Executive Appropriations Committee

Fiscal Health Dashboard

HB 311, 2014 GS

“prepare, before each annual general session of the Legislature, a summary showing the current status of the following as compared to the past nine fiscal years:

(i) debt;
(ii) long-term liabilities;
(iii) contingent liabilities;
(iv) General Fund borrowing;
(v) reserves;
(vi) fund and nonlapsing balances; and
(vii) cash funded capital investments;”
Our Goal

• Create a site where legislators and citizens can quickly and easily check Utah’s fiscal health
  • What are our resources?
  • What are our challenges?
  • How big are each?
  • What direction are they moving?
  • What is their context?

Some Examples

• Many states have reports:
  • Responsible and Efficient Georgia
  • Maine Compendium of State Fiscal Information
• Some states have limited dashboards:
  • Minnesota Dashboard (beta test version)
  • Oklahoma Key Financial Information
  • Tennessee Fiscal Strength Dashboard
  • Vermont Governor’s Dashboard
• Couple of pretty good ones:
  • Fiscal 50
  • Michigan Financial Health Dashboard
Purpose of today’s discussion:

• Re-introduce the issues to you
• Give you a quick update on status of each
• Get your feedback on what the dashboard should show

Resources

• Revenue
• Reserves
• Fund and Program Balances
• Pay-as-you-go Capital Investments
Reserves – Disaster Recovery

Reserves – Fund and Acct Bals
Commitments

- Buildings Deferred Maintenance
- Roads Deferred Maintenance
- General Obligation Bonds
- Revenue Bonds
- Moral Commitments
- Unfunded Retirement
- Unfunded Post Employment Benefits
- Accrued Annual Leave
- Tax Incentives/Credits
- Federal Fund Dependency
- Structural Deficits

Building Maintenance

- Condition Assessment Funded 2012 – 2015
- Just over ½ complete (by square footage)
- $208 million in deferred maintenance needs so far
  - $17 m deferred maintenance/$191 m capital renewal
  - $19 m life safety
  - $2 m currently critical
  - $187 m necessary/not critical
- Does not include roads, parking lots, utility distribution systems (water, sewer, steam, electric, etc.)
Road Maintenance
Bonds

- General Obligation
- Revenue
- School District
- Moral Obligation
- Local Gov't?

Retirement

- URS Funding Progress ($M)

- Unfunded Liability
- Funded Ratio
OPEB Program I Sick Leave

Prog. I ARC vs. Contributions
OPEB Program II

Program II Liability Cost

* Program II began January 7, 2006
** Amount estimated (Program II ended as of January 3, 2014)

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Program II Hours

(includes Sick & Converted Sick Leave Balances at Fiscal Yearend)

* As of January 3, 2014 (Program II Ended)
Annual Leave (SB 269)

- Currently Annual Leave liability only paid as used/cashed-out, not as accrued Before January 2016 create a new Annual Leave II
- Sink the cost of Annual Leave II as it accrues
- Currently Annual Leave liability only paid as used/cashed-out, not as accrued

Tax Incentives/Credits
General Fund Borrowing

<table>
<thead>
<tr>
<th>ISF General Fund Borrowing</th>
<th>as of June 30, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>GS Printing Services</td>
<td>$ (1,444,163)</td>
</tr>
<tr>
<td>OS Mail Services</td>
<td>$ (631,661)</td>
</tr>
<tr>
<td>Fleet Operations Motor Pool</td>
<td>$ (37,980,164)</td>
</tr>
<tr>
<td>DTS Enterprise Technology</td>
<td>$ (3,662,819)</td>
</tr>
<tr>
<td>DTS Agency Services</td>
<td>$ (148,693)</td>
</tr>
</tbody>
</table>

Federal Fund Dependency

Federal Share, Total State Budget, Federal Participation/per capita

Real Per Capita Federal Funds to the Federal % of State Expenditures
GF/EF Structural Balance

Note: For FY 2010, Legislators provided $461 million in “back-fill” as a one-time appropriation. While it was identified as one-time in FY 2010, most was restored the following year.

Others? Example: Health Ins.

- Ongoing need funded with one-time resource (reserves)
  - GF/EF: $15 million
  - Other Sources: $9 million
  - Total: $24 million

- Lower than projected medical increases for FY 14 may help to offset a portion of this imbalance. Rate increases of 7% - 10% are projected each year through FY 18.