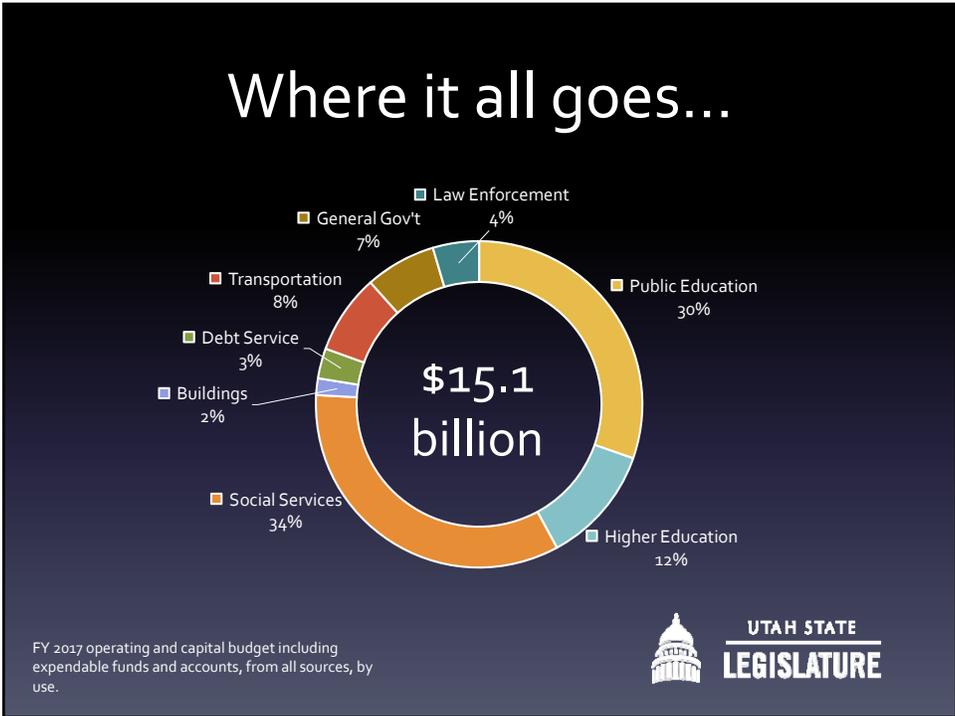


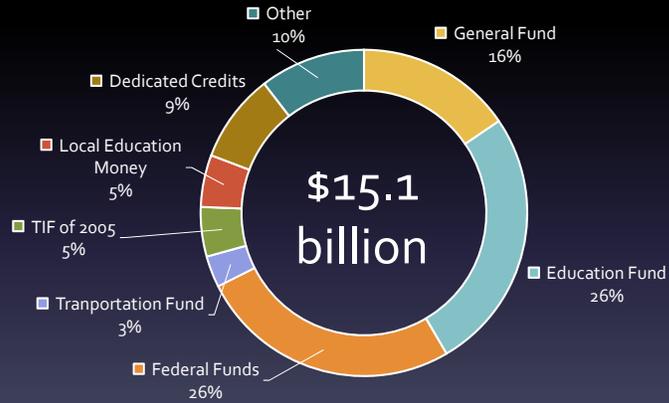


Budget of the State of Utah

FY 2016 – FY 2017



Where it all comes from...

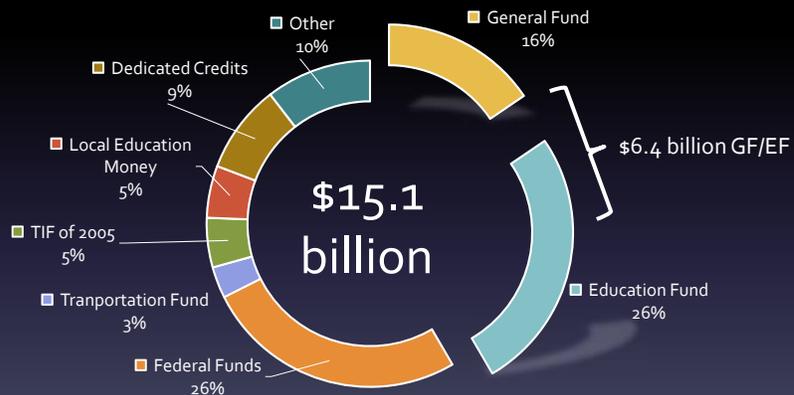


FY 2017 operating and capital budget including expendable funds and accounts, from all sources, by source of finance.



UTAH STATE
LEGISLATURE

Where it all comes from...

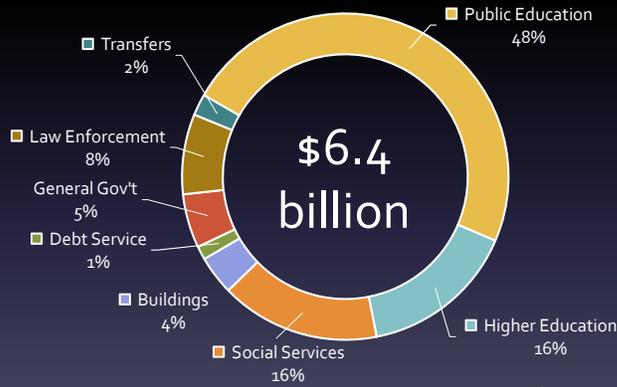


FY 2017 operating and capital budget including expendable funds and accounts, from all sources, by source of finance.



UTAH STATE
LEGISLATURE

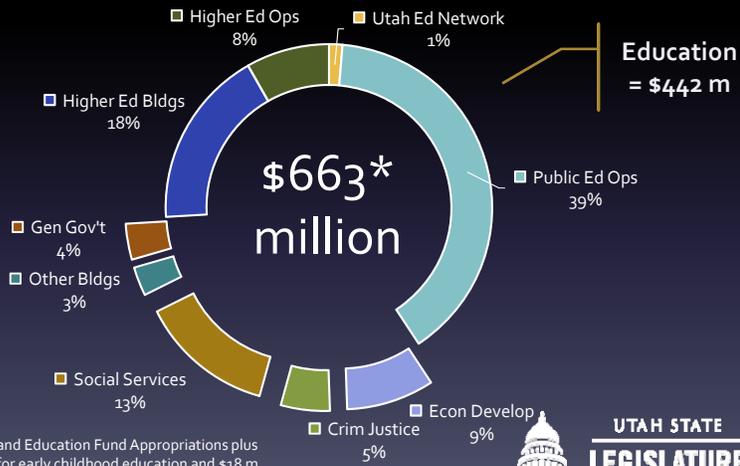
Where GF/EF goes...



FY 2017 General and Education Fund appropriations, by use.



Who Got New GF/EF Money...



*New General and Education Fund Appropriations plus \$13 m in TANF for early childhood education and \$18 m in program balances for student growth, 2016 General Session, by use.



How we balanced – Sources...

(GF/EF in millions)	
Ongoing Revenue Growth	\$400
One-time Re-estimates	\$150
Base Budget Review	\$40
TANF Reserves/MSP Balances	\$30
Fund Balances	\$24
Earmarks and Other	\$19
Total	\$663

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



UTAH STATE
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How we balanced – Uses...

(GF/EF in millions)	
Public Education	\$270
Higher Education	\$172
Social Services	\$88
Economic Development	\$58
Criminal Justice	\$32
State Agency Buildings	\$19
Gen. Gov't/Other	\$24
Total	\$663



UTAH STATE
LEGISLATURE

Education (GF/EF)

- \$94 million for Public Education student Growth
- \$82 million for a 3% increase in the WPU
- \$14 million to equalize state support for district and charter schools
- \$15 million for a statewide technology initiative
- \$114 million for new facilities at colleges and universities
- \$9 million for the Regents' Scholarship
- \$5 million for performance based funding in Higher Ed
- \$7.5 million for Higher Ed and UCAT expansion



Social Services (GF/EF)

- \$35 m ongoing and \$3.7 m one-time for caseload, inflation, and benefit changes in the current Medicaid program
- \$2.1 m ongoing in the Base Budget for Accountable Care Organization costs
- \$15 m ongoing offset by -\$12 m one-time for expansion of Medicaid to certain individuals in the poverty gap



Other Highlights (GF/EF)

- \$21 m ongoing for Hill AFB Software Building
- \$7.5 m for air quality initiatives including a new lab
- \$6 m ongoing for capital improvements
- \$3 m ongoing and \$3 m one-time for tourism marketing (\$21 m total)
- \$2.6 m ongoing and \$2.6 m one-time for jail contracting and reimbursement rate increases
- \$1.8 m ongoing and \$2 m one-time for criminal justice initiatives



Compensation (GF/EF)

- State Agencies and Higher Education:
 - \$32 million for a 2% salary increase
 - \$16 million for health insurance cost increases
 - Other small adjustments for unemployment and retirement
- Public Education:
 - The Legislature does not set pay for teachers. Public education employees negotiate with districts and charter schools. However, the Legislature did provide \$94 million for cost increases generally, which could include compensation.



Best Practices

- Deposited \$59 m into the Education Rainy Day Fund
- Matched ongoing appropriations with ongoing revenue and ended with a \$13 m structural surplus
- Funded Capital Improvements at 1.1% of asset value
- Moved \$20 million in above-trend ongoing revenue into capital development
- Paid-down \$325 m in existing debt in FY 2017
- Authorized no new General Obligation debt
- Paid cash for buildings



Budget Policy Changes

- **HJR 7, Joint Rules Resolution on Medicaid Funding Report**
Requires EAC to hear a report each December on Medicaid ACOs, including base budget, program needs, medical inflation, and cost of mandated Medicaid program changes.
- **SB 154, Medicaid Accountable Care Organizations**
Requires the Medicaid base budget to include cost of mandated Medicaid program changes.



Budget Policy Changes

- **HB 351, Attorney General Fiscal Amendments**
Allows the AG to operate as an internal service fund for legal services that the office provides to state agencies and establishes a rate committee.
- **SB 37, Human Resource Management Rate Committee**
Modifies the DHRM ISF rate committee for expanded services to be provided by the ISF.
- **SB 52, Rate Committee Modifications**
Changes the ISF rate committees to include seven (rather than three) agencies, only one of which can be GOMB, Finance, DTS, or DAS.



Budget Policy Changes

- **SJR 8, Joint Rules Resolution on Performance Notes**
Requires a performance note to be printed for every piece of legislation.
- **HB 329, Federal Funds Procedures Act Amendments**
Requires agencies to submit a copy of the grant approval letter before they may expend the federal grant; puts USBE on similar approval process as executive and judicial branches; clarifies that exemption for "pass-through federal funds" doesn't apply to federal funds passed through from USBE to an LEA.



Budget Policy Changes

- **RFA, Business Cycle Management**
Enhances long-term approaches to budgeting by appropriating \$120,000 to GOMB for an FTE to analyze revenue trends, volatility, and budget stress testing; and \$15,000 to LFA for purchase of consulting services and economic scenarios for stress testing.
- **HB 310, Tax Credit Review Amendments**
Required the Revenue and Taxation Interim Committee and LFA to review certain tax credits during the 2016 Interim.



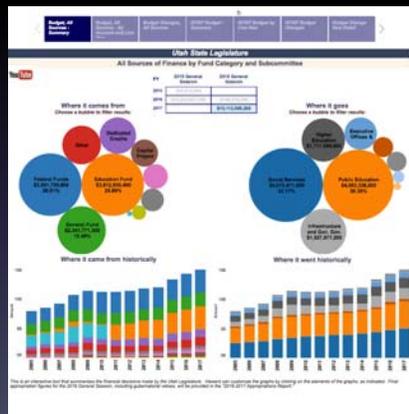
Budget Policy Changes

- **SB 17, Revenue and Taxation Amendments**
Clarifies the formula for calculating the oil and gas severance tax.
- **SB 212, Wildland Fire Suppression Fund**
Amends year-end General Fund surplus deposit requirements, requiring up to \$4,000,000 of any surplus to be deposited in the Wildland Fire Suppression Fund, thus shifting potential future deposits from other accounts and transfers.

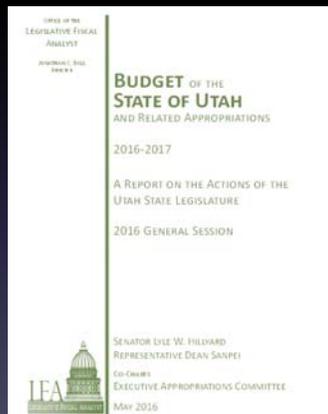


Details, Details...

On-line Summary



Full Report



Budget.Utah.Gov

