



# State of Utah

## Financial Highlights



Preliminary Information Subject to Audit  
Fiscal Year Ended June 30, 2018

### BUDGETED RESERVES AND SURPLUS

	<u>General Fund</u>	<u>Education Fund</u>	<u>Combined Total</u>
Fiscal Year 2018 Surplus.....	\$ 7,966,000	\$ 149,882,000	\$ 157,848,000
Budgeted Reserves for Fiscal Year 2019.....	76,765,000	82,305,000	159,070,000
Net Reserves Available for Fiscal Year 2019.....	<u>\$ 84,731,000</u>	<u>\$ 232,187,000</u>	<u>\$ 316,918,000</u>

### MAJOR STATE REVENUE SOURCES

*(Does not include federal and restricted revenues unless indicated)*

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Percent Change</u>
<b>General Fund</b>			
Sales Tax.....	\$ 2,018,747,000	\$ 1,856,754,000	8.7 %
Insurance Premium Tax.....	\$ 133,565,000	\$ 122,024,000	9.5 %
Cigarette, Tobacco, and Beer Taxes.....	\$ 112,148,000	\$ 116,268,000	(3.5) %
Liquor Profit.....	\$ 112,312,000	\$ 106,345,000	5.6 %
Mineral Lease (Federal).....	\$ 76,693,000	\$ 73,787,000	3.9 %
Licenses, Permits, and Fees.....	\$ 25,836,000	\$ 27,684,000	(6.7) %
Oil, Gas, and Mining Severance Taxes.....	\$ 25,041,000	\$ 16,140,000	55.1 %
<b>Education Fund</b>			
Individual Income Tax.....	\$ 4,013,012,000	\$ 3,619,276,000	10.9 %
Corporate Franchise and Gross Receipts Taxes.....	\$ 450,224,000	\$ 328,785,000	36.9 %
<b>State Sales Tax Restricted</b>			
Earmarks for Highways, Water Loans, Conservation, and Other Programs.....	\$ 643,533,000	\$ 585,363,000	9.9 %

### MAJOR PROGRAMS EXPENDITURES

*(Includes expenditures from federal and restricted revenue sources)*

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Percent Change</u>
Public Education.....	\$ 4,003,123,000	\$ 3,707,267,000	8.0 %
Health – Medicaid Services.....	\$ 2,667,189,000	\$ 2,540,221,000	5.0 %
Higher Education.....	\$ 1,901,197,000	\$ 1,793,521,000	6.0 %
Workforce Services.....	\$ 693,544,000	\$ 715,063,000	(3.0) %
Corrections – Adult.....	\$ 314,555,000	\$ 302,790,000	3.9 %
Human Services – People with Disabilities.....	\$ 327,715,000	\$ 297,969,000	10.0 %
Natural Resources.....	\$ 238,687,000	\$ 226,772,000	5.3 %
Human Services – Child and Family Services.....	\$ 174,015,000	\$ 171,615,000	1.4 %
Public Safety – Department.....	\$ 180,551,000	\$ 168,706,000	7.0 %

### HIGHWAY CONSTRUCTION AND OPERATIONS

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Percent Change</u>
<b>Major Transportation Funding Sources</b> <i>(excludes bond proceeds)</i>			
Sales Tax Earmarks for Highways <i>(portion from above)</i> .....	\$ 569,510,000	\$ 523,170,000	8.9 %
Motor and Special Fuel Taxes.....	\$ 488,894,000	\$ 483,668,000	1.1 %
Federal Funds.....	\$ 401,976,000	\$ 406,332,000	(1.1) %
Vehicle Registration and Permits <sup>(1)</sup> .....	\$ 178,846,000	\$ 170,540,000	4.9 %
<b>Major Transportation Expenditures</b>			
Highway Construction <sup>(2)</sup> .....	\$ 970,704,000	\$ 849,051,000	14.3 %
Local B&C Roads.....	\$ 169,335,000	\$ 164,492,000	2.9 %
Highway Operations and Maintenance.....	\$ 166,832,000	\$ 161,609,000	3.2 %

(1) Includes vehicle registration fees of \$87,327,000 and \$82,970,000 from the Transportation Investment Fund in fiscal years 2018 and 2017.

(2) Includes expenditures of \$510,750,000 and \$394,652,000 from the Transportation Investment Fund in fiscal years 2018 and 2017.

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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 2019</u> <sup>(1)</sup>	<u>Fiscal 2018</u>
Appropriations Limitation .....	\$ 3,897,490,000	\$ 3,738,255,000
Actual Appropriations <sup>(2)</sup> .....	\$ 3,270,368,000	\$ 3,097,841,000
Under the Limit.....	\$ 627,122,000	\$ 640,414,000

(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 2018 and 2019 to date**

General Obligation Bonds Payable at June 30, 2018 (Net).....	\$ 2,498,191,000
Principal Payment July 1, 2018.....	(251,315,000)
Additional Bonds Issued July 1, 2018 through September 30, 2018 (Net) .....	0
Amortization of Premium.....	(5,558,000)
General Obligation Bonds Payable at September 30, 2018 (Net).....	<u>\$ 2,241,318,000</u>
<b>Constitutional Bonding Limit</b> (1.5% of the total taxable property fair market value) .....	<u>5,658,903,000</u>
Additional Constitutional Bonding Capacity <sup>(1)</sup> .....	<u>\$ 3,417,585,000</u>
<b>Statutory Bonding Limit</b> (45% of the fiscal year 2019 Appropriations Limitation).....	<u>\$ 1,753,871,000</u>
Bonds Subject to Limitation (Net) (\$2,038,226,000 of highway bonds are exempt).....	<u>(459,965,000)</u>
Additional Statutory Bonding Capacity <sup>(2)</sup> .....	<u>\$ 1,293,906,000</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) Does not include unused vacation for employees of approximately \$97,096,000, which may reduce bonding capacity.

(2) The State has an additional \$1,143,632,000 in bonds authorized but not issued, which when sold will reduce bonding capacity.

### STATUS OF SELECTED FUNDS

(as of June 30, 2018)

**General Fund Budget Reserve Account**

Beginning Balance .....	\$ 145,669,000
Transfer from General Fund .....	6,139,000
Ending Balance .....	<u>\$ 151,808,000</u>

**Education Budget Reserve Account**

Beginning Balance .....	\$ 361,802,000
Transfer from Education Fund .....	64,605,000
Ending Balance .....	<u>\$ 426,407,000</u>

**Disaster Recovery Restricted Account**

Beginning Balance .....	\$ 11,113,000
Transfer from General.....	936,000
Ending Balance .....	<u>\$ 12,049,000</u>

**Medicaid Growth Stabilization Account**

Beginning Balance .....	\$ 44,457,000
Transfer from General Fund .....	30,362,000
Ending Balance .....	<u>\$ 74,819,000</u>

**Permanent School Trust Fund**

Beginning Balance .....	\$ 2,386,744,000
Income from Land Use (Net).....	37,737,000
Gain on Sale of Land .....	19,560,000
Change in Fair Value of Investments (Net).....	<u>25,916,000</u>
Ending Balance.....	<u>\$ 2,469,957,000</u>
Investment Earnings Transferred to Uniform School Fund.....	<u>\$ 103,095,000</u>

**Permanent State Trust Fund**

Beginning Balance .....	\$ 196,172,000
Interest and Dividends .....	1,759,000
Severance Tax Revenue per Utah Constitution .....	8,347,000
Change in Fair Value of Investments.....	<u>8,906,000</u>
Ending Balance.....	<u>\$ 215,184,000</u>