Summary of 2017 G.S. Budget Actions

Budget of the State of Utah

FY 2017 – FY 2018

Where it all goes...

$16.2 billion

FY 2018 operating and capital budget including expendable funds and accounts, from all sources, by use.
Summary of 2017 G.S. Budget Actions

Where it all comes from...

General Fund 15%
Education Fund 26%
Federal Funds 26%
Transportation Fund 3%
TIF of 2005 5%
Local Education Money 5%
Dedicated Credits 10%
Other 10%
Federal Funds 26%  

$16.2 billion

FY 2018 operating and capital budget including expendable funds and accounts, from all sources, by source of finance.

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$6.7 billion GF/EF

FY 2018 operating and capital budget including expendable funds and accounts, from all sources, by source of finance.
Summary of 2017 G.S. Budget Actions

Where GF/EF goes...

$6.7 billion

- Public Education: 49%
- Higher Education: 17%
- Social Services: 16%
- Non-Ed Buildings: 2%
- Debt Service: 1%
- General Gov't: 5%
- Law Enforcement: 8%
- Transfers: 2%

Who Got New GF/EF Money...

$498* million

- Public Ed: 49%
- Education: $342 m
- Higher Ed: 22%
- Utah Ed Network: 1%
- Crim Justice: 7%
- Social Services: 15%
- Non-Ed Bldgs/Debt: 1%
- Gen Gov't: 5%

*New General and Education Fund appropriations including resources that were reallocated from within existing budgets, 2017 General Session, by use.
How we balanced – Sources...

<table>
<thead>
<tr>
<th>(GF/EF in millions)</th>
<th>2016 GS</th>
<th>2017 GS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing Revenue Growth</td>
<td>$400</td>
<td>$372</td>
</tr>
<tr>
<td>One-time Re-estimates</td>
<td>$150</td>
<td>$13</td>
</tr>
<tr>
<td>Base Budget Review</td>
<td>$40</td>
<td>$80</td>
</tr>
<tr>
<td>TANF Reserves/MSP Balances</td>
<td>$30</td>
<td>$0</td>
</tr>
<tr>
<td>Fund Balances</td>
<td>$24</td>
<td>$27</td>
</tr>
<tr>
<td>Tax/Fee Chgs, Earmarks, Other</td>
<td>$19</td>
<td>$7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$663</strong></td>
<td><strong>$498</strong></td>
</tr>
</tbody>
</table>

For details, see Tables 7-9 of Budget of the State of Utah, 2017 – 2018.

How we balanced – Uses...

<table>
<thead>
<tr>
<th>(GF/EF in millions)</th>
<th>2016 GS</th>
<th>2017 GS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Education</td>
<td>$270</td>
<td>$236</td>
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<tr>
<td>Higher Education</td>
<td>$172</td>
<td>$105</td>
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<tr>
<td>Social Services</td>
<td>$88</td>
<td>$74</td>
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<tr>
<td>Criminal Justice</td>
<td>$32</td>
<td>$35</td>
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<tr>
<td>Non-Ed Buildings/Debt Svc</td>
<td>$19</td>
<td>$3</td>
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<tr>
<td>Gen. Gov’t/Other</td>
<td>$82</td>
<td>$45</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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<td><strong>$498</strong></td>
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</table>
Education (GF/EF)

- $115.5 million for a 4% increase in the WPU
- $68 million for Public Education student Growth
- $10.5 million for a Schools for the Deaf and the Blind building
- $7.5 million for instructional technology
- $5 million for teachers’ supplies and materials
- $51.5 million for new facilities at colleges and universities
- $8 million for the Regents’ Scholarship
- $6.5 million for performance based funding in Higher Ed
- $8 million for Higher Ed and UCAT market demand
- $7.4 million for Higher Ed and UCAT tuition mitigation

Social Services (GF/EF)

- $4 m ongoing and ($10.8 m) one-time for Medicaid caseload, inflation, and benefit changes
- ($14.6 m) from delayed implementation of health coverage for those in the coverage gap (HB 437, 2016 GS)
- $11.4 million for local Medicaid match on mental health services
- $10.8 million for Homeless to Housing reforms
- $6 million for behavioral health treatment of Justice Reform populations
- $3.3 million for affordable housing
Other Highlights (GF/EF)

• ($16.2 m) from lower debt service costs in FY 2018
• $2.9 m for motion picture and rail car manufacturing incentives
• $3 m ongoing for tourism marketing ($21 m total)
• $2.6 m for air quality monitoring and clean fuels
• $2.7 m for jail contracting, reimbursement, and treatment
• $2.8 m for jail beds in Salt Lake County

Compensation (GF/EF)

• State Agencies and Higher Education:
  – $33 million for a 2% salary increase
  – $8 million for targeted pay increases in Corrections, DABC, and others
  – $19 million for health insurance cost increases
  – Other small adjustments for 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 $116 million for cost increases generally, which could include compensation.
Other Budget Related

- Deposited $13 million in various formal reserve accounts
- For the most part matched ongoing appropriations with ongoing revenue but ended with a small $6 m structural deficit (0.1%)
- Funded Capital Improvements at 1.1% of asset value
- Kept $20 million in ongoing revenue in capital development
- Paid cash for most new buildings
- Authorized $100 m in G.O. debt for the new State Prison and another $1.1 billion over five years for highways.

Budget Policy Changes

- HB 25, “Tax Incentive Review Amendments.” Requires the Tax Commission and LFA to conduct a study and report on state revenue impacts of sales and use tax exemptions in 59-12-104.
- HB 194, “Federal Grants Management Amendments.” Requires federal grant recipient agencies to submit documentation detailing maintenance of effort requirements. Also makes Medicaid Intergovernmental Transfers subject to the Federal Funds Procedures Act.
Summary of 2017 G.S. Budget Actions

Budget Policy Changes

• HB 244, “General Fund Budget Reserve Account Amendments.” Allows the Legislature to appropriate from the General Fund Rainy Day Fund to finance essential programs that lose expected federal funds.

• HB 272, “Regulatory Impact Amendments.” Requires LFA, when evaluating proposed legislation, to indicate whether the legislation would make changes in the regulatory burden (high, medium, or low) for state residents or businesses.

Budget Policy Changes


• SB 117, “Higher Education Performance Funding.” Requires that, up to a limit, individual income tax revenue growth from certain targeted jobs be deposited in a new Education Fund restricted account and restricts the use of money in the restricted account to performance funding for higher education institutions.
Budget Policy Changes

• **SB 122, “Wildland Fire Suppression Fund Amendments.”** Clarifies the amount of year-end surplus that is deposited in the Wildland Fire Suppression Fund. Deposits are the lesser of $4 million or the amount needed to bring the fund balance to $12 million.

• **SB 209, “Budgeting Revisions.”** Requires LFA and GOMB to include in the review and analysis of revenue estimates a comparison of estimated federal fund receipts to 15-year trends.

Budget Policy Changes

• **SJR 15, “Joint Rules Resolution – Federal Revenue Consideration.”** Requires the Executive Appropriations Committee to consider treating above-trend federal revenues in the same way as one-time revenue.

• **SJR 3, “Joint Rules Resolution on Funding Mix Determinations.”** Requires LFA to prepare budgets for compensation and ISF impacts using base budget funding mixes, and lays out how to request exceptions.
Summary of 2017 G.S. Budget Actions

Details, Details...

Data Viz

Full Report

BUDGET OF THE STATE OF UTAH
AND RELATED APPROPRIATIONS
2017-2018
A REPORT ON THE ACTIONS OF THE
UTAH STATE LEGISLATURE
2017 GENERAL SESSION
APPROVED
2018 PRE-SESSION
2018 PRE-SPECIAL SESSION

executive appropriations committee
may 2017