

OFFICE OF THE
LEGISLATIVE
FISCAL
ANALYST

JONATHAN C. BALL
DIRECTOR

MEMORANDUM FOR EXECUTIVE APPROPRIATIONS COMMITTEE

FROM: Clare Tobin Lence, Analyst

DATE: June 9, 2015

SUBJECT: Fiscal Health Check-Up

At the May EAC meeting, LFA presented the first monthly Fiscal Health Check-Up. These brief presentations illuminate one or more indicators found on the Fiscal Health Dashboard (<http://le.utah.gov/fiscalhealth/>), an online tool that facilitates quick, round-the-clock access to information on key fiscal indicators.

In June, Director Jonathan Ball will discuss the budgetary situation across states, including 16 states that are currently in a deficit position. He will identify methods for maintaining a strong fiscal position at different times in the business cycle, what Utah has done well in the past, and future strategic considerations.

Clare Tobin Lence will then present one of the newer dashboard indicators, Cash Funded Roads. This indicator encompasses direct General Fund appropriations and earmarks for road construction, less debt service payments. Infrastructure projects are financed with a combination of cash and borrowing (bonding); the indicator shows the relative contribution of each type of funding to total costs over time. The strategic use of cash funding for infrastructure projects – at the appropriate time in the business cycle – is one practice that contributes to sound state fiscal management.

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