Payroll		257.84 %	197.65 %	133.57 %	4.51 %
Utah Governors and Legislators Retirement Plan					
Total Pension Liability					
Service Cost		$ 65	$ 59	$ 104	$ 46
Interest		877	882	875	892
Difference between Actual and Expected Experience		139	(53)	224	(144)
Assumption Changes		—	—	169	114
Refunds		—	—	(10)	—
Benefit Payments		(1,034)	(1,013)	(1,023)	(1,036)
Net Change in Total Pension Liability		47	(125)	339	(128)
Total Pension Liability – Beginning		13,069	13,116	12,991	13,330
Total Pension Liability – Ending	***A***	$ 13,116	$ 12,991	$ 13,330	$ 13,202
Plan Fiduciary Net Position					
Contributions – Employer		$ 392	$ 384	$ 369	$ 361
Net Investment Income		(41)	1,481	1,396	2,042
Benefit Payments		(978)	(1,012)	(1,023)	(1,036)
Refunds		—	—	(10)	—
Administrative Expense		(5)	(4)	(4)	(4)
Net Transfers with Affiliated Systems		(51)	(42)	(17)	7
Net Change in Plan Fiduciary Net Position		(683)	807	711	1,370
Plan Fiduciary Net Position – Beginning		11,220	10,537	11,344	12,055
Plan Fiduciary Net Position – Ending	***B***	$ 10,537	$ 11,344	$ 12,055	$ 13,425
Net Pension Liability (A - B)		$ 2,579	$ 1,647	$ 1,275	$ (223)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		80.34 %	87.32 %	90.44 %	101.69 %
Covered Payroll		$ 639	$ 639	$ 757	$ 666
Net Pension Liability as a Percentage of Covered Payroll		403.60 %	257.75 %	168.43 %	(33.48)%

[1] The State of Utah adopted GASB Statement 68 in fiscal year 2015. This schedule will eventually include ten years of history.

[2] Employer-paid contributions for the Judges System include a 3.00 percent retirement increase (substantial substitute) that is not reflected in this schedule.

[3] These court fees were recognized as revenue for support provided by nonemployer contributing entities.

Contributions – The following schedule presents a ten year history of the State's (primary government) contributions to the Utah Retirement Systems for its single-employer plans:

Employer Contributions
Single-employer Plans - Utah Retirement System
(dollars expressed in thousands)

Last Ten Fiscal Years	Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Judges System	2013	$ 4,910	$ 4,910	$ 0	$ 14,937	32.87 %
	2014	$ 5,335	$ 5,335	$ 0	$ 14,989	35.59 %
	2015	$ 6,179	$ 6,179	$ 0	$ 15,453	39.99 %
	2016	$ 7,154	$ 7,154	$ 0	$ 17,204	41.58 %
	2017	$ 7,728	$ 7,728	$ 0	$ 18,347	42.12 %
	2018	$ 7,958	$ 7,958	$ 0	$ 18,641	42.69 %
	2019	$ 8,501	$ 8,501	$ 0	$ 19,462	43.68 %
	2020	$ 8,800	$ 8,800	$ 0	$ 20,114	43.75 %
	2021	$ 8,951	$ 8,951	$ 0	$ 20,201	44.31 %
	2022	$ 9,287	$ 9,287	$ 0	$ 20,929	44.37 %
Utah Governors and Legislators Retirement Plan	2013	$ 252	$ 252	$ 0	$ 1,431	17.61 %
	2014	$ 411	$ 411	$ 0	$ 1,783	23.05 %
	2015	$ 411	$ 411	$ 0	$ 1,751	23.47 %
	2016	$ 421	$ 421	$ 0	$ 943	44.64 %
	2017	$ 421	$ 421	$ 0	$ 799	52.69 %
	2018	$ 392	$ 392	$ 0	$ 860	45.58 %
	2019	$ 384	$ 384	$ 0	$ 848	45.28 %
	2020	$ 369	$ 369	$ 0	$ 639	57.75 %
	2021	$ 361	$ 361	$ 0	$ 757	47.69 %
	2022	$ 361	$ 361	$ 0	$ 719	50.21 %

Footnotes to Single-employer Plans - Utah Retirement Systems Schedule of Contributions

Methods and Assumptions Used to Determine Contribution Rates

	Judges System	Utah Governors and Legislators Retirement Plan
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Percent of Payroll	Level Percent of Payroll
Amortization period	Open Group 20-Year Open Period	Closed Group 13-Year Closed Period
Actuarial asset valuation method	5-year Smoothed Market	
Actuarial assumptions:		
Investment rate of return	6.95%	
Projected salary increases	3.25% [2]	None
Inflation rate	2.50%	
Post-retirement cost-of-living adjustment [1]	2.50%	
Mortality:	Male: 90% of the 2020 PR UTAH Retiree Mortality Table for males, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020. Female: 90% of the 2020 PR UTAH Retiree Mortality Table for females, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020.	

[1] All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual CPI increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

[2] Composed of 2.50 percent inflation, plus 0.75 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.

Footnotes to Single-employer Plans - Utah Retirement Systems Schedule of Contributions - *continued*

Other Information:

The actuarially determined contribution rates are calculated as of January 1 and become effective on July 1 of the following year, which is 18 months after the valuation date. The Utah Retirement Systems' Board certifies the contribution rates that employers are contractually required to contribute to the Retirement System. According to Section 49-11-301(5) of the *Utah Code*, if the funded ratio of the plan is less than 110 percent, then the Board is permitted to maintain the prior year's contribution rate if the actuarially determined contribution is lower. The Board has historically followed this policy.

Significant Changes to Methods and Assumptions Used to Determine Contribution Rates:

- Investment Rate of Return

  In 2008, the actuarial assumed rate of return (the discount rate) was modified from 8 to 7.75 percent, and then again in 2011 down to 7.50 percent. In 2017, the discount rate was reduced to 7.20 percent and was again reduced in 2018 to 6.95 percent. This rate is used in establishing retirement contribution rates and in determining current benefit reserve requirements.
- Amortization

  Changes implemented in 2009 included amortizing 2008 losses over the next 5 years (20 percent per year) and modifying the unfunded actuarial accrued liability (UAAL) amortization period from 20 to 25 years.
- Inflation Rate

  In 2017, the assumed rate of inflation was decreased from 2.75 to 2.60 percent. In 2018, the assumed rate of inflation was decreased from 2.60 to 2.50 percent.
- Projected Salary Increases

  In 2019, the wage inflation assumption decreased from 3.35 to 3.25 percent and and payroll growth assumption also decreased from 3.10 to 3.00 percent.

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B. Single-employer Plans - Utah Transit Authority

Utah Transit Authority (UTA) (major discrete component unit) offers its employees a single-employer non-contributory defined benefit pension plan, The Utah Transit Authority Retirement Plan and Trust (Plan), which includes all employees of UTA who are eligible and who have completed six months of service.

The following schedules present for UTA's single-employer retirement plan Changes in the Net Pension Liability and Related Ratios and Schedule of Employer Contributions.

Changes in Net Pension Liability
Single-employer Plan - Utah Transit Authority
Calendar Years ending December 31 [1]
(dollars expressed in thousands)

Utah Transit Authority		Calendar Year 2014	2015	2016	2017
Total Pension Liability					
Service Cost		$ 7,284	$ 7,546	$ 7,712	$ 8,368
Interest		17,623	18,717	19,604	20,368
Voluntary Member Contributions		276	917	438	698
Differences between expected and actual experience		—	(1,973)	(927)	4,916
Assumption Changes		—	7,725	(3,956)	5,079
Benefit Payments		(10,181)	(11,555)	(12,981)	(13,008)
Net Change in Total Pension Liability		15,002	21,377	9,890	26,421
Total Pension Liability – Beginning		232,691	247,693	269,070	278,960
Total Pension Liability – Ending	***A***	$ 247,693	$ 269,070	$ 278,960	$ 305,381
Plan Fiduciary Net Position					
Contributions – Employer		$ 15,366	$ 16,745	$ 19,604	$ 20,506
Contributions – Members		276	917	438	698
Net Investment Income		5,947	(1,085)	7,591	30,599
Benefit Payments		(10,181)	(11,555)	(12,981)	(13,008)
Administrative Expense		(220)	(244)	(249)	(325)
Net Change in Plan Fiduciary Net Position		11,188	4,778	14,403	38,470
Plan Fiduciary Net Position – Beginning		135,666	146,854	151,632	166,035
Plan Fiduciary Net Position – Ending	***B***	$ 146,854	$ 151,632	$ 166,035	$ 204,505
Net Pension Liability (A - B)		$ 100,839	$ 117,438	$ 112,925	$ 100,876
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		59.29 %	56.35 %	59.52 %	66.97 %
Covered Payroll		$ 106,004	$ 110,727	$ 115,431	$ 126,691
Net Pension Liability as a Percentage of Covered Payroll		95.13 %	106.06 %	97.83 %	79.62 %

Continues

[1] The Utah Transit Authority adopted GASB Statement 68 in calendar year 2014. This schedule will eventually include ten years of history.

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Changes in Net Pension Liability
Single-employer Plan - Utah Transit Authority - continued
Calendar Years ending December 31 [1]
(dollars expressed in thousands)

Utah Transit Authority		2018	2019	2020	2021
Total Pension Liability					
Service Cost		$ 9,551	$ 10,244	$ 10,654	$ 12,597
Interest		21,513	22,948	24,263	25,640
Voluntary Member Contributions		224	299	84	334
Differences between expected and actual experience		4,893	3,348	4,293	9,188
Assumption Changes		—	—	11,421	—
Benefit Payments		(15,475)	(17,303)	(19,649)	(19,197)
Net Change in Total Pension Liability		20,706	19,536	31,066	28,562
Total Pension Liability – Beginning		305,381	326,087	345,623	376,689
Total Pension Liability – Ending	***A***	$ 326,087	$ 345,623	$ 376,689	$ 405,251
Plan Fiduciary Net Position					
Contributions – Employer		$ 22,355	$ 24,008	$ 24,274	$ 25,207
Contributions – Members		224	299	84	334
Net Investment Income		(16,630)	40,649	33,846	28,831
Benefit Payments		(15,475)	(17,303)	(19,649)	(19,197)
Administrative Expense		(440)	(434)	(408)	(471)
Net Change in Plan Fiduciary Net Position		(9,966)	47,219	38,147	34,704
Plan Fiduciary Net Position – Beginning		204,505	194,539	241,758	279,905
Plan Fiduciary Net Position – Ending	***B***	$ 194,539	$ 241,758	$ 279,905	$ 314,609
Net Pension Liability (A - B)		$ 131,548	$ 103,865	$ 96,784	$ 90,642
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		59.66 %	69.95 %	74.31 %	77.63 %
Covered Payroll		$ 132,521	$ 141,813	$ 152,297	$ 153,984
Net Pension Liability as a Percentage of Covered Payroll		99.27 %	73.24 %	63.55 %	58.86 %

[1] The Utah Transit Authority adopted GASB Statement 68 in calendar year 2014. This schedule will eventually include ten years of history.

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Contributions – The following schedule presents a ten-year history of UTA's (major discrete component unit) contributions to its single-employer plan:

Employer Contributions
Single-employer Plans - Utah Transit Authority
(dollars expressed in thousands)

Last Ten Calendar Years

	Calendar Year	Actuarial Required Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Utah Transit Authority	2012	$ 12,206	$ 11,646	$ 560	$ 96,750	12.04 %
	2013	$ 14,352	$ 13,338	$ 1,014	$ 102,100	13.06 %
	2014	$ 14,757	$ 15,367	$ (610)	$ 106,004	14.50 %
	2015	$ 16,609	$ 16,745	$ (136)	$ 110,727	15.12 %
	2016	$ 17,148	$ 19,604	$ (2,456)	$ 115,431	16.98 %
	2017	$ 20,270	$ 20,506	$ (236)	$ 126,691	16.19 %
	2018	$ 21,203	$ 22,355	$ (1,152)	$ 132,521	16.87 %
	2019	$ 22,241	$ 24,008	$ (1,767)	$ 141,813	16.93 %
	2020	$ 25,168	$ 24,274	$ 894	$ 152,297	15.94 %
	2021	$ 24,743	$ 25,207	$ (464)	$ 153,984	16.37 %

Footnotes to Single-employer Plans - Utah Transit Authority Schedule of Contributions

Methods and Assumptions Used to Determine Contribution Rates

	Utah Transit Authority
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll, open
Amortization period	18 years
Actuarial asset valuation method	5-year smoothed market less unrealized
Actuarial assumptions:	
Investment rate of return	6.75%, net of investment expenses
Projected salary increases	5.40% per annum for the first five years of employment; 3.40% per annum thereafter
Inflation rate	2.30%
Cost-of-living adjustment	None
Retirement Age	Table of Rates by Age and Eligibility
Mortality	RP-2014 Blue Collar Mortality Table, with MP-2014 projection scale
Percent of Future Retirements Electing Lump Sum	20%

Other Information:

The valuation date is January 1, 2021. This is the date as of which the actuarial valuation is performed. The measurement date is December 31, 2021. This is the date as of which the net pension liability is determined. The reporting date is December 31, 2021. This is the employer's fiscal year ending date.

Money-Weighted Rate of Return - 10 Years

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return is calculated net of investment expenses.

Schedule of Investment Returns

Single-employer Plans - Utah Transit Authority

Last Ten Calendar Years

	Calendar Year [1]	Annual Money-Weighted Rate of Return (Net of Investment Expense)
Utah Transit Authority	2014	4.31 %
	2015	(0.72)%
	2016	4.90 %
	2017	18.01 %
	2018	(7.77)%
	2019	20.56 %
	2020	13.88 %
	2021	10.19 %

[1] Utah Transit Authority adopted GASB Statements 74, 75, and 85 in calendar year 2014. This schedule will eventually include ten years of history.

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C. Multiple-employer Systems - Utah Retirement Systems

The State's defined benefit pension systems are administered by Utah Retirement Systems and are included in this Annual Comprehensive Financial Report as a pension trust fund within the fiduciary funds. The Noncontributory System, Contributory System, Public Safety System, Firefighters System, Tier 2 Public Employees System, and Tier 2 Public Safety and Firefighters System are defined-benefit multiple-employer, cost-sharing, public employee retirement systems.

The following schedule presents the State's (primary government) proportionate share of the net pension liability for its multiple-employer, cost-sharing public employee employer retirement systems:

Changes in Net Pension Liability
Multiple-employer Plans
Last Eight Calendar Years ending December 31 [1]
(dollars expressed in thousands)

	Calendar Year			
Noncontributory System	**2014**	**2015**	**2016**	**2017**
Proportion of the Net Pension Liability (Asset)	24.07%	23.84%	24.46%	23.46%
Proportionate Share of the Net Pension Liability (Asset)	$604,765	$748,863	$792,635	$573,675
Covered Payroll	$645,747	$630,251	$639,263	$598,938
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	93.65%	118.82%	123.99%	95.78%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.20%	87.20%	84.90%	89.20%
Contributory System				
Proportion of the Net Pension Liability (Asset)	34.02%	32.52%	30.90%	30.98%
Proportionate Share of the Net Pension Liability (Asset)	$3,731	$20,378	$16,932	$2,039
Covered Payroll	$12,280	$10,301	$8,283	$7,049
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	30.38%	197.83%	204.42%	28.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.70%	92.40%	93.40%	99.20%
Public Safety System				
Proportion of the Net Pension Liability (Asset)	98.11%	97.81%	97.73%	97.53%
Proportionate Share of the Net Pension Liability (Asset)	$182,306	$210,570	$208,964	$169,585
Covered Payroll	$111,391	$109,909	$112,155	$107,429
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	163.66%	191.59%	186.32%	157.86%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.30%	82.30%	83.50%	87.40%
Firefighters System				
Proportion of the Net Pension Liability (Asset)	(2.59)%	(3.90)%	(4.30)%	(3.84)%
Proportionate Share of the Net Pension Liability (Asset)	$(148)	$(71)	$(34)	$(240)
Covered Payroll	$851	$1,047	$1,208	$1,123
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	(17.39)%	(6.78)%	(2.81)%	(21.37)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	103.50%	101.00%	100.40%	103.00%
Tier 2 Public Employees System				
Proportion of the Net Pension Liability (Asset)	17.95%	(17.66)%	19.04%	18.41%
Proportionate Share of the Net Pension Liability (Asset)	$(544)	$(39)	$2,123	$1,623
Covered Payroll	$88,068	$114,106	$156,103	$180,218
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	(0.62)%	(0.03)%	1.36%	0.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	103.50%	100.20%	95.10%	97.40%
Tier 2 Public Safety and Firefighters System				
Proportion of the Net Pension Liability (Asset)	(26.64)%	(25.84)%	(26.95)%	(25.32)%
Proportionate Share of the Net Pension Liability (Asset)	$(394)	$(377)	$(234)	$(293)
Covered Payroll	$11,011	$15,378	$22,263	$26,727
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	(3.58)%	(2.45)%	(1.05)%	(1.10)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	120.50%	110.70%	103.60%	103.00%

Continues

[1] The State of Utah adopted GASB Statement 68 in fiscal year 2015. This schedule will eventually include ten years of history.

Changes in Net Pension Liability

Multiple-employer Plans
Last Eight Calendar Years ending December 31 [1] - Continued
(dollars expressed in thousands)

Noncontributory System	2018	2019	2020	2021
Proportion of the Net Pension Liability (Asset)	23.02%	24.51%	23.88%	(23.39)%
Proportionate Share of the Net Pension Liability (Asset)	$856,314	$544,490	$318,386	$(159,789)
Covered Payroll	$585,155	$574,935	$560,345	$550,333
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	146.34%	94.70%	56.82%	(29.03)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.10%	90.10%	94.30%	102.70%
Contributory System				
Proportion of the Net Pension Liability (Asset)	28.85%	37.51%	(35.38)%	(35.91)%
Proportionate Share of the Net Pension Liability (Asset)	$20,484	$2,590	$(8,414)	$(32,340)
Covered Payroll	$5,599	$4,185	$3,412	$3,040
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	365.85%	61.89%	(246.60)%	(1,063.82)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.40%	98.90%	103.70%	114.10%
Public Safety System				
Proportion of the Net Pension Liability (Asset)	97.56%	97.15%	96.82%	(96.95)%
Proportionate Share of the Net Pension Liability (Asset)	$233,535	$143,463	$62,712	$(88,871)
Covered Payroll	$106,255	$103,529	$98,555	$95,065
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	219.79%	138.57%	63.63%	(93.48)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.20%	90.00%	95.80%	105.70%
Firefighters System				
Proportion of the Net Pension Liability (Asset)	3.80%	(3.84)%	(2.89)%	(3.26)%
Proportionate Share of the Net Pension Liability (Asset)	$494	$(476)	$(808)	$(1,893)
Covered Payroll	$1,175	$1,230	$943	$1,082
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	42.04%	(38.70)%	(85.68)%	(174.95)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.30%	105.00%	110.50%	120.10%
Tier 2 Public Employees System				
Proportion of the Net Pension Liability (Asset)	18.15%	18.16%	17.55%	(17.32)%
Proportionate Share of the Net Pension Liability (Asset)	$7,772	$4,085	$2,524	$(7,329)
Covered Payroll	$211,942	$252,493	$280,683	$321,442
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	3.67%	1.62%	0.90%	(2.28)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.80%	96.50%	98.30%	103.80%
Tier 2 Public Safety and Firefighters System				
Proportion of the Net Pension Liability (Asset)	24.07%	22.04%	20.87%	(20.59)%
Proportionate Share of the Net Pension Liability (Asset)	$603	$2,073	$1,872	$(1,041)
Covered Payroll	$32,199	$36,331	$41,435	$49,237
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	1.87%	5.71%	4.52%	(2.11)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.60%	89.60%	93.10%	102.80%

[1] The State of Utah adopted GASB Statement 68 in fiscal year 2015. This schedule will eventually include ten years of history.

Contributions - The following schedule presents a ten year history of the State's (primary government) contributions to the Utah Retirement Systems for its multiple-employer, cost-sharing public employee employer retirement systems:

Employer Contributions
Multiple-employer Plans
(dollars expressed in thousands)

Last Ten Fiscal Years

	Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Noncontributory System	2013	$ 129,519	$ 129,519	$ 0	$ 681,504	19.00 %
	2014	$ 139,990	$ 139,990	$ 0	$ 656,413	21.33 %
	2015	$ 139,126	$ 139,126	$ 0	$ 636,665	21.85 %
	2016	$ 136,246	$ 136,246	$ 0	$ 623,605	21.85 %
	2017	$ 138,041	$ 138,041	$ 0	$ 631,040	21.88 %
	2018	$ 129,414	$ 129,414	$ 0	$ 591,404	21.88 %
	2019	$ 126,809	$ 126,809	$ 0	$ 579,713	21.87 %
	2020	$ 124,841	$ 124,841	$ 0	$ 570,952	21.87 %
	2021	$ 120,837	$ 120,837	$ 0	$ 550,928	21.93 %
	2022	$ 120,735	$ 120,735	$ 0	$ 552,180	21.87 %
Contributory System	2013	$ 2,129	$ 2,129	$ 0	$ 14,919	14.27 %
	2014	$ 2,114	$ 2,114	$ 0	$ 13,238	15.97 %
	2015	$ 1,985	$ 1,985	$ 0	$ 11,215	17.70 %
	2016	$ 1,623	$ 1,623	$ 0	$ 9,171	17.70 %
	2017	$ 1,373	$ 1,373	$ 0	$ 7,756	17.70 %
	2018	$ 1,118	$ 1,118	$ 0	$ 6,317	17.70 %
	2019	$ 863	$ 863	$ 0	$ 4,875	17.70 %
	2020	$ 671	$ 671	$ 0	$ 3,790	17.70 %
	2021	$ 569	$ 569	$ 0	$ 3,218	17.68 %
	2022	$ 487	$ 487	$ 0	$ 2,751	17.70 %
Public Safety System	2013	$ 42,054	$ 42,054	$ 0	$ 115,261	36.49 %
	2014	$ 44,472	$ 44,472	$ 0	$ 112,858	39.41 %
	2015	$ 43,893	$ 43,893	$ 0	$ 110,125	39.86 %
	2016	$ 43,850	$ 43,850	$ 0	$ 109,288	40.12 %
	2017	$ 44,808	$ 44,808	$ 0	$ 111,465	40.20 %
	2018	$ 43,333	$ 43,333	$ 0	$ 107,565	40.29 %
	2019	$ 42,189	$ 42,189	$ 0	$ 104,652	40.31 %
	2020	$ 40,972	$ 40,972	$ 0	$ 101,946	40.19 %
	2021	$ 37,892	$ 37,892	$ 0	$ 94,507	40.09 %
	2022	$ 39,515	$ 39,515	$ 0	$ 98,362	40.17 %
Firefighters System	2013	$ 27	$ 27	$ 0	$ 1,033	2.61 %
	2014	$ 22	$ 22	$ 0	$ 935	2.35 %
	2015	$ 34	$ 34	$ 0	$ 897	3.79 %
	2016	$ 46	$ 46	$ 0	$ 1,164	3.95 %
	2017	$ 47	$ 47	$ 0	$ 1,216	3.87 %
	2018	$ 43	$ 43	$ 0	$ 1,086	3.96 %
	2019	$ 58	$ 58	$ 0	$ 1,260	4.60 %
	2020	$ 50	$ 50	$ 0	$ 1,084	4.61 %
	2021	$ 45	$ 45	$ 0	$ 980	4.59 %
	2022	$ 51	$ 51	$ 0	$ 1,117	4.57 %
Tier 2 Public Employees System	2013	$ 4,395	$ 4,395	$ 0	$ 51,339	0.00 %
	2014	$ 6,390	$ 6,390	$ 0	$ 75,172	8.50 %
	2015	$ 18,280	$ 18,280	$ 0	$ 100,055	18.27 %
	2016	$ 24,358	$ 24,358	$ 0	$ 133,543	18.24 %
	2017	$ 31,467	$ 31,467	$ 0	$ 172,519	18.24 %

Continues

Employer Contributions
Multiple-employer Plans
(dollars expressed in thousands)

Last Ten Fiscal Years

	Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Continued	2018	$ 36,277	$ 36,277	$ 0	$ 196,807	18.43 %
	2019	$ 44,102	$ 44,102	$ 0	$ 233,714	18.87 %
	2020	$ 51,492	$ 51,492	$ 0	$ 271,156	18.99 %
	2021	$ 56,448	$ 56,448	$ 0	$ 295,101	19.13 %
	2022	$ 68,021	$ 68,021	$ 0	$ 350,693	19.40 %
Tier 2 Public Safety and Firefighters System.....	2013	$ 506	$ 506	$ 0	$ 4,558	0.00 %
	2014	$ 1,002	$ 1,002	$ 0	$ 9,091	11.02 %
	2015	$ 3,711	$ 3,711	$ 0	$ 12,751	29.10 %
	2016	$ 5,349	$ 5,349	$ 0	$ 18,448	29.00 %
	2017	$ 7,248	$ 7,248	$ 0	$ 24,965	29.03 %
	2018	$ 8,534	$ 8,534	$ 0	$ 29,390	29.04 %
	2019	$ 10,266	$ 10,266	$ 0	$ 34,716	29.57 %
	2020	$ 11,406	$ 11,406	$ 0	$ 38,469	29.65 %
	2021	$ 14,392	$ 14,392	$ 0	$ 44,527	32.32 %
	2022	$ 17,906	$ 17,906	$ 0	$ 55,451	32.29 %

Footnotes to Multiple-employer Systems Schedule of Contributions

This schedule reflects the legislative authorized rates and contributions for these systems. Tier 2 rates include a statutory required contribution (0.08 to 18.54 percent amortization rate) to finance the unfunded actuarial accrued liability of the non-Tier 2 plans.

Significant Changes to Methods and Assumptions Used to Determine Contribution Rates:

- Investment Rate of Return
  In 2008, the actuarial assumed rate of return (the discount rate) was modified from 8 to 7.75 percent, and then again in 2011 down to 7.50 percent. In 2017, the discount rate was reduced to 7.20 percent and was again reduced in 2018 to 6.95 percent. This rate is used in establishing retirement contribution rates and in determining current benefit reserve requirements.
- Amortization
  Changes implemented in 2009 included amortizing 2008 losses over the next 5 years (20 percent per year) and modifying the unfunded actuarial accrued liability (UAAL) amortization period from 20 to 25 years.
- Inflation Rate
  In 2017, the assumed rate of inflation was decreased from 2.75 to 2.60 percent. In 2018, the assumed rate of inflation was decreased from 2.60 to 2.50 percent.
- Projected Salary Increases
  In 2019, the wage inflation assumption decreased from 3.35 to 3.25 percent and the payroll growth assumption also decreased from 3.10 to 3.00 percent.
- Other
  In 2020, as a result of the passage of Senate Bill 129 in the 2019 General Session, the retirement rates for members in the Tier 2 Public Safety and Firefighter Hybrid System have been modified to be the same as the assumption used to model the retirement pattern in the Tier I Public Safety and Firefighter Systems, except for a 10 percent load at first eligibility for un-reduced retirement prior to age 65.

New Retirement Plans:

During the 2010 General Session, the Legislature passed Senate Bill 63, *New Public Employees' Tier 2 Contributory Retirement Act*. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement Systems.

Restatement:

As a result of implementing GASB Statement 82, Pension Issues, payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are no longer reflected in this schedule.

INFORMATION ABOUT THE STATE'S OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

A. Single-employer Plans

The State administers two single-employer Other Postemployment Benefit (OPEB) Plans, the State Employee OPEB Plan and the Elected Official OPEB Plan. The State Employee OPEB Plan and the Elected Official OPEB Plan are administered through two separate irrevocable trusts; the State Post-Retirement Benefits Trust Fund and Elected Official Post-Retirement Benefits Trust Fund, respectively. Assets of the trust funds are dedicated to providing postemployment health and life insurance coverage to current and eligible future state retirees and elected officials.

The following schedules present, for the State's (primary government) single-employer OPEB Plans, the Changes in the Net OPEB Liability and Related Ratios, Schedule of Employer Contributions, and Schedule of Investment Returns.

Changes in Net OPEB Liability
Single-employer Plans
(dollars expressed in thousands)

		Fiscal Year [1]					
State Employee Plan		**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Total OPEB Liability							
Service Cost		$ 3,867	$ 5,919	$ 5,766	$ 5,189	$ 5,063	$ 4,939
Interest		7,763	9,105	9,944	12,749	13,219	13,661
Difference between Actual and Expected Experience		(7,305)	(15,023)	(13,426)	(28,055)	—	—
Assumption Changes		—	(11,404)	—	31,163	—	—
Benefit Payments		(30,818)	(31,259)	(29,605)	(30,560)	(31,339)	(30,158)
Net Change in Total OPEB Liability		(26,493)	(42,662)	(27,321)	(9,514)	(13,057)	(11,558)
Total OPEB Liability – Beginning		270,419	313,081	340,402	349,916	362,973	374,531
Total OPEB Liability – Ending	***A***	$ 243,926	$ 270,419	$ 313,081	$ 340,402	$ 349,916	$ 362,973
Plan Fiduciary Net Position							
Contributions – Employer		$ 28,842	$ 27,029	$ 26,663	$ 26,510	$ 29,735	$ 33,361
Net Investment Income (Loss)		(21,991)	8,020	25,638	24,082	(2,065)	14,194
Benefit Payments		(30,818)	(31,259)	(29,605)	(30,560)	(31,339)	(30,158)
Net Transfers with Affiliated Systems		—	—	—	356	961	—
Net Change in Plan Fiduciary Net Position		(23,967)	3,790	22,696	20,388	(2,708)	17,397
Plan Fiduciary Net Position – Beginning		298,338	294,548	271,852	251,464	254,172	236,775
Plan Fiduciary Net Position – Ending	***B***	$ 274,371	$ 298,338	$ 294,548	$ 271,852	$ 251,464	$ 254,172
Net OPEB Liability (A - B)		$ (30,445)	$ (27,919)	$ 18,533	$ 68,550	$ 98,452	$ 108,801
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		112.48 %	110.32 %	94.08 %	79.86 %	71.86 %	70.03 %
Covered Payroll [2]		$1,161,895	$ 1,085,049	$ 1,085,103	$ 1,032,288	$ 994,839	$ 966,279
Net OPEB Liability as a Percentage of Covered Payroll		(2.62)%	(2.57)%	1.71 %	6.64 %	9.90 %	11.26 %
Elected Official OPEB Plan							
Total OPEB Liability							
Service Cost		$ 177	$ 220	$ 214	$ 733	$ 715	$ 698
Interest		1,149	923	902	908	850	789
Difference between Actual and Expected Experience		(1,165)	3,823	63	(245)	—	—
Assumption Changes		—	125	—	(347)	—	—
Benefit Payments		(788)	(721)	(864)	(412)	(534)	(503)
Net Change in Total OPEB Liability		(627)	4,370	315	637	1,031	984
Total OPEB Liability – Beginning		22,088	17,718	17,403	16,766	15,735	14,751
Total OPEB Liability – Ending	***A***	$ 21,461	$ 22,088	$ 17,718	$ 17,403	$ 16,766	$ 15,735
Plan Fiduciary Net Position							
Contributions – Employer		$ 1,249	$ 1,249	$ 1,388	$ 1,388	$ 1,388	$ 1,388
Net Investment Income		(2,492)	3,521	1,043	1,287	667	1,214
Benefit Payments		(788)	(721)	(864)	(412)	(534)	(503)
Net Transfers with Affiliated Systems		—	—	—	—	1	—
Net Change in Plan Fiduciary Net Position		(2,031)	4,049	1,567	2,263	1,522	2,099
Plan Fiduciary Net Position – Beginning		21,481	17,432	15,865	13,602	12,080	9,981
Plan Fiduciary Net Position – Ending	***B***	$ 19,450	$ 21,481	$ 17,432	$ 15,865	$ 13,602	$ 12,080
Net OPEB Liability (A - B)		$ 2,011	$ 607	$ 286	$ 1,538	$ 3,164	$ 3,655
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		90.63 %	97.25 %	98.39 %	91.16 %	81.13 %	76.77 %
Covered-employee Payroll [2]		$ 936	$ 912	$ 1,144	$ 1,317	$ 1,421	$ 1,478
Net OPEB Liability as a Percentage of Covered-employee Payroll		214.85 %	66.56 %	25.00 %	116.78 %	222.66 %	247.29 %

[1] The State of Utah adopted GASB Statements 74, 75, and 85 in fiscal year 2017. This schedule will eventually include ten years of history.

[2] Contributions to the State Employee Plan are based on a measure of pay, therefore covered payroll is presented in the above schedule. Contributions to the Elected Officials OPEB Plan are based on appropriations and not on a measure of pay; therefore, for that plan the covered-employee payroll is presented.

Contributions – The following schedule presents a ten year history of the State's (primary government) contributions to its single-employer OPEB plans, the State Employee OPEB Plan and Elected Official OPEB Plan.

Employer Contributions – OPEB Plans
Single-employer Plans
(dollars expressed in thousands)

Last Ten Fiscal Years	Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll [1]	Contributions as a Percentage of Covered Payroll
State Employee OPEB Plan	2013	$ 37,594	$ 38,070	$ (476)	$ 874,401	4.35 %
	2014	$ 30,342	$ 30,342	$ 0	$ 888,806	3.41 %
	2015	$ 30,342	$ 30,342	$ 0	$ 905,895	3.35 %
	2016	$ 29,100	$ 35,683	$ (6,583)	$ 942,630	3.79 %
	2017	$ 29,100	$ 33,361	$ (4,261)	$ 966,279	3.45 %
	2018	$ 29,100	$ 29,735	$ (635)	$ 994,839	2.99 %
	2019	$ 25,928	$ 26,510	$ (582)	$ 1,032,288	2.57 %
	2020	$ 25,928	$ 26,663	$ (735)	$ 1,085,103	2.46 %
	2021	$ 26,902	$ 27,029	$ (127)	$ 1,085,049	2.49 %
	2022	$ 26,902	$ 28,842	$ (1,940)	$ 1,161,895	2.48 %
Elected Official OPEB Plan	2013	$ 1,894	$ 2,030	$ (136)	$ 1,431	141.86 %
	2014	$ 1,321	$ 2,030	$ (709)	$ 1,783	113.85 %
	2015	$ 1,321	$ 1,388	$ (67)	$ 1,751	79.27 %
	2016	$ 1,241	$ 1,388	$ (147)	$ 1,661	83.56 %
	2017	$ 1,241	$ 1,388	$ (147)	$ 1,478	93.91 %
	2018	$ 1,241	$ 1,388	$ (147)	$ 1,421	97.68 %
	2019	$ 1,026	$ 1,388	$ (362)	$ 1,317	105.39 %
	2020	$ 1,026	$ 1,388	$ (362)	$ 1,144	121.33 %
	2021	$ 600	$ 1,249	$ (649)	$ 912	136.95 %
	2022	$ 600	$ 1,249	$ (649)	$ 936	133.44 %

[1] Contributions to the State Employee OPEB Plan are based on a measure of pay, therefore covered payroll is presented in the above schedule. Contributions to the Elected Official OPEB Plan are based on appropriations and not on a measure of pay; therefore, the covered-employee payroll is presented for that plan.

Footnotes to Single-employer OPEB Plans Schedule of Contributions

Methods and Assumptions Used to Determine Contribution Rates

	State Employee OPEB Plan	Elected Official OPEB Plan
Actuarial cost method	Entry Age Normal Level Percentage of Pay Cost Method	
Amortization method	Level Dollar Closed Period	Level Dollar Open Period
Amortization period	2 years for ADC as of December 31, 2021	10 years
Actuarial asset valuation method	Fair Value	
Actuarial assumptions:		
Investment rate of return	3.00%	5.25%
Projected salary increases	2.50%	
Inflation rate	2.50%	
Health Care Cost Trends	Actual cost increases for 2021, followed by 5.75% for 2022 decreasing to an ultimate rate of 4.04% by 2075. The health care trend rate assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model.	

Other Information:

- The Actuarially Determined Contribution (ADC) is calculated biennially as of December 31 and is used to establish contributions to fund the plans on July 1, which is generally the fiscal year that begins 6 months after the valuation date. The OPEB Board recommends the ADC to the Governor and Legislature. The Legislature has historically fully funded the ADC.
- The State Employee OPEB Plan was closed to new entrants beginning January 1, 2006. This change to benefit terms was reflected in the subsequent December 31 valuation and reflected in the fiscal year 2010 ADC.
- Healthcare coverage (ages 62 to 65) for the Elected Official OPEB Plan was closed and is only available for elected officials who began service prior to January 1, 2012. This change to healthcare coverage was reflected in the fiscal year 2012 ADC. Benefit terms were changed again to allow only elected officials that began service prior to July 1, 2013 to receive Medicare coverage. This change to Medicare coverage was reflected in the subsequent December 31 valuation and reflected in the fiscal year 2014 ADC.

Significant Changes to Methods and Assumptions Used to Determine Contribution Rates:

Investment Rate of Return:

In fiscal year 2012, the actuarial assumed rate of return (the discount rate) for the State Employee OPEB Plan was modified from 6.00 to 4.50 percent. In fiscal year 2014, the discount rate for the Elected Official OPEB Plan was modified from 4.00 to 4.50 percent. In fiscal year 2015, the discount rate for the Elected Official OPEB Plan was modified from 4.50 to 5.25 percent. In fiscal year 2019, the discount rate for the State Employee OPEB Plan was modified from 3.75 to 3.00 percent.

Amortization Period:

In fiscal year 2012, the amortization period for the State Employee OPEB Plan was changed from a 25 year open to a 20 year open. The amortization period for State Employee OPEB Plan was changed again in fiscal year 2014 from a 20 year open to a 10 year open. In fiscal year 2012, the amortization period for the Elected Official OPEB Plan was changed from a 30 year open to a 20 year open. In fiscal year 2019, the amortization period for the Elected Official OPEB Plan was changed again from a 20 year open to a 10 year open. During fiscal year 2021, the amortization period for the State Employee OPEB Plan was changed from a 5 year open to a 2 year open.

Healthcare Cost Trend Rates:

In fiscal year 2012, for both Plans, the health care cost trend rate changed from an initial rate of 10 to 9.50 percent. In fiscal year 2014, the healthcare cost trend rate changed from an initial rate of 9.50 to 8.50 percent, and changed again in fiscal year 2016 to an initial rate of 5.20 percent. In fiscal year 2016 the healthcare cost trend rate changed from an ultimate rate of 4.50 to 4.20 percent. In fiscal year 2019, the health care trend rate assumption was updated to reflect the latest cost trend model, resulting in a decrease of the initial and ultimate rates from 5.90 to 5.40 percent and 4.14 to 3.94 percent, respectively. In fiscal year 2021, the health care trend rate assumption was again, resulting in an increase of the initial and ultimate rates from 5.40 to 6.00 percent and 3.94 to 4.04 percent, respectively

Other:

- In fiscal year 2019, the Per Capita Claims Costs (PCCC) aging factors were updated for pre-Medicare and post-Medicare retirees. The pre-Medicare PCCC now vary by age instead of 5-year age bands used in the prior valuation. Additionally, the post-Medicare PCCC varied by 5-year age bands in the prior valuation, but they are now based on the annualized premium rates provided for Medicare Supplement 100 and Enhanced Rx.
- In fiscal year 2021, the following assumptions were updated for both OPEB plans:
    1. Aging subsidy was added to the post-65 periods for prescription drug benefit as a reflection of healthcare costs that vary by age (higher cost as the participant gets older).
    2. Mortality table was updated from (a) RP-2014 Healthy Employee / Annuitant Mortality Tables for males and females with generational projection under 75 percent of Scale MP-2015 to (b) Pub-2010 Headcount-Weighted General or Public Safety Employees / Retirees / Contingent Survivors Mortality Tables with generational projection using Scale MP-2020.
    3. Termination and retirement rates were updated from the same assumptions as used in the URS Actuarial Valuation as of January 1, 2017 to URS Actuarial Valuation as of January 1, 2020.
    4. Percentage of employees assumed to elect spousal coverage at retirement was updated from 80 percent for both male and female to 70 percent for male and 40 percent for female.
    5. Health care trend rate assumption was updated from the 2019 SOA Long-Run Medical Cost Trend model to the 2021 version.
- In fiscal year 2021, the following assumptions for the Elected Officials OPEB plan were updated:
    1. Percentage of elected officials assumed to elect coverage at retirement was increased from 40 percent to 55 percent. Percentage of former elected officials (terminated vested participants) assumed to elect coverage in the future has been reduced from 60 percent to 40 percent.
    2. Former elected officials were assumed to commence coverage at age 62 (or immediately if they are currently older than age 62) in the prior valuation. In this year's valuation, only former elected officials who currently have coverage are assumed to commence coverage at age 62. All other former elected officials are assumed to commence coverage at age 65 (or immediately if they are currently older than age 65).
    3. Percentage of elected officials assumed to elect spousal coverage at retirement was updated from 75 percent for both male and female to 90 percent for male and 50 percent for female.

OPEB Plans

Schedule of Investment Returns

Single-employer Plans

Last Ten Fiscal Years	Fiscal Year [1]	Annual Money-Weighted Rate of Return (Net of Investment Expense)
State Employee OPEB Plan	2018	(0.43)%
	2019	9.72 %
	2020	9.96 %
	2021	2.91 %
	2022	7.19 %
Elected Official OPEB Plan	2018	5.09 %
	2019	11.65 %
	2020	7.20 %
	2021	20.32 %
	2022	11.05 %

[1] The State of Utah adopted GASB Statements 74, 75, and 85 in fiscal year 2017. This schedule will eventually include ten years of history.

INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

As allowed by the Governmental Accounting Standards Board (GASB), the State has adopted an alternative to reporting depreciation on roads and bridges (infrastructure assets) maintained by the Utah Department of Transportation (UDOT). This includes infrastructure acquired prior to fiscal year 1981. Under this alternative method, referred to as the "modified approach," infrastructure assets are not depreciated, and maintenance and preservation costs are expensed.

In order to utilize the modified approach, the State is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform and document replicable condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the State.
- Document that infrastructure assets are being preserved approximately at, or above the condition level established by the State.

Roads

UDOT uses the Pavement Management System to determine the condition of 6,920 centerline miles of state roads. The assessment is based on Ride Quality, using the International Roughness Index (IRI) data. This data is also reported to the Federal Highways Administration (FHWA) and used for the National Condition Assessment reported to Congress. Ranges for Good, Fair and Poor condition were established to correlate with the national FHWA ranges. Additional condition measures for age, wheel path rutting, and surface cracking are considered in project recommendations.

Category	IRI Range	Description
Good	< 95	Pavements that provide a smooth ride and typically exhibit few signs of visible distress suitable for surface seals and preservation.
Fair	95 to 170	Pavements with noticeable deterioration beginning to affect the ride in need of resurfacing.
Poor	> 170	Pavements with an unacceptable ride that have deteriorated to such an extent that they are in need of major rehabilitation.

Condition Level – Roads

UDOT performs pavement condition assessments at a minimum of every other calendar year. The State has established an overall condition target to assure the system is funded adequately and not at any financial risk to maintain. This target is to maintain the Statewide system with 80 percent or more of the mileage rated in "Fair or Better" condition. UDOT utilizes a number of additional strategies and performance measures for estimating long term performance and managing allocations of funds to different categories within the pavement system. These measures vary slightly in function and purpose, all seeking to help assure systems are performing well. Some of these additional measures include strategic goals for both High Volume and Low Volume systems, internal goals for each pavement category, and annual national performance targets for reporting to the Federal Highway Administration for the Interstate system and the National Highway system. Ultimately, these additional strategies and measures are only used as a mechanism to distribute funding and are adjusted as needed to assure the Statewide system remains with 80 percent or more of the pavement mileage rated in "Fair or Better" condition.

The following table reports the percentage of pavements with ratings of "Fair or Better" for the last three assessments for the Statewide system:

	2021	2020	2019
Statewide System	95.10%	93.26%	91.18%

The following table presents the State's estimated amounts needed to maintain and preserve roads at or above the established condition levels addressed above, and the amounts actually spent for each of the past five reporting periods (in thousands):

Fiscal Year	Estimated Spending	Actual Spending
2022	$512,113	$399,974
2021	$461,097	$415,212
2020	$291,630	$400,733
2019	$253,728	$310,690
2018	$252,563	$307,815

Bridges

UDOT uses the Structures Inventory System to monitor the condition of the 1,992 state-owned bridges. A number, ranging from 1 to 100, is calculated based on condition, geometry, functional use, safety, and other factors. Three categories of condition are established in relation to the number range as follows:

Category	Range	Description
Good	80 - 100	Preventive maintenance requirements include repair leaking deck joints, apply deck overlays and seals, place concrete sealers to splash zones, paint steel surfaces, and minor beam repairs.
Fair	50 - 79	Corrective repairs include deck, beam, and substructure repairs, fixing settled approaches, and repairing collision damage.
Poor	1 - 49	Major rehabilitation and replacement includes deck, beam, or substructure replacements or replacement of the entire bridge.

Condition Level – Bridges

The State performs assessments on 50 percent of bridges on an annual basis. The established condition level is to maintain 50 percent of the bridges with a rating of "good" and no more than 10 percent with a rating of "poor." The following table reports the results of the bridges assessed for the past three years:

Rating	2022	2021	2020
Good	61.10%	61.50%	61.63%
Poor	2.90%	2.90%	2.95%

The following table presents the State's estimated amounts needed to maintain and preserve bridges at or above the established condition levels addressed above, and the amounts actually spent for each of the past five reporting periods (in thousands):

Fiscal Year	Estimated Spending	Actual Spending
2022	$90,373	$70,584
2021	$81,370	$73,273
2020	$51,464	$70,718
2019	$44,775	$54,828
2018	$44,570	$54,320

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State of Utah

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SUPPLEMENTARY INFORMATION



Photo by Kaylee Dalton

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State Endowment Fund

This fund accounts for a portion of proceeds relating to the State's settlement agreement with major tobacco manufacturers, severance tax revenue in excess of statutory base amounts, and money or other assets authorized under any provision of law. The principal of the fund cannot be appropriated except by a three-fourths vote of both houses of the Legislature and with the concurrence of the Governor. One-half of all interest and dividends earned on tobacco settlement proceeds in this fund is deposited in the General Fund.

Environmental Reclamation

This fund consists of various programs aimed at preserving open land, improving irrigation in the State, funding recycling programs, and funding cleanup and reclamation projects. Funds received are from state appropriations, fees and fines, recovered liens and costs, and voluntary contributions.

Universal Telephone Services

This fund is designed to preserve and promote universal telephone service throughout the State by ensuring that all citizens have access to affordable basic telephone service. Revenues come from surcharges on customers' phone bills and from fines and penalties levied against telephone service providers by the Public Service Commission.

Rural Development Fund

This fund promotes various programs in rural areas of the State including construction of communications systems and economic development grants to Native American tribes. Funding comes from oil and gas severance taxes and from royalties on mineral extractions on federal land within the State.

Medicaid Expansion

This fund accounts for the funding and costs associated with the State's Adult Medicaid Expansion programs. The funding consists of hospital assessments collections, intergovernmental transfers, sales tax revenue earmarked for expansion, gifts, and legislative appropriations. Monies deposited in the fund are for the State's share of the costs associated with providing health care coverage for eligible adults.

Miscellaneous Special Revenue

This fund is made up of individual small funds set up to account for various revenue sources that are legally restricted to expenditures for specific purposes.

Capital Projects – General Government

This fund accounts for resources used for capital outlays including the acquisition or construction of major capital facilities for use by the State and its discrete component units. The fund receives financial resources from the proceeds of general obligation bonds, legislative appropriations, and transfers from other funds.

Capital Projects – State Building Ownership Authority *(Blended Component Unit)*

This fund accounts for resources used for capital outlays including the acquisition or construction of major capital facilities for use by various state agencies. The fund receives financial resources from the proceeds of lease revenue bonds issued by the Authority and the interest earned on the proceeds of the bonds.

Debt Service – General Government

This fund accounts for the payment of principal and interest on the State's general obligation bonds. The fund receives most of its financial resources from appropriations made by the Legislature.

Debt Service – State Building Ownership Authority *(Blended Component Unit)*

This fund accounts for the payment of principal and interest on lease revenue bonds issued by the Authority. The fund receives financial resources from rent payments made by various state agencies occupying the facilities owned by the Authority. The fund also receives capital lease payments from certain college and university component units.

Combining Balance Sheet
Nonmajor Governmental Funds
(expressed in thousands)

June 30, 2022

	Special Revenue				
	State Endowment	Environmental Reclamation	Universal Telephone Services	Rural Development	Medicaid Expansion
ASSETS					
Cash and Cash Equivalents	$ —	$ —	$ —	$ —	$ —
Pooled Cash and Investments	33,576	54,853	16,138	26,686	183,533
Investments	271,284	—	—	—	—
Receivables:					
Accounts, net	—	1,702	—	—	2,581
Accrued Interest	—	—	—	—	—
Accrued Taxes, net	—	—	—	—	12,652
Notes Receivable	—	—	—	—	—
Due From Other Funds	—	—	—	1	—
Due From Component Units	—	—	—	—	—
Restricted Pooled Cash and Investments	—	28,632	—	—	—
Prepaid Items	—	—	5	—	—
Total Assets	$ 304,860	$ 85,187	$ 16,143	$ 26,687	$ 198,766
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable and Accrued Liabilities	$ —	$ 3,032	$ 294	$ 514	$ —
Deposits	—	28,632	—	—	—
Due To Other Funds	—	—	1	10	—
Unearned Revenue	—	—	—	—	922
Total Liabilities	0	31,664	295	524	922
Deferred Inflows of Resources:					
Unavailable Revenue	—	—	—	—	—
Total Deferred Inflows of Resources	0	0	0	0	0
Fund Balances:					
Nonspendable:					
Prepaid Items	—	—	5	—	—
Restricted	—	46,465	15,843	—	—
Committed	304,860	7,058	—	26,163	187,048
Assigned	—	—	—	—	10,796
Total Fund Balances	304,860	53,523	15,848	26,163	197,844
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 304,860	$ 85,187	$ 16,143	$ 26,687	$ 198,766

Continues

Combining Balance Sheet
Nonmajor Governmental Funds
(expressed in thousands)

Continued

	Special Revenue	Capital Projects		Debt Service		
	Miscellaneous Special Revenue	General Government	State Building Ownership Authority	General Government	State Building Ownership Authority	Total Nonmajor Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 4,114	$ 55,269	$ —	$ —	$ —	$ 59,383
Pooled Cash and Investments	129,621	664,380	46,268	76,186	23,959	1,255,200
Investments	1,116	—	—	—	—	272,400
Receivables:						
Accounts, net	24,890	26	—	—	204	29,403
Accrued Interest	—	—	5	4,099	682	4,786
Accrued Taxes, net	781	—	—	—	—	13,433
Notes Receivable	—	—	—	—	68,915	68,915
Due From Other Funds	399	10,782	—	—	—	11,182
Due From Component Units	—	73,355	—	—	—	73,355
Restricted Pooled Cash and Investments	—	—	—	—	—	28,632
Prepaid Items	547	—	—	—	—	552
Total Assets	$ 161,468	$ 803,812	$ 46,273	$ 80,285	$ 93,760	$ 1,817,241
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable and Accrued Liabilities	$ 10,621	$ 150,274	$ 703	$ 47,061	$ 3	$ 212,502
Deposits	—	—	—	—	—	28,632
Due To Other Funds	2,390	10,000	43,581	12,549	16,282	84,813
Unearned Revenue	14,218	—	—	—	—	15,140
Total Liabilities	27,229	160,274	44,284	59,610	16,285	341,087
Deferred Inflows of Resources:						
Unavailable Revenue	—	—	—	—	68,915	68,915
Total Deferred Inflows of Resources	0	0	0	0	68,915	68,915
Fund Balances:						
Nonspendable:						
Prepaid Items	547	—	—	—	—	552
Restricted	31,933	—	783	—	—	95,024
Committed	101,127	—	—	—	—	626,256
Assigned	632	643,538	1,206	20,675	8,560	685,407
Total Fund Balances	134,239	643,538	1,989	20,675	8,560	1,407,239
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 161,468	$ 803,812	$ 46,273	$ 80,285	$ 93,760	$ 1,817,241

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Special Revenue				
	State Endowment	Environmental Reclamation	Universal Telephone Services	Rural Development	Medicaid Expansion
REVENUES					
Taxes:					
Sales and Use Tax	$ —	$ —	$ —	$ —	$ 124,255
Other Taxes	29,317	—	—	7,575	—
Total Taxes	29,317	0	0	7,575	124,255
Other Revenues:					
Federal Contracts and Grants	—	—	—	—	—
Charges for Services	—	4,030	17,457	—	13,082
Investment Income (Loss)	(39,031)	(27)	—	116	(409)
Miscellaneous and Other	—	9,285	—	—	—
Total Revenues	(9,714)	13,288	17,457	7,691	136,928
EXPENDITURES					
Current:					
General Government	—	4,818	—	—	—
Human Services and Juvenile Justice Services	—	—	—	—	—
Corrections	—	—	—	—	—
Public Safety	—	—	—	—	—
Courts	—	—	—	—	—
Health and Environmental Quality	—	2,701	—	—	—
Higher Education – Colleges and Universities	—	—	—	—	—
Employment and Family Services	—	—	—	3,710	—
Natural Resources	—	—	—	—	—
Cultural and Community Engagement	—	—	—	—	—
Business, Labor, and Agriculture	—	84	18,421	—	—
Public Education	—	—	—	—	—
Transportation	—	—	—	—	—
Capital Outlay	—	—	—	—	—
Debt Service:					
Principal Retirement	—	—	—	—	—
Interest and Other Charges	—	—	—	—	—
Total Expenditures	0	7,603	18,421	3,710	0
Excess Revenues Over (Under) Expenditures	(9,714)	5,685	(964)	3,981	136,928
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	—	—	—	—	—
Transfers In	—	200	—	—	2,682
Transfers Out	—	(40)	—	(67)	(100,686)
Total Other Financing Sources (Uses)	0	160	0	(67)	(98,004)
Net Change in Fund Balances	(9,714)	5,845	(964)	3,914	38,924
Fund Balances – Beginning	314,574	47,678	16,812	22,249	158,920
Adjustment to Beginning Fund Balances	—	—	—	—	—
Fund Balances – Beginning as Adjusted	314,574	47,678	16,812	22,249	158,920
Fund Balances – Ending	$ 304,860	$ 53,523	$ 15,848	$ 26,163	$ 197,844

Continues

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
(expressed in thousands)

Continued

	Special Revenue	Capital Projects		Debt Service		
	Miscellaneous Special Revenue	General Government	State Building Ownership Authority	General Government	State Building Ownership Authority	Total Nonmajor Governmental Funds
REVENUES						
Taxes:						
Sales and Use Tax	$ 14,984	$ —	$ —	$ —	$ —	$ 139,239
Other Taxes	41	—	—	—	—	36,933
Total Taxes	15,025	0	0	0	0	176,172
Other Revenues:						
Federal Contracts and Grants	50,985	9,859	—	8,190	1,098	70,132
Charges for Services	136,890	311,694	6	—	42	483,201
Investment Income	1,657	(2,951)	—	35	9	(40,601)
Miscellaneous and Other	22,243	21,562	—	—	18,813	71,903
Total Revenues	226,800	340,164	6	8,225	19,962	760,807
EXPENDITURES						
Current:						
General Government	50,445	338,955	—	—	—	394,218
Human Services and Juvenile Justice Services	994	13,486	—	—	—	14,480
Corrections	—	18,986	—	—	—	18,986
Public Safety	50,604	2,524	—	—	—	53,128
Courts	—	6,250	—	—	—	6,250
Health and Environmental Quality	644	1,234	—	—	—	4,579
Higher Education – Colleges and Universities	—	45,238	—	—	—	45,238
Employment and Family Services	953	1,758	—	—	—	6,421
Natural Resources	1,970	971	—	—	—	2,941
Cultural and Community Engagement	1,496	1,072	—	—	—	2,568
Business, Labor, and Agriculture	3,134	—	—	—	—	21,639
Public Education	—	379	—	—	—	379
Transportation	—	6,110	—	—	—	6,110
Capital Outlay	—	405,997	—	—	—	405,997
Debt Service:						
Principal Retirement	—	—	—	350,210	12,857	363,067
Interest and Other Charges	—	—	—	93,922	7,638	101,560
Total Expenditures	110,240	842,960	0	444,132	20,495	1,447,561
Excess Revenues Over (Under) Expenditures	116,560	(502,796)	6	(435,907)	(533)	(686,754)
OTHER FINANCING SOURCES (USES)						
Sale of Capital Assets	16,400	—	—	—	—	16,400
Transfers In	12,826	535,620	—	435,934	3,142	990,404
Transfers Out	(119,464)	(5,649)	(3,142)	—	—	(229,048)
Total Other Financing Sources (Uses)	(90,238)	529,971	(3,142)	435,934	3,142	777,756
Net Change in Fund Balances	26,322	27,175	(3,136)	27	2,609	91,002
Fund Balances – Beginning	107,917	616,363	5,148	20,333	5,951	1,315,945
Adjustment to Beginning Fund Balances	—	—	(23)	315	—	292
Fund Balances – Beginning as Adjusted	107,917	616,363	5,125	20,648	5,951	1,316,237
Fund Balances – Ending	$ 134,239	$ 643,538	$ 1,989	$ 20,675	$ 8,560	$ 1,407,239

Detail Schedule of Expenditures – Budget and Actual

General Fund

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Appropriation Line Item Name	Source of Funding: State Funds	Source of Funding: Federal Funds	Source of Funding: Restricted and Other Funds	Final Budget	Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward
GENERAL GOVERNMENT								
Legislature								
LSN Senate	$ 5,277	$ —	$ —	$ 5,277	$ 3,499	$ —	$ —	$ 1,778
LHS House of Representatives	9,029	—	—	9,029	5,525	—	—	3,504
LRG Research & General Counsel	17,162	—	—	17,162	10,073	—	—	7,089
LFA Fiscal Analyst	5,328	—	—	5,328	3,898	—	—	1,430
LAG Auditor General	6,775	—	—	6,775	5,094	—	—	1,681
LSV Legislative Services	9,926	—	125	10,051	5,846	—	—	4,205
LSV Legislative Services Digital Wellness Commission	1,300	—	—	1,300	302	—	—	998
Total Legislature	$ 54,797	$ 0	$ 125	$ 54,922	$ 34,237	$ 0	$ 0	$ 20,685
Elected Officials								
GOV Governor's Office	$ 10,493	$ —	$ 2,157	$ 12,650	$ 10,957	$ 8	$ —	$ 1,685
GOV Census Outreach	—	—	5	5	—	5	—	—
GOV Office of Planning & Budget	6,850	273	1,649	8,772	6,859	413	—	1,500
GOV Suicide Prevention	200	—	—	200	196	—	—	4
GOV Local Assistance Matching Grant Program	—	46,395	—	46,395	46,395	—	—	—
GOV Colorado River Authority of Utah	9,600	—	—	9,600	1,214	—	—	8,386
GOV CCJJ Criminal & Juvenile Justice	15,946	28,808	76	44,830	39,177	340	1,248	4,065
GOV CCJJ Salt Lake County Bed Housing	674	—	—	674	—	674	—	—
GOV CCJJ Factual Innocence Payments	544	—	—	544	95	—	—	449
GOV CCJJ Indigent Defense Commission	9,323	96	(99)	9,320	7,645	—	—	1,675
GOV Emergency Fund	500	—	—	500	—		500	—
GOV LeRay McAllister Program	3,084	—	—	3,084	906	—	—	2,178
GOV CCJJ Jail Reimbursement	13,646	—	—	13,646	12,790	—	—	856
GOUTAH Pete Suazo Athletic Commission	247	—	55	302	194	—	—	108
GOUTAH Administration	7,556	—	2,918	10,474	6,088	3,000	—	1,386
GOUTAH Office of Tourism	36,887	—	286	37,173	30,091	—	—	7,082
GOUTAH Business Development	19,726	2,041	282	22,049	14,819	—	—	7,230
GOUTAH Pass Through	80,858	11,000	—	91,858	78,948	9	—	12,901
GOUTAH Inland Port Authority	9,949	—	—	9,949	9,949	—	—	—
GOUTAH Point of the Mountain Authority	8,250	—	—	8,250	8,250	—	—	—
GOUTAH Utah Office of Outdoor Recreation	35	—	—	35	28	—	—	7
GOUTAH Rural Employment Expansion	3,414	—	—	3,414	192	—	—	3,222
GOUTAH Talent Ready Utah Center	23,215	14,989	—	38,204	16,158	15,000	—	7,046
GOUTAH Rural Coworking & Innovation Center Grant	1,705	—	—	1,705	299	—	—	1,406
GOUTAH Rural Rapid Manufacturing Grant	72	—	—	72	72	—	—	—
GOUTAH Rural County Grants Program	6,550	—	—	6,550	6,038	—	—	512
GOUTAH Industrial Assistance Account	7,106	—	—	7,106	7,106	—	—	—
GOV Constitutional Defense Council	—	—	—	—	—	—	—	—
AG Attorney General	24,503	2,850	1,651	29,004	27,163	—	—	1,841
AG Contract Attorneys	—	—	1,510	1,510	1,510	—	—	—
AG Prosecution Council	774	37	318	1,129	1,033	—	—	96
AG Children's Justice Centers	5,189	178	223	5,590	5,042	—	150	398
AG State Settlement Agreements	8,705	—	—	8,705	861	—	—	7,844
TRS State Treasurer	3,820	—	1,030	4,850	4,479	290	11	70
OSA State Auditor	3,962	—	3,090	7,052	6,557	—	—	495
Total Elected Officials	$ 323,383	$ 106,667	$ 15,151	$ 445,201	$ 351,111	$ 19,739	$ 1,909	$ 72,442
Government Operations								
CPB Capitol Preservation Board	$ 3,868	$ —	$ —	$ 3,868	$ 3,868	$ —	$ —	$ —
DGO Executive Director	1,959	—	—	1,959	1,711	—	—	248
DGO Administrative Rules	1,178	—	—	1,178	600	—	—	578
DGO DFCM Administration	9,411	—	1,364	10,775	9,856	—	—	919
DGO State Archives	3,492	40	36	3,568	3,468	—	3	97
DGO Finance Administration	19,855	—	1,641	21,496	17,861	—	2	3,633
DGO Office of Inspector General - Medicaid Services	1,679	—	1,607	3,286	2,770	16	—	500
DGO Post Conviction Indigent Defense	203	—	—	203	—	3	—	200
DGO Elected Official Post Retirement Benefits Contribution	1,249	—	—	1,249	1,249	—	—	—
DGO Finance Mandated	10,530	45,919	11,848	68,297	66,640	(642)	2,299	—
DGO Judicial Conduct Commission	369	—	—	369	294	—	—	75

Detail Schedule of Expenditures – Budget and Actual

General Fund

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Appropriation Line Item Name	Source of Funding: State Funds	Federal Funds	Restricted and Other Funds	Final Budget	Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward
DGO Finance Mandated - Ethics Commission	119	—	—	119	15	—	—	104
DGO Finance Mandated - Min Lease Special Service Districts	32,968	—	—	32,968	32,968	—	—	—
DGO Finance Mandated - Postpartum Recovery & Parental Leave	512	—	—	512	—	512	—	—
DGO Purchasing	872	—	—	872	872	—	—	—
DGO Building Board Program	2	—	—	2	—	—	2	—
DGO Human Resource Management	42	—	—	42	14	6	—	22
DGO Chief Information Officer	921	7,471	—	8,392	8,140	2	—	250
DGO Integrated Technology Division	1,886	—	1,090	2,976	2,545	—	—	431
TAX Tax Commission Administration	86,165	567	9,151	95,883	87,428	6,878	577	1,000
TAX License Plate Production	1,306	—	4,202	5,508	3,835	1	—	1,672
TAX Liquor Profits Distribution	6,365	—	—	6,365	6,365	—	—	—
TAX Rural Health Care	219	—	—	219	219	—	—	—
CSR Career Service Review Office	328	—	—	328	275	23	—	30
Total Government Operations	$ 185,498	$ 53,997	$ 30,939	$ 270,434	$ 250,993	$ 6,799	$ 2,883	$ 9,759
Total General Government	$ 563,678	$ 160,664	$ 46,215	$ 770,557	$ 636,341	$ 26,538	$ 4,792	$ 102,886
HUMAN SERVICES								
DHS Executive Director	$ 14,423	$ 11,318	$ 5,770	$ 31,511	$ 29,391	$ 705	$ —	$ 1,415
DHS Substance Abuse & Mental Health	167,292	61,804	24,244	253,340	234,938	—	4,084	14,318
DHS Office of Public Guardian	688	125	430	1,243	1,231	—	—	12
DHS Services for People with Disabilities	138,158	29	345,081	483,268	464,732	—	—	18,536
DHS Recovery Services	15,135	20,770	9,677	45,582	45,555	27	—	—
DHS Child & Family Services	140,684	68,180	(7,267)	201,597	199,197	—	68	2,332
DHS Juvenile Justice Services	96,265	1,274	(1,236)	96,303	92,755	—	1,504	2,044
DHS Aging & Adult Services	16,035	16,995	(775)	32,255	32,002	—	—	253
Total Human Services	$ 588,680	$ 180,495	$ 375,924	$ 1,145,099	$ 1,099,801	$ 732	$ 5,656	$ 38,910
CORRECTIONS								
Department of Corrections								
DOC Programs & Operations	$ 286,197	$ 100	$ 5,252	$ 291,549	$ 281,617	$ —	$ 458	$ 9,474
DOC Medical Services	38,870	—	725	39,595	38,139	—	—	1,456
DOC Jail Contracting	40,240	—	—	40,240	35,463	—	—	4,777
Total Department of Corrections	$ 365,307	$ 100	$ 5,977	$ 371,384	$ 355,219	$ 0	$ 458	$ 15,707
Board of Pardons and Parole								
BPP Board of Pardons & Parole	$ 7,882	$ —	$ —	$ 7,882	$ 6,284	$ 598	$ —	$ 1,000
Total Board of Pardons and Parole	$ 7,882	$ 0	$ 0	$ 7,882	$ 6,284	$ 598	$ 0	$ 1,000
Total Corrections	$ 373,189	$ 100	$ 5,977	$ 379,266	$ 361,503	$ 598	$ 458	$ 16,707
PUBLIC SAFETY								
Department of Public Safety								
UCA Admins Services Division	$ 32,000	$ —	$ —	$ 32,000	$ 32,000	$ —	$ —	$ —
DPS Programs & Operations	160,663	2,737	13,836	177,236	156,718	—	3,170	17,348
DPS Emergency Management	3,848	223,727	621	228,196	226,672	—	300	1,224
DPS Emergency Management - National Guard Response	150	—	—	150	—	—	—	150
DPS Emergency & Disaster Management	7,033	—	6,807	13,840	6,723	—	—	7,117
DPS Bureau of Criminal Identification	9,320	—	7,872	17,192	12,748	197	247	4,000
DPS Peace Officer Standards & Training	5,077	—	26	5,103	4,922	—	—	181
DPS Driver License Division	44,107	13	17	44,137	34,433	—	—	9,704
DPS Highway Safety	2,363	4,936	612	7,911	6,735	—	—	1,176
Total Department of Public Safety	$ 264,561	$ 231,413	$ 29,791	$ 525,765	$ 480,951	$ 197	$ 3,717	$ 40,900
Utah National Guard								
UNG Utah National Guard	$ 18,126	$ 45,028	$ 6,113	$ 69,267	$ 58,151	$ 782	$ —	$ 10,334
Total Utah National Guard	$ 18,126	$ 45,028	$ 6,113	$ 69,267	$ 58,151	$ 782	$ 0	$ 10,334
Department of Veterans and Military Affairs								
DVMA Veterans & Military Affairs	$ 5,719	$ 1,693	$ 361	$ 7,773	$ 6,483	$ —	$ 13	$ 1,277
DVMA Pass Through	30	—	—	30	30	—	—	—
Total Department of Veterans and Military Affairs	$ 5,749	$ 1,693	$ 361	$ 7,803	$ 6,513	$ 0	$ 13	$ 1,277
Total Public Safety	$ 288,436	$ 278,134	$ 36,265	$ 602,835	$ 545,615	$ 979	$ 3,730	$ 52,511

Detail Schedule of Expenditures – Budget and Actual

General Fund

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Appropriation Line Item Name	Source of Funding: State Funds	Source of Funding: Federal Funds	Source of Funding: Restricted and Other Funds	Final Budget	Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward
STATE COURTS								
JUD Court Administrator	$ 139,692	$ 4,381	$ 3,045	$ 147,118	$ 138,774	$ —	$ 4,829	$ 3,515
JUD Grand Jury	1	—	—	1	1	—	—	—
JUD Contracts & Leases	21,610	—	—	21,610	20,722	—	388	500
JUD Jury & Witness Fees	3,723	—	3	3,726	2,639	—	—	1,087
JUD Guardian Ad Litem	9,422	—	7	9,429	8,739	—	318	372
Total State Courts	$ 174,448	$ 4,381	$ 3,055	$ 181,884	$ 170,875	$ 0	$ 5,535	$ 5,474
HEALTH and ENVIRONMENTAL QUALITY								
DOH Executive Director	$ 10,798	$ 12,421	$ 105,780	$ 128,999	$ 125,171	$ —	$ 1,505	$ 2,323
DOH Rural Physicians Loan Repayment Assistance	703	—	—	703	221	—	—	482
DOH Disease Control & Prevention	34,611	136,129	22,893	193,633	187,291	—	4,836	1,506
DOH Family Health & Preparedness	35,195	70,940	18,925	125,060	120,144	—	1,037	3,879
DOH Medicaid & Health Financing	12,132	91,205	49,463	152,800	148,896	—	893	3,011
DOH Medicaid Services	834,528	3,280,316	571,914	4,686,758	4,484,184	—	97,342	105,232
DOH Local Health Department Funding	2,138	—	—	2,138	2,138	—	—	—
DOH Children's Health Insurance	47,946	103,320	6,724	157,990	133,831	—	21,700	2,459
DOH Workforce Financial Assistance	2,071	269	—	2,340	772	—	—	1,568
DOH Medicaid Sanctions	1,979	—	—	1,979	—	—	—	1,979
DOH Federal Commodities	—	28,762	—	28,762	28,762	—	—	—
DEQ Executive Director	4,580	188	2,656	7,424	6,427	—	—	997
DEQ Air Quality	21,020	5,674	4,910	31,604	20,415	—	118	11,071
DEQ Water Quality	5,775	4,829	1,835	12,439	12,273	—	—	166
DEQ Drinking Water	2,990	4,097	(54)	7,033	6,756	—	77	200
DEQ Waste Management & Radiation Control	8,949	928	614	10,491	9,301	—	540	650
DEQ Environmental Response & Remediation	4,187	3,435	305	7,927	6,927	—	869	131
DEQ Trip Reduction Program	498	—	—	498	260	—	—	238
DEQ Laboratory Services	900	—	—	900	900	—	—	—
Total Health and Environmental Quality	$ 1,031,000	$ 3,742,513	$ 785,965	$ 5,559,478	$ 5,294,669	$ 0	$ 128,917	$ 135,892
HIGHER EDUCATION								
UBHE Administration	$ 18,463	$ —	$ —	$ 18,463	$ 18,463	$ —	$ —	$ —
UBHE Institutional & Student Support	10,105	—	—	10,105	10,105	—	—	—
UBHE Student Assistance	33,818	15,000	—	48,818	48,818	—	—	—
UBHE Medical Education Council	1,814	—	—	1,814	1,814	—	—	—
UOU Education & General	310,043	213	353,737	663,993	663,993	—	—	—
UOU Educationally Disadvantaged	722	—	—	722	722	—	—	—
UOU School of Medicine	41,614	—	33,315	74,929	74,929	—	—	—
UOU University Hospital	5,454	—	—	5,454	5,454	—	—	—
UOU School of Dentistry	2,905	—	12,394	15,299	15,299	—	—	—
UOU Public Service	2,475	—	—	2,475	2,475	—	—	—
UOU Statewide TV Administration	2,750	—	—	2,750	2,750	—	—	—
UOU Cancer Research and Treatment	19,002	—	—	19,002	19,002	—	—	—
UOU Rocky Mtn Center for Occupational & Environmental Health	180	—	—	180	180	—	—	—
UOU Poison Control Center	2,940	—	—	2,940	2,940	—	—	—
UOU Center on Aging	117	—	—	117	117	—	—	—
UOU SafeUT Crisis Text & Tip Line	2,895	—	—	2,895	2,895	—	—	—
USU Education & General	191,945	118	132,766	324,829	324,829	—	—	—
USU Educationally Disadvantaged	98	—	—	98	98	—	—	—
USU Water Research Lab	3,950	—	—	3,950	3,950	—	—	—
USU Agriculture Experiment Station	14,568	2,688	—	17,256	17,256	—	—	—
USU Cooperative Extension Service	18,652	2,348	—	21,000	21,000	—	—	—
USU Eastern Education & General	10,095	—	3,300	13,395	13,395	—	—	—
USU Eastern Educationally Disadvantaged	103	—	—	103	103	—	—	—
USU Eastern Career & Technical Education	6,374	—	834	7,208	7,208	—	—	—
USU Prehistoric Museum	486	—	—	486	486	—	—	—
USU Blanding Campus	2,915	—	1,295	4,210	4,210	—	—	—
USU Regional Campus	15,263	—	21,398	36,661	36,661	—	—	—
USU Custom Fit	273	—	—	273	273	—	—	—
WSU Education & General	104,809	—	81,977	186,786	186,786	—	—	—
WSU Educationally Disadvantaged	410	—	—	410	410	—	—	—
SUU Education & General	54,113	—	66,334	120,447	120,447	—	—	—

Detail Schedule of Expenditures – Budget and Actual

General Fund

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Appropriation Line Item Name	Source of Funding: State Funds	Source of Funding: Federal Funds	Source of Funding: Restricted and Other Funds	Final Budget	Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward
SUU Educationally Disadvantaged	99	—	—	99	99	—	—	—
SUU Shakespeare Festival	22	—	—	22	22	—	—	—
SUU Rural Development	346	—	—	346	346	—	—	—
SNOW Education & General	29,977	—	15,562	45,539	45,539	—	—	—
SNOW Educationally Disadvantaged	32	—	—	32	32	—	—	—
SNOW Career & Technology Education	2,965	—	—	2,965	2,965	—	—	—
SNOW Custom Fit	298	—	—	298	298	—	—	—
UTU Education & General	51,831	—	43,184	95,015	95,015	—	—	—
UTU Educationally Disadvantaged	26	—	—	26	26	—	—	—
UTU Zion Park Amphitheater	59	—	—	59	59	—	—	—
UVU Education & General	139,662	—	143,214	282,876	282,876	—	—	—
UVU Educationally Disadvantaged	191	—	—	191	191	—	—	—
UVU Fire & Rescue	4,575	—	—	4,575	4,575	—	—	—
UVU Civic Thought & Leadership initiative	1,000	—	—	1,000	1,000	—	—	—
SLCC Education & General	105,998	—	52,060	158,058	158,058	—	—	—
SLCC Educationally Disadvantaged	178	—	—	178	178	—	—	—
SLCC School of Applied Technology	9,168	—	716	9,884	9,884	—	—	—
SLCC Custom Fit	461	—	—	461	461	—	—	—
Bridgerland Technical College	17,258	—	1,488	18,746	18,746	—	—	—
Bridgerland Technical College - Custom Fit	500	—	—	500	500	—	—	—
Davis Technical College	21,048	—	1,920	22,968	22,968	—	—	—
Davis Technical College - Custom Fit	685	—	—	685	685	—	—	—
Ogden-Weber Technical College	18,917	—	1,696	20,613	20,613	—	—	—
Ogden-Weber Technical College - Custom Fit	685	—	—	685	685	—	—	—
Uintah Basin Technical College	10,532	—	365	10,897	10,897	—	—	—
Uintah Basin Technical College - Custom Fit	410	—	—	410	410	—	—	—
Mountainland Technical College	18,171	—	2,491	20,662	20,662	—	—	—
Mountainland Technical College - Custom Fit	685	—	—	685	685	—	—	—
Southwest Technical College	6,860	—	301	7,161	7,161	—	—	—
Southwest Technical College - Custom Fit	345	—	—	345	345	—	—	—
Dixie Technical College	9,742	—	1,058	10,800	10,800	—	—	—
Dixie Technical College - Custom Fit	345	—	—	345	345	—	—	—
Tooele Technical College	5,672	—	248	5,920	5,920	—	—	—
Tooele Technical College - Custom Fit	325	—	—	325	325	—	—	—
UETN Utah Education & Telehealth Network	34,861	—	—	34,861	34,861	—	—	—
UETN Digital Teaching & Learning Program	174	—	—	174	174	—	—	—
Total Higher Education	$ 1,373,454	$ 20,367	$ 971,653	$ 2,365,474	$ 2,365,474	$ 0	$ 0	$ 0
WORKFORCE SERVICES								
DWS State Office of Rehabilitation	$ 30,534	$ 38,282	$ 447	$ 69,263	$ 61,480	$ —	$ 9	$ 7,774
DWS Administration	4,652	7,476	2,501	14,629	14,431	—	198	—
DWS Operations & Policy	75,817	324,627	37,963	438,407	428,443	—	8,464	1,500
DWS Nutritional Assistance - SNAP	—	556,570	—	556,570	556,570	—	—	—
DWS General Assistance	5,075	—	250	5,325	3,155	—	—	2,170
DWS Unemployment Insurance	3,533	22,977	1,604	28,114	26,933	—	966	215
DWS Office of Homeless Services	46,105	11,054	17	57,176	35,121	—	20,555	1,500
DWS HCD Division	6,832	158,150	67,428	232,410	228,582	—	2,595	1,233
DWS HCD Capital Budget	41,210	—	—	41,210	41,210	—	—	—
DWS HCD Special Service Districts	3,637	—	—	3,637	3,637	—	—	—
Total Workforce Services	$ 217,395	$ 1,119,136	$ 110,210	$ 1,446,741	$ 1,399,562	$ 0	$ 32,787	$ 14,392
NATURAL RESOURCES								
DNR Natural Resources Administration	$ 5,425	$ 6	$ —	$ 5,431	$ 5,159	$ 42	$ —	$ 230
DNR Building Operations	1,415	—	—	1,415	1,415	—	—	—
DNR Forestry, Fire & State Lands	96,101	3,925	13,509	113,535	47,438	317	1,128	64,652
DNR Oil, Gas & Mining	10,534	5,692	115	16,341	11,756	—	697	3,888
DNR Wildlife Resources	66,446	26,827	95	93,368	90,631	425	2,010	302
DNR Species Protection	1,865	—	2,450	4,315	2,987	—	189	1,139
DNR Watershed	7,905	—	511	8,416	5,470	—	—	2,946
DNR Pass Through	11,546	—	—	11,546	2,368	1	—	9,177
DNR DWR Contributed Research	—	—	3,127	3,127	3,127	—	—	—
DNR DWR Cooperative Agreements	—	16,526	6,205	22,731	22,731	—	—	—
DNR State Parks	29,332	455	946	30,733	30,343	—	47	343
DNR State Parks - Capital	132,366	4,199	151	136,716	27,449	—	—	109,267
DNR Utah Geological Survey	9,100	963	1,420	11,483	9,490	7	—	1,986

Detail Schedule of Expenditures – Budget and Actual

General Fund

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Appropriation Line Item Name	Source of Funding: State Funds	Source of Funding: Federal Funds	Source of Funding: Restricted and Other Funds	Final Budget	Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward
DNR Water Resources	32,235	79	150	32,464	17,759	258	588	13,859
DNR Outdoor Recreation	12,072	2,018	—	14,090	13,761	—	—	329
DNR Outdoor Recreation - Capital	10,360	1,559	—	11,919	3,563	5	113	8,238
DNR DWR - Capital	1,804	1,322	—	3,126	3,126	—	—	—
DNR Water Rights	17,645	93	7,302	25,040	15,910	2,645	1	6,484
DNR OED Office of Energy Development	6,659	923	423	8,005	3,779	—	232	3,994
DNR Public Lands Policy Coordination	12,631	—	—	12,631	5,240	—	728	6,663
Total Natural Resources	$ 465,441	$ 64,587	$ 36,404	$ 566,432	$ 323,502	$ 3,700	$ 5,733	$ 233,497
CULTURAL and COMMUNITY ENGAGEMENT								
DCCE Administration	$ 6,114	$ —	$ 431	$ 6,545	$ 4,680	$ —	$ 8	$ 1,857
DCCE Indian Affairs	896	—	49	945	387	—	62	496
DCCE One Percent for Arts	2,200	—	834	3,034	715	—	—	2,319
DCCE State History	3,178	1,051	147	4,376	3,992	—	—	384
DCCE Historical Society	90	—	38	128	35	—	—	93
DCCE Arts & Museums	17,145	6,851	54	24,050	17,196	5,000	—	1,854
DCCE State Library	4,412	4,387	1,570	10,369	9,425	—	—	944
DCCE STEM Action Center	12,831	245	74	13,150	12,344	—	—	806
DCCE Commission on Service & Volunteerism	530	3,850	15	4,395	4,327	—	—	68
DCCE Pass Through	4,251	—	97	4,348	4,014	—	59	275
Total Cultural and Community Engagement	$ 51,647	$ 16,384	$ 3,309	$ 71,340	$ 57,115	$ 5,000	$ 129	$ 9,096
BUSINESS, LABOR, and AGRICULTURE								
DAG Agriculture & Food - Administration	$ 3,224	$ 524	$ 55	$ 3,803	$ 3,331	$ —	$ 30	$ 442
DAG Building Operations	417	—	—	417	357	60	—	—
DAG Utah State Fair	3,750	—	—	3,750	3,750	—	—	—
DAG Predatory Animal Control	1,912	—	433	2,345	2,142	86	30	87
DAG Invasive Species Mitigation	3,152	—	—	3,152	2,649	—	—	503
DAG Rangeland Improvement	4,314	—	—	4,314	3,800	—	—	514
DAG Animal Health	6,351	1,299	176	7,826	7,001	—	133	692
DAG Plant Industry	3,570	951	3,189	7,710	6,130	—	204	1,376
DAG Regulatory Services	2,909	833	4,940	8,682	6,365	1,288	—	1,029
DAG Marketing & Economic Development	929	343	19	1,291	1,106	—	—	185
DAG Industrial Hemp	400	—	718	1,118	718	—	—	400
DAG Analytical Laboratory	993	30	50	1,073	1,058	—	—	15
DAG Resource Conservation	5,368	1,142	402	6,912	4,120	—	558	2,234
LBR Labor Commission	12,344	3,022	120	15,486	14,134	3	1,349	—
CRC General Regulation Administration	39,106	337	1,771	41,214	34,689	1	328	6,196
CRC Building Inspector Training	2,300	—	852	3,152	309	—	—	2,843
CRC DPU Professional & Technical Services	3,525	—	—	3,525	135	—	—	3,390
CRC CCS Professional & Technical Services	5,400	—	—	5,400	189	—	—	5,211
FI Financial Institutions	8,625	—	—	8,625	7,227	—	1,398	—
INS Insurance Department	18,812	42	—	18,854	14,260	—	1,587	3,007
INS Bail Bond Program	40	—	—	40	5	—	35	—
INS Title Insurance Program	275	—	—	275	124	—	29	122
INS Health Insurance Actuary	550	—	—	550	183	—	3	364
PSC Public Service Commission	3,873	—	12	3,885	2,518	—	—	1,367
Total Business, Labor, and Agriculture	$ 132,139	$ 8,523	$ 12,737	$ 153,399	$ 116,300	$ 1,438	$ 5,684	$ 29,977
TOTAL GENERAL FUND								
Total Expenditures	$ 5,259,507	$ 5,595,284	$ 2,387,714	$13,242,505	$12,370,757	$ 38,985	$ 193,421	$ 639,342

Detail Schedule of Expenditures – Budget and Actual

Education Fund, Transportation Fund, Transportation Investment Fund, and Debt Service Funds

(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

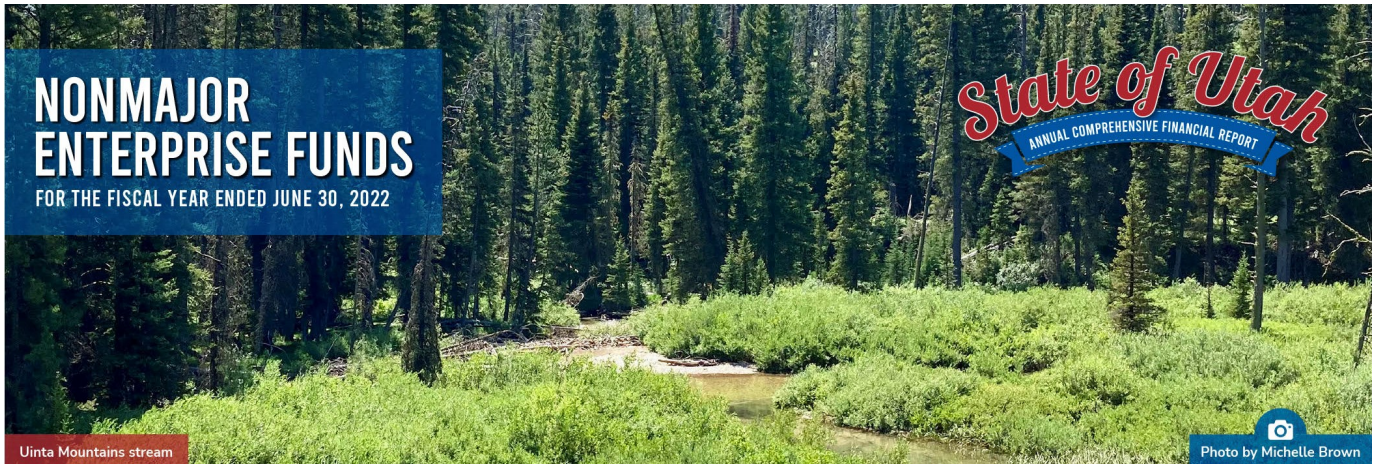
Appropriation Line Item Name	Source of Funding: State Funds	Source of Funding: Federal Funds	Source of Funding: Restricted and Other Funds	Final Budget	Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward
EDUCATION FUND								
State Board of Education								
PED Policy, Communication, and Oversight	$ 76,193	$ 479,914	$ 3,186	$ 559,293	$ 507,491	$ —	$ 253	$ 51,549
PED Statewide Online Education	9,358	—	(63)	9,295	4,565	—	—	4,730
PED Teaching & Learning	262	—	(25)	237	149	—	—	88
PED Child Nutrition	4,430	362,471	54,200	421,101	417,251	—	—	3,850
PED Fine Arts Outreach	6,222	—	—	6,222	5,297	—	—	925
PED State Charter School Board	9,822	—	(239)	9,583	1,931	—	—	7,652
PED Science Outreach	6,279	—	—	6,279	5,550	—	—	729
PED Regional Education Service Agencies Centers	2,000	—	—	2,000	2,000	—	—	—
PED Educator Licensing	5,576	—	(289)	5,287	2,704	—	—	2,583
PED Contracted Initiatives and Grants	92,267	—	(149)	92,118	65,876	—	23	26,219
PED MSP Categorical Program Administration	12,026	—	(395)	11,631	5,773	—	—	5,858
PED Federal Commodities	—	31,538	—	31,538	31,538	—	—	—
PED MSP Basic School Program	2,874,235	—	—	2,874,235	2,836,191	—	—	38,044
PED MSP Related to Basic Programs	998,347	6,617	—	1,004,964	956,115	—	—	48,849
PED MSP Voted & Board Local Levy Programs	251,384	—	—	251,384	212,593	—	—	38,791
PED School Building Programs - Capital Outlay Programs	33,250	—	—	33,250	33,250	—	—	—
PED System Standards & Accountability	58,575	40,294	9,532	108,401	67,297	—	—	41,104
PED Charter School Finance Authority	50	—	—	50	2	—	48	—
Total State Board of Education	$ 4,440,276	$ 920,834	$ 65,758	$ 5,426,868	$ 5,155,573	$ 0	$ 324	$ 270,971
Schools for the Deaf and the Blind								
Schools for the Deaf and the Blind	$ 38,866	$ 177	$ 11,444	$ 50,487	$ 50,487	$ —	$ —	$ —
Total Schools for the Deaf and the Blind	$ 38,866	$ 177	$ 11,444	$ 50,487	$ 50,487	$ 0	$ 0	$ 0
Total Education Fund	$ 4,479,142	$ 921,011	$ 77,202	$ 5,477,355	$ 5,206,060	$ 0	$ 324	$ 270,971
TRANSPORTATION FUND								
DOT Support Services	$ 40,845	$ 3,701	$ —	$ 44,546	$ 43,515	$ 38	$ —	$ 993
DOT Engineering Services	32,840	31,693	1,475	66,008	62,099	1,209	—	2,700
DOT Operations/Maintenance	184,580	9,074	7,130	200,784	192,761	23	—	8,000
DOT Highway Construction	112,793	291,026	15,501	419,320	419,320	—	—	—
DOT Region Management	29,048	3,287	2,596	34,931	32,963	1,768	—	200
DOT Aeronautics	10,051	246	130	10,427	7,868	1,577	—	982
DOT Share the Road	35	—	—	35	31	—	4	—
DOT Motorcycle Safety Awareness	12	—	—	12	—	—	12	—
DOT Amusement Ride Safety	608	—	—	608	136	—	358	114
DOT Transportation Safety	15	—	—	15	—	—	15	—
DOT B & C Roads	202,911	—	—	202,911	202,911	—	—	—
DOT Sidewalk Construction	1,200	—	—	1,200	199	—	—	1,001
DOT Pass-Through	40,427	—	—	40,427	40,256	—	—	171
DOT Corridor Preservation	20,622	—	—	20,622	20,622	—	—	—
DOT Cooperative Agreements	—	37,988	41,402	79,390	79,390	—	—	—
DOT Tollway Restricted	1,291	—	—	1,291	1,291	—	—	—
DOT County of 1st Class St. Hwy Program	22,248	—	—	22,248	22,248	—	—	—
DOT Inventory & Miscellaneous	—	—	19,765	19,765	2,489	17,276	—	—
Total Transportation Fund	$ 699,526	$ 377,015	$ 87,999	$ 1,164,540	$ 1,128,099	$ 21,891	$ 389	$ 14,161
TRANSPORTATION INVESTMENT FUND								
DOT TIF Capacity Program	$ 1,274,227	$ —	$ —	$ 1,274,227	$ 612,466	$ —	$ —	$ 661,761
DOT Transit Transportation Investment	364,918	—	—	364,918	77,955	—	—	286,963
DOT Railroad Crossing Safety	518	—	—	518	428	—	—	90
Total Transportation Investment Fund	$ 1,639,663	$ 0	$ 0	$ 1,639,663	$ 690,849	$ 0	$ 0	$ 948,814
DEBT SERVICE FUNDS								
General Government	$ 456,269	$ 8,190	$ 8,538	$ 472,997	$ 444,132	$ 8,190	$ —	$ 20,675
State Building Ownership Authority	5,951	1,098	22,006	29,055	20,495	—	—	8,560
Total Debt Service Funds	$ 462,220	$ 9,288	$ 30,544	$ 502,052	$ 464,627	$ 8,190	$ 0	$ 29,235

Detail Schedule of Expenditures - Budget and Actual Comparison
Enterprise Funds with Legally Adopted Annual Budgets
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Appropriation Line Item Name	Source of Funding: State Funds	Source of Funding: Federal Funds	Source of Funding: Restricted and Other Funds	Final Budget	Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted And Other	Nonlapse or (Deficit) Carry Forward
ALCOHOLIC BEVERAGE SERVICES								
DABS Operations	$ 68,982	$ —	$ —	$ 68,982	$ 66,787	$ —	$ —	$ 2,195
DABS Parents Empowered	3,095	—	—	3,095	2,970	—	25	100
Total Alcoholic Beverage Services	$ 72,077	$ 0	$ 0	$ 72,077	$ 69,757	$ 0	$ 25	$ 2,295

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Housing Loan Programs

These programs provide loans or grants to low income or special needs individuals for construction, rehabilitation, or purchase of single or multi-family housing. Funds are provided from federal programs, loan repayments, appropriations, and interest earnings.

Agriculture Loan Fund

This fund is comprised of two separate revolving loan programs: the Agriculture Resource Development Fund and the Rural Rehabilitation Fund. Both programs issue farm loans for soil and water conservation projects and the rehabilitation of rural areas within the State.

Energy Efficiency Fund

This fund provides revolving loans to assist in the conversion of government and private fleet vehicles to clean fuel and for energy efficiency projects in political subdivisions and state facilities. Funds are provided from public and private contributions, appropriations, and interest earnings on loans and invested funds.

Local Government Loan Fund

This fund provides revolving loan programs to local governments for infrastructure assistance, to expedite construction projects, and for providing emergency disaster services. These loan programs are funded with state appropriations.

Utah Correctional Industries

Utah Correctional Industries (UCI) was established to provide work training opportunities for inmates of the Utah State Prison. UCI manufactures and sells such items as license plates, furniture, highway signs, dairy, plant nursery, and textile products, and provides printing services and miscellaneous other products and services. Funding comes from charges for products and services.

State Trust Lands Administration

The Utah School and Institutional Trust Lands Administration (SITLA) and the School and Institutional Trust Fund Office (SITFO) manage the assets of the Trust Lands permanent fund. Their objective is to maximize revenue from land assets and investment returns for the beneficiaries.

Utah Dairy Commission

The purpose of the Commission is to promote the use of dairy products. Its operations are comprised of promotion, advertising, research, and nutritional education regarding dairy products. Funding consists primarily of fees from milk producers.

Medical Cannabis Fund

The purpose of this fund is to conduct, license, and regulate the sale of cannabis related products. Funding consists primarily of fees from cannabis growers.

Petroleum Storage Tank Fund

This fund is used to pay the costs of damage caused by petroleum storage tank releases and provide revolving loan capital. Sources of funding include fees from participating companies, responsible parties, and investment income. The net position of this fund is held for the benefit of participants and cannot be used for any other purpose.

Combining Statement of Net Position
Nonmajor Enterprise Funds
(expressed in thousands)

June 30, 2022

	Housing Loan Programs	Agriculture Loan Fund	Energy Efficiency Fund	Local Government Loan Fund	Utah Correctional Industries
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ —	$ —	$ —	$ —	$ —
Pooled Cash and Investments	31,823	27,009	2,982	25,294	1,643
Receivables:					
Accounts, net	18	—	—	—	184
Accrued Interest	2,254	334	5	342	—
Notes/Loans/Mortgages, net	4,362	4,111	295	3,184	—
Due From Other Funds	209	—	—	—	438
Prepaid Items	—	—	—	—	13
Inventories	345	—	—	—	1,856
Total Current Assets	39,011	31,454	3,282	28,820	4,134
Noncurrent Assets:					
Restricted Pooled Cash and Investments	—	—	—	12,538	—
Investments	—	—	—	—	—
Accrued Interest Receivable	756	—	—	88	—
Notes/Loans/Mortgages Receivables, net	150,744	28,306	616	73,767	—
Net Pension Asset	—	—	—	—	1,110
Net Other Postemployment Benefit Asset	—	—	—	—	5
Capital Assets:					
Land	—	—	—	—	—
Infrastructure – depreciating	—	—	—	—	304
Buildings and Improvements	—	—	—	—	4,044
Machinery and Equipment	—	20	—	—	4,605
Intangible Assets – Software	—	—	—	—	644
Less Accumulated Depreciation / Amortization	—	(20)	—	—	(5,694)
Total Capital Assets	0	0	0	0	3,903
Total Noncurrent Assets	151,500	28,306	616	86,393	5,018
Total Assets	190,511	59,760	3,898	115,213	9,152
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amount on Refundings of Bonded Debt	—	—	—	—	27
Deferred Outflows Relating to Pensions	—	—	—	—	1,734
Deferred Outflows Relating to Other Postemployment Benefits	—	—	—	—	63
Total Deferred Outflows of Resources	0	0	0	0	1,824
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	282	90	—	—	874
Deposits	5	2	—	—	—
Due To Other Funds	209	1	—	—	92
Unearned Revenue	—	—	—	—	—
Policy Claims Liabilities	—	—	—	—	—
Revenue Bonds Payable	—	—	—	—	85
Lease Liability	—	—	—	—	—
Total Current Liabilities	496	93	0	0	1,051
Noncurrent Liabilities:					
Revenue Bonds Payable	—	—	—	—	540
Lease Liability	—	—	—	—	—
Policy Claims Liability	—	—	—	—	—
Total Noncurrent Liabilities	0	0	0	0	540
Total Liabilities	496	93	0	0	1,591
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Relating to Pensions	—	—	—	—	3,029
Deferred Inflows Relating to Other Postemployment Benefits	—	—	—	—	103
Total Deferred Inflows of Resources	0	0	0	0	3,132
NET POSITION					
Net Investment in Capital Assets	—	—	—	—	3,364
Restricted for:					
Insurance Programs	—	—	—	—	—
Loan Programs	114,876	5,604	—	115,213	—
Unrestricted	75,139	54,063	3,898	—	2,889
Total Net Position	$ 190,015	$ 59,667	$ 3,898	$ 115,213	$ 6,253

Continues

Combining Statement of Net Position
Nonmajor Enterprise Funds
(expressed in thousands)

Continued

	State Trust Lands Administration	Utah Dairy Commission	Medical Cannabis Fund	Petroleum Storage Tank Fund	Total Nonmajor Enterprise Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ —	$ 781	$ —	$ —	$ 781
Pooled Cash and Investments	9,582	100	9,132	29,516	137,081
Receivables:					
Accounts, net	10,631	220	392	35	11,480
Accrued Interest	—	—	—	—	2,935
Notes/Loans/Mortgages, net	—	—	—	788	12,740
Due From Other Funds	3	—	—	—	650
Prepaid Items	23	—	32	—	68
Inventories	—	—	—	—	2,201
Total Current Assets	20,239	1,101	9,556	30,339	167,936
Noncurrent Assets:					
Restricted Pooled Cash and Investments	—	—	—	—	12,538
Investments	—	330	—	—	330
Accrued Interest Receivable	—	—	—	—	844
Notes/Loans/Mortgages Receivables, net	—	—	—	671	254,104
Net Pension Asset	1,126	—	—	—	2,236
Net Other Postemployment Benefit Asset	61	—	—	—	66
Capital Assets:					
Land	—	297	—	—	297
Infrastructure – depreciating	—	—	—	—	304
Buildings and Improvements	1,292	1,497	—	—	6,833
Machinery and Equipment	1,147	36	356	—	6,164
Intangible Assets – Software	—	—	30	—	674
Less Accumulated Depreciation / Amortization	(1,508)	(195)	(88)	—	(7,505)
Total Capital Assets	931	1,635	298	0	6,767
Total Noncurrent Assets	2,118	1,965	298	671	276,885
Total Assets	22,357	3,066	9,854	31,010	444,821
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amount on Refundings of Bonded Debt	—	—	—	—	27
Deferred Outflows Relating to Pensions	1,481	—	—	—	3,215
Deferred Outflows Relating to Other Postemployment Benefits	109	—	—	—	172
Total Deferred Outflows of Resources	1,590	0	0	0	3,414
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	1,859	37	177	555	3,874
Deposits	—	—	—	—	7
Due To Other Funds	6,034	—	134	—	6,470
Unearned Revenue	4,695	—	—	400	5,095
Policy Claims Liability	—	—	—	2,435	2,435
Revenue Bonds Payable	—	—	—	—	85
Lease Liability	316	—	—	—	316
Total Current Liabilities	12,904	37	311	3,390	18,282
Noncurrent Liabilities:					
Revenue Bonds Payable	—	—	—	—	540
Lease Liability	592	—	—	—	592
Policy Claims Liability	—	—	—	25,737	25,737
Total Noncurrent Liabilities	592	0	0	25,737	26,869
Total Liabilities	13,496	37	311	29,127	45,151
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Relating to Pensions	4,446	—	—	—	7,475
Deferred Inflows Relating to Other Postemployment Benefits	159	—	—	—	262
Total Deferred Inflows of Resources	4,605	0	0	0	7,737
NET POSITION					
Net Investment in Capital Assets	286	1,635	211	—	5,496
Restricted for:					
Insurance Programs	—	—	—	1,883	1,883
Loan Programs	—	—	—	—	235,693
Unrestricted	5,560	1,394	9,332	—	152,275
Total Net Position	$ 5,846	$ 3,029	$ 9,543	$ 1,883	$ 395,347

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Housing Loan Programs	Agriculture Loan Fund	Energy Efficiency Fund	Local Government Loan Fund	Utah Correctional Industries
OPERATING REVENUES					
Sales and Charges for Services/Premiums	$ —	$ —	$ 1	$ —	$ 18,988
Fees and Assessments	—	—	—	—	—
Interest on Notes/Mortgages	2,373	802	—	—	—
Miscellaneous	10	4	—	—	—
Total Operating Revenues	2,383	806	1	0	18,988
OPERATING EXPENSES					
Administration	—	268	—	—	1,990
Purchases, Materials, and Services for Resale	—	—	—	—	12,040
Grants	25,491	—	—	—	—
Rentals and Leases	—	3	—	—	111
Maintenance	—	3	—	—	321
Depreciation/Amortization	—	—	—	—	346
Benefit Claims	5	—	—	—	—
Miscellaneous Other:					
Data Processing	—	18	—	—	253
Supplies	—	2	—	—	939
Utilities	—	2	—	—	72
Other	229	3	2	1	275
Total Operating Expenses	25,725	299	2	1	16,347
Operating Income (Loss)	(23,342)	507	(1)	(1)	2,641
NONOPERATING REVENUES (EXPENSES)					
Investment Income	74	140	26	1,442	—
Federal Contracts and Grants	2,218	—	—	—	—
Tax Revenues	—	525	—	—	—
Interest Expense	—	—	—	—	(25)
Other Revenues (Expenses)	—	5,000	—	—	—
Total Nonoperating Revenues (Expenses)	2,292	5,665	26	1,442	(25)
Income (Loss) before Transfers	(21,050)	6,172	25	1,441	2,616
Transfers In	38,543	—	—	32,831	1
Transfers Out	(218)	(523)	(6)	—	—
Change in Net Position	17,275	5,649	19	34,272	2,617
Net Position – Beginning	172,740	54,018	3,879	80,941	3,636
Net Position – Ending	$ 190,015	$ 59,667	$ 3,898	$ 115,213	$ 6,253

Continues

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
(expressed in thousands)

Continued

	State Trust Lands Administration	Utah Dairy Commission	Medical Cannabis Fund	Petroleum Storage Tank Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES					
Sales and Charges for Services/Premiums	$ 23,514	$ —	$ —	$ 9,014	$ 51,517
Fees and Assessments	36	2,569	7,277	78	9,960
Interest on Notes/Mortgages	—	—	—	—	3,175
Miscellaneous	—	—	—	—	14
Total Operating Revenues	23,550	2,569	7,277	9,092	64,666
OPERATING EXPENSES					
Administration	9,569	137	2,210	—	14,174
Purchases, Materials, and Services for Resale	—	96	—	—	12,136
Grants	—	—	—	—	25,491
Rentals and Leases	311	—	16	—	441
Maintenance	140	—	48	—	512
Depreciation/Amortization	392	42	48	—	828
Benefit Claims	—	—	—	3,222	3,227
Miscellaneous Other:					
Data Processing	503	—	222	—	996
Supplies	247	—	26	—	1,214
Utilities	88	—	17	—	179
Other	7,025	2,123	576	—	10,234
Total Operating Expenses	18,275	2,398	3,163	3,222	69,432
Operating Income (Loss)	5,275	171	4,114	5,870	(4,766)
NONOPERATING REVENUES (EXPENSES)					
Investment Income	—	26	38	133	1,879
Federal Contracts and Grants	—	—	—	—	2,218
Tax Revenues	—	—	—	—	525
Interest Expense	(9)	1	—	—	(33)
Other Revenues (Expenses)	—	9	—	—	5,009
Total Nonoperating Revenues (Expenses)	(9)	36	38	133	9,598
Income (Loss) before Transfers	5,266	207	4,152	6,003	4,832
Transfers In	—	—	—	—	71,375
Transfers Out	(399)	—	(1,501)	(1,876)	(4,523)
Change in Net Position	4,867	207	2,651	4,127	71,684
Net Position – Beginning	979	2,822	6,892	(2,244)	323,663
Net Position – Ending	$ 5,846	$ 3,029	$ 9,543	$ 1,883	$ 395,347

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Housing Loan Programs	Agriculture Loan Fund	Energy Efficiency Fund	Local Government Loan Fund	Utah Correctional Industries
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers/Loan Interest/Fees/ Premiums	$ 2,279	$ 922	$ 1	$ —	$ 8,911
Receipts from Loan Maturities	5,597	6,353	—	—	—
Receipts from State Customers	—	—	—	—	10,266
Payments to Suppliers/Claims/Grants	(946)	(119)	—	—	(13,509)
Disbursements for Loans Receivable	(12,102)	(9,004)	—	—	—
Payments for Employee Services and Benefits	—	(268)	—	—	(4,161)
Payments to State Suppliers	(25,012)	(28)	(2)	(1)	(1,056)
Net Cash Provided (Used) by Operating Activities	(30,184)	(2,144)	(1)	(1)	451
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Federal Contracts, Grants and Other Revenues	2,302	5,000	—	—	—
Restricted Sales Tax	—	525	—	—	—
Transfers In from Other Funds	38,543	—	—	32,831	1
Transfers Out to Other Funds	(218)	(523)	(6)	—	—
Net Cash Provided (Used) by Noncapital Financing Activities	40,627	5,002	(6)	32,831	1
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Federal Grants and Other Revenues	—	—	—	—	18
Acquisition and Construction of Capital Assets	—	—	—	—	(118)
Interest Paid on Bonds, Notes, and Capital Leases	—	—	—	—	(33)
Net Cash Provided (Used) by Capital and Related Financing Activities	0	0	0	0	(133)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from the Sale and Maturity of Investments	—	—	—	—	—
Receipts of Interest and Dividends	74	139	—	103	—
Receipts from Loan Maturities	—	—	282	3,617	—
Receipts of Interest from Loans	—	—	29	1,256	—
Disbursements for Loans Receivable	—	—	—	(25,461)	—
Net Cash Provided (Used) by Investing Activities	74	139	311	(20,485)	0
Net Cash Provided (Used) – All Activities	10,517	2,997	304	12,345	319
Cash and Cash Equivalents – Beginning	21,306	24,012	2,678	25,487	1,324
Cash and Cash Equivalents – Ending	$ 31,823	$ 27,009	$ 2,982	$ 37,832	$ 1,643

Continues

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
(expressed in thousands)

Continued

	State Trust Lands Administration	Utah Dairy Commission	Medical Cannabis Fund	Petroleum Storage Tank Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers/Loan Interest/Fees/ Premiums	$ 36	$ 2,582	$ 7,261	$ 9,237	$ 31,229
Receipts from Loan Maturities	—	—	—	—	11,950
Receipts from State Customers	19,858	—	—	—	30,124
Payments to Suppliers/Claims/Grants	(3,549)	(2,406)	(601)	(2,146)	(23,276)
Disbursements for Loans Receivable	—	—	—	—	(21,106)
Payments for Employee Services and Benefits	(10,373)	(158)	(2,210)	—	(17,170)
Payments to State Suppliers	(503)	—	(188)	—	(26,790)
Net Cash Provided (Used) by Operating Activities	5,469	18	4,262	7,091	(15,039)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Federal Contracts, Grants and Other Revenues	—	—	—	—	7,302
Restricted Sales Tax	—	—	—	—	525
Transfers In from Other Funds	—	—	—	—	71,375
Transfers Out to Other Funds	(399)	—	(1,501)	(1,876)	(4,523)
Net Cash Provided (Used) by Noncapital Financing Activities	(399)	0	(1,501)	(1,876)	74,679
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Federal Grants and Other Revenues	—	—	—	—	18
Acquisition and Construction of Capital Assets	(384)	—	(136)	—	(638)
Interest Paid on Bonds, Notes, and Capital Leases	(9)	—	—	—	(42)
Net Cash Provided (Used) by Capital and Related Financing Activities	(393)	0	(136)	0	(662)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from the Sale and Maturity of Investments	—	1	—	—	1
Receipts of Interest and Dividends	—	—	38	133	487
Receipts from Loan Maturities	—	—	—	—	3,899
Receipts of Interest from Loans	—	—	—	—	1,285
Disbursements for Loans Receivable	—	—	—	—	(25,461)
Net Cash Provided (Used) by Investing Activities	0	1	38	133	(19,789)
Net Cash Provided (Used) – All Activities	4,677	19	2,663	5,348	39,189
Cash and Cash Equivalents – Beginning	4,905	862	6,469	24,168	111,211
Cash and Cash Equivalents – Ending	$ 9,582	$ 881	$ 9,132	$ 29,516	$ 150,400

Continues

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022
Continued

	Housing Loan Program	Agriculture Loan Fund	Energy Efficiency Fund	Local Government Loan Fund	Utah Correctional Industries
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ (23,342)	$ 507	$ (1)	$ (1)	$ 2,641
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation/Amortization Expense	—	—	—	—	346
Pension and OPEB Expense Accruals	—	—	—	—	(2,201)
Net Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:					
Accounts Receivable/Due From Other Funds		—	—	—	196
Notes/Accrued Interest Receivables	(6,663)	(2,535)	—	—	—
Inventories	53	—	—	—	(439)
Prepaid Items	—	—	—	—	(9)
Accrued Liabilities/Due to Other Funds	(232)	(116)	—	—	(76)
Unearned Revenue/Deposits	1	—	—	—	(7)
Policy Claims Liabilities	—	—	—	—	—
Net Cash Provided (Used) by Operating Activities	$ (30,183)	$ (2,144)	$ (1)	$ (1)	$ 451

Continues

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
(expressed in thousands)

Continued

	State Trust Lands Administration	Utah Dairy Commission	Medical Cannabis Fund	Petroleum Storage Tank Fund	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 5,275	$ 171	$ 4,114	$ 5,870	$ (4,766)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation/Amortization Expense	393	42	48	—	829
Pension and OPEB Expense Accruals	(781)	(238)	—	—	(3,220)
Net Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:					
Accounts Receivable/Due From Other Funds	(4,567)	13	2	10	(4,346)
Notes/Accrued Interest Receivables	—	—	—	160	(9,038)
Inventories	—	—	—	—	(386)
Prepaid Items	(23)	—	(31)	—	(63)
Accrued Liabilities/Due to Other Funds	4,261	30	129	—	3,996
Unearned Revenue/Deposits	911	—	—	(25)	880
Policy Claims Liabilities	—	—	—	1,076	1,076
Net Cash Provided (Used) by Operating Activities	$ 5,469	$ 18	$ 4,262	$ 7,091	$ (15,038)



Technology Services

This fund is responsible for providing data processing and various other computer services along with voice and data communication services to state agencies.

General Services

This fund manages cooperative purchasing contracts and provides purchasing card, travel services, printing and mailing services, and surplus property services to state agencies. This fund also provides warehouse services for the Department of Natural Resources.

Fleet Operations

This fund provides motor pool and fuel network to state agencies. This fund also provides transaction entry services for the Department of Government Operations.

Risk Management

This fund provides insurance coverage and loss prevention services to state agencies, institutions of higher education, and participating local school districts. Coverage is provided using a combination of self-insurance and private excess insurance.

Property Management

This fund is responsible for the operation and maintenance of facilities used by state agencies. This fund is also used to account for the State's facility energy efficiency program.

Human Resource Management

This fund provides human resource and payroll services to state agencies.

Attorney General Legal Services

This fund includes legal services provided to state agencies by the Utah Office of the Attorney General.

Combining Statement of Net Position
Internal Service Funds
(expressed in thousands)

June 30, 2022

	Technology Services	General Services	Fleet Operations	Risk Management	Property Management	Human Resource Management	Attorney General Legal Services	Total Internal Service Funds
ASSETS								
Current Assets:								
Cash and Cash Equivalents	$ —	$ —	$ —	$ 500	$ —	$ —	$ —	$ 500
Pooled Cash and Investments	—	11,073	167	92,200	9,665	798	2,105	116,008
Receivables:								
Accounts, net	125	2,675	5,711	251	76	—	622	9,460
Due From Other Funds	39,852	1,715	4,088	579	1,258	444	4,844	52,780
Due From Component Units	22	40	25	9	664	—	—	760
Prepaid Items	5,001	146	5	22	58	91	13	5,336
Inventories	366	569	3,051	—	—	—	—	3,986
Total Current Assets	45,366	16,218	13,047	93,561	11,721	1,333	7,584	188,830
Noncurrent Assets:								
Prepaid Items	8,179	—	—	—	467	—	—	8,646
Net Pension Asset	10,543	399	291	516	1,099	1,573	5,185	19,606
Net Other Postemployment Benefit Asset	740	6	—	—	190	48	468	1,452
Capital Assets:								
Buildings and Improvements	3,868	1,379	193	—	—	—	338	5,778
Machinery and Equipment	29,811	9,355	144,746	—	667	49	—	184,628
Intangible Assets–Software	5,937	1,782	465	704	120	2,468	—	11,476
Less Accumulated Depreciation / Amortization	(32,169)	(10,795)	(73,973)	(85)	(735)	(1,973)	(33)	(119,763)
Total Capital Assets	7,447	1,721	71,431	619	52	544	305	82,119
Total Noncurrent Assets	26,909	2,126	71,722	1,135	1,808	2,165	5,958	111,823
Total Assets	72,275	18,344	84,769	94,696	13,529	3,498	13,542	300,653
DEFERRED OUTFLOWS OF RESOURCES								
Deferred Outflows Relating to Pensions	17,273	1,248	497	779	1,608	2,116	6,875	30,396
Deferred Outflows Relating to Other Postemployment Benefit	930	52	—	—	102	137	331	1,552
Total Deferred Outflows of Resources	18,203	1,300	497	779	1,710	2,253	7,206	31,948
LIABILITIES								
Current Liabilities:								
Accounts Payable and Accrued Liabilities	28,594	3,510	7,143	815	3,378	815	2,428	46,683
Due To Other Funds	2,155	49	6	1,116	452	11	67	3,856
Interfund Loans Payable	801	—	10,898	—	—	—	—	11,699
Unearned Revenue	—	5	—	—	—	—	—	5
Policy Claims Liabilities	—	—	—	23,561	—	—	—	23,561
Contracts/Notes Payable	—	—	—	—	58	—	—	58
Lease Liability	—	—	3,192	—	—	—	34	3,226
Total Current Liabilities	31,550	3,564	21,239	25,492	3,888	826	2,529	89,088
Noncurrent Liabilities:								
Interfund Loans Payable	—	—	5,704	—	—	—	—	5,704
Policy Claims Liabilities	—	—	—	43,325	—	—	—	43,325
Contracts/Notes Payable	—	—	—	—	23	—	—	23
Lease Liability	—	—	1,941	—	—	—	271	2,212
Total Noncurrent Liabilities	0	0	7,645	43,325	23	0	271	51,264
Total Liabilities	31,550	3,564	28,884	68,817	3,911	826	2,800	140,352
DEFERRED INFLOWS OF RESOURCES								
Deferred Inflows Relating to Pensions	43,434	2,034	1,270	2,081	4,280	6,349	18,694	78,142
Deferred Inflows Relating to Other Postemployment Benefit	1,432	86	—	—	163	212	501	2,394
Total Deferred Inflows of Resources	44,866	2,120	1,270	2,081	4,443	6,561	19,195	80,536
NET POSITION								
Net Investment in Capital Assets	7,447	1,721	71,431	619	52	544	305	82,119
Restricted for:								
Insurance Programs	—	—	—	15,313	—	—	—	15,313
Unrestricted (Deficit)	6,615	12,239	(16,319)	8,645	6,833	(2,180)	(1,552)	14,281
Total Net Position	$ 14,062	$ 13,960	$ 55,112	$ 24,577	$ 6,885	$ (1,636)	$ (1,247)	$ 111,713

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Technology Services	General Services	Fleet Operations	Risk Management	Property Management	Human Resource Management	Attorney General Legal Services	Total Internal Service Funds
OPERATING REVENUES								
Charges for Services/Premiums	$ 138,356	$ 20,785	$ 84,073	$ 64,829	$ 38,351	$ 15,308	$ 47,309	$ 409,011
Miscellaneous	—	49	272	—	22	—	—	343
Total Operating Revenues	138,356	20,834	84,345	64,829	38,373	15,308	47,309	409,354
OPERATING EXPENSES								
Administration	75,960	3,860	2,228	3,801	10,705	11,177	35,743	143,474
Materials and Services for Resale	6,671	9,679	59,757	39,257	—	—	—	115,364
Rentals and Leases	76	45	905	14	226	1	8	1,275
Maintenance	1,006	265	5,633	6	13,810	111	3	20,834
Depreciation/Amortization	2,505	923	16,214	66	31	485	33	20,257
Benefit Claims	—	—	—	11,330	—	—	—	11,330
Miscellaneous Other:								
Data Processing	26,458	636	961	294	704	1,665	510	31,228
Supplies	214	35	233	431	182	36	29	1,160
Utilities	7,622	34	118	24	9,196	92	226	17,312
Other	818	970	706	1,498	1,890	513	317	6,712
Total Operating Expenses	121,330	16,447	86,755	56,721	36,744	14,080	36,869	368,946
Operating Income (Loss)	17,026	4,387	(2,410)	8,108	1,629	1,228	10,440	40,408
NONOPERATING REVENUES (EXPENSES)								
Investment Earnings	—	—	—	247	7	—	—	254
Disposal of Capital Assets	(1)	83	1,171	(8)	—	—	—	1,245
Interest Expense	—	—	(138)	—	(5)	—	(3)	(146)
Refunds Paid to Federal Government	—	—	—	(582)	(77)	—	—	(659)
Other Revenues (Expenses)	—	52	(194)	(529)	—	—	—	(671)
Total Nonoperating Revenues (Expenses)	(1)	135	839	(872)	(75)	0	(3)	23
Income (Loss) before Capital Contributions and Transfers	17,025	4,522	(1,571)	7,236	1,554	1,228	10,437	40,431
Capital Contributions	—	—	837	—	—	—	—	837
Transfers In	—	—	1,616	7,636	—	49	—	9,301
Transfers Out	—	—	—	—	(267)	—	—	(267)
Change in Net Position	17,025	4,522	882	14,872	1,287	1,277	10,437	50,302
Net Position – Beginning	(2,963)	9,438	54,230	9,705	5,598	(2,913)	(8,574)	64,521
Adjustment to Beginning Net Position	—	—	—	—	—	—	(3,110)	(3,110)
Net Position – Beginning as Adjusted	(2,963)	9,438	54,230	9,705	5,598	(2,913)	(11,684)	61,411
Net Position – Ending	$ 14,062	$ 13,960	$ 55,112	$ 24,577	$ 6,885	$ (1,636)	$ (1,247)	$ 111,713

Combining Statement of Cash Flows
Internal Service Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

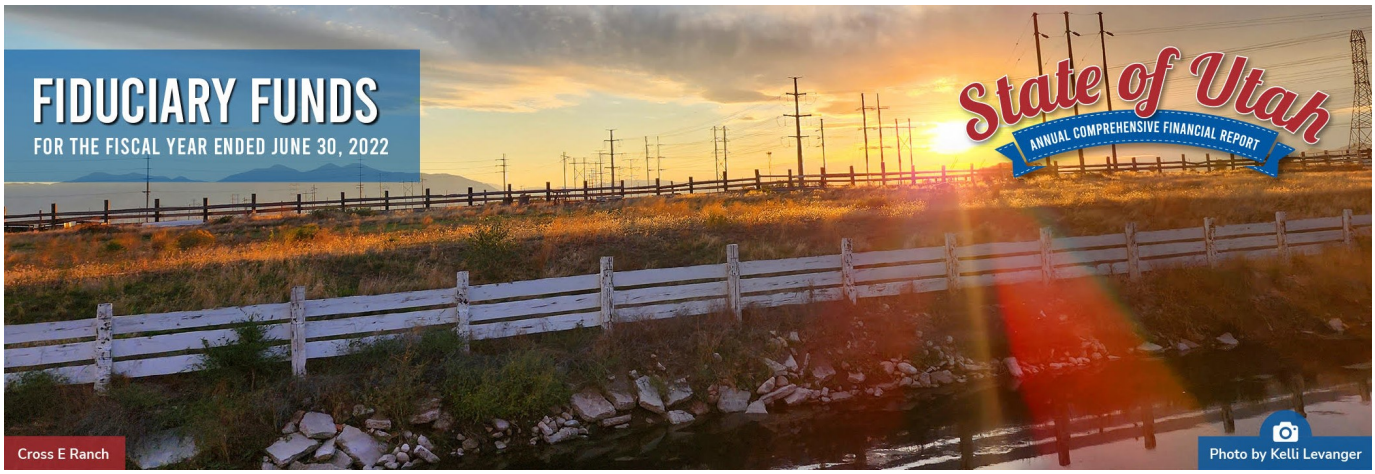
	Technology Services	General Services	Fleet Operations	Risk Management	Property Management	Human Resource Management	Attorney General Legal Services	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from Customers/Fees/ Premiums	$ 123	$ 13,090	$ 38,274	$ 20,791	$ 185	$ 16	$ 435	$ 72,914
Receipts from State Departments and Component Unit Customers	373,833	46,297	43,286	43,225	37,936	14,848	46,476	605,901
Payments to Suppliers/Claims/Grants	(279,833)	(46,093)	(63,608)	(63,716)	(23,221)	(201)	(616)	(477,288)
Payments for Employee Services and Benefits	(93,785)	(5,617)	(2,901)	(4,251)	(11,962)	(12,691)	(42,395)	(173,602)
Payments to State Suppliers and Grants	(632)	(2,519)	(1,460)	(8,257)	(1,977)	(2,311)	(230)	(17,386)
Net Cash Provided (Used) by Operating Activities	(294)	5,158	13,591	(12,208)	961	(339)	3,670	10,539
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Borrowings Under Interfund Loans	294	—	—	—	—	—	—	294
Repayments Under Interfund Loans	—	(123)	—	—	—	—	(1,528)	(1,651)
Payments of Bonds, Notes, Deposits, and Refunds	—	—	—	—	(53)	—	—	(53)
Interest Paid on Bonds, Notes, and Financing Costs	—	—	—	—	(5)	—	—	(5)
Transfers In from Other Funds	—	—	—	7,636	—	49	—	7,685
Net Cash Provided (Used) by Noncapital Financing Activities	294	(123)	0	7,636	(58)	49	(1,528)	6,270
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Borrowings Under Interfund Loans	507	—	12,064	—	—	—	—	12,571
Repayments Under Interfund Loans	—	(358)	(13,976)	—	—	—	—	(14,334)
Proceeds from Disposition of Capital Assets	—	94	3,079	187	—	—	—	3,360
Federal Grants and Other Revenues	—	171	837	—	—	—	—	1,008
Principal Paid on Debt and Contract Maturities	—	—	(5,015)	—	—	—	(34)	(5,049)
Acquisition and Construction of Capital Assets	(4,007)	(495)	(12,064)	(871)	—	—	—	(17,437)
Interest Paid on Bonds, Notes, and Capital Leases	—	—	(138)	—	—	—	(3)	(141)
Transfers In from Other Funds	—	—	1,616	—	—	—	—	1,616
Transfers Out to Other Funds	—	—	—	—	(267)	—	—	(267)
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,500)	(588)	(13,597)	(684)	(267)	0	(37)	(18,673)
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts of Interest and Dividends from Investments	—	—	—	247	7	—	—	254
Net Cash Provided (Used) by Investing Activities	0	0	0	247	7	0	0	254
Net Cash Provided (Used) – All Activities	(3,500)	4,447	(6)	(5,009)	643	(290)	2,105	(1,610)
Cash and Cash Equivalents – Beginning	3,500	6,626	173	97,709	9,022	1,088	0	118,118
Cash and Cash Equivalents – Ending	$ 0	$ 11,073	$ 167	$ 92,700	$ 9,665	$ 798	$ 2,105	$ 116,508

Continues

Combining Statement of Cash Flows
Internal Service Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022
Continued

	Technology Services	General Services	Fleet Operations	Risk Management	Property Management	Human Resource Management	Attorney General Legal Services	Total Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES								
Operating Income (Loss)	$ 17,026	$ 4,387	$ (2,410)	$ 8,108	$ 1,629	$ 1,228	$ 10,440	$ 40,408
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:								
Depreciation/Amortization Expense	2,505	923	16,214	66	31	485	33	20,257
Pension and OPEB Expense Accruals	(18,528)	(1,783)	(685)	(574)	(1,316)	(1,659)	(7,599)	(32,144)
Miscellaneous Gains, Losses, and Other Items	—	52	(194)	(1,111)	(77)	—	—	(1,330)
Net Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:								
Accounts Receivable/Due From Other Funds	(7,578)	713	(2,591)	1,495	(252)	(444)	(398)	(9,055)
Inventories	159	415	(321)	—	—	—	—	253
Prepaid Items/Other Assets	(3,304)	40	693	7	(156)	(87)	(13)	(2,820)
Accrued Liabilities/Due to Other Funds	10,764	419	2,885	232	1,102	138	1,207	16,747
Unearned Revenue/Deposits	(1,338)	(8)	—	—	—	—	—	(1,346)
Policy Claims Liabilities	—	—	—	(20,431)	—	—	—	(20,431)
Net Cash Provided (Used) by Operating Activities	$ (294)	$ 5,158	$ 13,591	$ (12,208)	$ 961	$ (339)	$ 3,670	$ 10,539
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES								
Increase (Decrease) in Fair Value of Investments	$ —	$ —	$ —	$ (248)	$ —	$ —	$ —	$ (248)
Total Noncash Investing, Capital, and Financing Activities	$ 0	$ 0	$ 0	$ (248)	$ 0	$ 0	$ 0	$ (248)



PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

Defined Benefit Pension Plans and Defined Contribution Plans

These funds are used to account for the various pension trust funds and defined contribution plans administered by the Utah Retirement Systems. Funding comes from employee and employer contributions and investment earnings. Contributions in some systems are augmented by fees, insurance premium taxes, or legislative appropriations.

Post-Retirement Benefits Trust Funds

The State administers the State Employee and the Elected Official Other Postemployment Benefit Plans as irrevocable trusts. These trust funds account for the assets accumulated and the payments made for other postemployment benefits provided to current and future state employee and elected official retirees. Funding comes from employer contributions and investment earnings.

Other Employee Benefits Trust Funds

These trust funds are used to pay other employee benefits upon retirement or termination.

PRIVATE PURPOSE TRUST FUNDS

Utah Navajo Trust

This fund receives oil royalties, operating, and other trust revenues. Funds received are used for the health, education, and general welfare of Navajo residents of San Juan County, Utah.

Utah Educational Savings Plan Trust (dba my529)

This fund was created as a means to encourage investment in a public trust to pay for qualified higher education expenses, K-12 tuition expenses, student loan repayments, and registered apprenticeship expenses.

Local Public Safety and Firefighter Surviving Spouse Trust

This fund is used to provide health benefits to the surviving spouse and dependents of Public Safety and Firefighter service employees who suffer a line-of-duty death.

CUSTODIAL FUNDS

External Investment Pool

This fund is used to account for the investments related to external participants in the Utah State Public Treasurers' Investment Fund.

Unclaimed Property

This fund is used to account for unclaimed property escheated to the State. Proceeds of the fund pay the administrative costs to operate the fund and any claims. The remaining proceeds are deposited in the Education Fund and can only be used to help fund public education.

County and Local Collections

This fund receives and disburses various taxes collected by the State on behalf of county and local governments.

State Courts

This fund receives and disburses various fines and forfeitures collected by the state courts on behalf of state and local agencies.

Miscellaneous

This fund is made up of small individual funds established to account for various receipts and disbursements.

Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefits Trust Funds
(expressed in thousands)

June 30, 2022

	Pension Trust					
	Non-Contributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Governors and Legislative Pension Plan
ASSETS						
Cash and Cash Equivalents	$ 2,627,724	$ 108,408	$ 382,167	$ 134,755	$ 21,091	$ 1,007
Pooled Cash and Investments	—	—	—	—	—	—
Receivables:						
Member Contributions	—	55	9	466	—	—
Employer Contributions	43,848	181	4,445	191	360	—
Court Fees and Fire Insurance Premiums	—	—	—	111	159	—
Investments	498,666	20,601	72,624	25,609	4,008	191
Total Receivables	542,514	20,837	77,078	26,377	4,527	191
Investments:						
Debt Securities	4,247,742	175,489	618,631	218,143	34,141	1,628
Equity Investments	13,165,532	543,915	1,917,393	676,115	105,818	5,046
Absolute Return	5,351,791	221,102	779,421	274,840	43,015	2,051
Private Equity	4,650,105	192,113	677,230	238,806	37,375	1,782
Real Assets	5,409,284	223,476	787,794	277,793	43,477	2,073
Private Debt	—	—	—	—	—	—
Invested Securities Lending Collateral	691,972	28,587	100,777	35,536	5,562	265
Total Investments	33,516,426	1,384,682	4,881,246	1,721,233	269,388	12,845
Capital Assets:						
Land	1,386	57	202	71	11	1
Buildings and Improvements	16,382	676	2,384	840	131	7
Machinery and Equipment	4,084	169	595	210	33	2
Intangible Assets	14,279	589	2,078	732	114	6
Less Accumulated Depreciation	(26,149)	(1,079)	(3,806)	(1,341)	(209)	(12)
Total Capital Assets	9,982	412	1,453	512	80	4
Total Assets	36,696,646	1,514,339	5,341,944	1,882,877	295,086	14,047
LIABILITIES						
Accounts Payable	810,306	33,317	117,448	41,415	6,482	309
Securities Lending Liability	691,972	28,587	100,777	35,536	5,562	265
Disbursements in Excess of Cash Balance	26,990	1,115	3,931	1,386	217	10
Leave/Postemployment Benefits	16,425	679	2,392	844	132	6
Insurance Reserves	4,573	189	666	235	37	2
Real Estate Liabilities	77,845	3,215	11,337	3,998	626	30
Total Liabilities	1,628,111	67,102	236,551	83,414	13,056	622
NET POSITION						
Restricted for:						
Pension Benefits	35,068,535	1,447,237	5,105,393	1,799,463	282,030	13,425
Other Postemployment Benefits	—	—	—	—	—	—
Other Employee Benefits	—	—	—	—	—	—
Defined Contribution	—	—	—	—	—	—
Total Net Position	$ 35,068,535	$ 1,447,237	$ 5,105,393	$ 1,799,463	$ 282,030	$ 13,425

Continues

Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefits Trust Funds
(expressed in thousands)

June 30, 2022
Continued

	Pension Trust		Defined Contributions Plans		
	Tier 2 Public Employees	Tier 2 Public Safety and Firefighters	401(k) Plan	457(b) Plan	IRA Plans
ASSETS					
Cash and Cash Equivalents	$ 85,831	$ 13,600	$ 19,823	$ 422	$ 466
Pooled Cash and Investments	—	—	—	—	—
Receivables:					
Member Contributions	—	155	—	—	—
Employer Contributions	8,375	965	—	—	—
Court Fees and Fire Insurance Premiums	—	—	—	—	—
Investments	16,311	2,584	79,157	9,535	—
Total Receivables	24,686	3,704	79,157	9,535	0
Investments:					
Debt Securities	138,941	22,013	2,158,637	228,160	165,272
Equity Investments	430,637	68,229	5,144,579	594,872	341,192
Absolute Return	175,054	27,735	—	—	—
Private Equity	152,102	24,099	—	—	—
Real Assets	176,934	28,033	277,755	27,518	20,179
Private Debt	—	—	—	—	—
Invested Securities Lending Collateral	22,634	3,586	—	—	—
Total Investments	1,096,302	173,695	7,580,971	850,550	526,643
Capital Assets:					
Land	45	7	—	—	—
Buildings and Improvements	537	85	—	—	—
Machinery and Equipment	134	21	—	—	—
Intangible Assets	468	74	—	—	—
Less Accumulated Depreciation	(857)	(135)	—	—	—
Total Capital Assets	327	52	0	0	0
Total Assets	1,207,146	191,051	7,679,951	860,507	527,109
LIABILITIES					
Accounts Payable	26,378	4,179	21,026	550	330
Securities Lending Liability	22,634	3,586	—	—	—
Disbursements in Excess of Cash Balance	883	140	953	117	306
Leave/Postemployment Benefits	537	85	—	—	—
Insurance Reserves	150	24	—	—	—
Real Estate Liabilities	2,546	403	—	—	—
Total Liabilities	53,128	8,417	21,979	667	636
NET POSITION					
Restricted for:					
Pension Benefits	1,154,018	182,634	—	—	—
Other Postemployment Benefits	—	—	—	—	—
Other Employee Benefits	—	—	—	—	—
Defined Contribution	—	—	7,657,972	859,840	526,473
Total Net Position	$ 1,154,018	$ 182,634	$ 7,657,972	$ 859,840	$ 526,473

Continues

Combining Statement of Fiduciary Net Position
Pension and Other Employee Benefits Trust Funds
(expressed in thousands)

June 30, 2022
Continued

	Post-Retirement Benefits Trust		Other Employee Benefits Trust		Total Pension and Other Employee Benefits Trust Funds
	State Employee	Elected Official	Other Employee Benefits	Annual Leave	
ASSETS					
Cash and Cash Equivalents	$ 0	$ 0	$ 0	$ 0	$ 3,395,294
Pooled Cash and Investments	71,828	2,330	42,192	10,629	126,979
Receivables:					
Member Contributions	—	—	—	—	685
Employer Contributions	1,581	—	563	476	60,985
Court Fees and Fire Insurance Premiums	—	—	—	—	270
Investments	—	—	—	—	729,286
Total Receivables	1,581	0	563	476	791,226
Investments:					
Debt Securities	185,922	6,054	24,279	—	8,225,052
Equity Investments	—	9,495	—	—	23,002,823
Absolute Return	—	—	—	—	6,875,009
Private Equity	—	—	—	—	5,973,612
Real Assets	11,422	651	—	—	7,286,389
Private Debt	6,125	919	1,420	—	8,464
Invested Securities Lending Collateral	—	—	—	—	888,919
Total Investments	203,469	17,119	25,699	0	52,260,268
Capital Assets:					
Land	—	—	—	—	1,780
Buildings and Improvements	—	—	—	—	21,042
Machinery and Equipment	—	—	—	—	5,248
Intangible Assets	—	—	—	—	18,340
Less Accumulated Depreciation	—	—	—	—	(33,588)
Total Capital Assets	0	0	0	0	12,822
Total Assets	276,878	19,449	68,454	11,105	56,586,589
LIABILITIES					
Accounts Payable	110	—	—	—	1,061,850
Securities Lending Liability	—	—	—	—	888,919
Disbursements in Excess of Cash Balance	—	—	—	—	36,048
Leave/Postemployment Benefits	2,397	—	644	679	24,820
Insurance Reserves	—	—	—	—	5,876
Real Estate Liabilities	—	—	—	—	100,000
Total Liabilities	2,507	0	644	679	2,117,513
NET POSITION					
Restricted for:					
Pension Benefits	—	—	—	—	45,052,735
Other Postemployment Benefits	274,371	19,449	—	—	293,820
Other Employee Benefits	—	—	67,810	10,426	78,236
Defined Contribution	—	—	—	—	9,044,285
Total Net Position	$ 274,371	$ 19,449	$ 67,810	$ 10,426	$ 54,469,076

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Pension Trust					
	Non-Contributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Governors and Legislative Pension Plan
ADDITIONS						
Contributions:						
Member	$ 16,178	$ 1,445	$ 1,421	$ 18,985	$ —	$ —
Employer	942,910	4,204	152,524	7,499	8,949	361
Court Fees and Fire Insurance Premiums	—	—	—	21,136	1,354	—
Total Contributions	959,088	5,649	153,945	47,620	10,303	361
Investment Income:						
Net Increase (Decrease) in Fair Value of Investments	4,670,873	197,568	678,975	238,789	37,459	1,833
Interest, Dividends, and Other Investment Income	595,088	25,170	86,504	30,423	4,772	234
Total Income From Investment Activity	5,265,961	222,738	765,479	269,212	42,231	2,067
Less Investment Expenses	(70,215)	(2,969)	(10,206)	(3,589)	(563)	(28)
Net Income from Investment Activity	5,195,746	219,769	755,273	265,623	41,668	2,039
Income from Security Lending Activity	6,639	281	966	340	53	3
Less Security Lending Expenses	(633)	(27)	(94)	(32)	(5)	—
Net Income from Security Lending Activity	6,006	254	872	308	48	3
Net Investment Income	5,201,752	220,023	756,145	265,931	41,716	2,042
Transfers From Affiliated Systems	5,986	—	7,956	2,983	4,563	7
Total Additions	6,166,826	225,672	918,046	316,534	56,582	2,410
DEDUCTIONS						
Retirement Benefits	1,327,922	77,864	196,237	53,951	15,743	870
Cost of Living Benefits	237,124	13,828	37,282	12,427	2,857	166
Supplemental Retirement Benefits	—	20	153	130	—	—
Retiree Healthcare Benefits	—		—	—	—	—
Refunds/Plan Distributions	1,313	1,625	32	176	—	—
Administrative Expenses	10,004	388	1,466	435	85	4
Transfers To Affiliated Systems	—	20,349	—	1,146	—	—
Total Deductions	1,576,363	114,074	235,170	68,265	18,685	1,040
Change in Net Position Restricted for:						
Pension Benefits	4,590,463	111,598	682,876	248,269	37,897	1,370
Other Postemployment Benefits	—	—	—	—	—	—
Other Employee Benefits	—	—	—	—	—	—
Defined Contribution	—	—	—	—	—	—
Net Position – Beginning	30,478,072	1,335,639	4,422,517	1,551,194	244,133	12,055
Net Position – Ending	$ 35,068,535	$ 1,447,237	$5,105,393	$ 1,799,463	$ 282,030	$ 13,425

Continues

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022
Continued

	Pension Trust		Defined Contribution Plans		
	Tier 2 Public Employees	Tier 2 Public Safety and Firefighters	401(k) Plan	457(b) Plan	IRA Plans
ADDITIONS					
Contributions:					
Member	$ 57	$ 5,335	$ 440,435	$ 41,365	$ 70,480
Employer	168,232	33,406	—	—	—
Court Fees and Fire Insurance Premiums	—	—	—	—	—
Total Contributions	168,289	38,741	440,435	41,365	70,480
Investment Income:					
Net Increase (Decrease) in Fair Value of Investments	139,552	21,262	992,760	109,966	62,461
Interest, Dividends, and Other Investment Income	17,872	2,718	4,347	503	—
Total Income From Investment Activity	157,424	23,980	997,107	110,469	62,461
Less Investment Expenses	(2,109)	(321)	(4,692)	(522)	(346)
Net Income from Investment Activity	155,315	23,659	992,415	109,947	62,115
Income from Security Lending Activity	199	30	—	—	—
Less Security Lending Expenses	(19)	(3)	—	—	—
Net Income from Security Lending Activity	180	27	—	—	—
Net Investment Income	155,495	23,686	992,415	109,947	62,115
Transfers From Affiliated Systems	—	—	—	—	—
Total Additions	323,784	62,427	1,432,850	151,312	132,595
DEDUCTIONS					
Retirement Benefits	1,968	36	—	—	—
Cost of Living Benefits	14	1	—	—	—
Supplemental Retirement Benefits	—	—	—	—	—
Retiree Healthcare Benefits	—	—	—	—	—
Refunds/Plan Distributions	—	—	406,840	41,904	33,277
Administrative Expenses	269	40	7,187	788	460
Transfers To Affiliated Systems	—	—	—	—	—
Total Deductions	2,251	77	414,027	42,692	33,737
Change in Net Position Restricted for:					
Pension Benefits	321,533	62,350	—	—	—
Other Postemployment Benefits	—	—	—	—	—
Other Employee Benefits	—	—	—	—	—
Defined Contribution	—	—	1,018,823	108,620	98,858
Net Position – Beginning	832,485	120,284	6,639,149	751,220	427,615
Net Position – Ending	$ 1,154,018	$ 182,634	$ 7,657,972	$ 859,840	$ 526,473

Continues

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Employee Benefit Trust Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022
Continued

	Post-Retirement Benefits Trust		Other Employee Benefits Trust		Total Pensions and Other Employee Benefit Trust Funds
	State Employee	Elected Official	Other Employee Benefits	Annual Leave	
ADDITIONS					
Contributions:					
Member	$ —	$ —	$ —	$ —	$ 595,701
Employer	28,842	1,249	10,489	8,815	1,367,480
Court Fees and Fire Insurance Premiums	—	—	—	—	22,490
Total Contributions	28,842	1,249	10,489	8,815	1,985,671
Investment Income:					
Net Increase (Decrease) in Fair Value of Investments	(30,550)	(2,982)	(3,936)	—	7,114,030
Interest, Dividends, and Other Investment Income	8,559	489	930	55	777,664
Total Income From Investment Activity	(21,991)	(2,493)	(3,006)	55	7,891,694
Less Investment Expenses	—	—	—	—	(95,560)
Net Income from Investment Activity	(21,991)	(2,493)	(3,006)	55	7,796,134
Income from Security Lending Activity	—	—	—	—	8,511
Less Security Lending Expenses	—	—	—	—	(813)
Net Income from Security Lending Activity	0	0	0	0	7,698
Net Investment Income	(21,991)	(2,493)	(3,006)	55	7,803,832
Transfers From Affiliated Systems	—	—	—	—	21,495
Total Additions	6,851	(1,244)	7,483	8,870	9,810,998
DEDUCTIONS					
Retirement Benefits	—	—	—	—	1,674,591
Cost of Living Benefits	—	—	—	—	303,699
Supplemental Retirement Benefits	—	—	—	—	303
Retiree Healthcare Benefits	30,818	788	—	—	31,606
Refunds/Plan Distributions	—	—	10,648	11,050	506,865
Administrative Expenses	—	—	—	—	21,126
Transfers To Affiliated Systems	—	—	—	—	21,495
Total Deductions	30,818	788	10,648	11,050	2,559,685
Change in Net Position Restricted for:					
Pension Benefits	—	—	—	—	6,056,356
Other Postemployment Benefits	(23,967)	(2,032)	—	—	(25,999)
Other Employee Benefits	—	—	(3,165)	(2,180)	(5,345)
Defined Contribution	—	—	—	—	1,226,301
Net Position – Beginning	298,338	21,481	70,975	12,606	47,217,763
Net Position – Ending	$ 274,371	$ 19,449	$ 67,810	$ 10,426	$ 54,469,076

Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
(expressed in thousands)

June 30, 2022

	Utah Navajo Trust	Utah Educational Savings Plan Trust	Local Public Safety and Firefighter Surviving Spouse Trust	Total Private Purpose Trust Funds
ASSETS				
Cash and Cash Equivalents	$ —	$ 1,102	$ —	$ 1,102
Pooled Cash and Investments	44,838	7,820	2,755	55,413
Receivables:				
Accounts	—	144	288	432
Leases	378	—	—	378
Loans	36	—	—	36
Due From Other Funds	11	—	—	11
Investments:				
Debt Securities	21,230	4,279,633	—	4,300,863
Equity Investments	7,917	14,148,457	—	14,156,374
Private Debt	3,266	—	—	3,266
Total Investments	32,413	18,428,090	0	18,460,503
Other Assets	107	—	—	107
Net Pension Asset	—	1,047	—	1,047
Capital Assets:				
Land	686	—	—	686
Infrastructure	236	—	—	236
Buildings and Improvements	10,715	—	—	10,715
Machinery and Equipment	429	2,531	—	2,960
Intangible Assets	11	—	—	11
Less Accumulated Depreciation	(6,010)	(1,947)	—	(7,957)
Total Capital Assets	6,067	584	0	6,651
Total Assets	83,850	18,438,787	3,043	18,525,680
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Relating to Pensions	0	213	0	213
LIABILITIES				
Accounts Payable	143	1,330	—	1,473
Due To Other Funds	31	—	—	31
Total Liabilities	174	1,330	0	1,504
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources Relating to Leases	378	—	—	378
Deferred Inflows Relating to Pensions	—	1,356	—	1,356
Total Deferred Inflows of Resources	378	1,356	0	1,734
NET POSITION				
Restricted for:				
Individuals, Organizations, and Other Governments	83,298	18,436,314	3,043	18,522,655
Total Net Position	$ 83,298	$ 18,436,314	$ 3,043	$ 18,522,655

Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Utah Navajo Trust	Utah Educational Savings Plan Trust	Local Public Safety and Firefighter Surviving Spouse Trust	Total Private Purpose Trust Funds
ADDITIONS				
Contributions:				
Member	$ —	$ 1,681,966	$ 961	$ 1,682,927
Total Contributions	0	1,681,966	961	1,682,927
Investment Income:				
Net Increase (Decrease) in Fair Value of Investments	(5,082)	(2,812,729)	—	(2,817,811)
Interest, Dividends, and Other Investment Income	1,047	400,988	12	402,047
Total Income From Investment Activity	(4,035)	(2,411,741)	12	(2,415,764)
Other Additions:				
Royalties and Rents	3,986	—	—	3,986
Fees, Assessments, and Revenues	1,251	—	—	1,251
Court Settlement/Miscellaneous	85	—	—	85
Total Other	5,322	0	0	5,322
Total Additions	1,287	(729,775)	973	(727,515)
DEDUCTIONS				
Trust Operating Expenses	1,955	—	—	1,955
Distributions and Benefit Payments	443	1,005,989	111	1,006,543
Administrative and General Expenses	1,895	15,346	10	17,251
Total Deductions	4,293	1,021,335	121	1,025,749
Change in Net Position Restricted for:				
Individuals, Organizations, and Other Governments	(3,006)	(1,751,110)	852	(1,753,264)
Net Position – Beginning	86,304	20,187,424	2,191	20,275,919
Net Position – Ending	$ 83,298	$ 18,436,314	$ 3,043	$ 18,522,655

Combining Statement of Fiduciary Net Position
Custodial Funds
(expressed in thousands)

June 30, 2022

	External Investment Pool	Unclaimed Property	County and Local Collections	State Courts	Miscellaneous	Total Custodial Funds
ASSETS						
Cash and Cash Equivalents	$ 3,117,491	$ —	$ —	$ 9,801	$ 3,946	$ 3,131,238
Pooled Cash and Investments	—	141,516	206,664	1,136	10,121	359,437
Receivables:						
Accounts	—	—	571	—	21,119	21,690
Accrued Interest	27,895	—	—	—	—	27,895
Due From Other Funds	—	23	—	34	4,573	4,630
Restricted Pooled Cash and Investments	—	—	—	—	682	682
Investments:						
Debt Securities	11,637,737	—	—	—	—	11,637,737
Total Investments	11,637,737	0	0	0	0	11,637,737
Other Assets	—	26,720	—	49,773	—	76,493
Total Assets	14,783,123	168,259	207,235	60,744	40,441	15,259,802
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Outflows Relating to Pensions	0	0	0	0	0	0
LIABILITIES						
Accounts Payable	28,142	430	(610)	632	1,114	29,708
Deposits	—	—	—	—	682	682
Due To Other Governments	—	—	207,845	—	978	208,823
Unearned Revenue	—	—	—	—	443	443
Total Liabilities	28,142	430	207,235	632	3,217	239,656
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows Relating to Pensions	0	0	0	0	0	0
NET POSITION						
Restricted for:						
Pool Participants	14,754,981	—	—	—	—	14,754,981
Individuals, Organizations, and Other Governments	—	167,829	—	60,112	37,224	265,165
Total Net Position	$ 14,754,981	$ 167,829	$ 0	$ 60,112	$ 37,224	$ 15,020,146
Participant Account Balance: Net Position Valuation Factor	0.99586858					

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	External Investment Pool	Unclaimed Property	County and Local Collections	State Courts	Miscellaneous	Total Custodial Funds
ADDITIONS						
Contributions:						
Member	$ —	$ —	$ —	$ —	$ 26,217	$ 26,217
Total Contributions	0	0	0	0	26,217	26,217
Pool Participant Deposits	12,351,053	—	—	—	—	12,351,053
Investment Income:						
Net Increase (Decrease) in Fair Value of Investments	(105,578)	(1,040)	(774)	—	—	(107,392)
Interest, Dividends, and Other Investment Income	123,954	827	2	—	41	124,824
Total Income From Investment Activity	18,376	(213)	(772)	0	41	17,432
Less Investment Expenses	(795)	—	—	—	—	(795)
Net Income from Investment Activity	17,581	(213)	(772)	0	41	16,637
Other Additions:						
Escheats	—	48,923	—	—	—	48,923
Fees, Assessments, and Revenues	—	—	—	50,206	9,936	60,142
Collections for Individuals and Other Organizations	—	—	—	—	262,095	262,095
Tax and Fee Collections for Other Governments	—	—	2,608,442	—	13,086	2,621,528
Federal Grants	—	—	131,458	—	8,207	139,665
Total Other	0	48,923	2,739,900	50,206	293,324	3,132,353
Total Additions	12,368,634	48,710	2,739,128	50,206	319,582	15,526,260
DEDUCTIONS						
Member Distributions	—	—	—	—	26,934	26,934
Earnings Distributions	123,159	—	—	—	—	123,159
Pool Participant Withdrawals	10,576,402	—	—	—	—	10,576,402
Trust Operating Expenses	—	—	—	—	860	860
Distributions and Benefit Payments	—	29,345	—	—	—	29,345
Administrative and General Expenses	—	4,534	—	—	—	4,534
Distributions to Individuals and Other Organizations	—	—	—	32,767	272,241	305,008
Payment of Taxes and Fees to Other Governments	—	—	2,607,670	—	10,168	2,617,838
Pass Through of Federal Grants	—	—	131,458	—	8,207	139,665
Total Deductions	10,699,561	33,879	2,739,128	32,767	318,410	13,823,745
Change in Net Position Restricted for:						
Pool Participants	1,669,073	—	—	—	—	1,669,073
Individuals, Organizations, and Other Governments	—	14,831	—	17,439	1,172	33,442
Net Position – Beginning	13,085,908	152,998	—	42,673	36,052	13,317,631
Net Position – Ending	$14,754,981	$ 167,829	$ 0	$ 60,112	$ 37,224	$ 15,020,146

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Utah Communications Authority

The Utah Communications Authority (UCA) provides public safety communications services and facilities on a statewide basis for the benefit and use of state, local, and federal agencies. UCA supports statewide interoperability of emergency communications throughout the State, and manages the 911 funds collected by the State for the benefit of the Public Safety Answering Points within the State. UCA operations are funded through service charges supplemented with federal grants and state fees and appropriations.

Utah Schools for the Deaf and the Blind

The Schools were created to provide education to individuals with hearing and/or vision impairments, through direct and indirect education services, as well as consultation to their families and service providers.

Military Installation Development Authority

This Authority is an independent, nonprofit entity whose purpose is to provide for the development and improvement of project areas near military installations throughout the State. Operations are funded through service charges, project revenue, and state appropriations.

Heber Valley Historic Railroad Authority

This Authority was created to operate, maintain, improve, and provide for a scenic and historic railway in and around the Heber Valley in Wasatch County. Operations are funded primarily through user charges.

Utah State Fair Corporation

This Corporation was created to operate the State Fair Park and conduct the Utah State Fair and other expositions and entertainment events. Operations are funded through admissions, rentals, donations, and state appropriations.

Point of the Mountain Development Authority

This Authority is an independent, nonprofit corporation whose purpose is to facilitate the disposition of land, nearly 700 acres, where the Utah State Prison now stands and oversee the process of developing the current site once the prison has been relocated. Operations are funded through state appropriations.

Utah Inland Port Authority

This Authority is an independent, nonprofit corporation whose purpose is to facilitate the development of the authority jurisdictional land to maximize the long-term economic and other benefits for the State. Operations are funded through state appropriations.

Utah System of Higher Education

The System includes degree-granting institutions, technical colleges and the Utah Board of Higher Education. The nonmajor institutions of higher education are:

Weber State University | *Southern Utah University* | *Salt Lake Community College* | *Utah Valley University* |*Utah Tech University* | *Snow College* | *Technical Colleges*

The Utah Board of Higher Education is the governing board of the institutions of higher education and controls, manages, and supervises the Utah System of Higher Education.

Combining Statement of Net Position
Nonmajor Component Units
(expressed in thousands)

June 30, 2022

	Utah Communications Authority	Utah Schools for the Deaf and the Blind	Military Installation Development Authority	Heber Valley Historic Railroad Authority	Utah State Fair Corporation
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 5,494	$ 8,582	$ 7,674	$ 194	$ 5,164
Restricted Cash and Cash Equivalents	—	—	—	—	—
Investments	60,385	—	—	—	—
Receivables:					
Accounts, net	6,026	727	323	5	75
Notes/Leases/Loans/Mortgages/Pledges, net	—	—	—	—	—
Accrued Interest	—	—	—	—	—
Due From Primary Government	—	299	1,845	—	—
Prepaid Items	86	48	—	—	79
Inventories	169	—	—	8	—
Other Assets	—	—	—	—	—
Total Current Assets	72,160	9,656	9,842	207	5,318
Noncurrent Assets:					
Restricted Cash and Cash Equivalents	—	—	154,033	—	—
Investments	—	—	—	—	—
Restricted Investments	—	—	—	—	—
Accounts Receivables, net	—	—	188,599	—	—
Notes/Leases/Loans/Mortgages/Pledges Receivables, net	—	—	—	—	—
Net Pension Asset	531	3,475	192	—	—
Net Other Postemployment Benefit Asset	—	297	—	—	—
Other Assets	64	—	—	—	—
Capital Assets (net of Accumulated Depreciation)	33,031	38,773	70,474	8,598	1,429
Total Noncurrent Assets	33,626	42,545	413,298	8,598	1,429
Total Assets	105,786	52,201	423,140	8,805	6,747
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amount on Refundings of Bonded Debt	—	—	—	—	—
Deferred Outflows Relating to Pensions	808	4,820	113	173	199
Deferred Outflows Relating to Other Postemployment Benefit	—	284	—	—	—
Total Deferred Outflows of Resources	808	5,104	113	173	199
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	610	2,486	8,272	55	324
Deposits	—	—	—	—	—
Due To Primary Government	—	202	—	(4)	66
Unearned Revenue	21	(569)	15,569	—	59
Current Portion of Long-term Liabilities	104	—	108	782	7
Total Current Liabilities	735	2,119	23,949	833	456
Noncurrent Liabilities:					
Accounts Payable and Accrued Liabilities	—	—	—	—	—
Unearned Revenue	—	—	—	—	—
Net Pension Liability	—	—	—	151	213
Long-term Liabilities	551	—	186,078	2,326	111
Total Noncurrent Liabilities	551	0	186,078	2,477	324
Total Liabilities	1,286	2,119	210,027	3,310	780

Continues

Combining Statement of Net Position
Nonmajor Component Units
(expressed in thousands)

June 30, 2022
Continued

	Utah Communications Authority	Utah Schools for the Deaf and the Blind	Military Installation Development Authority	Heber Valley Historic Railroad Authority	Utah State Fair Corporation
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Relating to Beneficial Interests	—	—	—	—	—
Deferred Amount on Refundings of Bonded Debt	—	—	—	—	—
Deferred Inflows Relating to Pensions	2,157	13,203	273	157	236
Deferred Inflows Relating to Other Postemployment Benefit	—	495	—	—	—
Deferred Inflows Relating to Leases	—	—	—	—	—
Total Deferred Inflows of Resources	2,157	13,698	273	157	236
NET POSITION					
Net Investment in Capital Assets	33,030	38,773	17,361	5,510	1,429
Restricted for:					
Nonexpendable:					
Higher Education	—	—	—	—	—
Expendable:					
Higher Education	—	—	—	—	—
Other	45,378	—	190,675	—	295
Unrestricted (Deficit)	24,743	2,715	4,917	1	4,206
Total Net Position	$ 103,151	$ 41,488	$ 212,953	$ 5,511	$ 5,930

Continues

Combining Statement of Net Position
Nonmajor Component Units
(expressed in thousands)

June 30, 2022
Continued

	Point of the Mountain Development Authority	Utah Inland Port Authority	Utah Board of Higher Education	Weber State University	Southern Utah University
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 10,758	$ 136,771	$ 324,958	$ 121,849	$ 13,783
Restricted Cash and Cash Equivalents	—	—	—	—	—
Investments	—	—	—	14,782	15,027
Receivables:					
Accounts, net	—	—	—	15,349	7,119
Notes/Leases/Loans/Mortgages/Pledges, net	—	—	—	3,571	239
Accrued Interest	—	138	—	133	—
Due From Primary Government	—	—	—	—	—
Prepaid Items	—	148	—	1,248	6,128
Inventories	—	—	—	3,530	962
Other Assets	—	—	—	406	—
Total Current Assets	10,758	137,057	324,958	160,868	43,258
Noncurrent Assets:					
Restricted Cash and Cash Equivalents	—	80,807	—	17,716	1,507
Investments	—	—	—	209,838	101,583
Restricted Investments	—	—	—	—	—
Accounts Receivables, net	—	—	—	4,471	—
Notes/Leases/Loans/Mortgages/Pledges Receivables, net	—	—	—	3,283	469
Net Pension Asset	—	—	—	17,589	3,485
Net Other Postemployment Benefit Asset	—	—	—	—	—
Other Assets	—	—	—	7,874	334
Capital Assets (net of Accumulated Depreciation)	—	69,904	—	407,349	201,351
Total Noncurrent Assets	0	150,711	0	668,120	308,729
Total Assets	10,758	287,768	324,958	828,988	351,987
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amount on Refundings of Bonded Debt	—	—	—	652	—
Deferred Outflows Relating to Pensions	—	—	—	3,012	5,010
Deferred Outflows Relating to Other Postemployment Benefit	—	—	—	—	—
Total Deferred Outflows of Resources	0	0	0	3,664	5,010
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	166	2,676	—	4,971	5,580
Deposits	—	—	—	—	2,421
Due To Primary Government	—	50,028	—	2,853	—
Unearned Revenue	—	—	—	11,769	12,207
Current Portion of Long-term Liabilities	—	697	—	7,540	9,403
Total Current Liabilities	166	53,401	0	27,133	29,611
Noncurrent Liabilities:					
Accounts Payable and Accrued Liabilities	—	1,284	—	—	—
Unearned Revenue	—	—	—	—	—
Net Pension Liability	—	—	—	—	—
Long-term Liabilities	—	203,315	—	50,334	41,258
Total Noncurrent Liabilities	0	204,599	0	50,334	41,258
Total Liabilities	166	258,000	0	77,467	70,869

Continues

Combining Statement of Net Position
Nonmajor Component Units
(expressed in thousands)

June 30, 2022
Continued

	Point of the Mountain Development Authority	Utah Inland Port Authority	Utah Board of Higher Education	Weber State University	Southern Utah University
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Relating to Beneficial Interests	—	—	—	7,874	477
Deferred Amount on Refundings of Bonded Debt	—	—	—	—	—
Deferred Inflows Relating to Pensions	—	—	—	22,390	12,604
Deferred Inflows Relating to Other Postemployment Benefit	—	—	—	—	—
Deferred Inflows Relating to Leases	—	—	—	—	—
Total Deferred Inflows of Resources	0	0	0	30,264	13,081
NET POSITION					
Net Investment in Capital Assets	—	12,513	—	360,861	155,767
Restricted for:					
Nonexpendable:					
Higher Education	—	—	—	135,365	31,422
Expendable:					
Higher Education	—	—	324,958	77,033	24,873
Other	—	15,670	—	—	—
Unrestricted (Deficit)	10,592	1,585	—	151,662	60,985
Total Net Position	$ 10,592	$ 29,768	$ 324,958	$ 724,921	$ 273,047

Continues

Combining Statement of Net Position
Nonmajor Component Units
(expressed in thousands)

June 30, 2022
Continued

	Salt Lake Community College	Utah Valley University	Utah Tech University	Snow College	Technical Colleges	Total Nonmajor Component Units
ASSETS						
Current Assets:						
Cash and Cash Equivalents	$ 80,371	$ 113,913	$ 34,491	$ 17,652	$ 49,219	$ 930,873
Restricted Cash and Cash Equivalents	—	9,822	—	—	—	9,822
Investments	47,517	34,977	3,150	503	2,603	178,944
Receivables:						
Accounts, net	13,571	35,172	10,144	1,143	4,736	94,390
Notes/Leases/Loans/Mortgages/Pledges, net	468	2,341	—	—	43	6,662
Accrued Interest	—	—	—	—	—	271
Due From Primary Government	—	—	—	—	—	2,144
Prepaid Items	3,579	6,860	1,262	215	783	20,436
Inventories	761	1,592	575	235	2,247	10,079
Other Assets	51	—	—	—	303	760
Total Current Assets	146,318	204,677	49,622	19,748	59,934	1,254,381
Noncurrent Assets:						
Restricted Cash and Cash Equivalents	6,295	23,698	70,523	1,382	2,591	358,552
Investments	74,565	81,525	36,366	2,551	836	507,264
Restricted Investments	—	49,767	—	14,186	—	63,953
Accounts Receivables, net	38	18,054	966	—	—	212,128
Notes/Leases/Loans/Mortgages/Pledges Receivables, net	20,401	8,012	—	86	—	32,251
Net Pension Asset	20,855	27,389	6,446	5,130	10,476	95,568
Net Other Postemployment Benefit Asset	—	—	—	—	—	297
Other Assets	—	1,816	—	—	—	10,088
Capital Assets (net of Accumulated Depreciation)	285,345	592,512	337,764	110,892	304,453	2,461,875
Total Noncurrent Assets	407,499	802,773	452,065	134,227	318,356	3,741,976
Total Assets	553,817	1,007,450	501,687	153,975	378,290	4,996,357
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amount on Refundings of Bonded Debt	—	—	—	—	—	652
Deferred Outflows Relating to Pensions	3,170	4,064	1,219	829	6,539	29,956
Deferred Outflows Relating to Other Postemployment Benefit	—	—	—	—	—	284
Total Deferred Outflows of Resources	3,170	4,064	1,219	829	6,539	30,892
LIABILITIES						
Current Liabilities:						
Accounts Payable and Accrued Liabilities	12,735	19,822	6,625	1,638	7,402	73,362
Deposits	76	669	374	339	9	3,888
Due To Primary Government	3,133	3,030	2,669	—	94	62,071
Unearned Revenue	8,682	9,496	3,685	515	3,167	64,601
Current Portion of Long-term Liabilities	10,511	11,833	6,165	1,908	2,941	51,999
Total Current Liabilities	35,137	44,850	19,518	4,400	13,613	255,921
Noncurrent Liabilities:						
Accounts Payable and Accrued Liabilities	—	141	—	—	—	1,425
Unearned Revenue	—	256	—	—	—	256
Net Pension Liability	—	—	—	—	—	364
Long-term Liabilities	19,784	74,125	164,936	13,109	12,523	768,450
Total Noncurrent Liabilities	19,784	74,522	164,936	13,109	12,523	770,495
Total Liabilities	54,921	119,372	184,454	17,509	26,136	1,026,416

Continues

Combining Statement of Net Position
Nonmajor Component Units
(expressed in thousands)

June 30, 2022
Continued

	Salt Lake Community College	Utah Valley University	Utah Tech University	Snow College	Technical Colleges	Total Nonmajor Component Units
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows Relating to Beneficial Interests	—	1,779	292	1,772	—	12,194
Deferred Amount on Refundings of Bonded Debt	—	290	—	—	—	290
Deferred Inflows Relating to Pensions	25,696	32,959	8,378	6,629	24,076	148,758
Deferred Inflows Relating to Other Postemployment Benefit	—	—	—	—	—	495
Deferred Inflows Relating to Leases	20,215	5,703	—	—	—	25,918
Total Deferred Inflows of Resources	45,911	40,731	8,670	8,401	24,076	187,655
NET POSITION						
Net Investment in Capital Assets	268,277	521,322	241,194	97,596	293,596	2,047,229
Restricted for:						
Nonexpendable:						
Higher Education	9,858	70,929	24,011	10,004	901	282,490
Expendable:						
Higher Education	19,759	80,179	14,968	5,609	4,442	551,821
Other	—	—	—	2,104	1,458	255,580
Unrestricted (Deficit)	158,261	178,981	29,609	13,581	34,220	676,058
Total Net Position	$ 456,155	$ 851,411	$ 309,782	$ 128,894	$ 334,617	$3,813,178

Combining Statement of Activities
Nonmajor Component Units
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

	Utah Communications Authority	Utah Schools for the Deaf and the Blind	Military Installation Development Authority	Heber Valley Historic Railroad Authority	Utah State Fair Corporation
Expenses	$ 13,801	$ 48,011	$ 19,672	$ 2,838	$ 5,991
Program Revenues:					
Charges for Services:					
Tuition and Fees	—	—	—	—	—
Scholarship Allowances	—	—	—	—	—
Sales, Services, and Other Revenues	452	10,155	171,773	3,785	4,085
Operating Grants and Contributions	1,223	1,760	747	243	—
Capital Grants and Contributions	—	—	—	—	—
Total Program Revenues	1,675	11,915	172,520	4,028	4,085
Net (Expenses) Revenues	(12,126)	(36,096)	152,848	1,190	(1,906)
General Revenues:					
State Appropriations	32,000	38,866	—	—	3,750
Gain (Loss) on Sale of Capital Assets	139	—	—	(77)	12
Miscellaneous	—	—	2,103	—	271
Permanent Endowments Contributions	—	—	—	—	—
Total General Revenues and Contributions	32,139	38,866	2,103	(77)	4,033
Change in Net Position	20,013	2,770	154,951	1,113	2,127
Net Position – Beginning	83,138	38,718	58,002	4,398	3,803
Adjustment to Beginning Net Position	—	—	—	—	—
Net Position – Beginning as Adjusted	83,138	38,718	58,002	4,398	3,803
Net Position – Ending	$ 103,151	$ 41,488	$ 212,953	$ 5,511	$ 5,930

Continues

Combining Statement of Activities
Nonmajor Component Units - continued
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Continued

	Point of the Mountain Development Authority	Utah Inland Port Authority	Utah Board of Higher Education	Weber State University	Southern Utah University
Expenses	$ 2,481	$ 15,112	$ 66,323	$ 304,150	$ 210,477
Program Revenues:					
Charges for Services:					
Tuition and Fees	—	—	—	129,885	127,442
Scholarship Allowances	—	—	—	(51,888)	(54,395)
Sales, Services, and Other Revenues	—	—	—	24,234	22,574
Operating Grants and Contributions	—	—	319,039	79,291	57,058
Capital Grants and Contributions	—	93	—	7,380	15,202
Total Program Revenues	0	93	319,039	188,902	167,881
Net (Expenses) Revenues	(2,481)	(15,019)	252,716	(115,248)	(42,596)
General Revenues:					
State Appropriations	8,250	18,856	64,200	105,219	54,580
Gain (Loss) on Sale of Capital Assets	—	—	—	—	—
Miscellaneous	17	6,575	212	1,526	—
Permanent Endowments Contributions	—	—	—	3,160	1,910
Total General Revenues and Contributions	8,267	25,431	64,412	109,905	56,490
Change in Net Position	5,786	10,412	317,128	(5,343)	13,894
Net Position – Beginning	4,806	19,356	7,830	730,264	259,153
Adjustment to Beginning Net Position	—	—	—	—	—
Net Position – Beginning as Adjusted	4,806	19,356	7,830	730,264	259,153
Net Position – Ending	$ 10,592	$ 29,768	$ 324,958	$ 724,921	$ 273,047

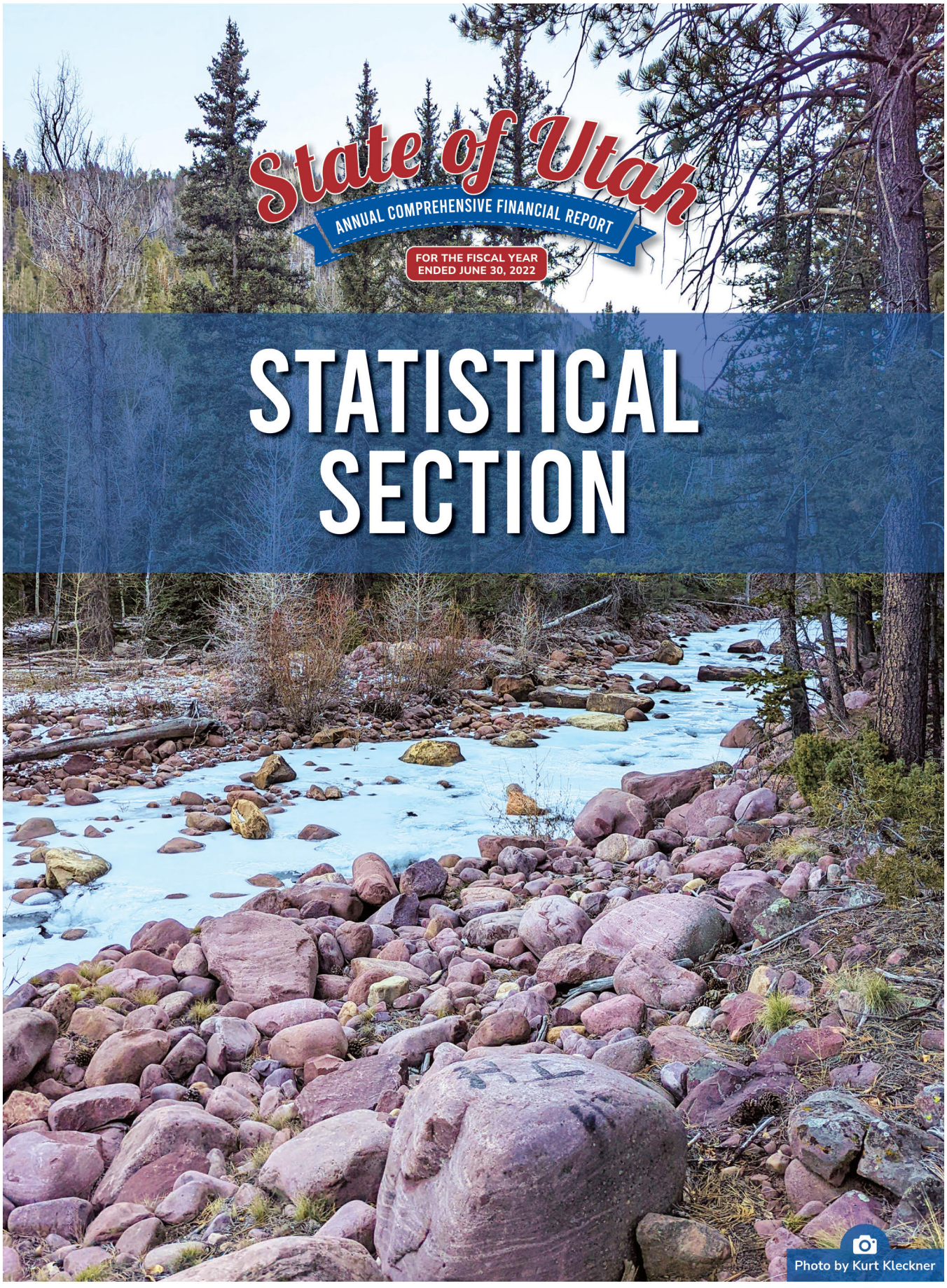
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Combining Statement of Activities
Nonmajor Component Units - continued
(expressed in thousands)

For the Fiscal Year Ended June 30, 2022

Continued

	Salt Lake Community College	Utah Valley University	Utah Tech University	Snow College	Technical Colleges	Total Nonmajor Component Units
Expenses	$ 253,038	$ 455,051	$ 168,224	$ 64,908	$ 147,348	$ 1,777,425
Program Revenues:						
Charges for Services:						
Tuition and Fees	73,607	200,240	80,829	17,690	18,563	648,256
Scholarship Allowances	(25,280)	(51,582)	(33,129)	(7,631)	(5,366)	(229,271)
Sales, Services, and Other Revenues	13,696	25,819	18,980	4,851	(5,335)	295,069
Operating Grants and Contributions	81,464	170,989	45,174	4,135	38,933	800,056
Capital Grants and Contributions	1,309	49,242	63,774	15,560	18,596	171,156
Total Program Revenues	144,796	394,708	175,628	34,605	65,391	1,685,266
Net (Expenses) Revenues	(108,242)	(60,343)	7,404	(30,303)	(81,957)	(92,159)
General Revenues:						
State Appropriations	115,805	145,428	51,916	33,272	112,180	784,322
Gain (Loss) on Sale of Capital Assets	—	—	—	—	67	141
Miscellaneous	—	—	21	—	594	11,319
Permanent Endowments Contributions	598	—	496	446	20	6,630
Total General Revenues and Contributions	116,403	145,428	52,433	33,718	112,861	802,412
Change in Net Position	8,161	85,085	59,837	3,415	30,904	710,253
Net Position – Beginning	445,387	766,326	249,945	125,479	303,713	3,100,318
Adjustment to Beginning Net Position	2,607	—	—	—	—	2,607
Net Position – Beginning as Adjusted	447,994	766,326	249,945	125,479	303,713	3,102,925
Net Position – Ending	$ 456,155	$ 851,411	$ 309,782	$ 128,894	$ 334,617	$ 3,813,178


State of Utah
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
STATISTICAL SECTION
Photo by Kurt Kleckner

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State of Utah

STATISTICAL SECTION

Fiscal Year Ended June 30, 2022

This section of the State of Utah's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes to the financial statements, and required supplementary information says about the State's overall financial health.

Financial Trends Information
These schedules present trend information to help the reader understand how the State's financial performance and fiscal health have changed over time.

		Page
Schedule A-1	Net Position by Component	220
Schedule A-2	Changes in Net Position	222
Schedule A-3	Fund Balances – Governmental Funds	226
Schedule A-4	Changes in Fund Balances – Governmental Funds	228

Revenue Capacity Information
These schedules contain information to help the reader understand the State's capacity to raise revenues and the sources of those revenues.

Schedule B-1	Revenue Base	230
Schedule B-2	Revenue Payers by Industry – Taxable Sales, Services and Use Tax Purchases	232
Schedule B-3	Revenue Payers – Personal Income Tax	232
Schedule B-4	Personal Income Tax Rates	233

Debt Capacity Information
These schedules present information to help the reader understand and assess the State's levels of outstanding debt and the State's ability to issue additional debt in the future.

Schedule C-1	Ratios of Outstanding Debt by Type	234
Schedule C-2	Long-term Debt and Other Long-Term Liabilities	236
Schedule C-3	Legal Debt Margin	238
Schedule C-4	Statutory Debt Limit	238
Schedule C-5	Pledged Revenue Bond Coverage	240

Demographic and Economic Information
These schedules contain demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.

Schedule D-1	Demographic and Economic Indicators	242
Schedule D-2	Principal Employers	243
Schedule D-3	Composition of Labor Force	244
Schedule D-4	Public Education Student Enrollment (K-12)	246
Schedule D-5	Public Higher Education Enrollment	246

Operating Information
These schedules offer operating data to help the reader understand how the information in the State's financial report relates to the services it provides and the activities it performs.

Schedule E-1	Full-Time Equivalent State Employees by Function	248
Schedule E-2	Operating Indicators by Function	250
Schedule E-3	Capital Asset Statistics by Function	252

Other Information
These graphs and schedules offer a historical view of expenditures in constant dollars.

Schedule F-1	Expenditures – Historical and Constant Dollars	254
Schedule F-2	Per Capita Expenditures – Historical and Constant Dollars	255

Sources: Unless otherwise noted, the information in the following schedules is derived from the State of Utah's Annual Comprehensive Financial Report.

Schedule A–1

Net Position by Component*

Last Ten Fiscal Years

(expressed in thousands)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
Governmental Activities					
Net Investment in Capital Assets	$ 20,829,680	$ 18,939,682	$ 18,041,509	$ 17,147,477	$ 16,827,887
Restricted [1]	8,687,475	7,020,889	5,579,823	4,953,627	4,693,165
Unrestricted [2]	6,020,128	2,946,200	1,550,994	1,847,710	1,249,827
Total Governmental Activities Net Position	35,537,283	28,906,771	25,172,326	23,948,814	22,770,879
Business-type Activities					
Net Investment in Capital Assets	54,715	44,002	41,047	32,972	29,237
Restricted [3]	2,083,669	1,904,934	2,092,141	2,286,785	2,221,712
Unrestricted [4]	1,412,814	1,465,626	1,334,431	1,319,130	1,287,673
Total Business-type Activities Net Position	3,551,198	3,414,562	3,467,619	3,638,887	3,538,622
Primary Government					
Net Investment in Capital Assets	20,884,395	18,983,684	18,082,556	17,180,449	16,857,124
Restricted	10,771,144	8,925,823	7,671,964	7,240,412	6,914,877
Unrestricted	7,432,942	4,411,826	2,885,425	3,166,840	2,537,500
Total Primary Government Net Position	$ 39,088,481	$ 32,321,333	$ 28,639,945	$ 27,587,701	$ 26,309,501

Continues

*This schedule is presented using the accrual basis of accounting.

[1] In fiscal year 2013, restricted net position increased due to slightly higher revenues from a strengthening economy. In fiscal year 2014 to 2017, restricted net position increased primarily due to an increase in investment values because of general market conditions. In fiscal year 2015, higher tax revenues also contributed to the increase in restricted net position. In fiscal year 2017, unspent restricted revenue as a result of a gas tax increase also contributed to the increase in restricted net position. In fiscal year 2018, restricted net position increased due to higher tax revenues from continued growth in the economy, an increase in unspent bond proceeds for transportation and capital projects, and an increase in investment values because of general market conditions. In fiscal year 2019, restricted net position increased due to an increase in investment values because of general market conditions and higher tax revenues from continued growth in the economy. Recent federal tax changes also caused a temporary surge in corporate tax revenues as corporations repatriated foreign corporate earnings. In fiscal year 2020 to 2022, restricted net position increased primarily due to overall higher individual income taxes and revenues generated from land use and gains on sale of trust lands.

[2] In fiscal year 2014, governmental activities' unrestricted net position increased due to an increase in carry-forward balances. In fiscal year 2015, unrestricted net position decreased due to the implementation of Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions* that required the measurement and recognition of the State's net pension liability. In fiscal year 2017, unrestricted net position decreased primarily due to a decrease in amounts unspent and carried forward in the General Fund and for transportation and capital projects. In fiscal years 2018 to 2019, unrestricted net position increased due to an increase in amounts unspent and carried forward in the General Fund and for transportation and capital related projects. In fiscal year 2020, unrestricted net position decreased due to an increase in expenditures that utilized unrestricted net position for transportation projects and capital projects. In fiscal year 2021 and 2022, unrestricted net position in governmental activities increased primarily due to an increase in the amount unspent and carried forward in the General Fund.

[3] From fiscal year 2011 to 2019, restricted net position has continued to steadily increase due to unemployment revenues exceeding related claims. In fiscal year 2020 and 2021, restricted net position decreased due to reduced contributions to unemployment compensation and with a large increases in benefit claims as a result of economic conditions previously triggered by the COVID-19 pandemic, as well as reductions in the Student Assistance Programs. In fiscal year 2022, restricted net position increased due to unemployment revenues exceeding related claims.

[4] In fiscal years 2013 to 2014, business-type activities' unrestricted net position increased primarily due to the State providing additional capital to the loan funds from mineral lease revenue and dedicated sales tax revenues. In fiscal years 2017 to 2021,business-type activities' unrestricted net position increased primarily due to the State providing additional capital to the loan funds from dedicated sales tax revenues. Fiscal year 2021 also experienced an increase due to a revenue bond defeasement by the Student Loan Programs. In fiscal year 2022, business-type activities' unrestricted net position decreased due to loan sales and transfers of portfolio liquidation processed to the Utah Board of Higher Education, a discrete component unit.

Schedule A–1
Net Position by Component* - continued
Last Ten Fiscal Years
(expressed in thousands)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
Governmental Activities					
Net Investment in Capital Assets	$ 16,370,572	$ 15,478,397	$ 14,789,631	$ 14,025,472	$ 13,481,005
Restricted [1]	4,251,152	3,864,294	3,877,468	3,600,039	3,120,501
Unrestricted [2]	819,880	1,011,204	888,526	1,496,537	1,305,793
Total Governmental Activities Net Position	21,441,604	20,353,895	19,555,625	19,122,048	17,907,299
Business-type Activities					
Net Investment in Capital Assets	19,440	20,384	16,740	14,198	14,012
Restricted [3]	2,110,776	2,065,552	1,975,859	1,734,512	1,616,819
Unrestricted [4]	1,228,915	1,169,162	1,157,416	1,231,623	1,094,041
Total Business-type Activities Net Position	3,359,131	3,255,098	3,150,015	2,980,333	2,724,872
Primary Government					
Net Investment in Capital Assets	16,390,012	15,498,781	14,806,371	14,039,670	13,495,017
Restricted	6,361,928	5,929,846	5,853,327	5,334,551	4,737,320
Unrestricted	2,048,795	2,180,366	2,045,942	2,728,160	2,399,834
Total Primary Government Net Position	$ 24,800,735	$ 23,608,993	$ 22,705,640	$ 22,102,381	$ 20,632,171

Schedule A–2
Changes in Net Position*
Last Ten Fiscal Years
(expressed in thousands)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
GOVERNMENTAL ACTIVITIES					
Expenses					
General Government	$ 1,192,448	$ 1,284,195	$ 682,799	$ 576,183	$ 503,430
Human Services and Juvenile Justice Services	1,049,810	995,914	987,683	932,553	854,614
Corrections	325,273	313,584	339,380	340,123	314,701
Public Safety	428,758	361,004	314,582	363,510	307,121
Courts	146,490	153,986	172,154	165,833	162,049
Health and Environmental Quality [1]	4,701,394	4,007,254	3,410,176	2,979,063	2,807,215
Higher Education	1,575,526	1,561,004	1,312,020	1,339,338	1,318,207
Employment and Family Services	1,356,482	1,063,022	781,075	769,277	753,205
Natural Resources	293,246	264,901	279,871	264,093	238,545
Cultural and Community Engagement [2]	57,187	67,086	42,670	31,928	30,279
Business, Labor, and Agriculture	127,807	147,102	133,129	122,449	116,964
Public Education [3]	5,236,842	4,827,043	4,422,984	4,141,443	3,981,186
Transportation [4]	1,277,249	1,368,487	1,583,608	1,288,760	970,442
Interest and Other Charges on Long-Term Debt	60,623	74,879	78,745	83,657	85,141
Total Expenses	17,829,135	16,489,461	14,540,876	13,398,210	12,443,099
Program Revenues					
Charges for Services:					
General Government	644,309	550,574	204,787	208,338	216,929
Human Services and Juvenile Justice Services	13,335	17,188	21,000	10,843	11,399
Corrections	3,642	3,573	2,229	1,960	3,199
Public Safety	93,403	60,804	81,252	78,901	73,939
Courts	58,271	52,195	49,817	54,481	52,563
Health and Environmental Quality [5]	671,530	479,732	487,658	391,072	337,171
Higher Education	—	—	—	500	—
Employment and Family Services	7,114	18,957	7,838	9,153	9,639
Natural Resources	149,939	136,753	134,642	107,817	105,790
Cultural and Community Engagement [2]	2,720	1,667	3,024	3,325	3,041
Business, Labor, and Agriculture	129,518	132,149	129,467	119,166	104,113
Public Education	92,491	55,036	61,914	75,944	79,337
Transportation	279,829	277,205	259,022	222,588	214,221
Operating Grants and Contributions [6]	6,925,662	6,993,130	4,595,460	4,162,578	4,057,460
Capital Grants and Contributions	104,400	154,058	180,207	155,265	164,278
Total Program Revenues	9,176,163	8,933,021	6,218,317	5,601,931	5,433,079
Net Program (Expense) - Governmental Activities	(8,652,972)	(7,556,440)	(8,322,559)	(7,796,279)	(7,010,020)
General Revenues and Other Changes in Net Position					
Taxes:					
Sales Tax and Use Tax [7]	4,203,297	3,567,337	3,070,713	2,804,457	2,648,552
Individual Income Tax Imposed for Education [7]	7,078,771	5,652,907	4,779,868	4,346,855	4,072,919
Corporate Tax Imposed for Education [7]	960,673	688,583	406,423	529,279	422,980
Motor and Special Fuel Taxes Imposed for Transportation	576,705	561,443	498,400	521,012	500,080
Other Taxes	535,494	439,990	425,507	398,486	398,940
American Rescue Plan Act	332,774	—	—	—	—
Investment Income (Loss)	(32,549)	26,247	44,541	60,503	34,424
Gain on Sale of Capital Assets	126,797	79,625	58,651	65,471	40,871
Miscellaneous	142,865	137,346	110,835	104,415	139,753
Special Items [11]	136,192	—	—	—	—
Transfers–Internal Activities	47,460	151,676	151,133	143,736	96,245
Prior Period Adjustments and Restatements	1,175,005	—	—	—	(15,469)
Total General Revenues and Other Changes in Net Position	15,283,484	11,305,154	9,546,071	8,974,214	8,339,295
Change in Net Position — Governmental Activities – Increase (Decrease)	6,630,512	3,748,714	1,223,512	1,177,935	1,329,275

Continues

Schedule A–2
Changes in Net Position* - continued
Last Ten Fiscal Years
(expressed in thousands)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
GOVERNMENTAL ACTIVITIES					
Expenses					
General Government	$ 476,428	$ 457,564	$ 442,340	$ 417,067	$ 406,065
Human Services and Juvenile Justice Services	818,058	765,027	718,731	690,117	671,831
Corrections	297,587	282,538	273,695	268,346	255,679
Public Safety	266,032	245,598	231,250	243,783	254,503
Courts	150,066	142,913	129,951	128,877	124,660
Health and Environmental Quality [1]	2,719,553	2,600,928	2,503,794	2,410,760	2,259,695
Higher Education	1,104,855	1,137,364	1,004,382	908,795	884,775
Employment and Family Services	760,777	710,018	724,477	693,789	786,221
Natural Resources	225,176	198,190	194,026	189,641	178,670
Cultural and Community Engagement [2]	28,874	27,048	23,207	22,447	21,147
Business, Labor, and Agriculture	106,523	112,809	100,566	105,987	99,655
Public Education [3]	3,748,684	3,554,337	3,338,653	3,202,327	3,096,089
Transportation [4]	888,854	825,923	797,392	847,752	836,488
Interest and Other Charges on Long-Term Debt	84,820	93,598	98,442	110,034	112,994
Total Expenses	11,676,287	11,153,855	10,580,906	10,239,722	9,988,472
Program Revenues					
Charges for Services:					
General Government	182,026	166,386	181,907	148,213	182,731
Human Services and Juvenile Justice Services	12,674	10,725	11,744	12,529	18,204
Corrections	4,824	3,836	5,106	5,463	4,743
Public Safety	59,581	61,395	60,528	63,831	61,543
Courts	51,645	51,868	54,615	52,390	53,900
Health and Environmental Quality [5]	315,962	325,024	313,376	289,198	268,753
Higher Education	—	—	—	—	—
Employment and Family Services	8,911	8,082	7,440	12,659	16,602
Natural Resources	101,933	90,561	88,304	91,967	85,685
Cultural and Community Engagement [2]	3,961	3,443	2,524	2,696	2,316
Business, Labor, and Agriculture	94,305	94,924	89,722	89,426	86,962
Public Education	191,968	89,269	75,123	110,564	82,676
Transportation	206,963	207,554	243,301	253,094	249,288
Operating Grants and Contributions [6]	3,994,614	3,632,735	3,717,276	3,954,581	3,802,274
Capital Grants and Contributions	132,708	87,942	114,490	100,481	114,156
Total Program Revenues	5,362,075	4,833,744	4,965,456	5,187,092	5,029,833
Net Program (Expense) - Governmental Activities	(6,314,212)	(6,320,111)	(5,615,450)	(5,052,630)	(4,958,639)
General Revenues and Other Changes in Net Position					
Taxes:					
Sales Tax and Use Tax [7]	2,402,809	2,300,368	2,206,633	2,121,518	2,090,841
Individual Income Tax Imposed for Education [7]	3,646,721	3,435,425	3,280,568	2,918,991	2,969,128
Corporate Tax Imposed for Education [7]	327,266	354,979	369,747	321,424	331,080
Motor and Special Fuel Taxes Imposed for Transportation	483,922	425,366	370,974	359,822	351,553
Other Taxes	355,075	354,800	386,228	431,901	399,788
American Rescue Plan Act	—	—	—	—	—
Investment Income	22,058	9,365	7,804	8,829	6,726
Gain on Sale of Capital Assets	54,012	27,048	28,131	20,012	30,580
Miscellaneous	106,723	82,882	94,616	40,577	46,884
Special Items [11]		—	16,288	—	—
Transfers–Internal Activities	135,338	128,148	109,028	44,305	76,231
Prior Period Adjustments and Restatements	1,207	—	1,940	—	104,669
Total General Revenues and Other Changes in Net Position	7,535,131	7,118,381	6,871,957	6,267,379	6,407,480
Change in Net Position — Governmental Activities – Increase (Decrease)	1,220,919	798,270	1,256,507	1,214,749	1,448,841

Continues

Schedule A-2
Changes in Net Position* - continued
Last Ten Fiscal Years
(expressed in thousands)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
BUSINESS-TYPE ACTIVITIES					
Expenses					
Student Assistance Programs[12]	$ 359,063	$ 77,918	$ 107,416	$ 114,087	$ 120,169
Unemployment Compensation [8]	140,358	1,115,481	1,152,794	152,359	156,121
Water Loan Programs	13,063	15,463	12,266	13,744	12,613
Community and Economic Loan Programs	36,037	18,556	5,361	2,402	4,991
Liquor Retail Sales	366,989	340,951	327,070	311,261	292,936
Other Business-type Activities	43,438	46,597	43,694	45,344	45,065
Total Expenses	958,948	1,614,966	1,648,601	639,197	631,895
Program Revenues					
Charges for Services:					
Student Assistance Programs	59,914	62,288	87,691	97,239	101,350
Unemployment Compensation	280,087	214,488	181,404	169,468	187,754
Water Loan Programs	793	1,927	3,322	729	234
Community and Economic Loan Programs	4,892	2,999	2,759	3,159	3,137
Liquor Retail Sales	501,496	466,012	449,760	430,829	407,694
Other Business-type Activities	61,476	51,494	47,928	45,891	43,991
Operating Grants and Contributions [9, 10]	162,799	783,845	755,894	33,575	44,392
Total Program Revenues	1,071,457	1,583,053	1,528,758	780,890	788,552
Net Program Revenue (Expense) — Business-type Activities	112,509	(31,913)	(119,843)	141,693	156,657
General Revenues and Other Changes in Net Position					
Taxes:					
Sales Tax and Use Tax	51,905	48,927	36,607	34,278	59,864
Investment Income [10]	12,053	50,781	62,620	68,162	56,561
Gain on Sale of Capital Assets	—	—	—	(132)	—
Miscellaneous	5,088	—	482	—	2,654
Transfers–Internal Activities	(47,460)	(151,676)	(151,133)	(143,736)	(96,245)
Capital Contributions	—	—	—	—	—
Prior Period Adjustments and Restatements	2,541	—	—	—	—
Total General Revenues and Other Changes in Net Position	24,127	(51,968)	(51,424)	(41,428)	22,834
Change in Net Position — Business-type Activities – Increase (Decrease)	136,636	(83,881)	(171,267)	100,265	179,491
Total Primary Government Change in Net Position	$ 6,767,148	$ 3,664,833	$ 1,052,245	$ 1,278,200	$ 1,508,766

Continues

*This schedule is presented using the accrual basis of accounting.

[1] Health and Environmental Quality expenditures have increased over the last ten fiscal years due to rising Medicaid program costs and COVID-19 Pandemic costs beginning at the end fiscal year 2020.

[2] In fiscal year 2013, legislative action moved the Housing and Community Development Division from Heritage and Arts to Employment and Family Services. In fiscal year 2022, legislative action renamed the Department of Heritage and Arts to the Department of Cultural and Community Engagement.

[3] Public Education expenses continue to increase for both enrollment growth and benefit-related costs for educators.

[4] In fiscal year 2022, Transportation expenses increased slightly due to an increase in the amount spent for capital outlay.

[5] In fiscal years 2020 to 2022, Health and Environmental Quality revenues have increased from 2019 due to an increase in Medicaid drug rebates and new litigation proceeds and an increase in federal funding to cover rising program costs.

[6] In fiscal years 2022, Operating Grants and Contributions decreased due to an decrease in federal funded economic relief due to the COVID-19 pandemic.

[7] In fiscal years 2013 to 2019, general tax revenues increased due to higher revenues from a strengthening economy. In fiscal year 2019, corporate tax revenues also increased due to recent federal tax changes, which created a temporary surge as corporations repatriated foreign corporate earnings. In fiscal year 2020, corporate tax revenues decreased following the temporary surge caused by repatriated foreign corporate earnings in the prior year. In fiscal year 2021, corporate tax revenue increased due to State income taxes being postponed 3 months in fiscal year 2020, affecting the timing of cash deposits. In fiscal year 2022, general taxes increased due to economic growth.

Schedule A-2
Changes in Net Position* - continued
Last Ten Fiscal Years
(expressed in thousands)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
BUSINESS-TYPE ACTIVITIES					
Expenses					
Student Assistance Programs	$ 136,037	$ 154,247	$ 111,437	$ 79,963	$ 99,379
Unemployment Compensation [8]	175,354	182,516	177,105	233,403	307,444
Water Loan Programs	15,998	14,913	18,276	13,778	12,828
Community and Economic Loan Programs	9,074	5,253	2,967	8,603	2,420
Liquor Retail Sales	277,965	260,755	242,933	225,948	213,395
Other Business-type Activities	45,612	37,849	36,720	54,983	75,361
Total Expenses	660,040	655,533	589,438	616,678	710,827
Program Revenues					
Charges for Services:					
Student Assistance Programs	108,057	123,218	88,188	59,784	63,727
Unemployment Compensation	210,907	240,709	295,851	357,059	384,114
Water Loan Programs	746	902	406	12,329	13,464
Community and Economic Loan Programs	3,393	3,208	5,562	10,051	11,152
Liquor Retail Sales	384,009	364,482	338,039	313,444	293,978
Other Business-type Activities	47,994	34,968	38,892	40,832	39,010
Operating Grants and Contributions [9, 10]	39,053	46,118	48,482	75,568	168,514
Total Program Revenues	794,159	813,605	815,420	869,067	973,959
Net Program Revenue (Expense) — Business-type Activities	134,119	158,072	225,982	252,389	263,132
General Revenues and Other Changes in Net Position					
Taxes:					
Sales Tax and Use Tax	57,528	29,841	28,384	27,304	25,891
Investment Income [10]	49,349	45,318	41,421	20,073	16,636
Gain on Sale of Capital Assets	529	—	—	—	—
Miscellaneous	—	—	—	—	425
Transfers–Internal Activities	(135,338)	(128,148)	(109,028)	(44,305)	(76,231)
Capital Contributions	37	—	—	—	—
Prior Period Adjustments and Restatements	—	—	(367)	—	(34,550)
Total General Revenues and Other Changes in Net Position	(27,895)	(52,989)	(39,590)	3,072	(67,829)
Change in Net Position — Business-type Activities – Increase (Decrease)	106,224	105,083	186,392	255,461	195,303
Total Primary Government Change in Net Position	$ 1,327,143	$ 903,353	$ 1,442,899	$ 1,470,210	$ 1,644,144

[8] In fiscal years 2013 to 2015, Unemployment Compensation expenses decreased reflecting Utah's improving economy and employment. In fiscal years 2020 and 2021, significantly more claims paid as a result of COVID-19 pandemic, and the additional benefit provided by the federal government. In fiscal year 2022, Unemployment Compensation expenses decreased due to Utah's recovering economy and improved employment condition.

[9] In fiscal years 2020 and 2021, significant increases to Operating Grants and Contributions are due to increased federal grants as a result of the COVID-19 pandemic, and the increased demand for unemployment compensation benefits. In fiscal year 2022, Operating Grants and Contributions decreased primarily due to the COVID-19 Unemployment pandemic relief ending.

[10] In fiscal year 2016, Investment Income of business-type activities was reclassified to other general revenues from operating grants and contributions. This change was made to comply with applicable governmental accounting standards. Prior years have been restated.

[11] In fiscal year 2015, the Comprehensive Health Insurance Pool (discrete component unit) was dissolved and the remaining cash balance was transferred to the State's general fund. In fiscal year 2022, special item revenue represented the State's portion of the National Opioid Settlement.

[12] In fiscal year 2022, Student Assistance Program expenses increased due to the transfers of funding to the Utah Board of Higher Education, a discrete component unit, as the Programs begin to liquidate.

Schedule A–3
Fund Balances — Governmental Funds*
Last Ten Fiscal Years
(expressed in thousands)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
General Fund					
Nonspendable:					
Long-term Portion of Interfund Loans Receivable	$ 5,703	$ 6,272	$ 9,388	$ 12,063	$ 14,950
Prepaid Items [1]	38,683	209,933	183,074	7,625	2,463
Inventories [1]	48,212	43,823	27,564	421	721
Restricted [2]	117,384	85,032	69,366	43,241	38,978
Committed [3]	1,692,944	1,181,796	855,925	835,171	675,228
Assigned [4]	1,359,364	607,794	294,255	339,999	314,910
Unassigned	130,243	109,774	14,456	—	7,966
Total General Fund	3,392,533	2,244,424	1,454,028	1,238,520	1,055,216
All Other Governmental Funds					
Nonspendable:					
Prepaid Items	$ 824	$ 569	$ 528	$ 437	$ 874
Inventories	14,796	13,058	13,093	12,769	12,959
Permanent Fund Principal [5]	2,074,233	1,932,765	1,841,255	1,785,184	1,707,449
Restricted [6]	5,363,334	4,624,040	4,045,256	2,733,925	2,731,594
Committed [7]	2,340,705	1,255,703	874,589	999,561	876,576
Assigned [8]	720,884	301,469	205,129	546,447	235,974
Total All Other Governmental Funds	10,514,776	8,127,604	6,979,850	6,078,323	5,565,426
Total Fund Balances — Governmental Funds	$13,907,309	$10,372,028	$ 8,433,878	$ 7,316,843	$ 6,620,642

Continues

*This schedule is presented using the modified accrual basis of accounting.

[1] Nonspendable fund balance within the General Fund as to prepaid items varies from year to year due to the timing of yearend payments. The long-term portion of interfund loans receivable with Internal Service Funds varies from year to year based on changes in loan balances and projections for repayments for the next year. In fiscal year 2022, prepaid items decreased and the remainder of the balance was due to special relief funding for eligible expenditures distributed to state and local governments in response to the COVID-19 pandemic. Inventories increased due to the acquisition of personal protective equipment in response to the pandemic.

[2] In fiscal year 2021 and 2022, restricted fund balance within the General Fund increased as a result if an increase in revenues set aside for specific purposes due to constraints that are imposed externally or by law.

[3] In fiscal years 2021 and 2022, the committed fund balance within the General Fund increased due to an increase in monies set aside for specific purposes.

[4] In fiscal year 2021 and 2022, the assigned fund balance increased due to increase in future year general fund appropriations.

[5] In fiscal years 2013 to 2017, the nonspendable fund balance within other governmental funds increased primarily due to a change in investment values as a result of the rebounding and then prospering economy. In fiscal year 2018, the nonspendable balance decreased due to the reclassification of a portion of the fund balance within the Permanent Fund to restricted fund balance. This reclassification was the result of a constitutional amendment that implemented a new spending plan to allow the distribution of Permanent Fund earnings.

[6] In fiscal year 2017, the restricted fund balance within other governmental funds increased primarily due to an increase in the unspent balance of restricted resources within the Transportation Fund as the result of an increase in the motor and special fuels tax and also higher fuel consumption. In fiscal year 2018, the increase within other governmental funds was primarily due to the reclassification of a portion of the Permanent Fund, as explained in note 5 above. The balance of the increase was due to an increase in the unspent balance of restricted resources within the Education Fund as a result of growth in the individual and corporate income tax and increases within the Capital Projects and Transportation Investment Funds due to unspent bond proceeds. In fiscal year 2020, the increase is primarily due to unspent bond proceeds in the Capital Projects and Transportation Investment Funds. The Education Fund restricted balance contributed the balance of the increase due to unspent restricted resources as a result of growth in individual income tax. In fiscal year 2021, the growth in Education Fund restricted balance was due to an increase in individual income tax. In fiscal year 2022, the increase in the Education Fund was due to growth in income taxes, netting with decreases in fund balance of Trust Lands and Nonmajor Funds.

Schedule A–3

Fund Balances — Governmental Funds* - continued

Last Ten Fiscal Years

(expressed in thousands)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
General Fund					
Nonspendable:					
Long-term Portion of Interfund Loans Receivable	$ 18,927	$ 26,747	$ 26,996	$ 38,832	$ 44,360
Prepaid Items [1]	14,475	106,745	96,939	73,033	67,790
Inventories [1]	687	434	662	926	800
Restricted [2]	33,516	38,124	34,278	40,898	41,931
Committed [3]	559,791	546,782	496,758	507,380	496,795
Assigned [4]	194,174	132,126	255,841	197,842	224,452
Unassigned	9,585	7,196	—	7,224	—
Total General Fund	831,155	858,154	911,474	866,135	876,128
All Other Governmental Funds					
Nonspendable:					
Prepaid Items	$ —	$ —	$ —	$ —	$ —
Inventories	13,905	13,990	13,605	14,018	11,980
Permanent Fund Principal [5]	2,504,560	2,267,538	2,244,902	2,089,334	1,690,261
Restricted [6]	1,308,585	1,189,881	1,188,672	1,160,581	1,094,754
Committed [7]	686,583	758,530	843,483	865,786	698,264
Assigned [8]	305,065	347,321	163,194	128,631	63,586
Total All Other Governmental Funds	4,818,698	4,577,260	4,453,856	4,258,350	3,558,845
Total Fund Balances — Governmental Funds	$ 5,649,853	$ 5,435,414	$ 5,365,330	$ 5,124,485	$ 4,434,973

[7] In fiscal years 2013 to 2014, the committed fund balance within other governmental funds increased as a result of sales and use tax diversions for transportation projects. In fiscal years 2016 and 2017, the committed fund balance decreased as expenditures increased for transportation projects utilizing sales and use tax revenue. In fiscal year 2018, the committed fund balance increased due to growth in sales and use tax revenue allocated for transportation projects. In fiscal year 2019, the committed fund balance increased primarily due to growth in sales and use tax revenue for transportation, and also due to new sales and use tax diversions for the Medicaid and outdoor recreation grant programs. In fiscal year 2020, the decrease is due to an increase in expenditures that utilized dedicated sales and use tax revenue. In fiscal year 2021, the increase is attributed to growth in sales and use tax revenue for transportation due to improved economic conditions and improved investment performance in the state endowment fund. In fiscal year 2022, the increase is attributed to growth in sales and use tax revenue for transportation due to improved economic conditions, and unspent appropriations.

[8] The assigned fund balance within other governmental funds varies from year to year due to changes in funding provided for capital projects.

Schedule A–4
Changes in Fund Balances — Governmental Funds*
Last Ten Fiscal Years
(dollars expressed in thousands)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
Revenues					
Sales and Use Tax [1]	$ 4,201,118	$ 3,569,706	$ 3,068,002	$ 2,805,618	$ 2,646,996
Individual Income Tax [1]	6,814,382	5,451,297	4,758,082	4,336,437	4,033,320
Corporate Tax [1]	960,035	687,791	405,632	534,977	423,019
Motor and Special Fuels Tax [2]	577,407	560,763	498,402	521,199	500,049
Other Taxes [3]	535,139	439,311	425,482	398,684	399,286
Federal Contracts and Grants [4]	7,366,055	6,223,486	4,648,234	3,973,026	3,893,654
Charges for Services/Royalties	1,231,608	1,112,837	859,452	780,790	740,282
Licenses, Permits, and Fees	246,782	237,702	225,258	219,972	211,045
Federal Mineral Lease [5]	75,616	49,039	58,606	77,607	76,693
Intergovernmental	—	—	8,057	16,029	11,801
Investment Income [6]	(177,324)	756,946	(13,567)	218,077	198,082
Miscellaneous and Other [7]	762,630	646,815	560,138	433,733	448,431
Total Revenues	22,593,448	19,735,693	15,501,778	14,316,149	13,582,658
Expenditures					
General Government [8]	1,109,712	1,204,986	608,657	492,800	460,569
Human Services and Juvenile Justice Services	1,107,034	1,023,128	984,607	919,227	858,099
Corrections	377,325	341,174	337,885	328,586	317,425
Public Safety	458,918	363,518	341,668	340,210	294,693
Courts	176,715	162,466	165,465	165,369	170,233
Health and Environmental Quality [9]	4,771,546	4,048,719	3,427,211	2,997,039	2,823,947
Higher Education–State Administration [10]	114,235	182,070	125,335	96,323	78,773
Higher Education–Colleges and Universities	1,324,098	1,271,944	1,109,447	1,102,310	1,018,286
Employment and Family Services	1,385,699	1,067,848	778,046	755,613	749,620
Natural Resources [11]	297,321	274,500	272,994	251,545	231,665
Cultural and Community Engagement [12]	59,510	67,719	41,864	31,981	30,965
Business, Labor, and Agriculture	136,921	149,968	132,022	119,491	119,158
Public Education [13]	5,249,375	4,829,615	4,409,279	4,140,263	3,983,098
Transportation [14]	1,131,668	1,206,786	1,166,194	996,728	1,024,576
Capital Outlay [15]	1,117,262	1,394,526	1,286,659	847,541	778,543
Debt Service — Principal Retirement	363,067	320,546	281,801	260,949	288,051
Debt Service — Interest and Other Charges	101,560	119,504	190,114	103,417	103,866
Total Expenditures	19,281,966	18,029,017	15,659,248	13,949,392	13,331,567
Revenues Over (Under) Expenditures	3,311,482	1,706,676	(157,470)	366,757	251,091
Other Financing Sources (Uses)					
General Obligation Bonds Issued [16]	—	—	895,745	127,715	485,225
Revenue Bonds Issued	—	—	—	—	2,920
Refunding Bonds Issued	—	—	—	—	144,610
Premium on Bonds Issued	—	—	173,585	23,308	71,360
Payment to Refunded Bond Escrow Agent	—	—	—	(27,770)	(118,495)
Capital Leases/Contracts Issued	3,366	—	—	—	13,705
Sale of Capital Assets	134,358	78,690	58,756	65,331	40,277
Transfers In	4,898,297	3,408,383	1,899,963	2,581,581	1,880,116
Transfers Out	(4,859,871)	(3,259,113)	(1,753,543)	(2,440,721)	(1,784,551)
Special Item					
Comprehensive Health Insurance Pool Transfer [17]	—	—	—	—	—
Prior Period Adjustments and Restatements	—	—	—	—	(15,469)
Total Other Financing Sources (Uses)	176,150	227,960	1,274,506	329,444	719,698
Net Change in Fund Balances	$ 3,487,632	$ 1,934,636	$ 1,117,036	$ 696,201	$ 970,789
Debt Service as a Percentage of Noncapital Expenditures	2.55 %	2.63 %	3.22 %	2.74 %	3.18 %

*This schedule is presented using the modified accrual basis of accounting.

[1] In fiscal years 2013 to 2019, tax revenues increased due to a rebounding and then prospering economy. In fiscal 2019, an increase in corporate tax revenue was also due to recent federal tax changes, creating a temporary surge as corporations repatriated foreign corporate earnings. In fiscal year 2020, sales and use tax revenue is up due in part to increased consumer spending in response to the COVID-19 pandemic as a result of federal economic stimulus payments made to individuals. The increase in sales and use tax is also the result of new legislation to tax online marketplaces, effective October 2019. Individual income tax increased primarily due to accruals of income after individual income tax payments due were shifted from April 2020 to July 2020. Corporate tax is decreasing due to timing and the residual effect of the temporary surge seen in the prior year. In fiscal year 2021 and 2022, sales and use tax revenue is up due in part to increased consumer spending in response to the economic growth and recovery from the COVID-19 pandemic.

[2] In fiscal years 2016 and 2017, motor and special fuels tax increased due in part to a tax increase that became effective in mid-2016, and also as a result of higher fuel consumption. In fiscal 2019, the increase in motor and special fuels tax was due in part to a tax increase that became effective in mid-2019, and also as a result of higher fuel consumption. In fiscal year 2020, motor and special fuels tax increased due to a decrease in consumption and effects of the COVID-19 Pandemic. In fiscal years 2021 and 2022, motor and special fuels tax increased due increase in fuel rates and taxable gallons sold.

[3] In fiscal years 2020 to 2022, other taxes were up due to overall increases in beer, cigarette, tobacco tax, insurance premium tax, mine occupation tax, and other taxes.

[4] In fiscal year 2017, federal contracts and grants increased due to an increase in funding provided for the Medicaid program and highway projects. In fiscal years 2018 to 2020, the increase was the result of an increase in funding provided for the Medicaid program. The federal CARES Act provided additional funding to the state for relief assistance as a result of the COVID-19 pandemic. Additionally, the Education Fund saw increases due to the Families First Coronavirus Response Act that provided increased funds for nutrition and food distribution. The Transportation fund received additional federal grant money for road and highway construction. In fiscal year 2021 and 2022, the increase was a result of an increase in federal funding for Medicaid programs and the CARES Act. The state also received federal funding from the American Rescue Plan Act of 2021 and from the Federal Emergency Management Agency.

Schedule A–4

Changes in Fund Balances — Governmental Funds* - continued

Last Ten Fiscal Years

(dollars expressed in thousands)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
Revenues					
Sales and Use Tax [1]	$ 2,403,347	$ 2,302,886	$ 2,204,389	$ 2,121,249	$ 2,094,132
Individual Income Tax [1]	3,646,112	3,393,087	3,211,476	2,916,015	2,865,195
Corporate Tax [1]	325,701	354,615	366,543	322,748	329,726
Motor and Special Fuels Tax [2]	484,677	425,343	371,412	359,176	351,197
Other Taxes [3]	354,863	355,229	386,066	432,178	400,111
Federal Contracts and Grants [4]	3,828,715	3,573,699	3,478,563	3,463,045	3,489,515
Charges for Services/Royalties	667,665	630,300	682,288	706,125	677,119
Licenses, Permits, and Fees	203,830	199,748	194,648	188,653	185,976
Federal Mineral Lease [5]	73,787	69,245	138,635	158,193	138,122
Intergovernmental	19,273	11,264	12,620	7,211	32,704
Investment Income [6]	266,775	34,168	133,092	353,653	221,139
Miscellaneous and Other [7]	394,167	388,295	384,968	327,880	305,267
Total Revenues	12,668,912	11,737,879	11,564,700	11,356,126	11,090,203
Expenditures					
General Government [8]	409,626	412,204	386,059	374,134	362,845
Human Services and Juvenile Justice Services	804,283	766,186	723,663	692,277	669,091
Corrections	305,438	290,217	272,053	266,246	251,118
Public Safety	253,976	263,417	266,586	271,716	255,727
Courts	152,262	146,510	137,901	132,886	129,693
Health and Environmental Quality [9]	2,733,374	2,622,797	2,517,513	2,434,410	2,252,166
Higher Education–State Administration [10]	73,641	79,567	56,935	48,920	51,901
Higher Education–Colleges and Universities	981,938	915,432	875,610	781,998	735,438
Employment and Family Services	754,530	708,184	730,972	703,441	781,178
Natural Resources [11]	225,387	196,188	190,378	184,465	178,330
Cultural and Community Engagement [12]	29,335	27,826	24,041	24,231	22,428
Business, Labor, and Agriculture	107,800	111,186	101,331	105,915	99,828
Public Education [13]	3,732,813	3,556,897	3,340,290	3,202,007	3,097,161
Transportation [14]	975,662	835,111	903,700	902,788	951,277
Capital Outlay [15]	668,768	523,937	499,705	380,930	524,582
Debt Service — Principal Retirement	342,622	348,576	319,739	329,659	309,268
Debt Service — Interest and Other Charges	105,023	118,805	135,994	150,101	154,472
Total Expenditures	12,656,478	11,923,040	11,482,470	10,986,124	10,826,503
Revenues Over (Under) Expenditures	12,434	(185,161)	82,230	370,002	263,700
Other Financing Sources (Uses)					
General Obligation Bonds Issued [16]	—	—	—	226,175	33,240
Revenue Bonds Issued	—	93,625	—	—	1,900
Refunding Bonds Issued	—	—	221,765	—	22,612
Premium on Bonds Issued	—	4,405	47,562	24,656	8,346
Payment to Refunded Bond Escrow Agent	—	—	(267,870)	—	(24,358)
Capital Leases/Contracts Issued	—	5,100	—	—	2,824
Sale of Capital Assets	53,025	30,688	29,274	24,596	31,243
Transfers In	1,792,074	1,998,019	1,659,616	1,489,272	1,360,691
Transfers Out	(1,657,967)	(1,876,592)	(1,549,960)	(1,445,189)	(1,283,764)
Special Item					
Comprehensive Health Insurance Pool Transfer [17]	—	—	16,288	—	—
Prior Period Adjustments and Restatements	1,207	—	1,940	—	—
Total Other Financing Sources (Uses)	188,339	255,245	158,615	319,510	152,734
Net Change in Fund Balances	$ 200,773	$ 70,084	$ 240,845	$ 689,512	$ 416,434
Debt Service as a Percentage of Noncapital Expenditures	3.78 %	4.17 %	4.22 %	4.60 %	4.59 %

[5] In fiscal year 2022, federal mineral lease revenue increased due to higher energy prices and a increase in production.

[6] Significant changes in investment income from year to year are due to the change in the fair value of investments as a result of general market conditions.

[7] In fiscal year 2022, an increase to miscellaneous and other revenues is due to an increase in unclaimed property transfer and local property tax recapture, medicaid rebates, and capital project funding.

[8] In fiscal year 2022, general government expenditures decreased compared fiscal year 2021 due to additional COVID-19 program spending in fiscal year 2021.

[9] Expenditures for health and environmental quality have increased over the last ten fiscal years due to rising and expanded Medicaid program costs.

[10] Higher education–state administration fiscal year 2022 expenditures decreased compared fiscal year 2021 due to additional COVID-19 program spending in fiscal year 2021.

[11] Expenditures increased for natural resources due to an increase construction and maintenance expenses for Parks, Wildlife, and Forestry.

[12] In fiscal year 2013, legislative action transferred the Housing and Community Development Division from Heritage and Arts to Employment and Family Services. In fiscal year 2022, Legislative action renamed the Department of Heritage and Arts to the Department of Cultural and Community Engagement.

[13] Public education expenditures continue to increase for both enrollment growth and benefit-related costs for educators.

[14] Expenditures for transportation vary from year to year due to the timing of highway construction projects.

[15] Expenditures for capital outlay vary from year to year due to changes in funding from bond proceeds or state appropriations provided for buildings, highways, and other projects.

[16] Expenditures for debt service decreased due to decreasing long term debts, as explained in Note 10.

[17] In fiscal year 2015, the Comprehensive Health Insurance Pool (nonmajor discrete component unit) was dissolved and the remaining cash balance was transferred to the State's General Fund.

Schedule B–1
Revenue Base
Last Ten Calendar Years
(dollars expressed in thousands)

	Calendar Year				
	2021	**2020**	**2019**	**2018**	**2017**
Taxable Sales, Services, and Use Tax Purchases [1]					
Agriculture, Forestry, and Fishing	$ 40,881	$ 36,411	$ 22,535	$ 20,664	$ 19,438
Mining	350,208	231,015	320,753	562,722	555,332
Construction	1,513,228	1,281,216	1,147,119	1,048,607	930,707
Manufacturing	4,152,264	3,389,590	2,942,959	2,692,334	2,500,510
Transportation	180,482	147,661	150,515	165,418	150,783
Communications and Utilities	5,365,479	4,862,836	4,797,280	4,554,313	4,575,019
Wholesale Trade	7,990,132	6,331,798	5,774,636	5,420,375	4,922,340
Retail	51,976,015	44,323,114	38,154,835	34,806,178	33,029,982
Finance, Insurance, and Real Estate	2,495,014	2,107,424	2,171,717	1,835,800	1,715,813
Services	14,884,632	11,155,388	12,239,990	11,229,829	10,636,808
Public Administration	306,885	278,380	272,759	275,969	265,678
Prior Period Payments and Refunds	850,000	585,873	928,042	2,370,315	1,729,282
Total Taxable Sales, Services and Use Tax Purchases	$ 90,105,220	$ 74,730,706	$ 68,923,140	$ 64,982,524	$ 61,031,692
State Sales Tax Rate	4.85 %	4.85 %	4.85 %	4.70 %	4.70 %
Personal Income by Industry					
Federal Civilian	$ 4,310,633	$ 4,154,092	$ 3,913,587	$ 3,755,880	$ 3,640,850
Federal Military	980,001	929,445	882,696	807,528	754,588
State and Local Government	14,944,234	13,868,093	13,270,480	12,670,392	12,023,320
Forestry, Fishing, and Related Activities	110,151	111,891	99,777	93,312	81,560
Mining	1,446,946	952,304	983,443	917,021	728,766
Utilities	1,684,115	1,248,804	1,204,996	962,616	734,147
Construction	12,018,858	10,902,966	9,801,500	8,847,094	8,126,268
Manufacturing	12,657,653	11,272,173	10,837,710	10,251,192	9,839,547
Wholesale Trade	6,047,750	5,522,614	5,216,033	4,998,104	4,772,174
Retail Trade	10,085,319	9,058,716	8,387,261	8,090,145	7,659,363
Transportation and Warehousing	5,323,967	5,146,101	4,943,933	4,515,650	4,219,443
Information	5,386,442	4,502,472	4,118,870	3,763,888	3,508,693
Financial, Insurance, Real Estate, Rental, and Leasing	12,806,081	12,661,680	11,409,294	10,540,492	9,683,027
Services	47,007,607	42,381,551	40,946,697	37,687,654	34,897,156
Farm Earnings	432,762	691,575	423,694	393,503	334,015
Other [2]	51,748,008	46,251,871	40,895,078	39,946,150	35,540,769
Total Personal Income	$ 186,990,527	$ 169,656,348	$ 157,335,049	$ 148,240,621	$ 136,543,686
Highest Income Tax Rate	4.85 %	4.95 %	4.95 %	4.95 %	5.00 %

Sources: Taxable Sales, Services, and Use Tax Purchases – Utah State Tax Commission; Personal Income by Industry – U.S. Department of Commerce, Bureau of Economic Analysis and the Utah Department of Workforce Services. Prior year information has been updated with the most recent data available.

[1] Taxable Sales, Services, and Use Tax Purchases utilize *American Industrial Classification* codes.

[2] Other personal income includes dividends, interest, rents, residence adjustment, government transfers to individuals, and deduction for social insurance contributions.

Schedule B–1
Revenue Base - continued
Last Ten Calendar Years
(dollars expressed in thousands)

	Calendar Year				
	2016	**2015**	**2014**	**2013**	**2012**
Taxable Sales, Services, and Use Tax Purchases [1]					
Agriculture, Forestry, and Fishing	$ 16,790	$ 15,400	$ 16,721	$ 15,083	$ 13,880
Mining	473,021	606,129	842,837	850,275	961,570
Construction	793,332	719,199	718,877	686,116	749,572
Manufacturing	2,334,180	2,394,889	2,439,019	2,251,708	2,283,863
Transportation	129,326	119,530	116,776	151,582	123,695
Communications and Utilities	4,603,701	4,640,315	4,764,084	4,609,452	4,515,800
Wholesale Trade	4,508,459	4,544,672	4,564,362	4,397,645	4,647,539
Retail	30,458,131	28,847,726	27,160,751	25,848,614	24,351,361
Finance, Insurance, and Real Estate	1,562,251	1,518,729	1,441,941	1,378,991	1,327,864
Services	10,058,980	9,383,910	8,696,364	8,108,526	7,670,035
Public Administration	256,124	254,337	262,250	250,212	245,093
Prior Period Payments and Refunds	1,308,139	888,441	685,181	855,842	640,908
Total Taxable Sales, Services and Use Tax Purchases	$ 56,502,434	$ 53,933,277	$ 51,709,163	$ 49,404,046	$ 47,531,180
State Sales Tax Rate	4.70 %	4.70 %	4.70 %	4.70 %	4.70 %
Personal Income by Industry					
Federal Civilian	$ 3,503,288	$ 3,362,932	$ 3,226,299	$ 3,127,049	$ 3,201,034
Federal Military	745,003	715,450	732,507	758,348	782,075
State and Local Government	11,377,417	11,214,437	10,932,387	10,438,482	10,479,690
Forestry, Fishing, and Related Activities	79,894	73,334	71,162	79,070	69,036
Mining	677,740	919,572	1,055,022	1,488,131	1,451,372
Utilities	581,721	559,871	518,729	509,579	510,476
Construction	7,497,605	6,757,362	6,139,119	5,749,752	5,310,328
Manufacturing	9,335,841	9,074,439	8,607,123	8,372,774	8,079,603
Wholesale Trade	4,433,918	4,457,942	4,019,735	3,920,138	3,778,828
Retail Trade	7,462,318	7,036,881	6,688,936	6,245,965	5,817,378
Transportation and Warehousing	4,055,241	3,664,221	3,319,368	3,148,136	2,983,157
Information	3,308,820	2,939,164	2,729,627	2,527,863	2,426,304
Financial, Insurance, Real Estate, Rental, and Leasing	9,169,397	7,951,465	7,068,780	7,101,517	6,281,226
Services	32,839,863	30,551,475	28,810,801	27,872,193	26,044,184
Farm Earnings	338,436	465,109	509,130	510,235	231,074
Other [2]	33,000,523	28,980,981	26,415,095	24,223,342	23,716,925
Total Personal Income	$ 128,407,025	$ 118,724,635	$ 110,843,820	$ 106,072,574	$ 101,162,690
Highest Income Tax Rate	5.00 %	5.00 %	5.00 %	5.00 %	5.00 %

Sources: Taxable Sales, Services, and Use Tax Purchases – Utah State Tax Commission; Personal Income by Industry – U.S. Department of Commerce, Bureau of Economic Analysis and the Utah Department of Workforce Services. Prior year information has been updated with the most recent data available.

[1] Taxable Sales, Services, and Use Tax Purchases utilize *American Industrial Classification* codes.

[2] Other personal income includes dividends, interest, rents, residence adjustment, government transfers to individuals, and deduction for social insurance contributions.

Schedule B–2

Revenue Payers by Industry – Taxable Sales, Services, and Use Tax Purchases

Most Current Calendar Year and Historical Comparison

(dollars expressed in thousands)

	Calendar Year 2012		Calendar Year 2021	
	Taxable Sales and Purchases	**Percent of Total**	**Taxable Sales and Purchases**	**Percent of Total**
Agriculture, Forestry, and Fishing	$ 13,880	0.03 %	$ 40,881	0.05 %
Mining	961,570	2.02 %	350,208	0.39 %
Construction	749,572	1.58 %	1,513,228	1.68 %
Manufacturing	2,283,863	4.80 %	4,152,264	4.61 %
Transportation	123,695	0.26 %	180,482	0.20 %
Communications and Utilities	4,515,800	9.50 %	5,365,479	5.95 %
Wholesale Trade	4,647,539	9.78 %	7,990,132	8.87 %
Retail	24,351,361	51.23 %	51,976,015	57.68 %
Finance, Insurance, and Real Estate	1,327,864	2.79 %	2,495,014	2.77 %
Services	7,670,035	16.14 %	14,884,632	16.52 %
Public Administration	245,093	0.52 %	306,885	0.34 %
Prior Period Payments, Refunds	640,908	1.35 %	850,000	0.94 %
Total Taxable Sales, Services, and Use Tax Purchases	$ 47,531,180	100.00 %	$ 90,105,220	100.00 %
State Sales Tax Rates	4.70 % except 2.00 % for Communications and Utilities		4.85 % except 2.00 % for Communications and Utilities	

Source: Utah State Tax Commission.

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

Schedule B–3

Revenue Payers – Personal Income Tax

Most Current Calendar Year and Historical Comparison

(dollars expressed in thousands)

	Calendar Year 2011				Calendar Year 2020			
	Number of Filers	**Percent of Total** [1]	**Tax Liability**	**Percent of Total** [1]	**Number of Filers**	**Percent of Total**	**Tax Liability**	**Percent of Total**
Adjusted Gross Income Class								
$10,000 and under	165,656	15.72 %	$ 464	0.02 %	187,309	13.82 %	$ 288	0.01 %
$10,001–20,000	159,086	15.10 %	20,718	0.97 %	152,039	11.22 %	7,760	0.18 %
$20,001–30,000	138,212	13.12 %	58,536	2.74 %	142,616	10.53 %	58,013	1.32 %
$30,001–40,000	108,798	10.33 %	93,044	4.36 %	136,354	10.06 %	120,921	2.74 %
$40,001–50,000	87,164	8.27 %	117,237	5.50 %	109,025	8.05 %	152,662	3.46 %
$50,001–75,000	162,917	15.46 %	359,997	16.88 %	204,840	15.12 %	471,345	10.69 %
$75,001–100,000	102,995	9.78 %	355,859	16.68 %	141,633	10.45 %	503,858	11.43 %
$100,001–250,000	112,756	10.70 %	697,920	32.72 %	235,929	17.41 %	1,588,860	36.04 %
Over $250,000	15,884	1.51 %	429,424	20.13 %	45,201	3.34 %	1,504,848	34.13 %
Total	1,053,468	100.00 %	$ 2,133,199	100.00 %	1,354,946	100.00 %	$ 4,408,555	100.00 %

Source: Utah State Tax Commission, for full-year residents only.

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue. The most current period available for personal income tax information is calendar year 2020.

[1] As presented in the 2013 ACFR, the following figures were rounded to the tenth percent, however for comparability we have displayed to hundredth percent.

Schedule B–4
Personal Income Tax Rates
Last Ten Calendar Years

	Calendar Year	
	2018 to 2021	**2011 to 2017**
	Single and Married Filing Separately	
Tax Rate	4.95 %	5.00 %
	Married Filing Joint, Head of Household, and Qualifying Widow(er)	
Tax Rate	4.95 %	5.00 %

Source: Utah State Tax Commission.

Note: The Utah State Legislature can raise the income tax rates by legislation, no vote of the populace is required; *Utah Constitution*, Article XIII, Section 5.

Schedule C–1
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars expressed in millions)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
Governmental Activities					
General Obligation Bonds	$ 2,314	$ 2,706	$ 3,061	$ 2,374	$ 2,498
State Building Ownership Authority Lease Revenue Bonds	163	177	191	205	244
Leases [6]	192	26	28	31	33
Contracts/Notes Payable [6]	4	—	—	—	—
Total Governmental Activities	2,673	2,909	3,280	2,610	2,775
Business-type Activities					
Student Assistance Revenue Bonds [1, 4, 5]	—	931	1,069	1,254	1,495
State Building Ownership Authority Lease Revenue Bonds	126	84	91	77	83
Leases [6]	17	—	—	—	—
Water Loan Recapitalization Revenue Bonds	7	13	20	26	31
Contracts/Notes Payable [1, 4]	—	—	—	1	1
Total Business-type Activities	150	1,028	1,180	1,358	1,610
Total Primary Government	$ 2,823	$ 3,937	$ 4,460	$ 3,968	$ 4,385
Debt as a Percentage of Personal Income [2]	1.44 %	2.20 %	2.61 %	2.53 %	2.96 %
Amount of Debt Per Capita (expressed in dollars) [2]	$ 830	$ 1,183	$ 1,320	$ 1,237	$ 1,390
Net General Obligation Bonded Debt					
General Obligation Bonds	$ 2,314	$ 2,706	$ 3,061	$ 2,374	$ 2,498
Net General Obligation Bonded Debt as a Percentage of Taxable Property Value [3]	0.59 %	0.76 %	0.80 %	0.92 %	0.92 %
Amount of Net General Obligation Bonded Debt Per Capita (expressed in dollars) [2]	$ 681	$ 813	$ 932	$ 734	$ 784

Sources: Utah Department of Government Operations, Division of Finance; Utah State Tax Commission – Property Tax; and Utah Governor's Office of Planning and Budget – Demographics.

Note: Net general obligation and revenue bonded debt includes principal, premiums, discounts, and deferred amount on refundings of bonded debt for years prior to 2014. Beginning in 2014, deferred amounts on refunding of bonded debt was no longer reported as part of long-term liabilities, but as Deferred Outflows or Inflows of Resources per the implementation of Governmental Accounting Standards Board (GASB) Statement 65, *Items Previously Reported as Assets and Liabilities*.

[1] During 2015 the Student Assistance Programs issued a line of credit to acquire federally guaranteed student loans. In 2017, the Student Assistance Programs issued additional bonds to retire its line of credit issued in 2015 related to acquiring federally guaranteed student loans.

[2] Ratios are calculated using personal income and population data. See Schedule D–1 for personal income and population data. During 2010 to 2012, the State issued just under $1 billion in General Obligation bonds to take advantage of historically low interest rates and ease budget constraints for highway and building construction projects.

[3] The percentage of Net General Obligation Bonded Debt based upon taxable property value is presented for comparative purposes. The State does not presently levy ad valorem property taxes for General Obligation Bonded Debt, but is authorized to do so in accordance with Title 59, Chapter 2, Part 901 of the *Utah Code*. See Schedule C–3 for taxable property value.

[4] During 2020, the Student Assistance Programs issued a line of credit to retire outstanding revenue bonds and purchase governmental obligation for the purpose of redeeming the Series 2010 EE bonds. In 2020, the Student Assistance Programs issued additional bonds to retire its line of credit issued in 2020.

[5] During 2022, all Student Assistance Programs bonds were redeemed upon the sale of the related student loans. Additionally, funds in the amount of $517 thousand were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the outstanding bond issuance under the State Board of Regents Revenue Refunding Bonds Indenture dated May 1, 2012. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements.

[6] Balances increased during fiscal year 2022, due to the implementation of GASB Statement 87, *Leases*. See Note 2 for more information.

Schedule C–1
Ratios of Outstanding Debt by Type - continued
Last Ten Fiscal Years
(dollars expressed in millions)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
Governmental Activities					
General Obligation Bonds	$ 2,235	$ 2,585	$ 2,950	$ 3,271	$ 3,361
State Building Ownership Authority Lease Revenue Bonds	230	249	170	187	200
Leases	22	23	20	22	23
Contracts/Notes Payable	—	—	—	6	10
Total Governmental Activities	2,487	2,857	3,140	3,486	3,594
Business-type Activities					
Student Assistance Revenue Bonds [1, 4, 5]	1,812	1,255	1,511	1,284	1,274
State Building Ownership Authority Lease Revenue Bonds	73	79	80	81	85
Leases	—	—	—	—	—
Water Loan Recapitalization Revenue Bonds	37	42	47	52	58
Contracts/Notes Payable [1, 4]	—	922	1,152	—	—
Total Business-type Activities	1,922	2,298	2,790	1,417	1,417
Total Primary Government	$ 4,409	$ 5,155	$ 5,930	$ 4,903	$ 5,011
Debt as a Percentage of Personal Income [2]	3.23 %	4.01 %	5.04 %	4.42 %	4.78 %
Amount of Debt Per Capita (expressed in dollars) [2]	$ 1,421	$ 1,693	$ 1,979	$ 1,665	$ 1,727
Net General Obligation Bonded Debt					
General Obligation Bonds	$ 2,235	$ 2,585	$ 2,950	$ 3,271	$ 3,361
Net General Obligation Bonded Debt as a Percentage of Taxable Property Value [3]	0.89 %	1.10 %	1.33 %	1.58 %	1.67 %
Amount of Net General Obligation Bonded Debt Per Capita (expressed in dollars) [2]	$ 721	$ 849	$ 985	$ 1,111	$ 1,159

Schedule C–2

Long-term Debt and Other Long-term Liabilities

Last Ten Fiscal Years

(expressed in thousands)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
Governmental Activities					
General Obligation Bonds	$ 2,049,115	$ 2,397,925	$ 2,704,640	$ 2,155,675	$ 2,396,875
General Obligation Bonds - Direct Placement [1]	113,600	115,000	116,300	117,600	—
State Building Ownership Authority Lease Revenue Bonds	151,864	159,261	166,693	174,076	237,426
SBOA Lease Revenue Bonds - Direct Placement [1]	10,525	15,985	21,105	25,910	—
Net Unamortized Premiums	152,374	195,167	243,120	106,066	108,115
Deferred Amount on Refundings [2]	—	—	—	—	—
Leases [1]	192,038	23,372	25,849	28,203	33,132
Capital Leases	—	2,252	2,531	2,803	—
Notes Payable [1]	3,794	134	183	227	268
Compensated Absences [3]	231,060	217,280	210,811	211,138	184,505
Claims Liability	66,886	87,317	73,622	63,558	57,330
Pollution Remediation Obligation	5,183	10,639	5,308	5,324	5,366
Settlement Obligations	461	768	1,113	227	273
Net Pension Liability [6]	927	405,970	719,708	1,140,766	763,753
Net Other Post Employment Benefit Obligation [7]		—	—	—	—
Net Other Post Employment Benefit Liability [7]	2,012	608	18,410	68,335	99,058
Arbitrage Liability	—	198	418	544	—
Total Governmental Activities	2,979,839	3,631,876	4,309,811	4,100,452	3,886,101
Business-type Activities					
Student Assistance Revenue Bonds [4, 8, 9]	—	940,447	1,081,161	1,265,880	1,506,965
State Building Ownership Authority Lease Revenue Bonds	114,916	79,109	85,612	72,549	77,704
Water Loan Recapitalization Revenue Bonds	6,830	13,345	19,565	25,520	31,225
Net Unamortized Premiums/(Discounts)	10,711	(4,610)	(6,811)	(8,000)	(6,418)
Deferred Amount on Refundings [2]	—	—	—	—	—
Leases [1]	16,510	—	—	—	—
Notes Payable [1]	—	—	—	618	635
Claims and Uninsured Liabilities	246,992	257,864	79,789	3,279	4,365
Net Pension Liability [6]	—	5,447	11,064	19,065	12,038
Net Other Post Employment Benefit Liability [7]	—	—	350	1,108	1,564
Total Business-type Activities	395,959	1,291,602	1,270,730	1,380,019	1,628,078
Total Primary Government Other Long-term Liabilities	$ 3,375,798	$ 4,923,478	$ 5,580,541	$ 5,480,471	$ 5,514,179

Note: Details regarding the liabilities listed above can be found in Note 10. Long-term Liabilities in the financial statements.

[1] Balances increased during fiscal year 2022, due to the implementation of GASB Statement 87, *Leases*. See Note 2 for more information.

[2] Beginning in 2014, deferred amount on refundings are no longer reported in the financial statements as part of other long-term liabilities under Governmental and Business-type Activities. This obligation is now being reported as Deferred Outflows or Inflows of Resources per the implementation of Governmental Accounting Standards Board (GASB) Statement 65, *Items Previously Reported as Assets and Liabilities*.

[3] During 2019, a new actuary valuation was performed for GASB Statement 16, *Accounting for Compensated Absences* and as a result the total liability increased.

[4] In 2017, the Student Assistance Programs issued additional bonds to retire its line of credit issued in 2015 related to acquiring federally guaranteed student loans.

[5] In 2015, the Student Assistance Programs issued a line of credit to acquire federally guaranteed student loans.

Schedule C–2

Long-term Debt and Other Long-term Liabilities - continued

Last Ten Fiscal Years

(expressed in thousands)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
Governmental Activities					
General Obligation Bonds	$ 2,173,985	$ 2,498,895	$ 2,830,150	$ 3,136,755	$ 3,225,435
General Obligation Bonds - Direct Placement [1]	—	—	—	—	—
State Building Ownership Authority Lease Revenue Bonds	225,163	242,976	166,773	183,590	198,485
SBOA Lease Revenue Bonds - Direct Placement [1]	—	—	—	—	—
Net Unamortized Premiums	66,423	92,827	122,321	138,187	159,882
Deferred Amount on Refundings [2]	—	—	—	—	(22,546)
Leases	21,616	23,498	20,287	21,794	23,213
Capital Leases	—	—	—	—	—
Notes Payable	305	339	370	5,983	9,758
Compensated Absences [3]	181,557	182,707	185,792	184,679	185,711
Claims Liability	53,645	48,092	46,931	48,585	48,190
Pollution Remediation Obligation	5,891	6,401	5,086	5,327	6,222
Settlement Obligations	319	365	4,471	6,928	25,020
Net Pension Liability [6]	1,031,449	992,495	802,543	—	—
Net Other Post Employment Benefit Obligation [7]	—	3,848	4,126	4,331	5,206
Net Other Post Employment Benefit Liability [7]	109,618	—	—	—	—
Arbitrage Liability	—	—	—	—	—
Total Governmental Activities	3,869,971	4,092,443	4,188,850	3,736,159	3,864,576
Business-type Activities					
Student Assistance Revenue Bonds [4, 8, 9]	1,822,807	1,256,026	1,509,543	1,277,837	1,240,407
State Building Ownership Authority Lease Revenue Bonds	67,438	72,674	73,207	79,106	83,795
Water Loan Recapitalization Revenue Bonds	36,680	41,915	46,940	51,800	56,545
Net Unamortized Premiums/(Discounts)	(5,437)	5,434	8,696	9,110	13,143
Deferred Amount on Refundings [2]	—	—	—	—	23,413
Leases	—	—	—	—	—
Notes Payable [5]	—	921,995	1,152,207	—	—
Claims and Uninsured Liabilities	4,810	5,726	7,587	9,283	18,694
Net Pension Liability [6]	17,468	17,845	12,853	—	—
Net Other Post Employment Benefit Liability [7]	1,731	—	—	—	—
Total Business-type Activities	1,945,497	2,321,615	2,811,033	1,427,136	1,435,997
Total Primary Government Other Long-term Liabilities	$ 5,815,468	$ 6,414,058	$ 6,999,883	$ 5,163,295	$ 5,300,573

[6] During 2015, the State implemented GASB Statement 68, *Accounting and Financial Reporting for Pensions* which replaced GASB Statements 27 and 50 as they relate to pensions that are provided through pension plans administered as trust or equivalent arrangements that meet certain criteria. In part, GASB Statement 68 requires the reporting of the net Pension liability. GASB Statement 27 only required the reporting of a Pension obligation when contributions were less than the actuary's Annual Required Contribution.

[7] During 2017, the State implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which replaced GASB Statement 45. In part, GASB Statement 75 requires the reporting of the net Other Postemployment Benefit (OPEB) liability. GASB Statement 45 only required the reporting of an OPEB obligation when contributions were less than the actuary's Annual Required Contribution.

[8] During 2020, the Student Assistance Programs issued a line of credit to retire outstanding revenue bonds and purchase governmental obligation for the purpose of redeeming the Series 2010 EE bonds. In 2020, the Student Assistance Programs issued additional bonds to retire its line of credit issued in 2020.

[9] During 2022, all Student Assistance Programs bonds were redeemed upon the sale of the related student loans. Additionally, funds in the amount of $517 thousand were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the outstanding bond issuance under the State Board of Regents Revenue Refunding Bonds Indenture dated May 1, 2012. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements.

Schedule C–3
Legal Debt Margin
Last Ten Fiscal Years
(dollars expressed in millions)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
Taxable Property, Taxable Value [1]	$ 393,665	$ 353,750	$ 329,096	$ 298,114	$ 271,649
Taxable Property, Fair Market Value [1]	559,692	497,914	461,064	415,650	377,260
Debt Limit (Fair Market Value times 1.50 %)	1.50 %	1.50 %	1.50 %	1.50 %	1.50 %
Debt Limit Amount	8,395	7,469	6,916	6,235	5,659
Net General Obligation Bonded Debt [2]	2,314	2,706	3,061	2,374	2,498
Legal Debt Margin	$ 6,081	$ 4,763	$ 3,855	$ 3,861	$ 3,161
Net General Obligation Bonded Debt As a Percentage of the Debt Limit Amount	27.57 %	36.23 %	44.26 %	38.08 %	44.14 %

Source: Utah State Tax Commission and the Utah Department of Government Operations, Division of Finance.

Note: Article XIV, Section 1 of the *Utah Constitution* allows the State to contract debts not exceeding 1.50 percent of the total taxable property in the State. The Legislature authorizes general obligation indebtedness within this limit. The State uses outstanding general obligation bond debt to comply within the constitutional debt limit. The State has other long-term contract liabilities consisting of unused vacation for employees of $125.899 million as of fiscal yearend. These contract liabilities do not affect the State's compliance with the constitutional debt limit.

[1] Taxable property is assessed January 1 of each year. The value used for the fiscal year limitation is from the prior calendar year; assessed values as of January 1, 2021, are used for fiscal year 2022.

Schedule C–4
Statutory Debt Limit
Last Ten Fiscal Years
(dollars expressed in millions)

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
Appropriations Limitation Amount	$ 4,412	$ 4,162	$ 3,990	$ 3,911	$ 3,738
Limit (Appropriations Limitation Amount times applicable percentage)	45.00 %	45.00 %	45.00 %	45.00 %	45.00 %
Statutory Debt Limit Amount	1,985	1,873	1,796	1,760	1,682
Net General Obligation Bonded Debt [1]	2,314	2,706	3,061	2,374	2,498
Less: Exempt Highway Construction Bonds	(1,890)	(2,214)	(2,534)	(2,175)	(2,282)
Net General Obligation Bonded Debt Subject to Statutory Debt Limit	425	492	527	199	216
Additional General Obligation Debt Incurring Capacity	$ 1,561	$ 1,381	$ 1,269	$ 1,561	$ 1,466

Source: Utah Governor's Office of Planning and Budget and the Utah Department of Government Operations, Division of Finance.

Note: Article XIV, Section 5 of the *Utah Constitution* limits any funds borrowed to be used solely for purposes as authorized by law. In addition, Title 63J-3-402 of the *Utah Code* limits outstanding state general obligation debt to not exceed the applicable percentage (unless approved by more than two-thirds of both houses of the Legislature) of that fiscal year's appropriations limit. The State uses outstanding general obligation bond debt to comply within the constitutional debt limit. The State has other long-term contract liabilities consisting of unused vacation for employees of $125.899 million as of fiscal yearend. These contract liabilities do not affect the State's compliance with the constitutional debt limit.

Schedule C–3
Legal Debt Margin - continued
Last Ten Fiscal Years
(dollars expressed in millions)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
Taxable Property, Taxable Value [1]	$ 251,598	$ 235,273	$ 221,650	$ 207,211	$ 201,294
Taxable Property, Fair Market Value [1]	347,716	323,367	303,725	282,489	272,954
Debt Limit (Fair Market Value times 1.50 %)	1.50 %	1.50 %	1.50 %	1.50 %	1.50 %
Debt Limit Amount	5,216	4,851	4,556	4,237	4,094
Net General Obligation Bonded Debt [2]	2,235	2,585	2,950	3,271	3,361
Legal Debt Margin	$ 2,981	$ 2,266	$ 1,606	$ 966	$ 733
Net General Obligation Bonded Debt As a Percentage of the Debt Limit Amount	42.85 %	53.29 %	64.75 %	77.20 %	82.10 %

[2] Net general obligation bonded debt includes principal, premiums, discounts, and deferred amount on refundings of bonded debt for years prior to 2014. Beginning in 2014, deferred amount on refundings of bonded debt was no longer reported as part of long-term liabilities, but as Deferred Outflows or Inflows of Resources per the implementation of Governmental Accounting Standards Board (GASB) Statement 65, *Items Previously Reported as Assets and Liabilities*.

Schedule C–4
Statutory Debt Limit - continued
Last Ten Fiscal Years
(dollars expressed in millions)

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
Appropriations Limitation Amount	$ 3,567	$ 3,469	$ 3,315	$ 3,250	$ 3,142
Limit (Appropriations Limitation Amount times applicable percentage)	45.00 %	45.00 %	45.00 %	45.00 %	45.00 %
Statutory Debt Limit Amount	1,605	1,561	1,492	1,463	1,414
Net General Obligation Bonded Debt [1]	2,235	2,585	2,950	3,271	3,361
Less: Exempt Highway Construction Bonds	(2,180)	(2,402)	(2,622)	(2,860)	(2,869)
Net General Obligation Bonded Debt Subject to Statutory Debt Limit	55	183	328	411	492
Additional General Obligation Debt Incurring Capacity	$ 1,550	$ 1,378	$ 1,164	$ 1,051	$ 922

[1] Net general obligation bonded debt includes principal, premiums, discounts, and deferred amount on refundings of bonded debt for years prior to 2014. Beginning in 2014, deferred amount on refundings of bonded debt was no longer reported as part of long-term liabilities, but as Deferred Outflows or Inflows of Resources per the implementation of Governmental Accounting Standards Board (GASB) Statement 65, *Items Previously Reported as Assets and Liabilities*.

Schedule C–5

Pledged Revenue Bond Coverage

Last Ten Fiscal Years

(dollars expressed in thousands)

Fiscal Year	Gross Revenues [1]	Less Operating Expenses [2]	Net Available Revenue	Debt Service		Coverage [3]
				Principal	Interest	
Water Loan Programs						
2013	$ 3,649	$ 0	$ 3,649	$ 4,660	$ 2,297	0.52
2014	$ 3,877	$ 0	$ 3,877	$ 4,745	$ 2,197	0.56
2015	$ 3,920	$ 0	$ 3,920	$ 4,860	$ 2,067	0.57
2016	$ 3,744	$ 0	$ 3,744	$ 5,025	$ 1,851	0.54
2017	$ 3,628	$ 0	$ 3,628	$ 5,235	$ 1,658	0.53
2018	$ 3,756	$ 0	$ 3,756	$ 5,455	$ 1,406	0.55
2019	$ 4,113	$ 0	$ 4,113	$ 5,705	$ 1,167	0.60
2020	$ 3,648	$ 0	$ 3,648	$ 5,955	$ 908	0.53
2021	$ 2,694	$ 0	$ 2,694	$ 6,220	$ 629	0.39
2022	$ 1,814	$ 0	$ 1,814	$ 6,515	$ 327	0.27
Student Assistance Programs						
2013	$ 44,378	$ 27,914	$ 16,464	$ 208,715	$ 9,747	0.08
2014	$ 49,679	$ 36,697	$ 12,982	$ 171,000	$ 7,631	0.07
2015	$ 75,796	$ 59,463	$ 16,333	$ 967,584 [4]	$ 6,646	0.02
2016	$ 110,982 [5]	$ 87,889	$ 23,093	$ 483,729	$ 25,338	0.05
2017	$ 92,421	$ 65,327	$ 27,094	$ 1,227,465 [6]	$ 30,833	0.02
2018	$ 79,408	$ 40,098	$ 39,310	$ 315,842	$ 38,403	0.11
2019	$ 69,749	$ 22,821	$ 46,928	$ 241,085	$ 44,081	0.16
2020	$ 58,733	$ 28,819	$ 29,914	$ 184,719	$ 28,496	0.14
2021	$ 46,868	$ 36,974	$ 9,894	$ 363,165 [7]	$ 7,486	0.03
2022	$ 58,117	$ 20,146	$ 37,971	$ 940,447 [8]	$ 17,670	0.04

Note: Details regarding the State's outstanding bonds can be found in Note 10. Long-term Liabilities in the financial statements.

[1] Revenues for Water Loan Programs are primarily interest on revolving loan receivables; principal repayments are not included in gross revenues, but are pledged to cover debt service payments. Revenues for Student Assistance Programs are primarily interest on student loans and federal allowances.

[2] Operating Expenses do not include interest, depreciation, or amortization expenses.

[3] Coverage equals net available revenue divided by debt service.

[4] Prior to 2015, only Student Loan Purchase Program bonds were presented. During 2015, a line of credit was issued for $1.600 billion in order to acquire federally guaranteed student loans.

[5] During 2016, the Student Assistance Programs had a substantial increase in interest on loans related to the line of credit that was issued in 2015 to acquire federally guaranteed student loans.

[6] During 2017, the Student Assistance Programs retired its line of credit issued in 2015 related to acquiring federally guaranteed student loans.

[7] During 2020, the Student Assistance Programs issued a line of credit to retire outstanding revenue bonds and purchase governmental obligation for the purpose of redeeming the Series 2010 EE bonds. In 2020, the Student Assistance Programs issued additional bonds to retire its line of credit issued in 2020.

[8] During 2022, all Student Assistance Programs bonds were redeemed upon the sale of the related student loans. Additionally, funds in the amount of $517 thousand were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the outstanding bond issuance under the State Board of Regents Revenue Refunding Bonds Indenture dated May 1, 2012. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements.

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Schedule D–1

Demographic and Economic Indicators

Last Ten Calendar Years

Calendar Year	Population *(in thousands)*				Unemployment Rate		Utah Net Migration
	Utah		U.S.				
	Number	Change	Number	Change	Utah	U.S.	
2013	2,901	1.61 %	316,700	0.70 %	4.40 %	7.40 %	9,200
2014	2,945	1.52 %	319,500	0.88 %	3.80 %	6.20 %	6,000
2015	2,991	1.56 %	321,500	0.63 %	3.50 %	5.30 %	14,200
2016	3,044	1.77 %	324,000	0.78 %	3.40 %	4.90 %	25,300
2017	3,103	1.94 %	326,000	0.62 %	3.30 %	4.40 %	30,000
2018	3,188	2.74 %	329,000	0.92 %	2.90 %	3.90 %	22,300
2019	3,237	1.54 %	330,000	0.30 %	2.50 %	3.70 %	20,200
2020	3,282	1.39 %	332,000	0.61 %	4.70 %	8.10 %	22,300
2021	3,338	1.71 %	332,000	0.00 %	2.70 %	5.40 %	33,300
2022 (est.)	3,399	1.83 %	333,000	0.30 %	2.00 %	3.70 %	38,300

Calendar Year	Personal Income *(in millions)*				Per Capita Income *(in dollars)*			
	Utah		U.S.		Utah		U.S.	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
2013	$ 104,910	3.70 %	$14,167,000	2.01 %	$ 36,163	2.06 %	$ 44,733	1.30 %
2014	$ 110,844	5.66 %	$14,810,000	4.54 %	$ 37,638	4.08 %	$ 46,354	3.62 %
2015	$ 118,725	7.11 %	$15,553,000	5.02 %	$ 39,694	5.46 %	$ 48,376	4.36 %
2016	$ 128,407	8.15 %	$16,125,000	3.68 %	$ 42,184	6.27 %	$ 49,769	2.88 %
2017	$ 136,544	6.34 %	$16,879,000	4.68 %	$ 44,004	4.31 %	$ 51,776	4.03 %
2018	$ 148,241	8.57 %	$17,852,000	5.76 %	$ 46,500	5.67 %	$ 54,261	4.80 %
2019	$ 157,336	6.14 %	$18,424,000	3.20 %	$ 48,605	4.53 %	$ 55,830	2.89 %
2020	$ 171,385	8.93 %	$ 19,832,000	7.64 %	$ 52,220	7.44 %	$ 59,735	6.99 %
2021	$ 186,991	9.11 %	$21,295,000	7.38 %	$ 56,019	7.28 %	$ 64,142	7.38 %
2022 (est.)	$ 195,707	4.66 %	$21,746,000	2.12 %	$ 57,578	2.78 %	$ 65,303	1.81 %

Source: Population – Utah Population Estimates Committee at July 1 each year. The 2022 estimate is from the Utah Revenue Assumption Committee.

Source: Unemployment Rate – Utah Department of Workforce Services. The 2022 estimate is from the Utah Revenue Assumption Committee.

Source: Utah Net Migration – Utah Population Estimates Committee at July 1 each year. The 2022 estimate is from the Utah Revenue Assumption Committee.

Source: Personal Income – U.S. Department of Commerce, Bureau of Economic Analysis, and Utah Department of Workforce Services. The 2022 estimate is from the Utah Revenue Assumption Committee.

Note: Prior year information has been updated with the most recent data available. Per Capita Income is calculated by dividing total personal income by population. Amounts may not be exact due to rounding.

Schedule D–2

Principal Employers

Most Current Calendar Year and Historical Comparisons

	Calendar Year 2012			Calendar Year 2021		
Entity Name	**Number of Employees**	**Rank**	**Percent of All Employees**	**Number of Employees**	**Rank**	**Percent of All Employees**
Intermountain Health Care (IHC)	20,000 +	1	2.50 %	20,000 +	1	2.40 %
University of Utah (includes Hospital)	20,000 +	3	1.70 %	20,000 +	2	2.00 %
Wal-Mart Stores	15,000 – 19,999	5	1.30 %	20,000 +	3	1.40 %
State of Utah	20,000 +	2	1.70 %	20,000 +	4	1.40 %
Brigham Young University	15,000 – 19,999	4	1.40 %	15,000-19,999	5	1.10 %
Hill Air Force Base	10,000 – 14,999	6	1.20 %	10,000-14,999	6	0.80 %
Davis County School District	7,000 – 9,999	7	0.70 %	7,000-9,999	7	0.60 %
Smith's Food and Drug Centers	5,000 – 6,999	9	0.60 %	7,000-9,999	8	0.60 %
Utah State University				7,000-9,999	9	0.60 %
Alpine School District	5,000 – 6,999	10	0.50 %	7,000-9,999	10	0.50 %
Granite School District	7,000 – 9,999	8	0.70 %			
Total Employees of Principal Employers	154,000		12.30 %	181,500		11.20 %

Source: Utah Department of Workforce Services.

Note: Number of employees is based on a calendar year average.

Schedule D–3
Composition of the Labor Force
Last Ten Calendar Years

	Calendar Year				
	2021	**2020**	**2019**	**2018**	**2017**
Nonagricultural Jobs					
Government	251,688	248,608	253,697	247,904	244,311
Mining	8,823	8,658	9,361	9,470	8,618
Construction	122,419	115,432	109,486	104,341	97,495
Manufacturing	145,653	136,420	136,924	133,006	129,199
Trade, Transportation, and Utilities	306,891	290,381	290,908	286,355	278,526
Information	41,053	38,474	39,572	38,080	38,429
Financial Activity	97,698	93,313	90,007	87,540	84,072
Professional and Business Services	234,349	225,252	223,789	217,642	206,987
Education and Health Services	216,478	208,847	209,998	203,484	198,251
Leisure and Hospitality	148,321	133,416	153,446	148,530	143,029
Other Services	42,454	42,037	42,379	41,189	40,210
Total Nonagricultural Jobs	1,615,827	1,540,838	1,559,567	1,517,541	1,469,127
Civilian Labor Force	1,681,494	1,640,426	1,618,055	1,583,703	1,554,352
Total Employed	1,636,150	1,562,799	1,576,421	1,537,389	1,505,413
Unemployed	45,344	77,627	41,634	46,314	46,314
Unemployment Rate	2.70 %	4.70 %	2.60 %	2.90 %	3.10 %

Source: Utah Department of Workforce Services and the Utah Revenue Assumption Committee. Prior year information has been updated with the most recent data available.

Schedule D–3
Composition of the Labor Force - continued
Last Ten Calendar Years

	Calendar Year				
	2016	**2015**	**2014**	**2013**	**2012**
Nonagricultural Jobs					
Government	239,416	233,658	230,619	225,917	223,298
Mining	8,494	10,372	12,160	12,107	12,553
Construction	91,537	84,676	78,676	73,462	69,231
Manufacturing	125,926	123,695	120,706	118,747	116,667
Trade, Transportation, and Utilities	271,432	263,158	252,574	246,900	241,815
Information	36,860	34,402	33,320	32,427	31,295
Financial Activity	81,710	79,020	74,965	72,869	69,537
Professional and Business Services	202,175	194,127	185,121	177,462	167,268
Education and Health Services	190,935	182,273	174,309	170,541	163,590
Leisure and Hospitality	138,591	133,657	128,086	123,521	118,640
Other Services	39,472	38,689	37,604	36,425	35,054
Total Nonagricultural Jobs	1,426,548	1,377,727	1,328,140	1,290,378	1,248,948
Civilian Labor Force	1,500,137	1,453,457	1,415,779	1,418,522	1,376,628
Total Employed	1,449,981	1,401,945	1,364,353	1,355,720	1,302,641
Unemployed	50,156	51,512	51,426	62,802	73,987
Unemployment Rate	3.30 %	3.50 %	3.60 %	4.40 %	5.40 %

Schedule D–4
Public Education Student Enrollment (K-12)
Last Ten Academic Years

	Academic Year				
	2021–22	**2020–21**	**2019–20**	**2018–19**	**2017–18**
Elementary	354,817	350,621	358,817	358,908	358,190
Secondary	319,534	314,685	308,008	299,893	294,158
Total All Grades	674,351	665,306	666,825	658,801	652,348

Source: State of Utah Office of Education.

Note: Public Education Student Enrollment count is based on October 1st counts.

Schedule D–5
Public Higher Education Enrollment
Last Ten Academic Years

	Academic Year				
	2022–23	**2021–22**	**2020–21**	**2019–20**	**2018–19**
University of Utah	34,734	34,462	33,080	32,852	33,023
Utah State University	27,943	27,426	27,691	27,810	27,932
Weber State University	29,914	29,774	29,596	29,644	28,247
Southern Utah University	14,330	13,611	12,582	11,224	10,196
Salt Lake Community College	26,348	27,225	27,293	29,517	29,156
Utah Valley University	43,099	41,262	40,936	41,728	39,931
Utah Tech University [1]	12,556	12,266	12,043	11,193	9,950
Snow College	5,997	6,106	5,800	5,383	5,514
Technical Colleges	20,083	19,852	18,284	20,130	19,418
Total All Institutions	215,004	211,984	207,305	209,481	203,367

Source: Utah Board of Higher Education.

Note: Utah Higher Education Enrollment count is based on fall semester third week headcounts.

[1] In fiscal year 2022, Legislative action renamed Dixie State University to Utah Tech University.

Schedule D–4
Public Education Student Enrollment (K-12) - continued
Last Ten Academic Years

	Academic Year				
	2016–17	**2015–16**	**2014–15**	**2013–14**	**2012–13**
Elementary	356,686	353,050	349,382	345,967	340,443
Secondary	287,790	280,846	272,771	266,584	260,542
Total All Grades	644,476	633,896	622,153	612,551	600,985

Source: State of Utah Office of Education.

Note: Public Education Student Enrollment count is based on October 1st counts.

Schedule D–5
Public Higher Education Enrollment - continued
Last Ten Academic Years

	Academic Year				
	2017–18	**2016–17**	**2015–16**	**2014–15**	**2013–14**
University of Utah	32,800	32,061	31,673	31,515	32,080
Utah State University	27,679	28,118	28,622	27,662	27,812
Weber State University	27,949	26,809	25,955	26,266	25,301
Southern Utah University	9,468	8,955	8,881	7,656	7,745
Salt Lake Community College	29,620	29,901	28,814	29,537	31,137
Utah Valley University	37,282	34,978	33,211	31,332	30,564
Utah Tech University [1]	9,673	8,993	8,503	8,570	8,350
Snow College	5,563	5,350	5,111	4,779	4,605
Technical Colleges	16,838	17,293	16,933	14,834	14,851
Total All Institutions	196,872	192,458	187,703	182,151	182,445

Source: Utah Board of Higher Education.

Note: Utah Higher Education Enrollment count is based on fall semester third week headcounts.

[1] In fiscal year 2022, Legislative action renamed Dixie State University to Utah Tech University.

Schedule E–1
Full-Time Equivalent State Employees by Function
Last Ten Fiscal Years

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
General Government:					
Government Operations	2,101	2,169	2,180	2,150	2,122
Tax Commission	627	650	674	685	690
All Other	213	198	196	191	184
Human Services and Juvenile Justice Services	3,889	3,982	4,041	3,978	4,046
Corrections	2,499	2,520	2,501	2,513	2,527
Public Safety:					
Department of Public Safety	1,424	1,427	1,435	1,403	1,341
Utah National Guard	254	266	266	261	253
State Courts	1,005	998	1,009	1,004	983
Health and Environmental Quality:					
Department of Health	1,324	1,179	1,057	992	977
Department of Environmental Quality	359	358	361	358	361
Employment and Family Services [1, 2]	2,044	2,053	2,026	2,013	2,043
Natural Resources	1,419	1,427	1,384	1,355	1,361
Cultural and Community Engagement [1]	151	140	142	128	124
Business, Labor, and Agriculture	804	798	806	796	786
Education:					
Public Education Support [2]	837	800	786	749	721
Higher Education Support	163	196	369	422	399
Transportation	1,685	1,687	1,694	1,693	1,638
Total Full-time Equivalent State Employees	20,798	20,848	20,927	20,691	20,556

Source: Utah Department of Government Operations, Division of Finance.

[1] In fiscal year 2013, Legislative action transferred the Housing and Community Development Division from Heritage and Arts to Employment and Family Services. In fiscal year 2022, Legislative action renamed the Department of Heritage and Arts to the Department of Cultural and Community Engagement.

[2] In fiscal year 2017, Legislative action transferred the Utah State Office of Rehabilitation from Public Education Support to Employment and Family Services.

Schedule E–1

Full-Time Equivalent State Employees by Function - continued

Last Ten Fiscal Years

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
General Government:					
Government Operations	2,095	2,063	2,055	2,066	2,069
Tax Commission	690	697	708	715	718
All Other	185	181	176	166	165
Human Services and Juvenile Justice Services	4,113	4,037	3,942	3,991	3,955
Corrections	2,453	2,392	2,307	2,295	2,265
Public Safety:					
Department of Public Safety	1,333	1,329	1,324	1,327	1,314
Utah National Guard	247	226	210	218	243
State Courts	986	994	994	1,009	1,031
Health and Environmental Quality:					
Department of Health	954	943	946	946	933
Department of Environmental Quality	365	367	373	371	376
Employment and Family Services [1, 2]	1,989	1,719	1,758	1,768	1,872
Natural Resources	1,334	1,320	1,315	1,304	1,304
Cultural and Community Engagement [1]	126	125	120	117	117
Business, Labor, and Agriculture	773	767	748	728	722
Education:					
Public Education Support [2]	816	1,138	1,135	1,119	1,119
Higher Education Support	274	236	277	227	213
Transportation	1,642	1,616	1,569	1,583	1,603
Total Full-time Equivalent State Employees	20,375	20,150	19,957	19,950	20,019

Source: Utah Department of Government Operations, Division of Finance.

[1] In fiscal year 2013, Legislative action transferred the Housing and Community Development Division from Heritage and Arts to Employment and Family Services. In fiscal year 2022, Legislative action renamed the Department of Heritage and Arts to the Department of Cultural and Community Engagement.

[2] In fiscal year 2017, Legislative action transferred the Utah State Office of Rehabilitation from Public Education Support to Employment and Family Services.

Schedule E–2
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
General Government					
Government Operations:					
Construction Projects Managed	1,198	1,099	1,058	1,052	1,155
Tax Commission:					
Percent of Data Managed Electronically	91.00 %	88.00 %	89.00 %	86.00 %	84.50 %
Number of Returns Filed Electronically	1,493,502	1,603,914	1,256,658	1,307,267	1,246,011
Motor Vehicle Registrations (in thousands)	3,577	3,352	3,113	2,976	2,950
Human Services and Juvenile Justice Services					
Food Stamp Recipients	244,599	254,397	265,352	273,779	298,396
Percent of Population	7.20 %	7.64 %	8.16 %	8.52 %	9.45 %
Juveniles, Daily Average in Justice System Placement	301	330	380	425	467
Rate of Recommitment to Juvenile Custody	21.70 %	28.90 %	25.80 %	16.90 %	14.90 %
Corrections: [1]					
Incarcerated Offenders	N/A	N/A	5,986	6,772	6,522
Supervised Offenders	N/A	N/A	16,180	16,775	17,329
Utah Incarceration Rate (per 100,000 population)	N/A	N/A	N/A	206	208
US Incarceration Rate (per 100,000 population)	N/A	N/A	N/A	419	431
State Courts: [2]					
State Court Filings	253,926	260,461	277,250	284,152	278,392
State Court Dispositions	234,012	232,952	243,996	255,926	245,764
Health					
Children's Health Insurance Program Enrollment	7,145	15,388	17,235	18,198	19,338
Medicaid Eligible (unduplicated)	514,438	451,244	413,533	404,861	404,303
Percent of Population	15.13 %	13.56 %	12.72 %	12.60 %	12.80 %
Employment and Family Services					
Individuals Registered for Employment	490,587	553,241	382,178	121,759	131,386
Percent Who Entered Employment	70.10 %	67.30 %	71.00 %	67.00 %	67.00 %
Natural Resources					
Hatchery Fish, Pounds Raised	1,152,293	1,148,452	1,162,722	1,155,821	1,089,720
Hunting and Fishing Licenses Sold [1, 3]	638,152	725,191	605,957	590,111	587,443
State Park Visitations (in thousands)	10,795	12,080	8,705	7,424	6,712
Business, Labor, and Agriculture					
Department of Commerce:					
Licenses and Registrations Issued [4]	494,471	454,816	440,481	417,172	409,301
Department of Agriculture and Food: [1]					
Dairy Farm Inspections	361	N/A	465	435	515
Pounds of Turkey Inspected and Graded (in thousands)	N/A	N/A	18,805	27,692	108,130
Gas Pumps and Scales Inspected	28,290	N/A	43,762	31,655	33,774
Higher Education					
Number of Certificates and Degrees Awarded	53,619	47,974	44,031	38,622	37,756
Transportation					
Percent of Roads Which are Deficient [5]	4.90 %	4.90 %	6.74 %	8.82 %	8.60 %
Vehicles Weighed or Inspected (in thousands)	8,367	9,728	8,583	8,542	8,116

Source: Various agencies of the State and the Utah Board of Higher Education.

Note: N/A = Data Not Available

[1] Data is provided on a calendar year basis.

[2] State Courts includes filings and dispositions for the appellate, district, and juvenile courts; it does not include the justice courts which are operated by cities and counties.

[3] Includes only licenses for elk, deer, fishing, and all other big game.

[4] Includes professional, occupational, real estate, and securities licenses. Does not include corporation and other business registrations or filings.

[5] Assessments are completed at a minimum of every other calendar year. See Information About Infrastructure Assets Reported Using The Modified Approach.

Schedule E–2

Operating Indicators by Function - continued

Last Ten Fiscal Years

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
General Government					
Government Operations:					
Construction Projects Managed	896	910	802	1,020	815
Tax Commission:					
Percent of Data Managed Electronically	83.80 %	83.20 %	81.80 %	79.90 %	78.10 %
Number of Returns Filed Electronically	1,196,647	1,171,287	1,103,323	1,051,940	997,329
Motor Vehicle Registrations (in thousands)	3,027	2,961	2,846	2,863	2,759
Human Services and Juvenile Justice Services					
Food Stamp Recipients	323,768	338,362	348,459	363,154	389,426
Percent of Population	10.41 %	11.09 %	11.65 %	12.33 %	13.42 %
Juveniles, Daily Average in Justice System Placement	604	686	812	922	923
Rate of Recommitment to Juvenile Custody	9.90 %	8.40 %	7.80 %	6.60 %	5.90 %
Corrections: [1]					
Incarcerated Offenders	6,309	6,298	6,723	7,113	7,065
Supervised Offenders	16,855	16,590	13,897	15,307	12,730
Utah Incarceration Rate (per 100,000 population)	205	201	215	237	242
US Incarceration Rate (per 100,000 population)	441	450	458	471	477
State Courts: [2]					
State Court Filings	283,449	288,797	305,778	311,187	324,523
State Court Dispositions	262,841	260,952	273,731	279,903	309,420
Health					
Children's Health Insurance Program Enrollment	19,248	17,058	15,775	29,953	35,446
Medicaid Eligible (unduplicated)	414,519	418,356	415,843	391,139	366,061
Percent of Population	13.33 %	13.71 %	13.90 %	13.28 %	12.62 %
Employment and Family Services					
Individuals Registered for Employment	150,168	185,347	215,861	260,138	318,008
Percent Who Entered Employment	73.00 %	71.00 %	66.00 %	65.00 %	61.00 %
Natural Resources					
Hatchery Fish, Pounds Raised	1,081,766	1,093,205	1,212,696	1,204,984	1,180,927
Hunting and Fishing Licenses Sold [1, 3]	582,751	558,893	585,666	583,460	682,594
State Park Visitations (in thousands)	5,691	5,176	4,482	3,741	5,054
Business, Labor, and Agriculture					
Department of Commerce:					
Licenses and Registrations Issued [4]	387,348	378,478	355,124	350,416	333,646
Department of Agriculture and Food: [1]					
Dairy Farm Inspections	525	533	560	693	672
Pounds of Turkey Inspected and Graded (in thousands)	121,106	102,511	79,060	107,833	33,743
Gas Pumps and Scales Inspected	30,116	32,486	32,131	26,612	20,377
Higher Education					
Number of Certificates and Degrees Awarded	36,701	33,822	32,797	32,491	31,970
Transportation					
Percent of Roads Which are Deficient [5]	9.64 %	N/A	10.68 %	12.49 %	N/A
Vehicles Weighed or Inspected (in thousands)	7,893	5,969	6,706	7,484	6,071

Source: Various agencies of the State and the Utah Board of Higher Education.

Note: N/A = Data Not Available

[1] Data is provided on a calendar year basis.

[2] State Courts includes filings and dispositions for the appellate, district, and juvenile courts; it does not include the justice courts which are operated by cities and counties.

[3] Includes only licenses for elk, deer, fishing, and all other big game.

[4] Includes professional, occupational, real estate, and securities licenses. Does not include corporation and other business registrations or filings.

[5] Assessments are completed at a minimum of every other calendar year. See Information About Infrastructure Assets Reported Using The Modified Approach.

Schedule E–3
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
General Government					
Buildings	333	333	333	332	326
Vehicles	8,138	8,045	8,049	7,969	7,828
Data Processing Equipment and Software	1,113	1,059	1,367	1,315	1,314
Reproduction and Printing Equipment	896	831	841	1,133	1,112
Human Services and Juvenile Justice Services					
Data Processing Equipment and Software	73	73	69	73	71
Corrections					
Data Processing Equipment and Software	222	220	216	217	219
Security and Surveillance Equipment	110	109	79	83	70
Public Safety					
Department of Public Safety:					
Vehicles	36	35	35	35	35
Data Processing Equipment and Software	256	241	230	219	208
Medical and Lab Equipment	330	296	216	208	205
Utah National Guard:					
Buildings	239	239	239	237	237
State Courts					
Data Processing Equipment and Software	80	78	78	72	65
Audio Visual Equipment	134	132	136	134	134
Health and Environmental Quality					
Department of Health:					
Data Processing Equipment and Software	74	72	72	71	72
Medical and Lab Equipment	323	311	308	299	287
Department of Environmental Quality:					
Monitoring and Lab Equipment	521	522	534	555	562
Employment and Family Services					
Data Processing Equipment and Software	414	407	407	402	393
Natural Resources					
Division of Parks and Recreation:					
State Parks	46	46	44	44	44
Buildings	800	794	793	789	785
Vehicles	371	369	368	359	356
Division of Wildlife Resources:					
Wildlife Management Areas	193	92	92	92	92
Fish Hatcheries	12	12	12	12	12
Buildings	203	103	202	195	192
Vehicles	236	236	234	229	224
Business, Labor, and Agriculture					
Data Processing Equipment and Software	125	121	116	115	112
Monitoring and Lab Equipment	157	153	156	142	143
Transportation					
Highway Center Line Miles	6,920	5,865	5,859	5,787	5,780
Buildings	462	457	456	456	446
Vehicles	399	333	345	330	1,010
Heavy Equipment	2,583	2,437	2,395	2,412	2,635

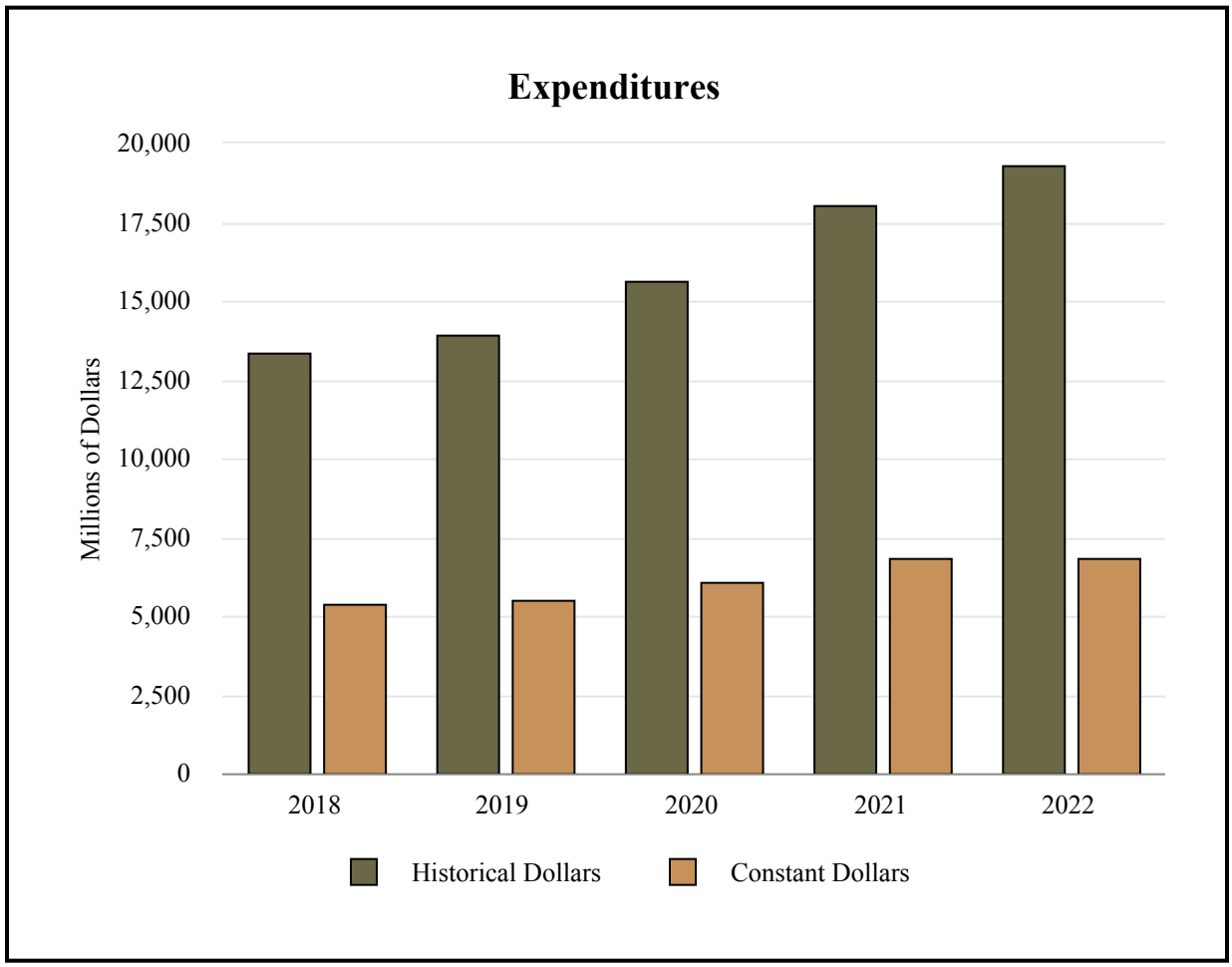
Source: Utah Department of Government Operations, Division of Finance and various agencies of the State.

Schedule E–3
Capital Asset Statistics by Function - continued
Last Ten Fiscal Years

	Fiscal Year				
	2017	**2016**	**2015**	**2014**	**2013**
General Government					
Buildings	323	319	315	314	314
Vehicles	7,732	7,886	7,781	7,524	7,360
Data Processing Equipment and Software	1,397	2,428	2,383	2,931	2,794
Reproduction and Printing Equipment	1,138	1,140	1,178	1,209	1,165
Human Services and Juvenile Justice Services					
Data Processing Equipment and Software	68	64	64	64	59
Corrections					
Data Processing Equipment and Software	220	222	220	216	216
Security and Surveillance Equipment	75	73	69	55	59
Public Safety					
Department of Public Safety:					
Vehicles	35	35	34	35	35
Data Processing Equipment and Software	222	213	204	249	247
Medical and Lab Equipment	236	220	207	197	193
Utah National Guard:					
Buildings	237	235	229	223	221
State Courts					
Data Processing Equipment and Software	60	63	63	52	64
Audio Visual Equipment	146	150	151	143	146
Health and Environmental Quality					
Department of Health:					
Data Processing Equipment and Software	69	89	112	120	131
Medical and Lab Equipment	283	295	291	302	288
Department of Environmental Quality:					
Monitoring and Lab Equipment	510	448	433	404	384
Employment and Family Services					
Data Processing Equipment and Software	387	370	365	358	396
Natural Resources					
Division of Parks and Recreation:					
State Parks	43	43	43	43	43
Buildings	779	778	756	736	727
Vehicles	351	344	340	334	332
Division of Wildlife Resources:					
Wildlife Management Areas	92	92	92	92	92
Fish Hatcheries	11	11	12	11	11
Buildings	191	190	183	182	181
Vehicles	220	214	209	203	202
Business, Labor, and Agriculture					
Data Processing Equipment and Software	110	101	114	117	117
Monitoring and Lab Equipment	138	122	118	114	111
Transportation					
Highway Center Line Miles	5,880	5,825	5,830	5,719	5,719
Buildings	442	440	423	402	391
Vehicles	956	931	904	878	861
Heavy Equipment	2,602	2,599	2,595	2,593	2,582

Source: Utah Department of Government Operations, Division of Finance and various agencies of the State.

Schedule F–1
Expenditures — Historical and Constant Dollars
All Governmental Fund Types
Last Five Fiscal Years

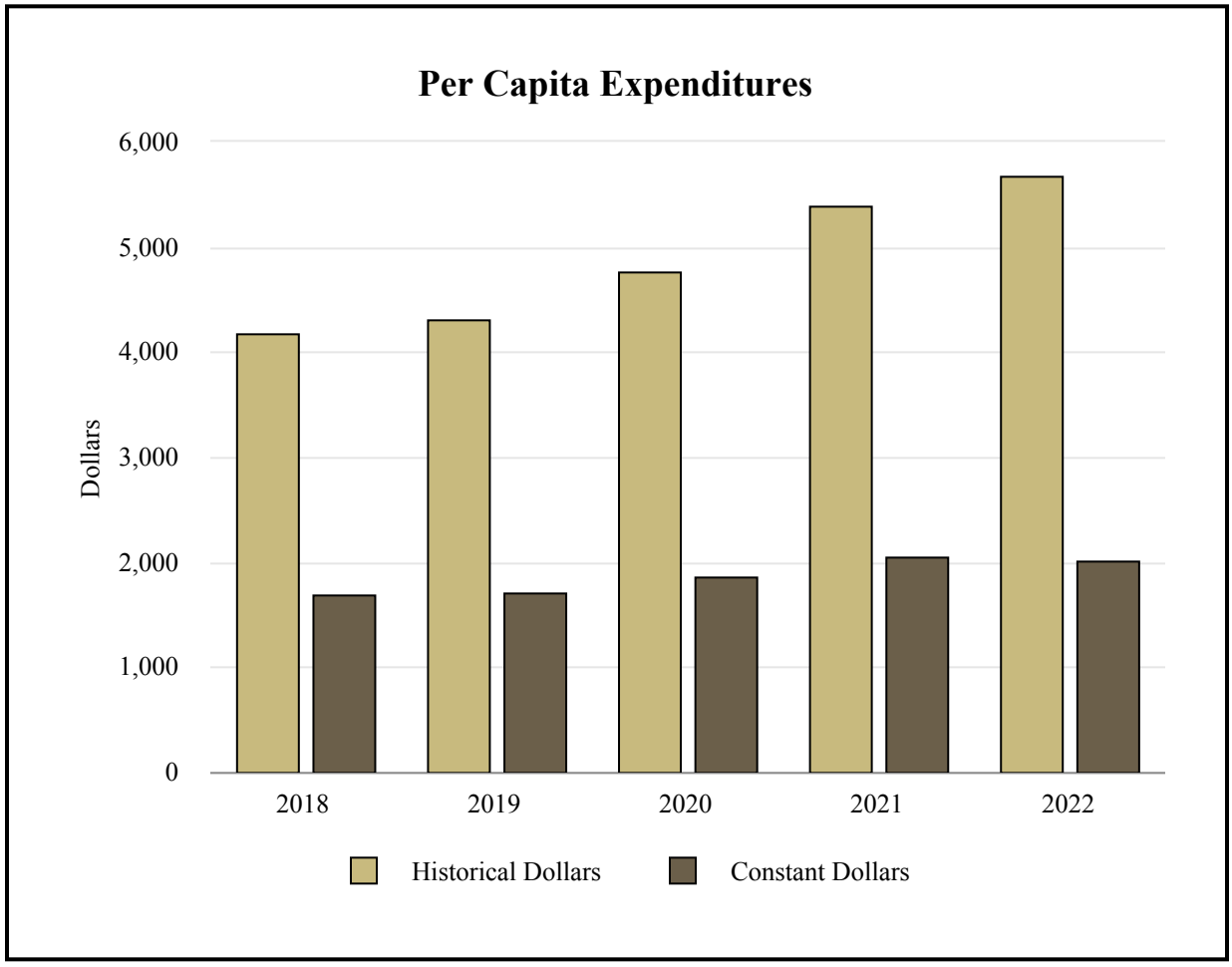


Fiscal Year	Historical Dollars		Constant Dollars	
	(in millions)	Change	(in millions)	Change
2018	$13,332	5.33 %	$5,373	3.01 %
2019	$13,949	4.63 %	$5,508	2.51 %
2020	$15,659	12.26 %	$6,088	10.53 %
2021	$18,029	15.13 %	$6,851	12.54 %
2022	$19,282	6.95 %	$6,837	(0.21)%

Note: Historical and Constant percentage changes may not be exact due to rounding.

Source: Constant Dollars are derived using the Consumer Price Index for all urban consumers, base year 1982–84 = 100.

Schedule F–2
Per Capita Expenditures — Historical and Constant Dollars
All Governmental Fund Types
Last Five Fiscal Years

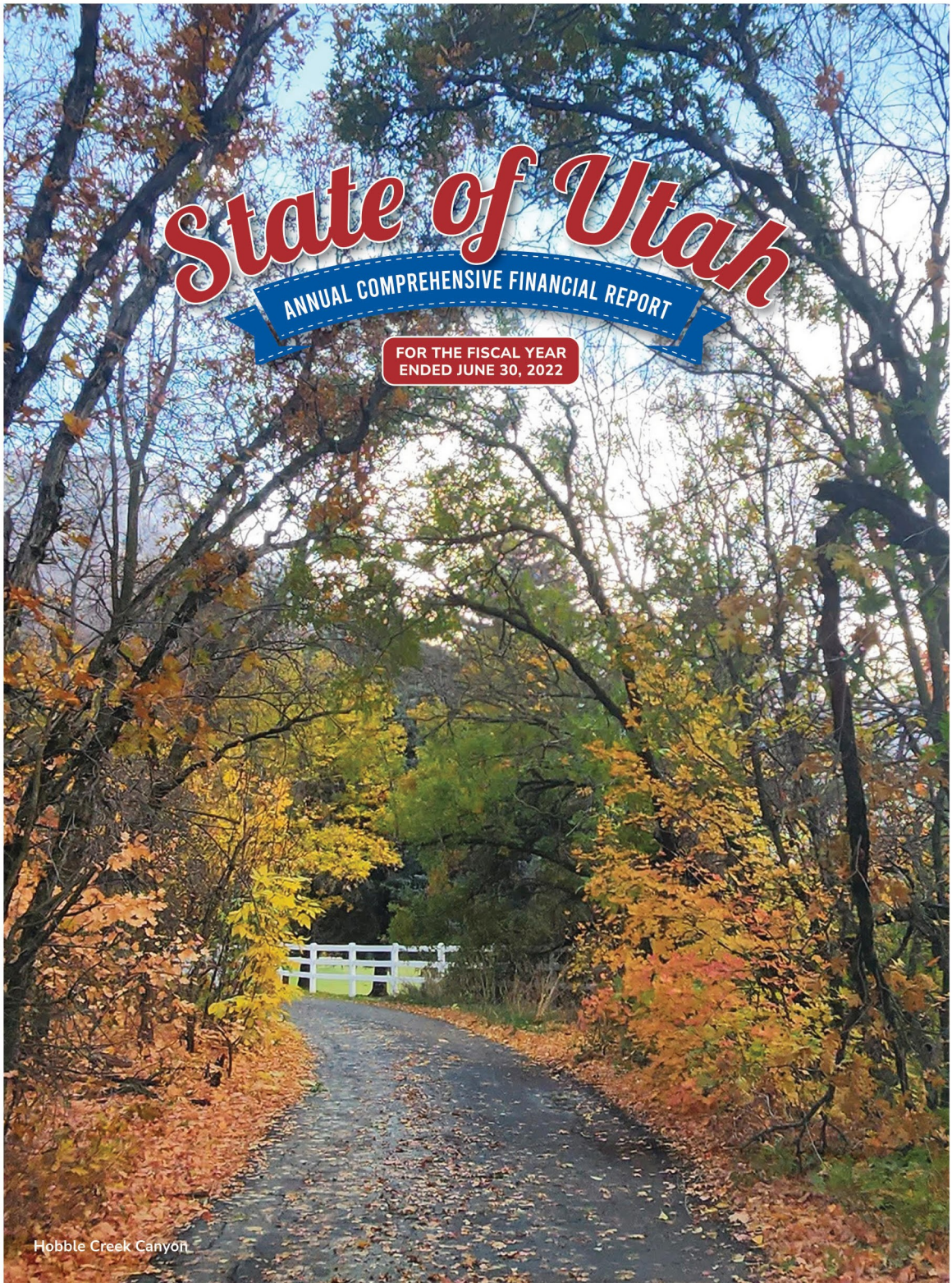


	Per Capita Expenditures			
Fiscal Year	**Historical Dollars**		**Constant Dollars**	
		Change		**Change**
2018	$4,182	2.53 %	$1,685	0.26 %
2019	$4,309	3.05 %	$1,701	0.96 %
2020	$4,771	10.72 %	$1,855	9.01 %
2021	$5,401	13.20 %	$2,052	10.65 %
2022	$5,673	5.03 %	$2,011	(2.00)%

Note: Prior year information has been updated with the most recent population data available. Historical and Constant percentage changes may not be exact due to rounding.

Source: Historical Dollars are derived by dividing total expenditures of governmental funds by population data (See Schedule D-1). Constant Dollars are derived using the Consumer Price Index for all urban consumers, base year 1982–84 = 100.

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Utah Department of Government Operations

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