



State of Utah

Financial Highlights



Preliminary Information Subject to Audit
Fiscal Year Ended June 30, 2017

BUDGETED RESERVES AND SURPLUS

	<u>General Fund</u>	<u>Education Fund</u>	<u>Combined Total</u>
Fiscal Year 2017 Surplus.....	\$ 9,585,000	\$ 17,608,000	\$ 27,193,000
Budgeted Reserves for Fiscal Year 2018.....	8,104,000	49,723,000	57,827,000
Net Reserves Available for Fiscal Year 2018.....	<u>\$ 17,689,000</u>	<u>\$ 67,331,000</u>	<u>\$ 85,020,000</u>

MAJOR STATE REVENUE SOURCES

(Does not include federal and restricted revenues unless indicated)

	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Percent Change</u>
General Fund			
Sales Tax.....	\$ 1,856,754,000	\$ 1,778,544,000	4.4 %
Insurance Premium Tax.....	\$ 122,024,000	\$ 111,658,000	9.3 %
Cigarette, Tobacco, and Beer Taxes.....	\$ 116,268,000	\$ 118,327,000	(1.7) %
Liquor Profit.....	\$ 106,345,000	\$ 104,030,000	2.2 %
Mineral Lease (Federal).....	\$ 73,787,000	\$ 69,245,000	6.6 %
Licenses, Permits, and Fees.....	\$ 27,684,000	\$ 27,640,000	0.2 %
Oil, Gas, and Mining Severance Taxes.....	\$ 16,140,000	\$ 27,736,000	(41.8) %
Education Fund			
Individual Income Tax.....	\$ 3,619,276,000	\$ 3,380,452,000	7.1 %
Corporate Franchise and Gross Receipts Taxes.....	\$ 328,785,000	\$ 338,658,000	(2.9) %
State Sales Tax Restricted			
Earmarks for Highways, Water Loans, Conservation, and Other Programs.....	\$ 585,363,000	\$ 543,076,000	7.8 %

MAJOR PROGRAMS EXPENDITURES

(Includes expenditures from federal and restricted revenue sources)

	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Percent Change</u>
Public Education.....	\$ 3,707,267,000	\$ 3,562,766,000	4.1 %
Health – Medical Assistance.....	\$ 2,540,221,000	\$ 2,424,840,000	4.8 %
Higher Education.....	\$ 1,793,521,000	\$ 1,726,324,000	3.9 %
Workforce Services.....	\$ 715,063,000	\$ 719,835,000	(0.7) %
Corrections – Adult.....	\$ 302,790,000	\$ 287,106,000	5.5 %
Human Services – People with Disabilities.....	\$ 297,969,000	\$ 270,878,000	10.0 %
Natural Resources.....	\$ 225,627,000	\$ 199,750,000	13.0 %
Human Services – Child and Family Services.....	\$ 171,615,000	\$ 168,487,000	1.9 %
Public Safety – Department.....	\$ 168,706,000	\$ 180,306,000	(6.4) %

HIGHWAY CONSTRUCTION AND OPERATIONS

	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Percent Change</u>
Major Transportation Funding Sources <i>(excludes bond proceeds)</i>			
Sales Tax Earmarks for Highways <i>(portion from above)</i>	\$ 523,170,000	\$ 508,574,000	2.9 %
Motor and Special Fuel Taxes.....	\$ 483,668,000	\$ 420,763,000	15.0 %
Federal Funds.....	\$ 406,332,000	\$ 307,016,000	32.3 %
Vehicle Registration and Permits ⁽¹⁾	\$ 170,540,000	\$ 166,237,000	2.6 %
Major Transportation Expenditures			
Highway Construction ⁽²⁾	\$ 849,051,000	\$ 671,962,000	26.4 %
Local B&C Roads.....	\$ 164,492,000	\$ 148,483,000	10.8 %
Highway Operations and Maintenance.....	\$ 161,609,000	\$ 160,275,000	0.8 %

(1) Includes vehicle registration fees of \$82,970,000 and \$80,394,000 from the Transportation Investment Fund in fiscal years 2017 and 2016.

(2) Includes expenditures of \$394,652,000 and \$341,737,000 from the Transportation Investment Fund in fiscal years 2017 and 2016.

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APPROPRIATIONS

By statute, the total of the amount appropriated from the General Fund (net of amounts exempted) plus the income tax revenues appropriated for higher education is limited to combined changes in population and inflation.

	<u>Fiscal 2018 ⁽¹⁾</u>	<u>Fiscal 2017</u>
Appropriations Limitation	\$ 3,737,409,000	\$ 3,566,544,000
Actual Appropriations ⁽²⁾	\$ 3,135,049,000	\$ 2,977,111,000
Under the Limit.....	\$ 602,360,000	\$ 589,433,000

(1) Preliminary – amounts may be adjusted by subsequent appropriations.

(2) Defined by Utah Code Section 63J-3-103(1).

GENERAL OBLIGATION BONDS

Activity in Fiscal Years 2017 and 2018 to date

General Obligation Bonds Payable at June 30, 2017 (Net).....	\$ 2,235,433,000
Principal Payment July 1, 2017.....	(271,535,000)
Additional Bonds Issued July 1, 2017 through September 30, 2017 (Net)	167,488,000
Amortization of Premium.....	(5,396,000)
General Obligation Bonds Payable at September 30, 2017 (Net).....	<u>\$ 2,125,990,000</u>
Constitutional Bonding Limit (1.5% of the total taxable property fair market value).....	<u>5,215,744,000</u>
Additional Constitutional Bonding Capacity ⁽¹⁾	<u>\$ 3,089,754,000</u>
Statutory Bonding Limit (45% of the fiscal year 2018 Appropriations Limitation).....	<u>\$ 1,681,834,000</u>
Bonds Subject to Limitation (Net) (\$2,006,368,000 of highway bonds are exempt).....	<u>119,622,000</u>
Additional Statutory Bonding Capacity ⁽¹⁾	<u>\$ 1,562,212,000</u>

The State of Utah's Triple/Triple Bond Rating is the best possible

Fitch Ratings	AAA
Moody's Investors Service.....	Aaa
S&P Global Ratings	AAA

(1) The State has an additional \$1,518,922,000 in bonds authorized but not issued, which when sold will reduce bonding capacity.

STATUS OF SELECTED FUNDS

(as of June 30, 2017)

General Fund Budget Reserve Account

Beginning Balance	\$ 143,614,000
Transfer from General Fund	2,055,000
Ending Balance	<u>\$ 145,669,000</u>

Education Budget Reserve Account

Beginning Balance	\$ 349,465,000
Transfer from Education Fund	12,337,000
Ending Balance	<u>\$ 361,802,000</u>

Disaster Recovery Restricted Account

Beginning Balance	\$ 20,491,000
Appropriation to General Fund.....	(9,762,000)
Federal Reimbursement.....	384,000
Ending Balance	<u>\$ 11,113,000</u>

Medicaid Growth Stabilization Account

Beginning Balance	\$ 25,909,000
Transfer from General Fund	18,548,000
Ending Balance	<u>\$ 44,457,000</u>

Permanent School Trust Fund

Beginning Balance	\$ 2,160,221,000
Income from Land Use (Net).....	35,537,000
Gain on Sale of Land	26,932,000
Change in Fair Value of Investments (Net).....	<u>164,054,000</u>
Ending Balance.....	<u>\$ 2,386,744,000</u>
Investment Income Paid to Uniform School Fund.....	<u>\$ 39,188,000</u>

Permanent State Trust Fund

Beginning Balance	\$ 171,369,000
Interest and Dividends	3,480,000
Severance Tax Revenue per Utah Constitution	5,380,000
Change in Fair Value of Investments.....	<u>15,943,000</u>
Ending Balance.....	<u>\$ 196,172,000</u>