



UTAH STATE  

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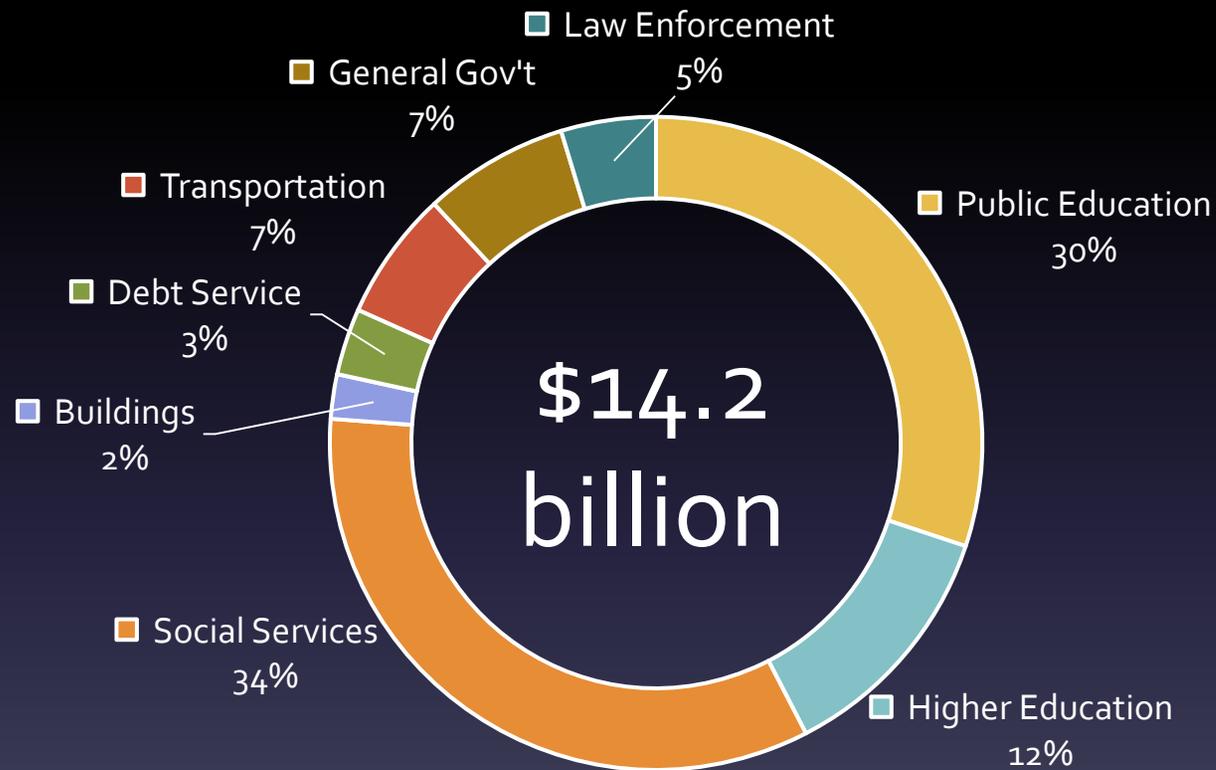
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# Budget of the State of Utah

## FY 2015 – FY 2016

Office of the Legislative Fiscal Analyst, May 2015

# Where it all goes...

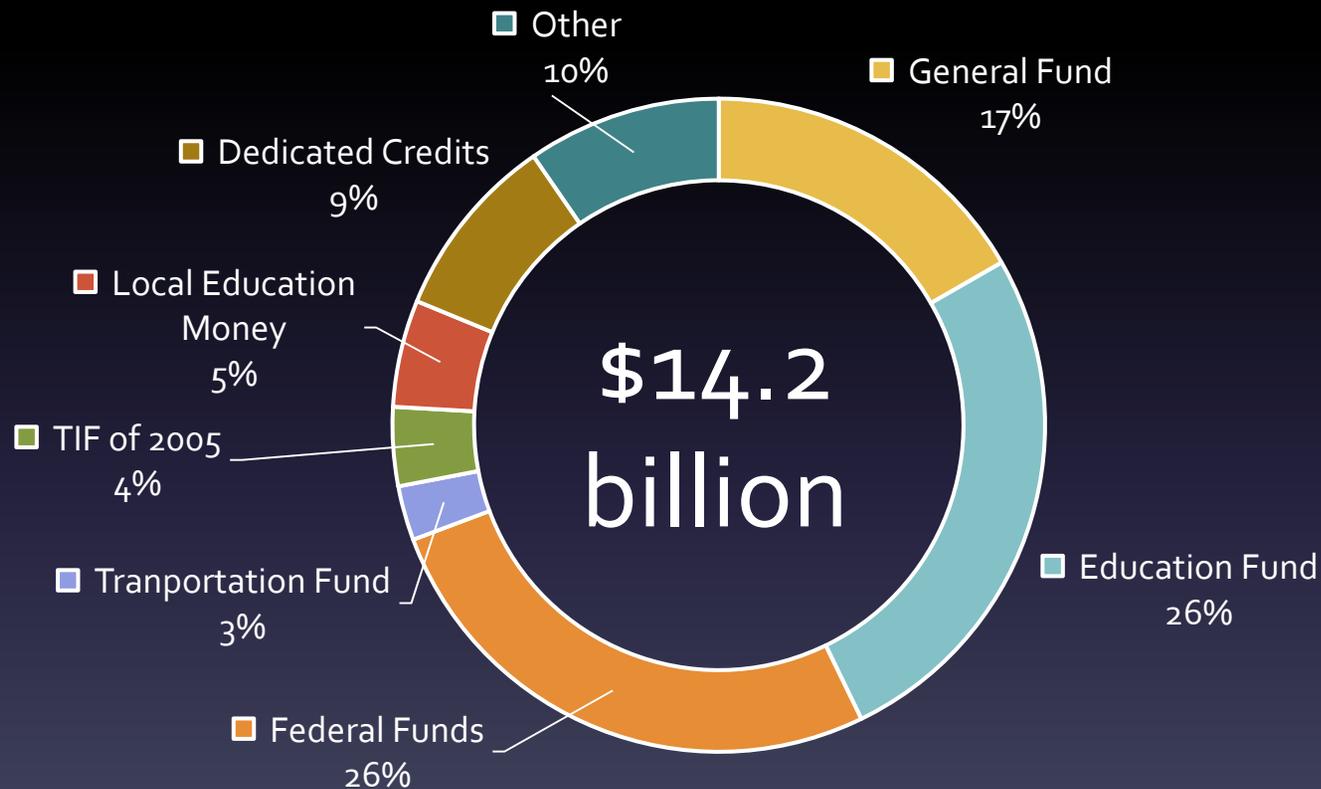


FY 2016 operating and capital budget including expendable funds and accounts, from all sources, by use.



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# Where it all comes from...

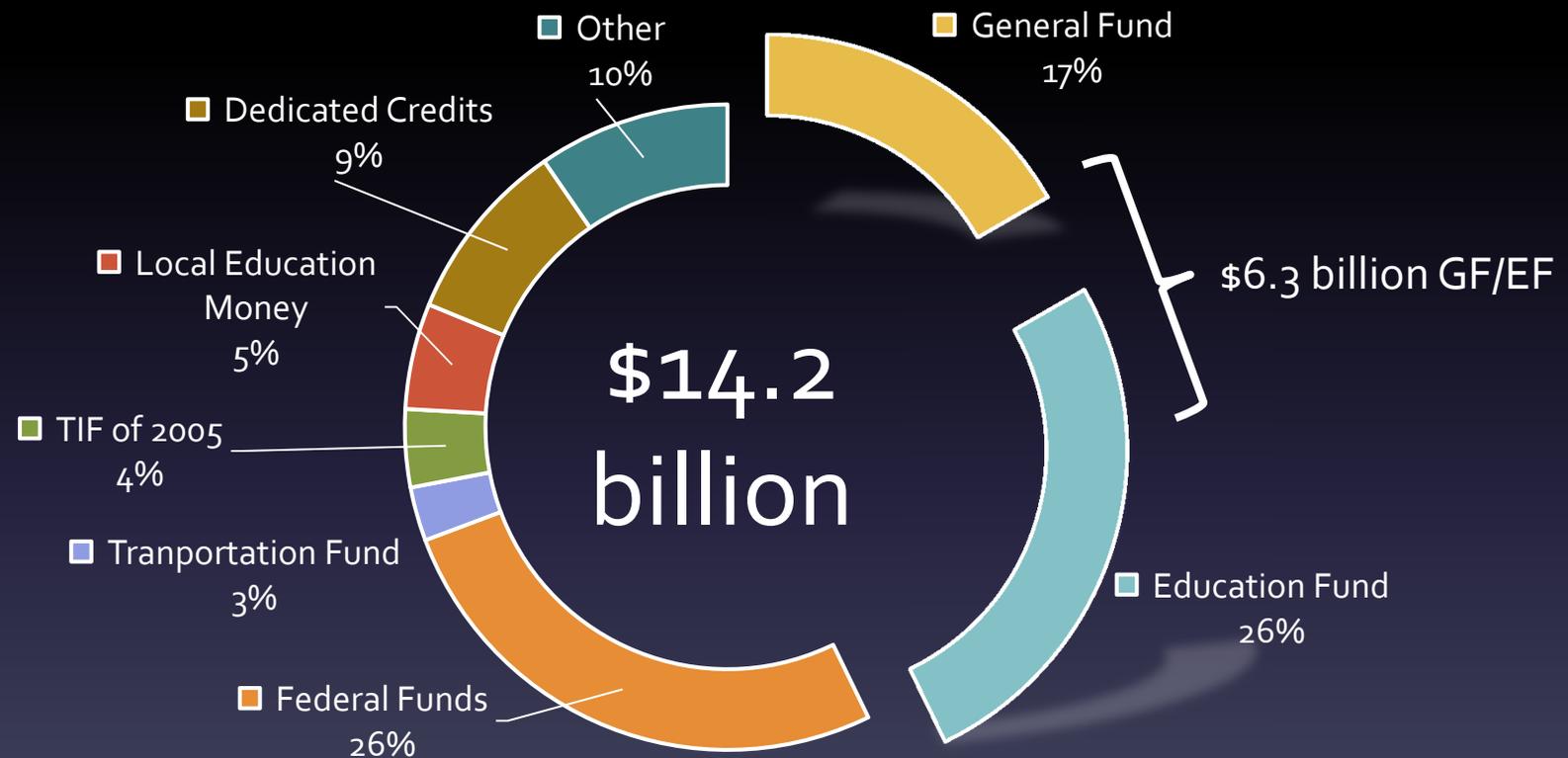


FY 2016 operating and capital budget including expendable funds and accounts, from all sources, by source of finance.



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# Where it all comes from...

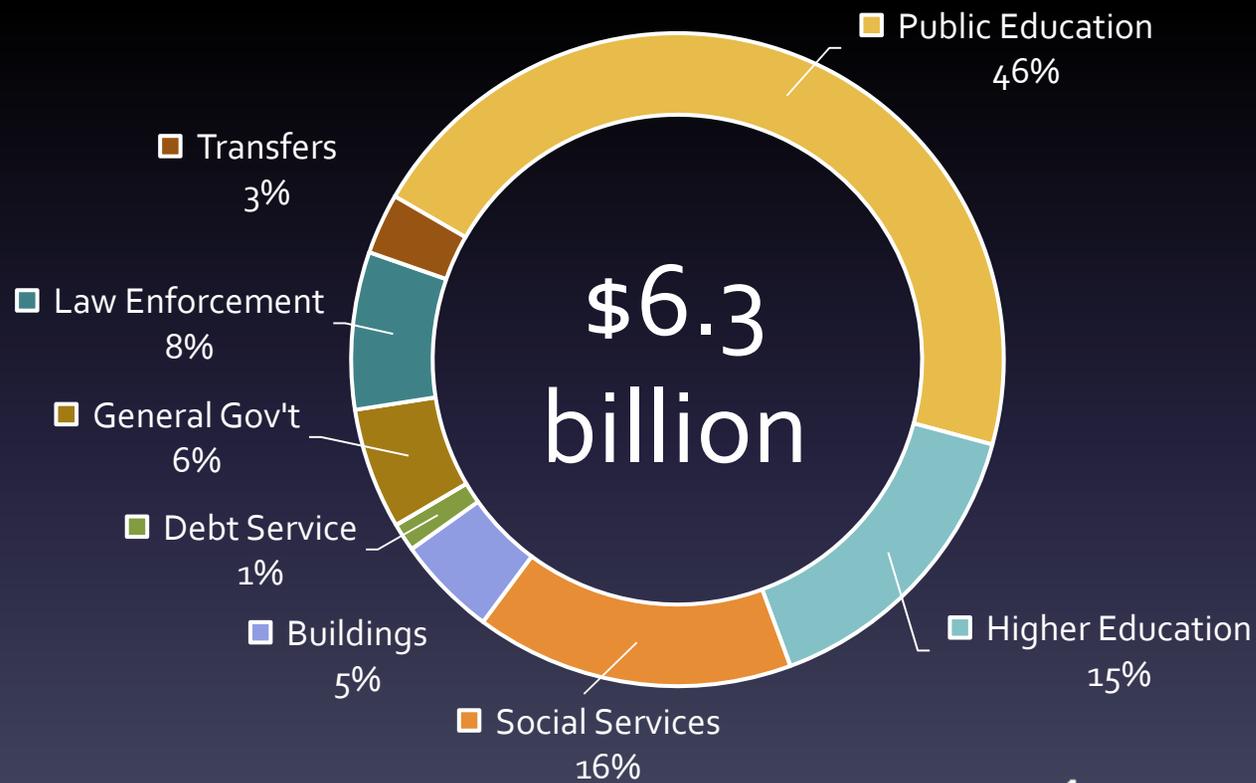


FY 2016 operating and capital budget including expendable funds and accounts, from all sources, by source of finance.



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# Where GF/EF goes...

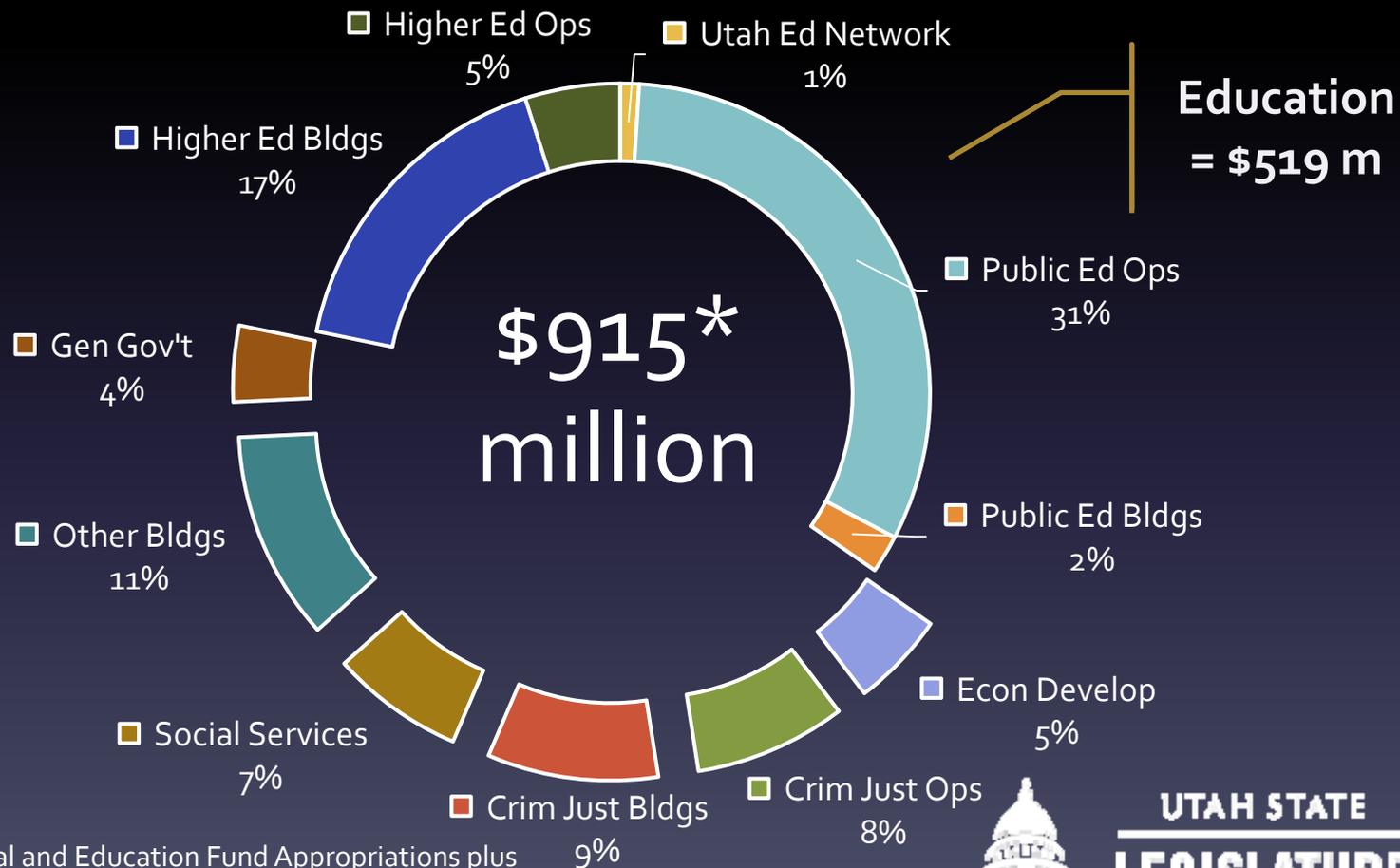


FY 2016 General and Education Fund appropriations, by use.



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# Who Got New GF/EF Money...



\*New General and Education Fund Appropriations plus \$75 m in new property tax revenue for public education, 2015 General Session, by use.



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# How we balanced – Sources...

(GF/EF in millions)	
Ongoing Revenue Growth	\$389
One-time Re-estimates	\$350
Basic Levy Increase	\$75
Program & Account Balances	\$55
Reductions and Other	\$46
<b>Total</b>	<b>\$915</b>

For details, see Tables 7-9 of *Budget of the State of Utah, 2015 – 2016*, pages 16-18.



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# How we balanced – Uses...

(GF/EF in millions)	
Public Education	\$317
Higher Education	\$202
Criminal Justice	\$150
State Agency Buildings	\$98
Social Services	\$62
Economic Development/Other	\$86
<b>Total</b>	<b>\$915</b>



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# Education

- \$58 million for Public Education student Growth
- \$104 million for a 4% increase in the WPU
- \$75 million to further equalize per-student funding among school districts
- \$116 million for new facilities at colleges and universities
- \$9 million for performance based funding in Higher Ed
- \$4 million for Higher Ed research and graduate studies



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# Criminal Justice

- Prison redesign and relocation
  - ✓ \$80 m cash down-payment
  - ✓ \$470 m general obligation bond
- \$18 m for Emergency Radio System
- \$14 m for Justice Reform Initiative
- \$8 m for staff at expanded Gunnison



# Other Highlights

- \$65 million ongoing for capital improvements
- \$27 million for social services provider rates
- \$11 million for dam safety improvements
- \$18 m for tourism marketing (up \$3 m)
- \$2 million for clean air efforts



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# Compensation

- State Agencies and Higher Education:
  - \$23 million for a 3% salary increase in state agencies
  - \$16 million for a 2% salary increase in higher education
  - \$10 million for health insurance cost increases
  - \$2 million for other compensation costs
- Public Education:
  - The Legislature does not set pay for teachers. Public education employees negotiate with districts and charter schools. However, the Legislature did provide \$104 million for cost increases generally, which could include compensation.



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# Best Practices

- Matched ongoing appropriations with ongoing revenue
- Funded Capital Improvements at 1.1% of asset value
- Moved \$65 million in above-trend ongoing revenue into capital improvements
- Paid cash for most buildings
- Structured prison redevelopment bond so that outstanding debt continues to decline over time and GF debt service remains flat
- Prioritized debt service payments in statute
- Increased automatic deposit thresholds for rainy day funds based on quantitative analysis



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# Budget Policy Changes

- **HB 256, Revenue Reviews for Certain Funds**

Requires the Division of Finance to prepare an annual report that recommends closure of contribution dependent accounts that have not raised at least \$30,000 in one of the last three fiscal years.

- **HB 312, Reporting and Expenditure of Public Funds Amendments**

Changes deadline for GOMB reports to LFA from November 15 to 30 days before start of session – around December 25. Requires written agreements with recipients of pass-through funds: the recipients must provide annual reports.



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# Budget Policy Changes

- **HB 333, Budget Reserve Account Amendments**

Changes caps for automatic deposits from year end surpluses:

General Fund: From 8% to 9% of appropriations

Education Fund: From 9% to 11% of appropriations

- **HB 341, Constitutional Debt**

Prioritizes General Fund appropriations for debt service above any other GF appropriation. Requires Finance to publish the current constitutional debt limit. Requires governor's proposed budget to include changes to debt service.



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# Budget Policy Changes

- **HB 349, SITLA Budget Amendments**

Allows SITLA to move money between line items if they receive approval from their board and EAC.

- **HB 368, Executive Office Compensation**

Requires the salaries of the governor, Lt. governor, attorney general, state auditor, and state treasurer be set annually in an appropriations act beginning January 1, 2017.



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# Budget Policy Changes

- **HB 409, Amendments to the Procurement Code**

Removes an exemption to provisions of the procurement code for “any action taken by a majority of both houses of the Legislature.”

- **SB 47, Temporary Assistance for Needy Families**

Removes TANF funds from the exemption from federal funds review if the request is one-time in nature and greater than \$1M over the amount most recently approved by the Legislature.



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# Budget Policy Changes

- **Others**

- HB 14, Appropriation Limit and Mathematical Formula Amendments (see S.B.3 Section 3)
- HB 55, Repeal of Methamphetamine Housing Reconstruction and Rehabilitation Account
- HB 187, Amendments to Health and Human Services Funds (clarifies acceptable uses of two funds)
- HB 239, Human Resource Management Market Research Amendments
- SB 149, Repeal of Funds (repeals an inactive fund)
- SB 213, Budgeting Amendments (clarifies end of year claim processing)



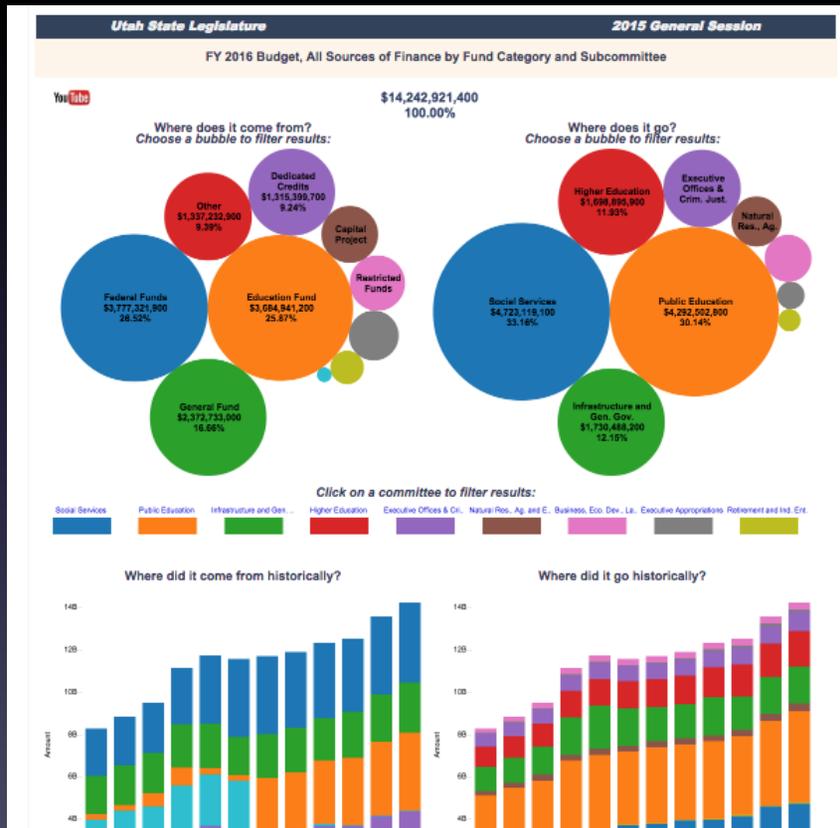
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# Details, Details...

## On-line Summary



## Full Report

