

Budget Brief: DAS Internal Service Fund Summary

SUMMARY

Internal Service Funds (ISF) employ business practices to provide a service or product for other state and governmental agencies. Typical services include motor pools, information technology, mail processing, facility management, or other large functions that can be centrally coordinated. They are set up to take advantage of economies of scale, to avoid duplication of efforts and to provide an accounting mechanism to adequately identify the costs of certain governmental services.

In order to control the size, mission and fees charged to state agencies, the Legislature imposed statutory controls (UCA 63J-1-306) that require ISFs to respond to the legislative budget process. No ISF can bill another agency for its services unless the Legislature has:

- Approved the ISF's budget request
- Approved the ISF's rates, fees, and other charges, and included those rates and fees in an appropriations act
- Approved the number of FTE as part of the annual appropriation process
- Appropriated the ISF's estimated revenue based upon the rates and fee structure

No capital acquisitions can be made by an ISF without legislative approval. No capital assets can be transferred to an ISF without legislative approval.

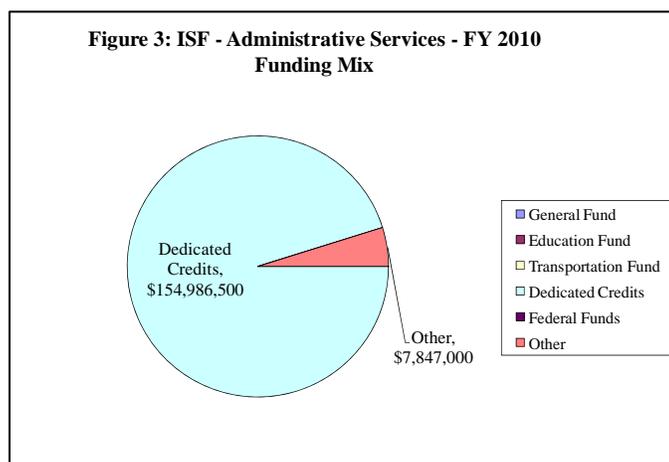
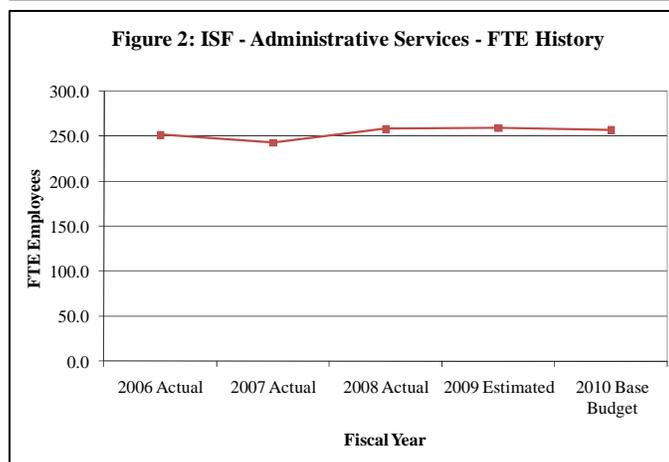
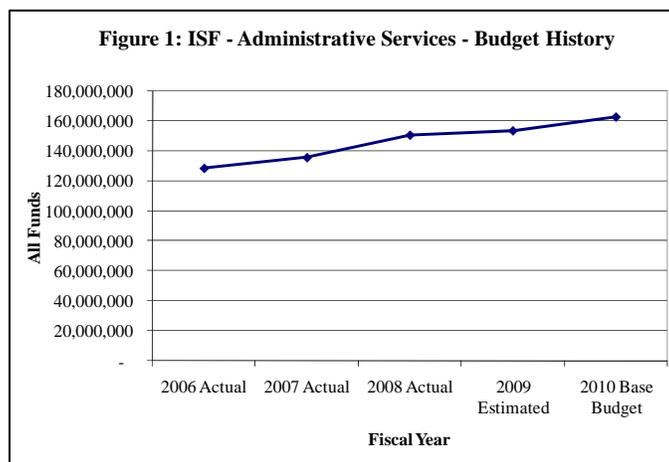
Working capital should come from the following sources in priority order: operating revenues; long-term debt; legislative appropriations.

General Fund borrowing (long-term debt) is authorized as long as the debt is repaid over the useful life of assets and borrowing does not exceed 90 percent of the ISF's capital assets.

DAS Internal Service Fund Line Items

DAS operates four ISFs that are funded by rates charged to state agencies, higher education, and local governments:

- Purchasing and General Services
- Fleet Operations
- Risk Management
- Facilities Maintenance



ACCOUNTABILITY DETAIL**General Fund Borrowing**

General Fund borrowing occurs when an agency needs cash to purchase assets to carry out its business. Examples include photocopiers and vehicles. These assets are depreciated and charged to customer agencies through the ISF's rates. Although the Legislature expresses a preference for capitalizing assets through operating funds, borrowing from the General Fund is allowed as long as the debt is repaid over the useful life of the asset and borrowing does not exceed 90 percent of the ISF's capital assets.

The table below shows General Fund debt carried by the DAS ISFs along with their working capital positions. Working capital increased as did General Fund borrowing from FY 2007 to FY 2008.

General Fund Borrowing by DAS Internal Service Funds					
	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
General Services: Printing					
Short Term GF Borrowing	\$1,651,600	\$1,860,200	\$1,669,800	\$1,806,100	\$1,607,300
Long Term GF Borrowing	\$2,279,400	\$2,060,200	\$1,834,700	\$973,200	\$1,053,200
Total GF Borrowing	\$3,931,000	\$3,920,400	\$3,504,500	\$2,779,300	\$2,660,500
Working Capital*	(\$3,849,500)	(\$3,848,700)	(\$3,333,700)	(\$2,869,000)	(\$2,685,500)
90% Value of Fixed Assets	\$3,906,400	\$3,725,300	\$3,332,200	\$2,997,200	\$3,079,100
Amount (Over) Under Limit	\$56,900	(\$123,400)	(\$1,500)	\$128,200	\$393,600
ITS (Absorbed by DTS)					
Short Term GF Borrowing	\$4,291,000	\$0	\$0	\$0	\$0
Long Term GF Borrowing	\$0	\$0	\$0	\$0	\$0
Total GF Borrowing	\$4,291,000	\$0	\$0	\$0	\$0
Working Capital*	(\$154,000)	\$3,714,100	\$6,267,300	\$0	\$0
90% Value of Fixed Assets	\$10,979,200	\$9,040,100	\$10,062,100	\$0	\$0
Amount (Over) Under Limit	\$10,825,200	\$12,754,200	\$16,329,400	\$0	\$0
Fleet Ops: Motor Pool					
Short Term GF Borrowing	\$14,667,500	\$14,212,100	\$12,380,400	\$16,241,300	\$11,324,400
Long Term GF Borrowing	\$13,454,200	\$9,494,900	\$7,755,600	\$2,313,700	\$10,137,500
Total GF Borrowing	\$28,121,700	\$23,707,000	\$20,136,000	\$18,555,000	\$21,461,900
Working Capital*	(\$27,069,800)	(\$23,167,100)	(\$19,785,800)	(\$16,196,700)	(\$19,243,700)
90% Value of Fixed Assets	\$52,985,100	\$49,318,700	\$48,014,000	\$47,195,700	\$51,077,800
Amount (Over) Under Limit	\$25,915,300	\$26,151,600	\$28,228,200	\$30,999,000	\$31,834,100
Fleet Ops: Fuel Network					
Short Term GF Borrowing	\$359,800	\$591,300	\$2,239,800	\$905,300	\$2,099,800
Long Term GF Borrowing	\$4,220,100	\$2,083,300	\$208,300	\$0	\$0
Total GF Borrowing	\$4,579,900	\$2,674,600	\$2,448,100	\$905,300	\$2,099,800
Working Capital*	(\$293,500)	\$360,500	\$2,723,200	\$4,720,000	\$6,551,400
90% Value of Fixed Assets	\$742,300	\$656,100	\$613,400	\$538,000	\$541,600
Amount (Over) Under Limit	\$448,800	\$1,016,600	\$3,336,600	\$5,258,000	\$7,093,000
Risk Management: Insurance					
Short Term GF Borrowing	\$597,800	\$1,558,100	\$1,159,100	\$2,664,200	\$610,700
Long Term GF Borrowing	\$1,643,100	\$85,000	\$2,035,200	\$0	\$0
Total GF Borrowing	\$2,240,900	\$1,643,100	\$3,194,300	\$2,664,200	\$610,700
Working Capital*	\$39,123,500	\$40,450,600	\$41,133,900	\$42,428,400	\$39,545,500
90% Value of Fixed Assets	\$50,200	\$31,600	\$14,400	\$0	\$0
Amount (Over) Under Limit	\$39,173,700	\$40,482,200	\$41,148,300	\$42,428,400	\$39,545,500
Total General Fund Borrowing	\$43,164,500	\$31,945,100	\$29,282,900	\$24,903,800	\$26,832,900
*Working Capital = Current Assets - Current Liabilities - Long Term GF Borrowing					

The Analyst suggests that looking at trends in General Fund borrowing and Working Capital helps gauge the fiscal condition of an ISF.

Budget Detail

The predominant source of funds, Dedicated Credits – Intragovernmental Revenue, comes from charges to customer agencies. Premiums are collected by Risk Management for its insurance programs. Restricted revenue comes from Workers Compensation collections made by the Division of Risk Management.

BUDGET DETAIL TABLE

ISF - Administrative Services						
	FY 2008	FY 2009		FY 2009		FY 2010*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Base Budget
Premiums	27,040,000	27,048,600	0	27,048,600	2,294,200	29,342,800
Interest Income	2,650,600	3,611,700	(1,151,700)	2,460,000	(37,000)	2,423,000
Dedicated Credits - Intragvt Rev	112,764,800	104,092,300	12,543,500	116,635,800	6,584,900	123,220,700
Sale of Fixed Assets	132,100	0	0	0	0	0
Restricted Revenue	8,069,600	7,732,000	(259,000)	7,473,000	374,000	7,847,000
Total	\$150,657,100	\$142,484,600	\$11,132,800	\$153,617,400	\$9,216,100	\$162,833,500
Line Items						
ISF - Purchasing & General Services	15,871,200	14,233,000	1,814,700	16,047,700	356,000	16,403,700
ISF - Fleet Operations	71,556,400	63,506,500	9,870,600	73,377,100	4,934,400	78,311,500
ISF - Risk Management	37,759,900	38,392,300	(1,410,700)	36,981,600	2,631,200	39,612,800
ISF - Facilities Management	25,469,600	26,352,800	858,200	27,211,000	1,294,500	28,505,500
Total	\$150,657,100	\$142,484,600	\$11,132,800	\$153,617,400	\$9,216,100	\$162,833,500
Categories of Expenditure						
Personal Services	15,332,200	15,256,800	1,096,700	16,353,500	122,200	16,475,700
Out of State Travel	44,800	58,100	(12,800)	45,300	0	45,300
Current Expense	111,968,100	110,597,200	12,692,100	123,289,300	6,709,500	129,998,800
DP Current Expense	1,315,500	1,339,700	259,900	1,599,600	46,300	1,645,900
DP Capital Outlay	0	0	0	0	(73,800)	(73,800)
Other Charges/Pass Thru	1,010,100	57,800	200,600	258,400	304,400	562,800
Operating Transfers	3,003,100	0	20,100	20,100	(20,100)	0
Depreciation	13,104,700	14,541,200	(1,114,000)	13,427,200	3,208,900	16,636,100
Total	\$145,863,900	\$141,908,100	\$13,169,500	\$155,077,600	\$10,301,100	\$165,378,700
Other Data						
Budgeted FTE	258.5	259.5	0.0	259.5	(2.0)	257.5
Actual FTE	233.6	0.0	0.0	0.0	0.0	0.0
Authorized Capital Outlay	21,735,200	17,843,800	4,121,900	21,965,700	(1,038,700)	20,927,000
Retained Earnings	24,219,600	16,716,900	4,042,500	20,759,400	(2,545,400)	18,214,000
Vehicles	142.0	140.0	(18.0)	122.0	0.0	122.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.



Issue Brief: DAS and DHRM Internal Service Fund Rate Impacts

CAPITAL FACILITIES AND GOVERNMENT OPERATIONS

BB: DAS ISF SUMMARY

SUMMARY OF RATE CHANGES

The Department of Administrative Services (DAS) operates four internal service funds (ISF) that provide services to other state agencies – Division of Facilities, Construction and Management; Risk Management; Fleet Operations; and General Services. The Department of Human Resource Management operates one ISF that charges rates for human resource services. The following subsections briefly describe rate changes for FY 2010 for these ISF. More information is available in the budget briefs associated with each internal service fund.

Division of Facilities Construction and Mgt.

This ISF provides building maintenance and management to over 190 state facilities. Each year the division analyzes the services provided to each building and determines if a rate adjustment is necessary. The rates are unique to each building and are based on current maintenance and utility costs. For FY 2010 the division requests a rate increase for sixteen buildings to cover increased labor and utility expenses.

In addition to the rate increases described above, the division anticipates making several adjustments in FY 2009 and 2010 for new locations being added to the ISF including the new St. George Courthouse and Salt Lake Government Building.

Fleet Operations

In FY 2010 the Analyst recommends increasing the replacement mileage for vehicles operated by the Division of Fleet Operations from 90,000 miles to 105,000. This will result in a \$1.8 million ongoing decrease to state agencies and a \$0.5 million onetime decrease to agencies in FY 2009 if implemented by the end of the session. The Division currently replaces vehicles when they reach 90,000 miles. By increasing the number of miles for replacement to 105,000 the Division can charge agencies less per month for vehicle usage because the vehicles will need replacement less often.

Risk Management

Liability rates are recommended by an actuary based on claims information sent by the division at the end of each fiscal year. Each year the actuary determines whether the fund is actuarially sound and whether reserves need to be increased or decreased. In FY 2010, the liability rates stayed the same overall, but were adjusted for each agency based on loss history and budget allocations. The total rate impact to state agencies in FY 2010 will be a \$79,300 decrease.

Property insurance rates are requested to increase 19% which would result in \$1,061,800 of increased rates to state agencies and higher education. These rate increases are a result of new, increased replacement costs for insured buildings and updated property insurance rates.

The Workers Compensation rates for FY 2010 will decrease 11 percent for the State and 20 percent for UDOT; which will result in almost \$1 million in savings to the State. These rates, however, will be reflected as compensation adjustments rather than internal service fund rates.

Dept. of Human Resource Management

In FY 2010 the Department of Human Resource Management proposes to reduce rates by 9% overall including a 6% decrease in the Human Resource rate and a 35% decrease in the Payroll rate. The result of these rate decreases will equate to \$843,200 of savings to state agencies. Included in these rate reductions are the elimination of six FTE positions and the internal funding of the FY 2009 compensation package that included a 5% Cost-of-Living-Adjustment and health increases.

The following table shows the impact of the recommended Internal Service Fund (ISF) rate changes for the Department of Administrative Services (DAS) and the Department of Human Resource Management (DHRM) on state agencies as described in page one of this brief.

	<u>DFCM</u>	<u>DHRM</u>	<u>Fleet</u>	<u>Risk Liability</u>	<u>Risk Property</u>	<u>Grand Total</u>	<u>State Funds</u>	<u>Other Funds</u>	<u>Grand Total</u>
Capital Facilities & Government Operations	400	(14,100)	(6,400)	2,000	10,600	(7,500)	(9,100)	1,600	(7,500)
Administrative Services	400	(10,100)	(6,400)	(3,100)	1,500	(17,700)	(15,400)	(2,300)	(17,700)
Capitol Preservation Board	0	2,800	0	1,100	9,100	13,000	9,100	3,900	13,000
Career Service Review Board	0	(100)	0	0	0	(100)	(100)	0	(100)
Human Resource Management	0	(6,700)	0	4,000	0	(2,700)	(2,700)	0	(2,700)
Commerce & Workforce Services	494,400	(86,400)	(71,100)	(38,600)	6,300	304,600	(4,100)	308,700	304,600
Alcoholic Beverage Control	337,200	(18,200)	(3,600)	3,600	4,600	323,600	0	323,600	323,600
Department of Commerce	0	(17,600)	(11,100)	(6,100)	0	(34,800)	0	(34,800)	(34,800)
Financial Institutions	0	(1,400)	0	100	0	(1,300)	0	(1,300)	(1,300)
Insurance	0	(6,000)	(6,100)	5,900	0	(6,200)	(100)	(6,100)	(6,200)
Labor Commission	0	(2,700)	(7,000)	(3,000)	100	(12,600)	(10,200)	(2,400)	(12,600)
Public Service Commission	0	(400)	0	(1,100)	0	(1,500)	0	(1,500)	(1,500)
State Board of Education	15,500	0	(12,100)	0	0	3,400	(900)	4,300	3,400
Workforce Services	141,700	(40,100)	(31,200)	(38,000)	1,600	34,000	7,100	26,900	34,000
Economic Development and Revenue	68,200	(55,200)	(34,000)	(12,000)	700	(32,300)	(8,900)	(23,400)	(32,300)
Community and Culture	57,300	(13,900)	(4,400)	3,000	600	42,600	43,000	(400)	42,600
Economic Development	0	0	(1,200)	(1,700)	100	(2,800)	(2,800)	0	(2,800)
Sports Authority	0	(100)	0	0	0	(100)	(100)	0	(100)
Tax Commission	10,900	(48,200)	(28,400)	(6,500)	0	(72,200)	(49,200)	(23,000)	(72,200)
USTAR	0	7,000	0	(6,800)	0	200	200	0	200
Executive Offices & Criminal Justice	132,200	(113,800)	(874,600)	(17,000)	47,600	(825,600)	(810,600)	(15,000)	(825,600)
Attorney General	2,300	0	(12,900)	(1,800)	0	(12,400)	(8,300)	(4,100)	(12,400)
Board of Pardons and Parole	0	(2,300)	(1,900)	(9,200)	4,400	(9,000)	(9,000)	0	(9,000)
Corrections	66,400	(46,300)	(177,700)	(50,800)	36,600	(171,800)	(148,600)	(23,200)	(171,800)
Courts	0	0	(44,100)	(10,800)	0	(54,900)	(52,800)	(2,100)	(54,900)
Governor's Office	0	(5,400)	(3,300)	(16,400)	0	(25,100)	(24,000)	(1,100)	(25,100)
Juvenile Justice Services	0	0	(48,300)	0	300	(48,000)	(47,200)	(800)	(48,000)
Public Safety	63,500	(56,400)	(585,100)	71,200	6,300	(500,500)	(518,300)	17,800	(500,500)
State Auditor	0	(2,400)	(1,000)	900	0	(2,500)	(1,700)	(800)	(2,500)
State Treasurer	0	(1,000)	(300)	(100)	0	(1,400)	(700)	(700)	(1,400)
Health & Human Services	118,000	(372,300)	(118,200)	64,900	1,200	(306,400)	(204,200)	(102,200)	(306,400)
Health	11,600	(28,500)	(20,300)	(28,200)	1,200	(64,200)	(33,600)	(30,600)	(64,200)
Human Services	106,400	(343,800)	(97,900)	93,100	0	(242,200)	(170,600)	(71,600)	(242,200)
Higher Education	91,600	(400)	(44,900)	(41,000)	805,800	811,100	577,300	233,800	811,100
College of Eastern Utah	0	0	(4,000)	1,500	0	(2,500)	(2,100)	(400)	(2,500)
Dixie State College	0	0	(1,100)	2,500	24,400	25,800	19,900	5,900	25,800
Salt Lake Community College	0	0	0	8,400	58,100	66,500	46,300	20,200	66,500
Snow College	0	0	(6,700)	8,300	12,000	13,600	10,500	3,100	13,600
Southern Utah University	0	0	(13,300)	4,400	22,200	13,300	9,200	4,100	13,300
State Board of Regents	0	0	0	1,700	100	1,800	1,700	100	1,800
University of Utah	0	0	(8,600)	(119,300)	494,800	366,900	277,400	89,500	366,900
Utah College of Applied Technology	38,900	0	(4,200)	2,500	19,900	57,100	49,500	7,600	57,100
Utah State University	52,700	0	(3,600)	28,700	111,300	189,100	115,100	74,000	189,100
Utah Valley University	0	0	(500)	9,700	45,200	54,400	32,700	21,700	54,400
Weber State University	0	0	(200)	10,400	17,800	28,000	20,000	8,000	28,000
Medical Education Council	0	(400)	0	200	0	(200)	(200)	0	(200)
Utah Education Network	0	0	(2,700)	0	0	(2,700)	(2,700)	0	(2,700)
Legislature	0	0	0	800	100	900	900	0	900
Legislature	0	0	0	800	100	900	900	0	900
Natural Resources	0	(47,700)	(395,300)	48,900	18,800	(375,300)	(122,300)	(253,000)	(375,300)
Agriculture	0	(7,900)	(50,400)	(5,200)	0	(63,500)	(37,600)	(25,900)	(63,500)
Natural Resources	0	(37,000)	(329,100)	55,000	18,500	(292,600)	(84,200)	(208,400)	(292,600)
Public Lands Office	0	(600)	(1,500)	0	100	(2,000)	(500)	(1,500)	(2,000)
School & Institutional Trust Lands	0	(2,200)	(14,300)	(900)	200	(17,200)	(17,200)	0	(17,200)
Public Education	79,000	(68,900)	(32,200)	(3,200)	1,100	(24,200)	42,400	(66,600)	(24,200)
State Board of Education	79,000	(68,900)	(32,200)	(3,200)	1,100	(24,200)	42,400	(66,600)	(24,200)
Transportation & Environmental Quality	23,300	(84,400)	(250,100)	(84,100)	169,600	(225,700)	(50,300)	(175,400)	(225,700)
Environmental Quality	300	(26,300)	(26,500)	(5,000)	0	(57,500)	(35,600)	(21,900)	(57,500)
National Guard	0	(16,900)	(4,600)	(600)	13,700	(8,400)	(15,700)	7,300	(8,400)
Transportation	23,000	(42,900)	(218,500)	(78,300)	155,900	(160,800)	0	(160,800)	(160,800)
Veterans' Affairs	0	1,700	(500)	(200)	0	1,000	1,000	0	1,000
Grand Total	1,007,100	(843,200)	(1,826,800)	(79,300)	1,061,800	(680,400)	(588,900)	(91,500)	(680,400)

* These rate impacts are estimates. Actual rate impacts will be included in a Supplemental FY 2010 Appropriations Bill.



Budget Brief: DAS General Services (ISF)

SUMMARY

In 1997 the Legislature reorganized the Department of Administrative Services, merging Central Copying, Central Mail, and Central Stores into the Division of Purchasing. The new division became the Division of Purchasing and General Services. The General Services functions of the division are budgeted as internal service funds. The procurement function that enables other agencies to contract for goods and services is budgeted separately in the appropriated fund section.

The programs in this line item include:

- Administration
- Central Mailing
- Electronic Purchasing
- Print Services

The Administration Program is set up to account for the indirect costs (overhead) in delivering the services of the other three central services programs. All expenditures are passed through to the other programs in proportion to their share of the total division budget.

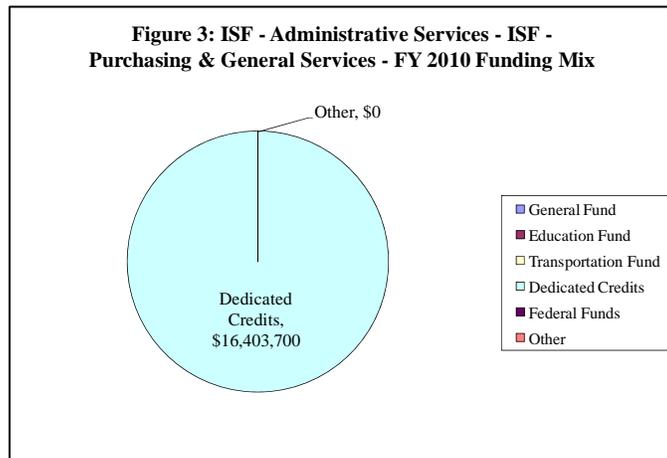
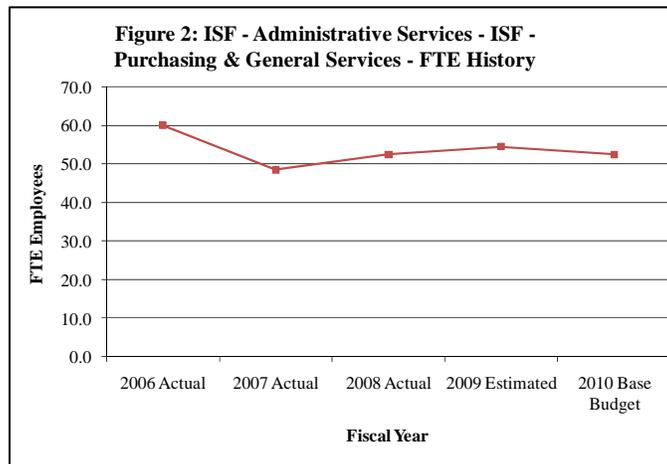
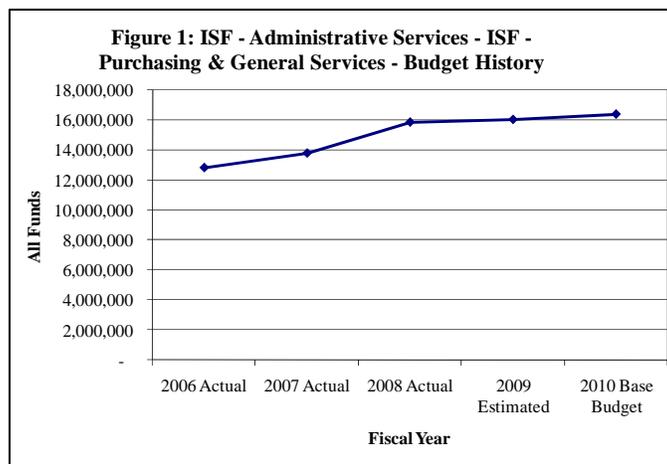
ISSUES AND RECOMMENDATIONS

Print Services Retained Earnings

In response to legislative concerns, several years ago the division consolidated printing operations and reduced equipment in an effort to reverse losses in retained earnings. However, the division was unable to reduce its debt. In FY 2006 the division contracted with Xerox to operate high speed copying and finishing service centers, though the program is still managed by the division. The following table shows retained earnings since FY 2003:

FY 2003	(\$1,067,400)
FY 2004	(\$1,164,600)
FY 2005	(\$1,364,900)
FY 2006	(\$1,286,700)
FY 2007	(\$1,194,300)
FY 2008	(\$ 919,700)

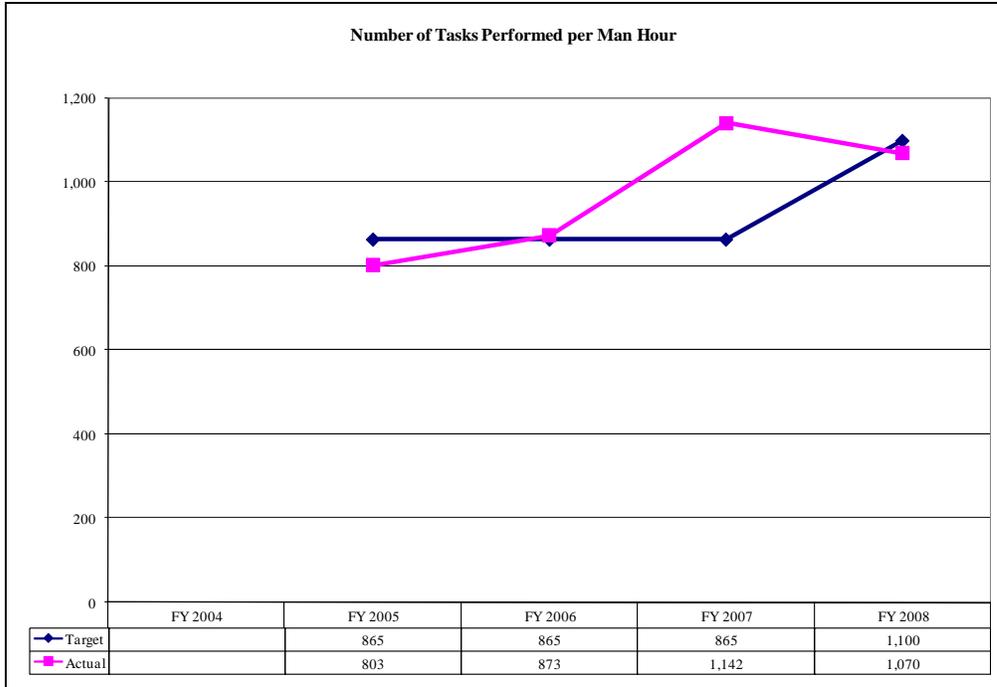
The program has improved since FY 2005 and has made the goal to eliminate its negative retained earnings, General Fund debt, and deficit working capital within five years. The program's rates include a \$0.005 per page debt-elimination fee.



ACCOUNTABILITY DETAIL

Central Mailing – Tasks Performed per Man Hour

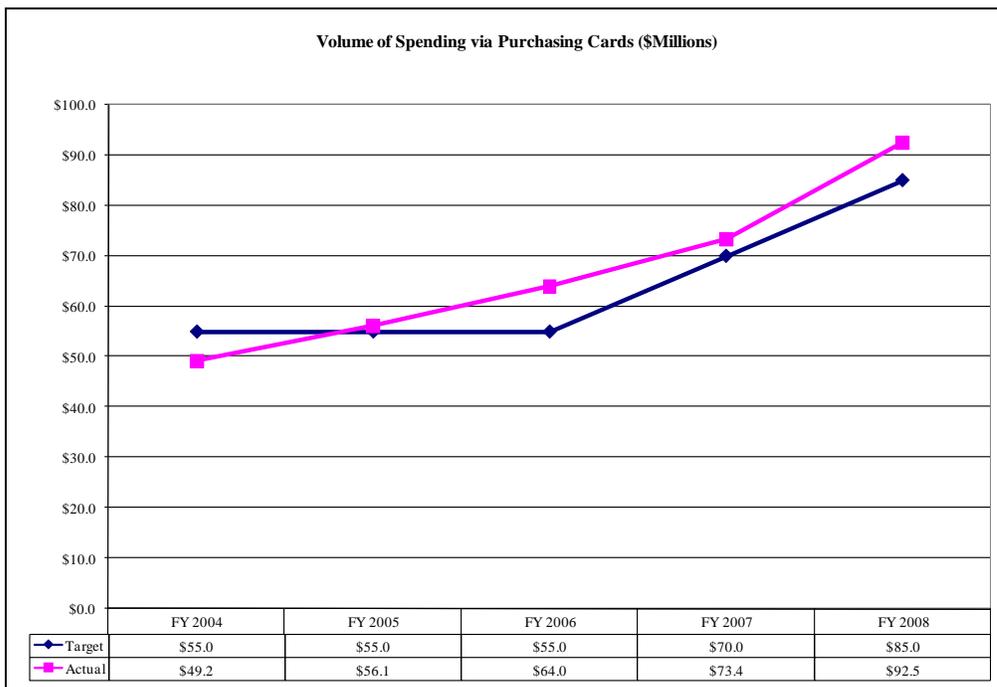
State Mail Services is primarily a production environment. Efficiency can be measured by calculating the number of tasks performed per hour.



A “task” is each process for which the program has established a rate (e.g. folding, inserting, metering, OCRing, etc). Data are collected through barcodes with billing information. The division has a target of 1,100 per hour.

Volume of Spending via Purchasing Cards

Since use of the P-Card has established itself as the most efficient way to make purchases, the volume of P-Card purchasing is an indicator of statewide efficiency in making small transactions.



BUDGET DETAIL

Because the Administration program passes all of its expenditures through to the other three programs, its total budget is zero and it doesn't appear in the Budget Detail Table on page 4. Estimated FY 2010 costs are \$381,800.

Capital Outlay Authority Request

The ISF requests capital outlay authority of \$2,679,700 for FY 2010 for the following purposes:

- \$2,359,700 for replacement copiers (on a five year replacement cycle) for the Digital Copier Services (Print Services) program. The majority of departments within state government subscribes to this service for their self-service copier needs which has reduced costs by matching copiers with needs and provides continuous support to subscribers. The service replaces copiers when the economic capacity is depleted (based on impressions) or when the equipment has reached five years old. The five year replacement schedule optimizes changing technology, serviceability, maintenance costs, manufacturer's guarantee, changes in state agency programs, and number of impressions.
- \$320,000 for the following equipment to improve efficiency in the Mail Services division:
 - \$160,000 for BoweONE Tracking Software
 - \$70,000 for a forklift
 - \$20,000 for a banding machine
 - \$70,000 for furnishings for a new building

LEGISLATIVE ACTION

The Analyst recommends the Legislature consider adopting:

1. Estimated revenues of \$16,403,700 for the General Services ISF in FY 2010
2. Rates as presented separately in an Issue Brief
3. Base FTEs of 52.5
4. Authorized Capital Outlay of \$2,679,700 to be used if needed for self-service copiers (\$2,359,700) and mail equipment (\$320,000).

BUDGET DETAIL TABLE**ISF - Administrative Services - ISF - Purchasing & General Services**

Sources of Finance	FY 2008 Actual	FY 2009 Appropriated	Changes	FY 2009 Revised	Changes	FY 2010* Base Budget
Dedicated Credits - Intragvt Rev	15,921,300	14,233,000	1,814,700	16,047,700	356,000	16,403,700
Sale of Fixed Assets	(50,100)	0	0	0	0	0
Total	\$15,871,200	\$14,233,000	\$1,814,700	\$16,047,700	\$356,000	\$16,403,700
Programs						
ISF - Central Mailing	11,821,500	10,210,000	1,611,500	11,821,500	0	11,821,500
ISF - Electronic Purchasing	541,900	480,700	61,200	541,900	0	541,900
ISF - Print Services	3,507,800	3,542,300	142,000	3,684,300	356,000	4,040,300
Total	\$15,871,200	\$14,233,000	\$1,814,700	\$16,047,700	\$356,000	\$16,403,700
Categories of Expenditure						
Personal Services	2,611,200	2,584,800	162,900	2,747,700	200	2,747,900
In-State Travel	14,900	4,800	10,100	14,900	0	14,900
Out of State Travel	4,500	2,800	1,700	4,500	0	4,500
Current Expense	11,886,400	10,163,500	1,718,400	11,881,900	0	11,881,900
DP Current Expense	65,300	74,800	(9,500)	65,300	0	65,300
DP Capital Outlay	0	0	0	0	(381,800)	(381,800)
Other Charges/Pass Thru	(88,200)	(383,000)	184,800	(198,200)	261,900	63,700
Depreciation	1,683,300	1,936,500	(109,900)	1,826,600	370,700	2,197,300
Total	\$16,177,400	\$14,384,200	\$1,958,500	\$16,342,700	\$251,000	\$16,593,700
Other Data						
Budgeted FTE	52.5	54.5	0.0	54.5	(2.0)	52.5
Actual FTE	46.2	0.0	0.0	0.0	0.0	0.0
Authorized Capital Outlay	1,757,300	3,193,600	0	3,193,600	(513,900)	2,679,700
Retained Earnings	1,143,000	1,088,300	(240,300)	848,000	(190,200)	657,800
Vehicles	14.0	15.0	(1.0)	14.0	0.0	14.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.



Issue Brief:
General Services ISF – Fees

CAPITAL FACILITIES AND GOVERNMENT OPERATIONS

BB: DAS ISF GEN. SRV.

SUMMARY

In accordance with UCA 63J-1-306, the following fees are proposed for the services of the Division of Purchasing and General Services in FY 2010. These rates were approved by the Rate Committee and are recommended by the Analyst.

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Central Mailing					
Business Reply/Postage Due	.090	.090			
Special Handling/Labor Per Hour	28.35	28.35			
Auto Fold	.010	.010			
Label Generate	.021	.021			
Label Apply	.018	.018			
Bursting	.012	.012			
Auto Tab	.016	.016			
Meter/Seal	.017	.017			
Federal Meter/Seal	.014	.014			
Optical Character Reader	.017	.017			
Mail Distribution	.035	.035			
Accountable Mail	.180	.180			
Task Distribution Rate	.008	.008			
Auto Insert – First Insert	.013	.013			
Additional Inserts	.004	.004			
Intelligent Inserting	.018	.018			
Minimum Charge Bursting	5.00	5.00			
Minimum Charge Inserting	17.50	17.50			
Minimum Charge Auto Tab	5.00	5.00			
Minimum Charge Label Generate	17.50	17.50			
Minimum Charge Label Apply	5.00	5.00			
Electronic Purchasing					
Orders – Markup plus percent of cost	1%	1%			
Purchases at service centers: Markup plus percent of cost	40%	40%			
Print Services					
Paper: Cost plus	25%	25%			
Contract Management Fee	.005	.005			
Debt Elimination Fee	.005	.005			

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Self Service Copy Rates					
Cost per copy is computed using the following formula:					
(Depreciation + Maintenance + Supplies)/impressions plus	.004	.004			
Cost per copy multiplied by impressions results in amount billed.					



Budget Brief: DAS Fleet Operations (ISF)

SUMMARY

The Division of Fleet Operations performs all administrative duties related to managing the state’s vehicles, coordinates all vehicle purchases, manages the fleet information system for all state vehicles, makes rules, runs a fuel dispensing service, and sets rates to recover costs. Further, the division includes the State and Federal Surplus Property programs, which were housed in the Division of Purchasing and General Services prior to 1997.

ISSUES AND RECOMMENDATIONS

Extended life for vehicles

Fleet calculates vehicle lease rates as follows: Purchase Price minus Salvage Value divided by Life Cycle plus Administrative Fees. Fleet currently uses 90,000 miles as the lifecycle for standard cars and light-duty trucks. This lifecycle, however, does not reflect the longer life of most new vehicles produced at present; which often have warranties up to 100,000 miles. The Analyst requested that Fleet review state vehicle lifecycles as a potential method for reducing costs as part of this year’s budget reductions. The division analyzed the issue and found that the state could save \$1.8 million annually if vehicle lifecycles were changed from 90,000 miles to 105,000 miles. The Analyst therefore recommends that the Legislature implement a new rate schedule that would change the lifecycle from 90,000 miles to 105,000 miles.

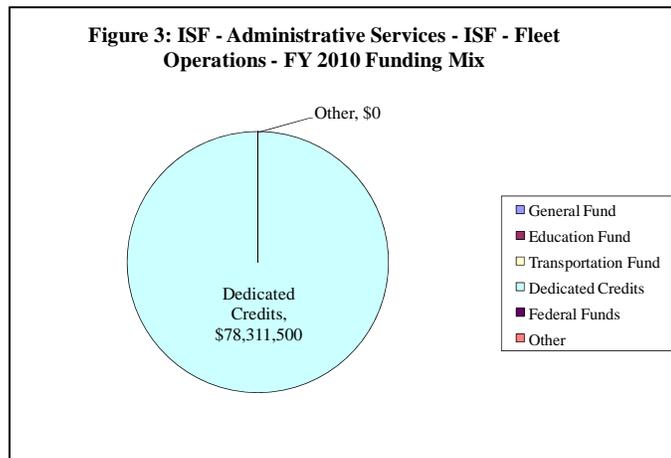
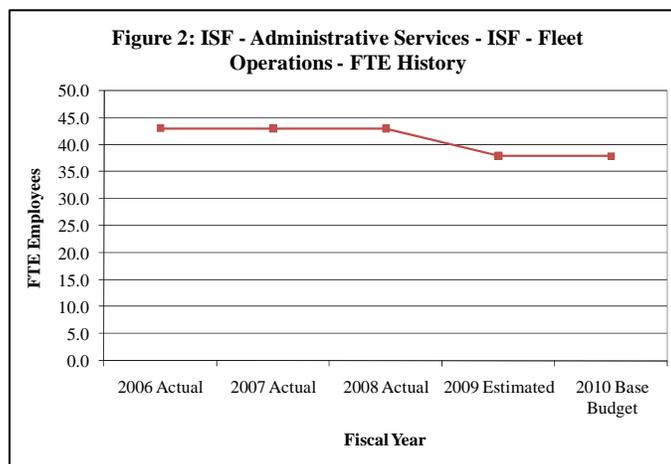
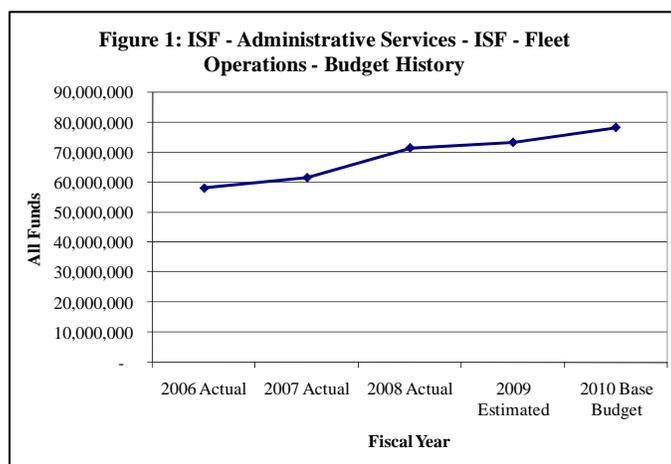
Hybrid vehicles and fuel efficiency

The Governor has mandated that the division include a significant number of alternative fuel vehicles in its vehicle replacement cycles. Each year the division replaces aging state vehicles using capital outlay authority granted by the Legislature. During the 2008 General Session the Legislature granted \$1.3 million in additional capital outlay to purchase hybrid vehicles in FY 2008.

This year the division requests an additional \$2,115,000 in FY 2009 and \$1,870,000 in FY 2010 of capital outlay authority to pay for the higher cost of hybrid and/or compressed natural gas (CNG) vehicles. Fleet also requests that the Legislature consider allowing them to build alternative fuel vehicle replacement costs into the normal capital outlay request presented annually to the Legislature.

CNG upgrades for state fuel sites

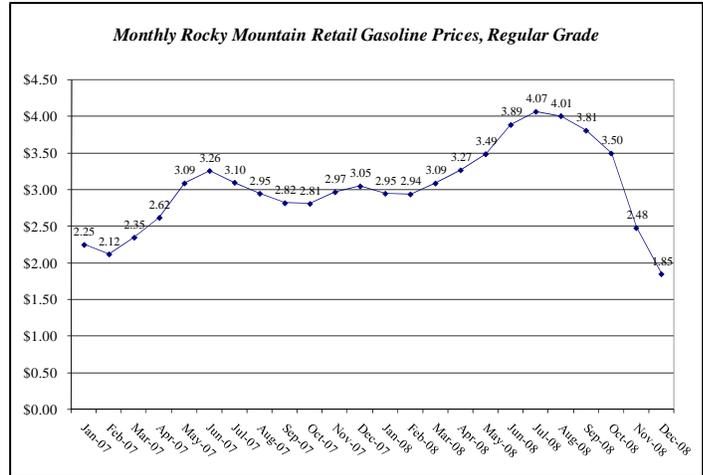
In FY 2009 the Division requests \$500,000 in additional capital outlay authority to upgrade several compressed natural



gas sites and install additional dispensers to meet increasing demand. These sites were opened to the public last year and have seen increasing demand. \$300,000 is requested for the fuel site at the Department of Transportation, \$100,000 for the Alpine school district site, and \$100,000 for the Jordan school district site.

No rate change for volatile fuel costs

Today’s gasoline prices are extremely volatile due to geopolitical tensions, federal regulations, and supply/ demand cycles. As the chart at right demonstrates, prices have risen and declined sharply during the past two years. Even though the state pays less than retail prices by avoiding 44 cents per gallon in taxes and negotiating volume discounts, the trend is similar. Rates adopted in the 2006 and 2007 General Sessions included an expected rise in fuel prices. The substantial increase in fuel prices in mid-2008 led the Division to request an additional \$1.6 million fuel rate increase to the rate committee for FY 2010; however, as fuel prices have dramatically declined in the last few months, the division requests no additional change to rates for fuel costs. The Analyst agrees with this request and recommends no change.



Nonlapsing capital outlay authorization

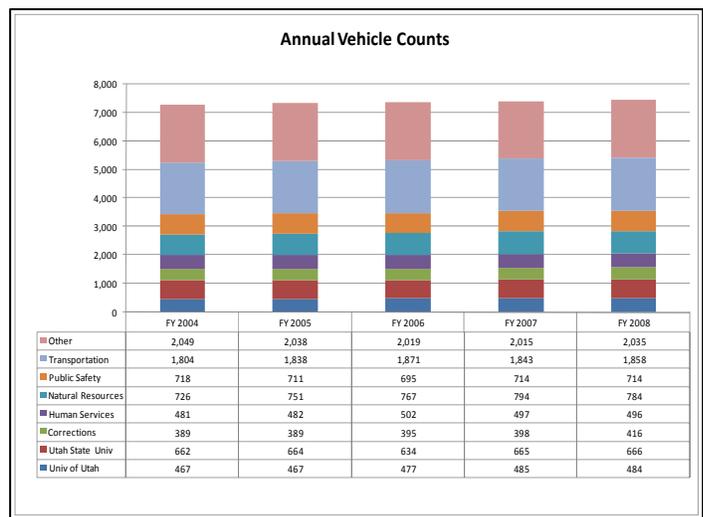
Prior to FY 2005 the Fleet Operations was able to carry all unused capital outlay authority into the next fiscal year. The Legislature ended this nonlapsing authority in FY 2005 to provide more oversight of capital outlays. An unanticipated difficulty Fleet has encountered due to this change is that ISF accounting requires expenditures be booked at the time goods are delivered and every year some vehicles are not delivered in the fiscal year they were ordered. This results in several million dollars of capital outlay authority being used for previous year purchases – convoluting the division’s annual capital outlay request. To mitigate this problem the Analyst recommends intent language (see pg. 3) allowing the division to not lapse an amount of capital outlay authority equal to the value of cars ordered in the current fiscal year but not received by June 30th of that same year.

Fuel Network Retained Earnings

The Fuel Network ISF ended FY 2008 with \$6,339,700 in retained earnings, which exceeds the federally allowable amount by almost \$300,000. In FY 2009 the Legislature reduced the retained earnings by \$3 million with an estimated \$2.25 million being returned to the General Fund as part of this year’s budget reductions.

Vehicle count

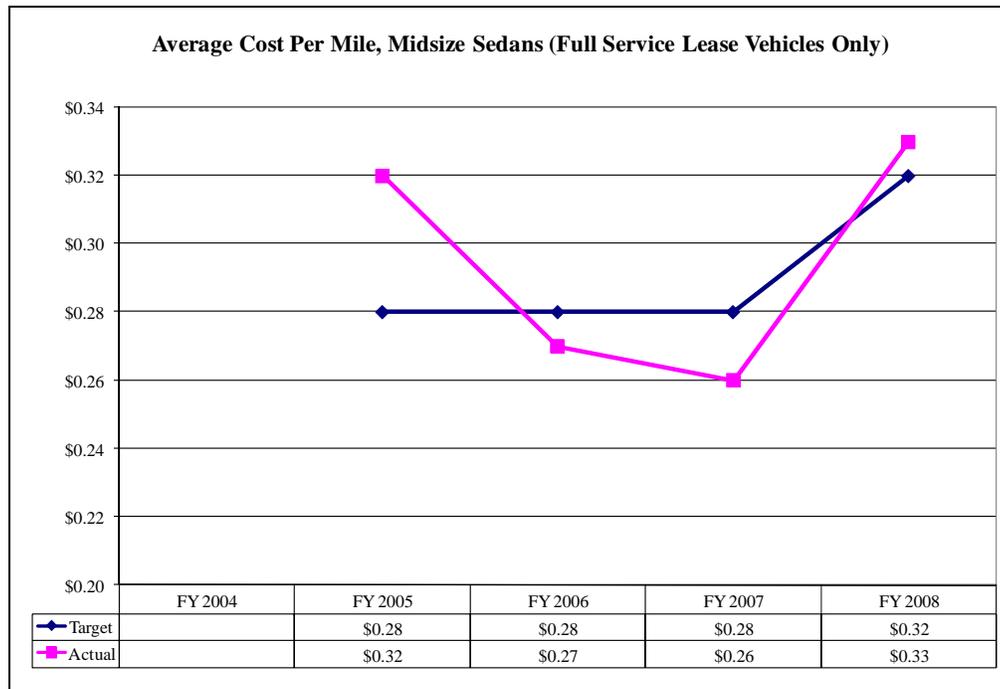
Total vehicle count was up by 42 vehicles in FY 2008 to a total of 7,453 which surpasses its peak in FY 2002 of 7,447 after which the Legislature mandated a 5% statewide decrease (source: State Vehicle Report). The chart at right shows vehicle count by major agency (those having over 400 vehicles) per year.



ACCOUNTABILITY DETAIL

Average cost per mile of midsize sedans

Measuring the cost per mile (CPM) for each vehicle class allows the division to track cost trends relative to increased vehicle costs and inflation factors. The “midsize sedan” is a good representative sample of the average fleet vehicle. The goal is to maintain the CPM at a level less than the private sector and IRS privately-owned vehicle reimbursement rates.



Actual average Cost Per Mile increased significantly from FY 2007 to FY 2008. This increase may be at least partially due to the significant increase in gasoline prices during the year. The large decrease from FY 2005 to FY 2006 is not an indication of increased efficiency as much as it is an indication of better data collection. FY 2005 was the first year this data was gathered, and several vehicles that year had unusually high CPM, driving up the average.

BUDGET DETAIL

Capital Outlay Authority

Fleet Operations requests \$19,954,800 of capital outlay authority for FY 2010 as follows:

- \$14,552,000 for vehicle and vehicle component replacements in FY 2010 (90,000 mi. replacement cycle)
 - \$11,508,200 for vehicles that reached 90,000 miles in 8 years or less
 - \$ 1,310,300 for vehicles that reached 90,000 miles somewhere between 8 and 10 years
 - \$ 1,344,100 for vehicles that reached 90,000 miles in 10 years or more
 - \$ 389,200 for vehicle component replacements
- \$2,000,000 for the replacement of Natural Resources vehicles not on last year’s list plus a contingency
- \$1,870,000 for incremental costs of alternative fuel vehicles including hybrids and CNG
- \$ 345,800 for vehicles totaled during the year that will need replacement
- \$ 337,000 for motorcycle replacements
- \$ 350,000 for class changes (i.e. moving from a sedan to a SUV) and extra components
- \$ 300,000 for Public Safety equipment (lights, wiring, etc)
- \$ 200,000 for fuel network tank monitors

Intent Language

The Analyst recommends the Legislature adopt the following intent language for FY 2009:

It is the intent of the Legislature that the Division of Fleet Operations shall not lapse capital outlay authority granted within a fiscal year for vehicles not delivered by the end of the fiscal year in which vehicle purchase orders were issued obligating capital outlay funds.

LEGISLATIVE ACTION

The Analyst recommends the Legislature consider adopting:

1. Estimated revenues of \$78,311,500 for the Division of Fleet Operations ISF
2. Rates as presented separately in the Issue Brief including \$1.8 million of rate reductions
3. 38.0 FTE
4. Authorized Capital Outlay of \$18,084,800 for FY 2010
5. Intent Language as presented above

The Analyst also recommends consideration of the requested additional capital outlay authority for hybrid/CNG vehicle additions to the state fleet and CNG site upgrades.

BUDGET DETAIL TABLE

ISF - Administrative Services - ISF - Fleet Operations						
Sources of Finance	FY 2008 Actual	FY 2009 Appropriated	Changes	FY 2009 Revised	Changes	FY 2010* Base Budget
Dedicated Credits - Intragvt Rev	71,374,200	63,506,500	9,870,600	73,377,100	4,934,400	78,311,500
Sale of Fixed Assets	182,200	0	0	0	0	0
Total	\$71,556,400	\$63,506,500	\$9,870,600	\$73,377,100	\$4,934,400	\$78,311,500
Programs						
ISF - Federal Surplus Property	13,800	38,600	(25,800)	12,800	100	12,900
ISF - Fuel Network	41,054,800	34,162,100	9,753,300	43,915,400	2,860,600	46,776,000
ISF - Motor Pool	29,541,500	28,350,000	126,100	28,476,100	2,046,400	30,522,500
ISF - State Surplus Property	946,300	955,800	17,000	972,800	27,300	1,000,100
Total	\$71,556,400	\$63,506,500	\$9,870,600	\$73,377,100	\$4,934,400	\$78,311,500
Categories of Expenditure						
Personal Services	2,451,800	2,514,900	175,100	2,690,000	0	2,690,000
In-State Travel	25,400	14,900	10,300	25,200	0	25,200
Out of State Travel	8,600	11,400	(2,300)	9,100	0	9,100
Current Expense	54,693,000	48,122,400	10,121,800	58,244,200	3,741,400	61,985,600
DP Current Expense	656,300	663,100	300,000	963,100	39,400	1,002,500
DP Capital Outlay	0	0	0	0	248,000	248,000
Other Charges/Pass Thru	117,500	109,800	7,800	117,600	0	117,600
Depreciation	11,381,200	12,496,300	(969,500)	11,526,800	2,931,100	14,457,900
Total	\$69,333,800	\$63,932,800	\$9,643,200	\$73,576,000	\$6,959,900	\$80,535,900
Other Data						
Budgeted FTE	43.0	38.0	0.0	38.0	0.0	38.0
Actual FTE	33.7	0.0	0.0	0.0	0.0	0.0
Authorized Capital Outlay	19,938,400	14,494,000	4,121,900	18,615,900	(531,100)	18,084,800
Retained Earnings	12,822,300	11,812,400	811,000	12,623,400	(2,224,400)	10,399,000
Vehicles	46.0	43.0	(17.0)	26.0	0.0	26.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.



Issue Brief:
Fleet Operations ISF – Fees

CAPITAL FACILITIES AND GOVERNMENT OPERATIONS

BB: DAS ISF FLEET OPS.

SUMMARY

In accordance with UCA 63J-1-306 the following fees are proposed for the services of the Division of Fleet Operations in FY 2010. These rates reflect the Analyst’s recommendation.

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Motor Pool					
Lease Rate					
Model Year 2004 contract price					
Less salvage value for sedans	18%	18%			
Less salvage value for select trucks, vans, SUVs	21%	21%			
Less salvage value for all other vehicles	17%	17%			
Divided by current adjusted lifecycle (includes adjustment of replacement mileage from 90,000 to 105,000 miles)	Actual	Actual			(\$1,865,200)
Plus Administration Fee (monthly per vehicle)	48.57	48.57			
Plus Fleet MIS Fee (monthly per vehicle)	2.25	2.25			
Plus AFV Fee (if light duty)	3.63	3.63			
Mileage Fee					
Maintenance, repair and fuel costs for a particular class of vehicle, divided by total miles for that class					
Equipment rate for Public Safety vehicles:	Actual	Actual			
*Effective for FY 2005, the cost of the standard police vehicle package includes factory installed wiring.					
Fees for agency owned vehicles (monthly)					
Seasonal MIS and AFV only	5.88	5.88			
MIS and work order processing	5.15	5.15			
Natural Resources reasonable overhead	5.88	5.88			
MIS and AFV only	5.88	5.88			
MIS only	2.25	2.25			
Daily Pool Rates: Percent of monthly lease rates					
Plus mileage rate	5%	5%			
Plus daily pool administration rates (per day)	8.05	8.05			
Divided by utilization	75%	75%			
Minimum Charge:	Half-Day	Half-Day			
Additional Management Fees (only assessed in operator abuse or neglect situations)					
Administrative Fee for Overhead	48.57	48.57			

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Alternative Fuel Fee (light-duty only)	3.63	3.63			
Management Information System Fee	2.25	2.25			
Vehicle Feature and Miscellaneous Equipment Upgrade	Actual	Actual			
Vehicle Class Differential Upgrade	Actual	Actual			
Commercial Equipment Rental: Cost plus:	12.00	12.00			
Administrative Fee Do-not-replace vehicles (monthly)	50.82	50.82			
No show fee	12.00	12.00			
Late return fee	12.00	12.00			
Service fee	12.00	12.00			
DF-61 late fee (commute miles)	20.00	20.00			
General MP Information Research Fee (per hour)	12.00	12.00			
Refueling rate daily pool (per gallon)	2.00	2.00			
Non-fuel network use Processing Fee	12.00	12.00			
Lost or damaged fuel/maintenance card replacement fee	2.00	2.00			
Bad Odometer Research Fee (operator fault)	50.00	50.00			
Vehicle Detail Cleaning Service Fee	40.00	40.00			
Charged in extreme cases only.					
Vehicle Complaint Processing Fee	20.00	20.00			
Agency abuse and driver neglect cases only.					
Annual Commute Vehicle Processing Fee	12.00	12.00			
Premium Fuel Use Fee (per gallon)	.20	.20			
Excessive Maintenance, Accessory Fee	Varies	Varies			
Past 30-days late fee (accounts receivable): 5% of balance					
Past 60-days late fee (accounts receivable): 10% of balance					
Past 90-days late fee (accounts receivable): 15% of balance					
Accident deductible rate charged per accident	500.00	500.00			
Operator negligence and vehicle abuse fees:	Varies	Varies			
MIS & AFV Monthly Fee per Higher Ed vehicles	6.33	6.33			
Statutory Maintenance Non-Compliance Fee					
10 Days Late (per vehicle per month)	100.00	100.00			
20 Days Late (per vehicle per month)	200.00	200.00			
30+ Days Late (per vehicle per month)	300.00	300.00			
Seasonal Use Vehicle Lease (per vehicle per month)	150.00	150.00			
Operator Incentives					
Alternative fuel rebate (per gallon)	(0.20)	(0.20)			
Total Motor Pool					(\$1,865,200)

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Fuel Network					
Per gallon charge (greater than or equal to 60,000 gallons/yr)	.065	.065			
Per gallon charge at low volume sites (less than 60,000 gallons/yr)	.105	.105			
Per transaction fee (percentage of transaction value at all sites)	3%	3%			
Accounts Receivable Late Fees					
Past 30 days (percent of balance)	5%	5%			
Past 60 days (percent of balance)	10%	10%			
Past 90 days (percent of balance)	15%	15%			
Total Fuel Network					\$0
State Surplus Property					
Miscellaneous Property pick-up/Process Fee for State Agencies:					
Total Sales Proceeds (less prorated rebate of retained earnings)					
Miscellaneous Property pick-up/Process Fee for Exempt and					
Non State Agencies (plus 20% of sales price or as negotiated)	25.00	25.00			
Handheld Devices (PDAs and wireless phones)					
Less than 1 year old (percent of cost, \$30 minimum)		50%			
1 year and older		30.00			
Seized property (plus 20% of sales price)	25.00	25.00			
Unique Property Processing Fee (percent of sales price)	Negotiated	Negotiated			
Electronic Waste Recycling Fees	Actual Cost	Actual Cost			
Vehicles and Heavy Equipment (percent of sales price)	9%	9%			
Default Auction Bids (percent of sales price)	10%	10%			
Service Rates					
Labor (per hour – half hour minimum)	21.00	21.00			
Copy Rates (per copy)	.10	.10			
Semi Truck and Trailer Service (per mile)	1.08	1.08			
Two-ton Flat Bed Service (per mile)	.61	.61			
Forklift Service (4-6000 lb) (per hour)	23.00	23.00			
Processing Rates					
On-site sale away from USASP yard (percent of sales price)	10%	10%			
Maximum negotiable					
Storage Rates					
Building (per cubic foot per month)	.43	.43			
Fenced lot (per square foot per month)	.23	.23			
Accounts Receivable Late Fees					
Past 30 days (percent of balance)	5%	5%			
Past 60 days (percent of balance)	10%	10%			
Past 90 days (percent of balance)	15%	15%			

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Federal Surplus Property					
Federal shipping and handling charges: Generally not to exceed 20% of federal acquisition cost plus freight/shipping charges					
Accounts Receivable Late Fees					
Past 30 days (percent of balance)	5%	5%			
Past 60 days (percent of balance)	10%	10%			
Past 90 days (percent of balance)	15%	15%			
Total State and Federal Surplus Property					\$0
Grand Total					(\$1,865,200)



Budget Brief: DAS Facilities Management (ISF)

SUMMARY

The internal service fund (ISF) within the Division of Facilities, Construction, and Management (DFCM) provides building maintenance, management and preventive services to its state agency subscribers. The ISF performs maintenance and services such as janitorial, security, grounds maintenance, heating/air conditioning repair, utility payments, and so on, to resolve each building’s specific maintenance concerns in a timely and cost effective manner.

The ISF also coordinates small building construction projects that may be required by various agencies on a cost-reimbursement basis.

Services of the DFCM ISF are optional. Currently DFCM contracts with agencies to provide services in about 190 owned and leased facilities throughout the state. By Building Board policy, however, if an agency not using DFCM fails to meet maintenance standards, DFCM must take whatever action is necessary to rectify the situation.

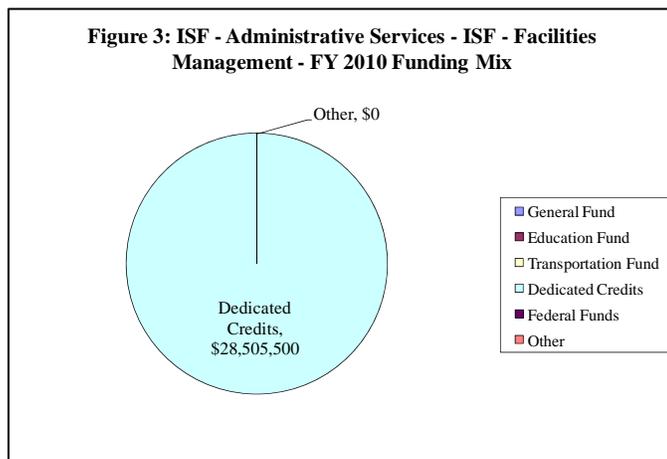
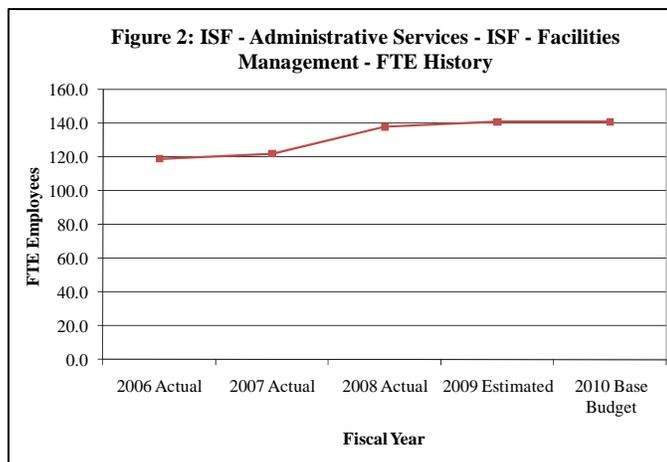
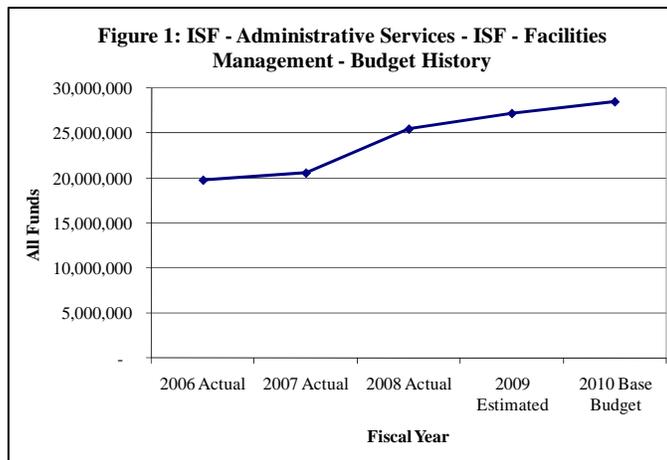
ISSUES AND RECOMMENDATIONS

Rate Increases/Decreases

DFCM charges agencies rates that are calculated based on the projected expenses associated with each building program for the coming year. If DFCM collects more revenue than is necessary to pay the operating expenses for the building maintenance, then the excess amount stays in the account as retained earnings which are then used in the next year to reduce the rate. For FY 2010, DFCM will need to increase the rate for 16 buildings in order to cover utility increases. The Analyst recommends the Legislature authorize the rate increases/decreases as presented in the Issue Brief.

Rate adjustments

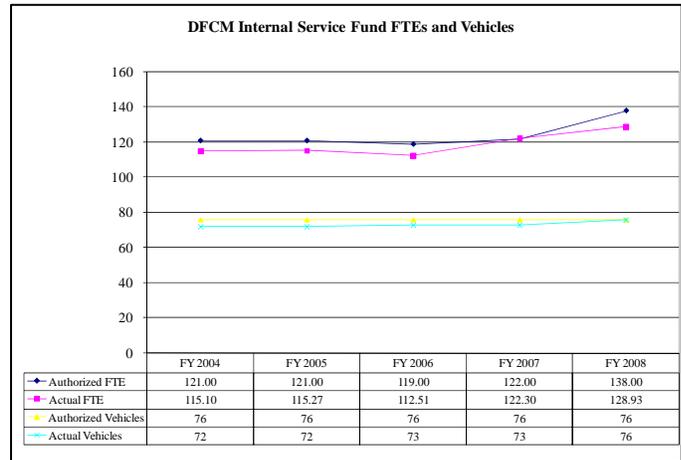
In addition to the rate increases/decreases mentioned above, the St. George Courthouse and Salt Lake multi-agency building in Salt Lake City are anticipated to come online in FY 2010, which requires two rate additions for the new buildings and two rate reductions for the old St. George Courts building and DHS North Temple buildings. Furthermore, several ABC buildings are scheduled to come online in FY 2010. In addition, eleven programs require an adjustment for FY 2009 due to scope changes or new locations recently brought into the ISF program. The Analyst recommends the Legislature authorize the rate adjustments as displayed in the Issue Brief.



Intent Language Result

Since FY 1999 the Legislature has approved intent language allowing DFCM to add up to three FTE and/or up to two vehicles if new buildings or service level agreements come on line during the Interim, subject to legislative approval in the next session. The chart at right shows actual versus authorized FTE and vehicles.

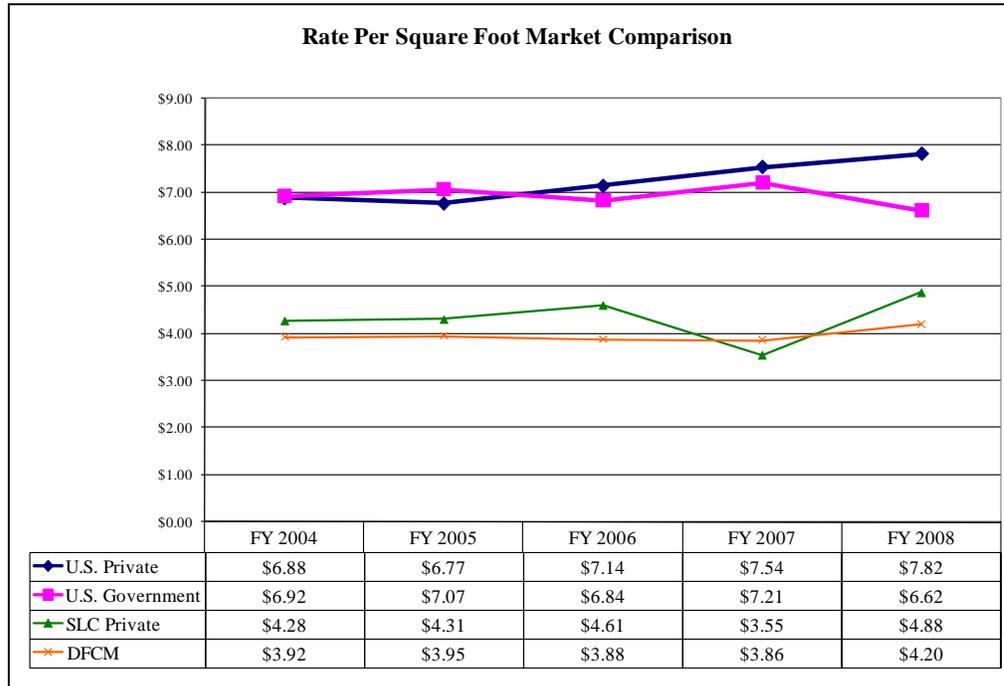
The Analyst recommends the Legislature continue authorizing the intent language (see page 3) with the stipulation that DFCM notify the CFAS co-chairs before adding any vehicles or FTEs above the authorized level.



ACCOUNTABILITY DETAIL

Per Square Foot Costs

At an average of \$4.2 per square foot in FY 2008, DFCM maintenance rates were about 63 percent less than the rates paid by federal agencies and are lower than national private and local private rates.



Data comes from the annual publication of BOMA (Building Owners and Managers Association) International. 2006 is the last year for which BOMA data are available.

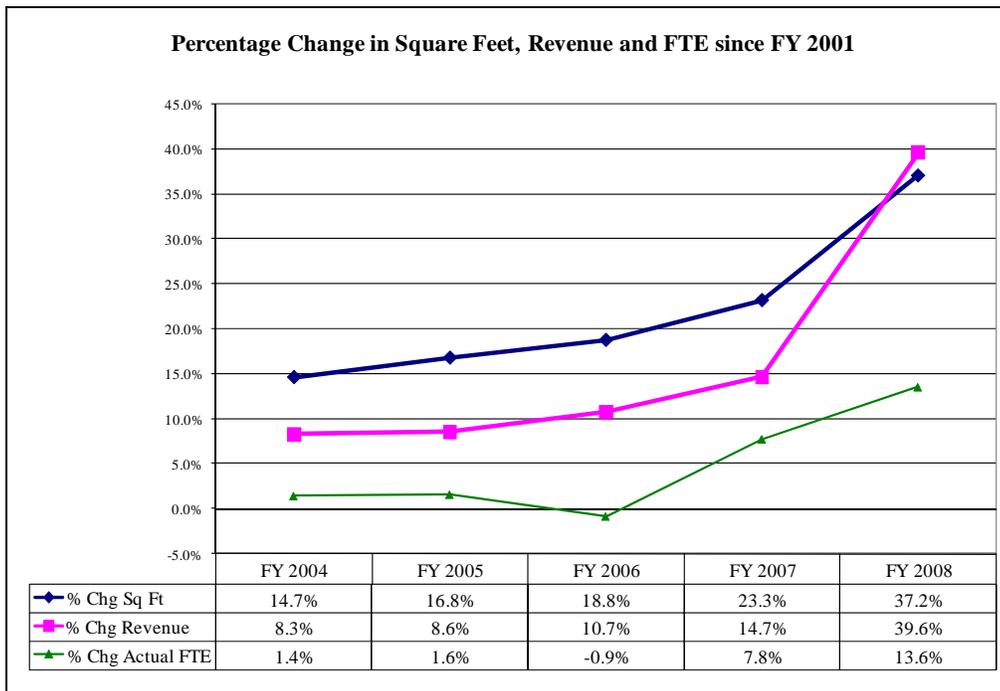
Customer Satisfaction

The division has a target of 90 percent customer satisfaction. Actual results are:

- FY 2004 82%
- FY 2005 85%
- FY 2006 84%
- FY 2007 85%
- FY 2008 83%

Percentage Growth in Square Feet, Revenue, and FTE

DFCM’s growth in FTE and revenue (compared to FY 2001) has typically been lower than its growth in square footage managed.



BUDGET DETAIL

Capital Outlay Authority

DFCM requests capital outlay authority of \$62,500 for FY 2010 for the following:

- \$15,000 for two Gravely-type lawn mowers
- \$15,000 for two 48” walk-behind mowers
- \$7,500 for a Quad runner ATV with plow
- \$25,000 for contingency needs

Intent Language

DFCM requests an additional vehicle in FY 2009 to handle the unexpected maintenance responsibilities of buildings for the Utah Navajo Royalties Fund. Funding for this request will be obtained through revenue collected from the Utah Navajo Royalties Fund. The Analyst recommends the following intent language:

It is the intent of the Legislature that the DFCM internal service fund may add one vehicle for the purpose of handling maintenance responsibilities for the Utah Navajo Royalties Fund.

The Analyst recommends the Legislature continue using the following intent language with the stipulation that DFCM notify the CFGO co-chairs before adding any vehicles or FTEs above the authorized level.

It is the intent of the Legislature that the DFCM internal service fund may add up to three FTEs and up to two vehicles beyond the authorized level if new facilities come on line or maintenance agreements are requested. Any added FTEs or vehicles will be reviewed and may be approved by the Legislature in the next legislative session.

LEGISLATIVE ACTION

The Analyst recommends the Legislature consider adopting:

1. Estimated revenues of \$28,505,500 for the DFCM ISF
2. Rates as presented separately in the Issue Brief
3. Base authorized FTE level of 141.0
4. Authorized Capital Outlay of \$62,500
5. Intent Language authorizing the division to add up to three FTE and two vehicles, subject to notification of the co-chairs and legislative approval in the next general session; and one vehicle for the Utah Navajo Royalties Fund.

BUDGET DETAIL TABLE

ISF - Administrative Services - ISF - Facilities Management						
Sources of Finance	FY 2008 Actual	FY 2009 Appropriated	Changes	FY 2009 Revised	Changes	FY 2010* Base Budget
Interest Income	300	0	0	0	0	0
Dedicated Credits - Intragvt Rev	25,469,300	26,352,800	858,200	27,211,000	1,294,500	28,505,500
Total	\$25,469,600	\$26,352,800	\$858,200	\$27,211,000	\$1,294,500	\$28,505,500
Programs						
ISF - Facilities Management	25,469,600	26,352,800	858,200	27,211,000	1,294,500	28,505,500
Total	\$25,469,600	\$26,352,800	\$858,200	\$27,211,000	\$1,294,500	\$28,505,500
Categories of Expenditure						
Personal Services	7,835,000	7,786,300	561,400	8,347,700	122,000	8,469,700
In-State Travel	27,900	21,500	5,400	26,900	(300)	26,600
Out of State Travel	7,300	16,800	(9,500)	7,300	0	7,300
Current Expense	17,242,800	16,962,400	2,081,000	19,043,400	375,400	19,418,800
DP Current Expense	401,300	445,100	(31,100)	414,000	(1,000)	413,000
Other Charges/Pass Thru	214,500	213,200	0	213,200	63,300	276,500
Operating Transfers	3,100	0	20,100	20,100	(20,100)	0
Depreciation	40,200	48,400	(4,600)	43,800	(3,700)	40,100
Total	\$25,772,100	\$25,493,700	\$2,622,700	\$28,116,400	\$535,600	\$28,652,000
Other Data						
Budgeted FTE	138.0	141.0	0.0	141.0	0.0	141.0
Actual FTE	128.9	0.0	0.0	0.0	0.0	0.0
Authorized Capital Outlay	39,500	56,200	0	56,200	6,300	62,500
Retained Earnings	(136,000)	1,491,200	(2,532,600)	(1,041,400)	(146,500)	(1,187,900)
Vehicles	76.0	76.0	(1.0)	75.0	0.0	75.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.



Issue Brief:
Facilities Management ISF – Fees

CAPITAL FACILITIES AND GOVERNMENT OPERATIONS

BB: DAS ISF DFCM

SUMMARY

In accordance with UCA 63J-1-306 the following fees are proposed for the services of the Division of Facilities Construction and Management in FY 2009 and FY 2010. These rates were approved by the Rate Committee and are recommended by the Analyst. Adjustments in **bold** are rate changes; adjustments not bolded are scope changes including new locations.

	FY 2009 Current	FY 2009 Adjustment	FY 2009 Proposed	FY 2010 Adjustment	FY 2010 Proposed
ABC STORES (41 LOCATIONS)	875,734		875,734	337,166	1,212,900
Agriculture	305,100		305,100		305,100
AP & P Freemont Office Building	126,530		126,530	46,000	172,530
Archives	135,765		135,765		135,765
Brigham City Court	169,400		169,400		169,400
Brigham City Regional Center	355,718		355,718	105,400	461,118
Calvin Rampton Complex	1,515,800		1,515,800		1,515,800
Cannon Health	847,555		847,555		847,555
Capitol Hill Complex	3,600,000	(105,000)	3,495,000	(35,000)	3,460,000
Cedar City Courts	46,000	28,800	74,800		74,800
Cedar City Regional Center	60,508		60,508	11,500	72,008
College of Eastern Utah – Price	2,064,162		2,064,162		2,064,162
College of Eastern Utah – Blanding	0	504,721	504,721		504,721
DAS Surplus Property	35,672		35,672		35,672
DPS Crime Lab	23,840		23,840		23,840
DPS Drivers License	99,666		99,666		99,666
DPS Farmington Public Safety	51,650		51,650	31,700	83,350
DMV Fairpark	0	53,391	53,391		53,391
Dixie Drivers License	35,034		35,034		35,034
Driver License West Valley	79,350		79,350		79,350
Eccles Group Home	6,570		6,570		6,570
Environmental Quality	309,389		309,389		309,389
Farmington 2 nd District Courts	267,185		267,185		267,185
Glendinning Fine Arts Center	45,000		45,000		45,000
Governor’s Residence	101,300		101,300		101,300
Heber M. Wells	774,750		774,750		774,750
Highland Dr. Plaza Regional Center	0	331,766	331,766		331,766
Human Services Clearfield East	129,322		129,322		129,322
Human Services North Temple	632,103		632,103	(316,051)	316,052
Human Services Vernal	45,317		45,317		45,317
Juvenile Courts 7 th West	42,434		42,434		42,434

	FY 2009 Current	FY 2009 Adjustment	FY 2009 Proposed	FY 2010 Adjustment	FY 2010 Proposed
Layton Court	80,896		80,896		80,896
Logan 1 st District Court	281,870		281,870		281,870
Medical Drive Complex	433,982		433,982		433,982
Moab Regional Center	234,000		234,000		234,000
Murray Highway Patrol	98,554		98,554		98,554
Murray Highway Patrol Training and Supply	35,184		35,184		35,184
National Guard Armories	427,374		427,374		427,374
Natural Resources	626,487		626,487		626,487
Natural Resources Price	0	75,968	75,968		75,968
Navajo Trust Fund Administration	132,640		132,640		132,640
Office of Rehabilitation Services	164,864		164,864		164,864
Ogden Court	441,740		441,740		441,740
Ogden Juvenile Court	149,000		149,000		149,000
Ogden Public Safety	55,518		55,518	35,000	90,518
Ogden Regional Center	563,848		563,848	30,000	593,848
DHS Academy Square	250,906		250,906	28,000	278,906
Orem Circuit Court	88,724		88,724		88,724
Orem Public Safety	83,006		83,006		83,006
Orem Region Three UDOT	118,192		118,192	23,000	141,192
Provo Court (increased \$25,000 last session)	299,400		299,400		299,400
Provo Regional Center	580,579		580,579	101,721	682,300
Public Safety Depot Ogden	21,608		21,608		21,608
Richfield Court	71,972	10,317	82,289		82,289
Richfield DTS Center	29,100		29,100		29,100
Richfield Regional Center	50,385		50,385		50,385
Rio Grande Depot	318,196	(7,691)	310,505	57,300	367,805
Salt Lake Court	1,669,200		1,669,200		1,669,200
Salt Lake Government Building #1	0	0	0	378,649	378,649
St. George Courts	0	211,237	211,237	(211,237)	0
St. George Courts (New)	465,353	(465,353)	0	465,353	465,353
St. George DPS	74,664		74,664		74,664
St. George Tax Commission	34,272		34,272		34,272
State Library	205,714		205,714		205,714
State Library State Mail	96,545		96,545		96,545
State Library visually impaired	124,027		124,027		124,027
Statewide Facility Focus	54,000		54,000	(8,000)	46,000
Taylorsville Center for the Deaf	126,630		126,630		126,630
Taylorsville Office Building	157,531		157,531		157,531
Tooele Courts	260,678		260,678		260,678

	FY 2009 Current	FY 2009 Adjustment	FY 2009 Proposed	FY 2010 Adjustment	FY 2010 Proposed
Unified Lab	500,255		500,255		500,255
Utah Arts Collection	26,900		26,900		26,900
Utah State Office of Education	331,669		331,669	79,000	410,669
Utah State Tax Commission	738,294		738,294		738,294
Vernal 8 th District Court	229,490		229,490		229,490
Vernal DSPD	24,913		24,913		24,913
Vernal Juvenile Courts	13,784	6,472	20,256		20,256
Vernal Regional Center	53,001		53,001		53,001
Vernal Youth Corrections – Split Mtn	0	76,800	76,800		76,800
West Jordan Courts	487,796		487,796		487,796
West Valley 3 rd District Court	118,350		118,350		118,350
WFS 1385 South State	268,818		268,818	43,572	312,390
WFS Administration	604,420	137,000	741,420		741,420
WFS Cedar City	98,743		98,743		98,743
WFS Clearfield/Davis Co.	153,590		153,590		153,590
WFS Logan	89,366		89,366	75,800	165,166
WFS Metro Employment Center	177,052		177,052	6,000	183,052
WFS Midvale	135,640		135,640		135,640
WFS Ogden	136,304		136,304		136,304
WFS Provo	147,940		147,940		147,940
WFS Richfield	36,140		36,140		36,140
WFS South County	176,196		176,196		176,196
WFS St. George	44,660		44,660		44,660
WFS Temporary Placement Office	25,210		25,210		25,210
WFS Vernal	46,552		46,552	9,600	56,152
Total Adjustments					
Total Rate Changes		858,428		1,294,473	



Budget Brief: DAS Risk Management (ISF)

SUMMARY

The Division of Risk Management was organized in 1980 to implement a self-insurance program for the state. The division provides liability, property, and auto physical damage coverage to all state agencies, the forty school districts, over 50 charter schools, and all state-owned colleges and universities except medical malpractice coverage at the University of Utah. The division also acts as an agent in purchasing aircraft insurance for various state entities.

The Owner Controlled Insurance Program (OCIP) fund provides optional construction project insurance, but at present the only building project insured is the State Capitol renovation. Due to the lack of interest and funding concerns, the division will be phasing out this program.

The liability insurance and auto physical damage programs are entirely self-insured, while the property insurance program is self-insured up to a \$3.5 million aggregate yearly deductible with private insurance being purchased for amounts in excess of the deductible.

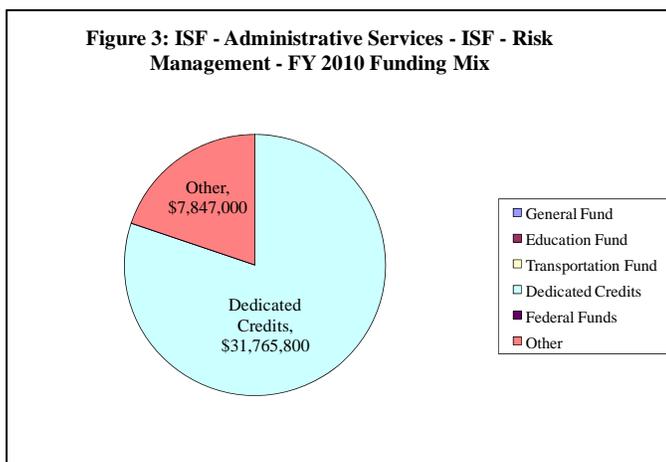
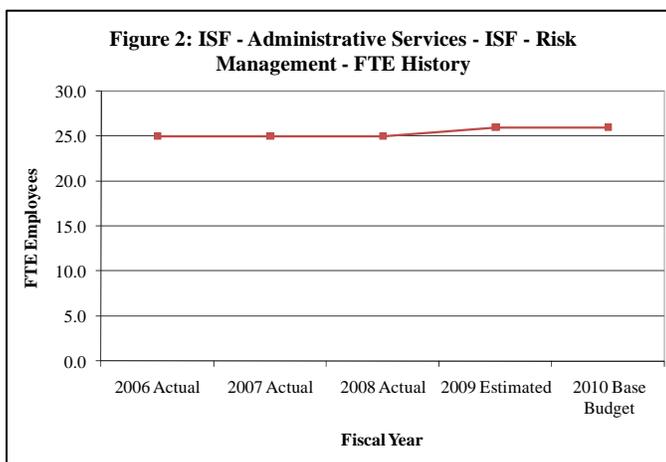
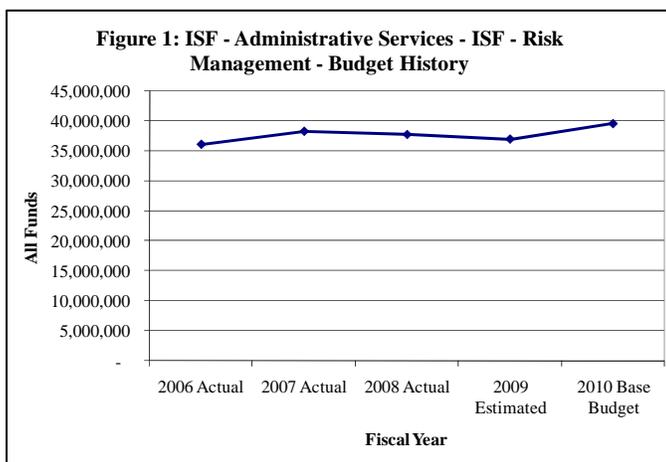
ISSUES AND RECOMMENDATIONS

Liability Rates

Liability rates are calculated each year by an outside actuarial firm with experience in insurance. The rates are based on the history of losses (with the highest weight given to losses in the last 5 years), relative size of budgets, insurance industry factors, and statistical analysis of reserves. Liability rates, excluding school district rates, decreased from \$9,435,785 in FY 2009 to \$9,373,451 in FY2010. Please see the Issue Brief for a review of each rate change. The Analyst recommends adopting these rate changes.

Property Rates

Unlike liability rates which are self-funded, property rates are based on premiums set by private insurance companies at various levels of coverage. These rates are determined by the value of a building and its contents and specific insurance premiums for location, risk, and type of property. In FY 2010, the underlying insurance rates changed slightly in addition to the value of state buildings and increases in inventory (new buildings). These changes will cause state agency premiums to increase. The additional rate impacts to state agencies and to higher education are estimated at \$337,859 and \$805,702 respectively. Please see the Issue Brief for a review of each rate change. The Analyst recommends adopting these rates.



Workers Compensation Rate Decrease

The Workers Compensation program is a pass-through of workers compensation expenses paid by the state and its employees to the Workers Compensation Fund of Utah. In FY the Workers Compensation Fund of Utah decreased workers compensation rates for UDOT by 22% and for all other State agencies by 8%. This year the workers compensation rates will again decrease by an additional 20% for UDOT and 7% for all other state agencies; which translates into a \$1 million reduction in rates.

Risk Retained Earnings

Retained earnings in the Risk Management programs have increased and decreased over the last few years. In FY 2008, the Legislature allowed Risk to transfer \$2 million in retained earnings from the Liability program to OCIP (\$1 million) and the Property program (\$1 million). The Legislature also reallocated \$1 million of retained earnings from the Liability program to other subcommittee priorities in FY 2008 and \$750,000 of retained earnings in the Workers Compensation program to the General Fund in FY 2009.

Risk Retained Earnings (excluding Workers Comp)				
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Expense</u>	<u>Profit/Loss</u>	<u>Retained Earnings</u>
2001	\$25,559,600	\$24,850,100	\$709,500	\$4,026,000
2002	\$25,126,200	\$26,474,200	(\$1,348,000)	\$2,678,000
2003	\$25,852,800	\$22,841,000	\$3,011,800	\$5,689,800
2004	\$26,742,700	\$24,005,300	\$2,737,400	\$8,427,200
2005	\$28,330,800	\$29,605,800	(\$1,275,000)	\$7,152,200
2006	\$28,057,800	\$29,232,200	(\$1,174,400)	\$5,977,800
2007	\$29,949,500	\$30,357,400	(\$407,900)	\$5,569,900
2008	\$29,690,300	\$28,611,500	\$1,078,800	\$6,648,700

The table above shows the retained earnings history for Risk Management (excluding Workers Compensation retained earnings) for the last eight years. The FY 2008 retained earnings balance for Risk Management programs excluding Workers Compensation was \$6,648,700. The Workers Compensation program ended FY 2008 with a retained earnings balance of \$3,741,600. In FY 2009 the Legislature reduced retained earnings in the Risk Management program and Workers Compensation program by a combined \$6 million and transferred \$4.5 million to the General Fund.

BUDGET DETAIL

Revenue from Premiums represents rates paid by customer agencies for the traditional insurance programs. Restricted revenue comes from Workers' Compensation premiums that are passed through to the Utah Workers Compensation Fund.

LEGISLATIVE ACTION

The Analyst recommends the Legislature consider adopting:

1. FY 2010 estimated revenues of \$39,612,800 for the Division of Risk Management ISF
2. Rates as presented separately in the accompanying Issue Brief
3. 26.0 FTE
4. Authorized Capital Outlay of \$100,000 for unforeseen capital expenditures

BUDGET DETAIL TABLE

ISF - Administrative Services - ISF - Risk Management						
Sources of Finance	FY 2008 Actual	FY 2009 Appropriated	Changes	FY 2009 Revised	Changes	FY 2010* Base Budget
Premiums	27,040,000	27,048,600	0	27,048,600	2,294,200	29,342,800
Interest Income	2,650,300	3,611,700	(1,151,700)	2,460,000	(37,000)	2,423,000
Restricted Revenue	8,069,600	7,732,000	(259,000)	7,473,000	374,000	7,847,000
Total	\$37,759,900	\$38,392,300	(\$1,410,700)	\$36,981,600	\$2,631,200	\$39,612,800
Programs						
ISF - Risk Management Administratio	29,690,300	30,660,300	(1,151,700)	29,508,600	2,257,200	31,765,800
ISF - Workers' Compensation	8,069,600	7,732,000	(259,000)	7,473,000	374,000	7,847,000
Total	\$37,759,900	\$38,392,300	(\$1,410,700)	\$36,981,600	\$2,631,200	\$39,612,800
Categories of Expenditure						
Personal Services	2,434,200	2,370,800	197,300	2,568,100	0	2,568,100
In-State Travel	17,200	16,100	1,100	17,200	4,000	21,200
Out of State Travel	24,400	27,100	(2,700)	24,400	0	24,400
Current Expense	28,145,900	35,348,900	(1,229,100)	34,119,800	2,592,700	36,712,500
DP Current Expense	192,600	156,700	500	157,200	7,900	165,100
DP Capital Outlay	0	0	0	0	60,000	60,000
Other Charges/Pass Thru	766,300	117,800	8,000	125,800	(20,800)	105,000
Operating Transfers	3,000,000	0	0	0	0	0
Depreciation	0	60,000	(30,000)	30,000	(89,200)	(59,200)
Total	\$34,580,600	\$38,097,400	(\$1,054,900)	\$37,042,500	\$2,554,600	\$39,597,100
Other Data						
Budgeted FTE	25.0	26.0	0.0	26.0	0.0	26.0
Actual FTE	24.8	0.0	0.0	0.0	0.0	0.0
Authorized Capital Outlay	0	100,000	0	100,000	0	100,000
Retained Earnings	10,390,300	2,325,000	6,004,400	8,329,400	15,700	8,345,100
Vehicles	6	6	1	7	0	7

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.



Issue Brief: Risk Management ISF – Fees

CAPITAL FACILITIES AND GOVERNMENT OPERATIONS

BB: DAS ISF Risk MGT.

SUMMARY

In accordance with UCA 63J-1-306, the following fees are proposed for the services of the Division of Risk Management in FY 2010. These rates were approved by the Rate Committee and are recommended by the Analyst.

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Liability Premiums					
Administrative Services	265,864	262,783	(3,081)	1	(3,081)
Agriculture	39,349	34,155	(5,194)	1	(5,194)
Alcoholic Beverage Control	57,667	61,272	3,605	1	3,605
Attorney General's Office	92,766	91,006	(1,760)	1	(1,760)
Auditor	9,050	9,986	936	1	936
Board of Pardons	9,194	9,194	0	1	0
Capitol Preservation Board	7,900	8,968	1,068	1	1,068
Career Service Review Board	491	476	(15)	1	(15)
Commerce	63,318	57,175	(6,143)	1	(6,143)
Commission on Criminal and Juvenile Justice	4,498	2,750	(1,748)	1	(1,748)
Community and Culture	47,720	50,677	2,957	1	2,957
Corrections	583,967	533,148	(50,819)	1	(50,819)
Courts	278,472	267,628	(10,844)	1	(10,844)
Crime Victims Reparation	3,159	1,931	(1,228)	1	(1,228)
Education	217,108	213,863	(3,245)	1	(3,245)
Deaf and Blind School	50,221	50,221	0	1	0
Environmental Quality	88,317	83,359	(4,958)	1	(4,958)
Fair Park	15,000	10,000	(5,000)	1	(5,000)
Financial Institutions	12,444	12,509	65	1	65
Governor	22,486	13,745	(8,741)	1	(8,741)
Governor's Office of Planning and Budget	19,868	12,144	(7,724)	1	(7,724)
Governor's Office of Economic Development	40,000	40,000	0	1	0
Health	268,903	240,749	(28,154)	1	(28,154)
Heber Valley Railroad	24,000	24,000	0	1	0
House of Representatives	8,097	7,620	(477)	1	(477)
Human Resource Management	19,900	23,880	3,980	1	3,980
Human Services	743,832	836,966	93,134	1	93,134
Labor Commission	24,215	21,243	(2,972)	1	(2,972)
Insurance	29,551	35,461	5,910	1	5,910
Legislative Fiscal Analyst	5,154	5,028	(126)	1	(126)
Legislative Auditor	4,881	5,857	976	1	976
Legislative Printing	2,154	1,723	(431)	1	(431)
Legislative Research & General Counsel	13,051	14,038	987	1	987
Medical Education Council	842	1,010	168	1	168
National Guard	51,217	50,568	(649)	1	(649)
Natural Resources	274,779	329,735	54,956	1	54,956
Navajo Trust Fund	2,632	2,566	(66)	1	(66)
Public Lands	5,436	5,444	8	1	8
Public Safety	356,187	427,424	71,237	1	71,237

	FY 2009	FY 2010		FY 2010	Revenue
	Current	Proposed	Difference	# Units	Change
Public Service Commission	9,827	8,695	(1,132)	1	(1,132)
School and Institutional Trust Lands	20,518	19,571	(947)	1	(947)
Senate	4,278	4,077	(201)	1	(201)
Tax Commission	140,651	134,189	(6,462)	1	(6,462)
Technology Services	47,000	56,400	9,400	1	9,400
Treasurer	5,501	5,436	(65)	1	(65)
Utah Comm Network (UCAN)	10,000	15,000	5,000	1	5,000
Utah Science and Technology and Research (USTAR)	34,042	27,234	(6,808)	1	(6,808)
Veteran's Affairs	5,911	5,690	(221)	1	(221)
Workforce Services	366,731	328,747	(37,984)	1	(37,984)
Transportation	2,108,250	2,030,000	(78,250)	1	(78,250)
Board of Regents	33,220	34,881	1,661	1	1,661
College of Eastern Utah	30,800	32,340	1,540	1	1,540
Dixie College	50,930	53,477	2,547	1	2,547
Salt Lake Community College	167,200	175,560	8,360	1	8,360
Snow College	41,580	49,896	8,316	1	8,316
Southern Utah University	87,000	91,350	4,350	1	4,350
UCAT/Bridgerland ATC	9,600	10,080	480	1	480
UCAT/Davis ATC	12,200	12,810	610	1	610
UCAT/Ogden Weber ATC	13,000	13,650	650	1	650
UCAT/Uintah Basin ATC	5,000	5,250	250	1	250
UCAT/Salt Lake Tooele ATC	2,600	2,730	130	1	130
UCAT/Dixie ATC	1,000	1,050	50	1	50
UCAT/Mountainland ATC	2,900	3,045	145	1	145
UCAT/Southwest ATC	2,100	2,205	105	1	105
University of Utah	1,484,352	1,365,088	(119,264)	1	(119,264)
Utah State University	574,464	603,187	28,723	1	28,723
Utah Valley State College	194,239	203,951	9,712	1	9,712
Weber State University	207,200	217,560	10,360	1	10,360
School Districts	4,212,000	4,679,000	467,000	1	467,000
Subtotal Liability Premiums			404,666		404,666
Property Insurance Rates					
Gross Premium for Buildings					
<i>Existing Insured Buildings</i>					
Building value as determined by Risk Mgt. and owner as of Sept. 2008 multiplied by the Marshall & Swift Valuation Service rates as of Sept. 2008 associated with Building Construction Class, Occupancy Type, Building Quality, and Fire Protection Code			0	0	0
<i>Newly Insured Buildings</i>					
Building value as determined by Risk Mgt. and owner as of insured date multiplied by the Marshall & Swift Valuation Service rates as of Sept. 2008 associated with Building Construction Class, Occupancy Type, Building Quality, and Fire Protection Code			0	0	0

	FY 2009 Current	FY 2010 Proposed	Difference	FY 2010 # Units	Revenue Change
Building Demographic Discounts					
Fire Suppression Sprinklers - 15% discount		0	0	0	0
Smoke alarm/Fire detectors - 10% discount		0	0	0	0
Flexible water/Gas connectors - 1% discount		0	0	0	0
Surcharges					
Lack of compliance with Risk Mgt. recommendations - 10% surcharge		0	0	0	0
Building built prior to 1950 - 10% surcharge		0	0	0	0
Agency Discount					
Standard discount - 63.5%		0	0	0	0
Agency specific discount - as negotiated with Risk		0	0	0	0
Gross Premium for Contents					
Existing Insured Buildings					
Content value as determined by owner as of Sept. 2008 multiplied by the Marshall & Swift Valuation Service rates as of Sept. 2008 associated with Building Construction Class, Occupancy Type, Building Quality, and Fire Protection Code		0	0	0	0
Newly Insured Buildings					
Content value as determined by owner as of insured date multiplied by the Marshall & Swift Valuation Service rates as of Sept. 2008 associated with Building Construction Class, Occupancy Type, Building Quality, and Fire Protection Code		0	0	0	0
Gross Premium Discounts					
Completion of Risk Mgt. self-inspection survey - 10% discount		0	0	0	0
Risk control meetings - 5% discount		0	0	0	0

Property Premiums

Property premiums are based on the rates as outlined above. Premiums may fluctuate if new buildings are requested for coverage or square footage changes. The following premiums are estimates based on values as of September 2008.

Senate	114	122	8	1	8
House of Representatives	232	250	18	1	18
Legislative Printing	86	229	143	1	143
Legislative Research/General Council	121	130	9	1	9
Legislative Fiscal Analyst	30	32	2	1	2
Legislative Auditor	46	46	0	1	0
Courts	11,668	11,668	0	1	0
Capitol Preservation Board	150,831	159,973	9,142	1	9,142
Treasurer	131	155	24	1	24
Governor's Office	167	167	0	1	0
Office of Planning & Budget	206	206	0	1	0
Commission on Criminal Juvenile Justice	147	148	1	1	1
Crime Victims Reparations	136	166	30	1	30
Economic Development	691	751	60	1	60
Attorney General	1,112	1,112	0	1	0
Utah State Auditor	102	110	8	1	8
Administrative Rules	24	179	155	1	155

	FY 2010 Current	FY 2010 Proposed	Difference	Revenue # Units	Revenue Change
Archives	8,333	8,491	158	1	158
Debt Collection	0	52	52	1	52
Executive Director's Office	54	58	4	1	4
Facilities Construction and Management	252,064	321,475	69,411	1	69,411
Finance	480	788	308	1	308
Fleet Operation	3,307	4,321	1,014	1	1,014
Purchasing	10,869	10,869	0	1	0
Technology Services	99,763	102,830	3,067	1	3,067
Utah State Tax Commission	12,096	12,096	0	1	0
Career Service Review Board	98	98	0	1	0
Human Resource Management	112	115	3	1	3
Navajo Trust Fund	3,210	4,655	1,445	1	1,445
Public Safety	16,302	22,596	6,294	1	6,294
National Guard	103,837	117,573	13,736	1	13,736
Human Services Department	9,490	9,490	0	1	0
Developmental Center	45,678	45,678	0	1	0
State Hospital	41,613	41,613	0	1	0
Juvenile Justice Services	25,635	25,900	265	1	265
Health	10,926	12,114	1,188	1	1,188
Medical Education Council	0	14	14	1	14
Board of Education	10,787	10,868	81	1	81
School for the Deaf & Blind	7,926	8,945	1,019	1	1,019
Department of Corrections	12,248	24,913	12,665	1	12,665
Draper Prison	196,739	215,260	18,521	1	18,521
Gunnison Prison	62,367	67,749	5,382	1	5,382
Board of Pardons	28	4,392	4,364	1	4,364
Veterans Affairs	0	3,393	3,393	1	3,393
Environmental Quality	9,654	9,654	0	1	0
School and Institutional Trust Lands	856	1,031	175	1	175
DNR Executive Director's Office	3,142	6,305	3,163	1	3,163
Forestry Fire & State Lands	13,476	14,181	705	1	705
Oil Gas and Mining	823	823	0	1	0
Parks and Recreation	185,118	187,095	1,977	1	1,977
Utah Geological Survey	1,106	1,106	0	1	0
Water Resources	2,320	2,754	434	1	434
Water Rights	1,052	1,052	0	1	0
Wildlife Resources	174,182	186,419	12,237	1	12,237
Agriculture	3,252	3,252	0	1	0
Public Lands Coordinating Office	0	63	63	1	63
Workforce Services	16,953	18,547	1,594	1	1,594
Alcoholic Beverage Control	33,578	38,133	4,555	1	4,555
Labor Commission	274	326	52	1	52
Commerce	488	524	36	1	36
Financial Institutions	69	71	2	1	2
Insurance	206	213	7	1	7
Public Service Commission	29	31	2	1	2
Arts	21,682	21,682	0	1	0
Department of Community & Culture	187	201	14	1	14
History	10,230	10,838	608	1	608
Library	11,408	11,408	0	1	0

	FY 2010 Current	FY 2010 Proposed	Difference	Revenue # Units	Revenue Change
DOT Aeronautical Operations	4,003	4,406	403	1	403
Transportation	422,083	577,603	155,520	1	155,520
Fair Park	35,329	38,420	3,091	1	3,091
Heber Valley Railroad	11,341	12,390	1,049	1	1,049
Utah Communication Network (UCAN)	5,159	5,348	189	1	189
<i>Total State Agencies</i>	<i>2,067,806</i>	<i>2,405,665</i>	<i>337,859</i>	<i>1</i>	<i>337,859</i>
Higher Education					
UCAT / Bridgerland ATC	23,037	25,500	2,463	1	2,463
UCAT / Davis ATC	19,091	25,369	6,278	1	6,278
UCAT / Ogden/Weber ATC	34,362	41,792	7,430	1	7,430
UCAT / Salt Lake Tooele ATC	1,052	1,131	79	1	79
UCAT / Uintah Basin ATC	7,730	8,898	1,168	1	1,168
Board of Regents	1,296	1,386	90	1	90
College of Eastern Utah	80,949	80,949	0	1	0
Dixie College	82,540	106,976	24,436	1	24,436
Salt Lake Community College	175,230	233,334	58,104	1	58,104
Snow College	117,295	129,324	12,029	1	12,029
Southern Utah University	133,094	155,293	22,199	1	22,199
UCAT / Mountainland	2,877	4,897	2,020	1	2,020
University of Utah	1,414,691	1,909,455	494,764	1	494,764
Utah State University	739,265	850,611	111,346	1	111,346
Utah Valley University	175,580	220,763	45,183	1	45,183
Weber State University	177,017	194,775	17,758	1	17,758
UCAT / Dixie	258	614	356	1	356
<i>Total Higher Education</i>	<i>3,185,364</i>	<i>3,991,066</i>	<i>805,702</i>	<i>1</i>	<i>805,702</i>
<i>School Districts</i>	<i>5,490,451</i>	<i>6,394,530</i>	<i>904,079</i>	<i>1</i>	<i>904,079</i>
Subtotal Property Premiums	10,743,621	12,791,262	2,047,641	1	2,047,641
Automobile/Physical Damage Premiums					
Public Safety rate for value < \$35,000 (per vehicle)	175	175	0		0
Higher Education rate for value < \$35,000 (per vehicle)	125	125	0		0
Other state agency rate for value < \$35,000 (per vehicle)	150	150	0		0
School bus rate (per vehicle)	100	100	0		0
School district rate for value < \$35,000 (per vehicle)	50	50	0		0
Rate for value > \$35,000 (per \$100 of value)	0.8	0.8	0		0
State agency and higher education rate for other vehicles	75	75	0		0
School district rate for other vehicles or related equipment	50	50	0		0
Standard deductible (per incident)	500	500	0		0
Subtotal Automobile Physical Damage					0
Workers Compensation Rates					
UDOT* - rate decreased during the interim	1.56%	1.25%	(244,000)		(244,000)
State (except DOT)* - rate decreased during interim	0.79%	0.70%	(771,000)		(771,000)

	FY 2010 Current	FY 2010 Proposed	Difference	Revenue # Units	Revenue Change
Course of Construction Premiums					
Rate per \$100 of value – charged for half of a year	0.053	0.053	0		0
Charter Schools					
Liability (\$2 million coverage)					
Cost per student, \$1,000 minimum	18	18	0		0
Property (\$1,000 deductible per occurrence)					
Cost per \$100 in value, \$100 minimum	0.1	0.1	0		0
Comprehensive/Collision (\$500 deductible per occurrence)					
Cost per year per vehicle	150	150	0		0
Employee Dishonesty Bond, per year	250	250	0		0
Subtotal Other			(\$1,015,000)		(\$1,015,000)
Grand Total			1,436,107		1,437,307