

OFFICE OF THE
LEGISLATIVE
FISCAL
ANALYST

JONATHAN C. BALL
DIRECTOR

MEMORANDUM FOR EXECUTIVE APPROPRIATIONS COMMITTEE

FROM: Brian Wikle, Senior Economist
DATE: December 7, 2018
SUBJECT: Debt Affordability Study

During 2018 the State Treasurer has undertaken a debt affordability study in collaboration with the Governor's Office of Management and Budget and the Office of the Legislative Fiscal Analyst. State Treasurer Damschen is in the process of finalizing the study, and he will discuss the study during the December 10th meeting of the Executive Appropriations Committee.

The study is intended to be a tool for legislators, constituents, and other stakeholders to understand best practices in capital planning and debt management. It will provide readers with

- a comprehensive understanding of the State's debt and its capacity to repay it;
- a summary of State debt by type and amount;
- the constitutional debt limit and projections of capacity utilization;
- debt ratios for the State;
- comparisons with other triple triple-AAA peers (i.e. states with the highest bond rating from the three major rating agencies) and medians and means for all states;
- discussion of anticipated future debt; and the
- Treasurer's perspectives on debt.

UTAH STATE CAPITOL COMPLEX
HOUSE BUILDING, SUITE W310
P.O. BOX 145310
SALT LAKE CITY, UTAH

PHONE: (801) 538-1034
FAX: (801) 538-1692

WEBSITE:
WWW.LE.UTAH.GOV/LFA

