State Debt Update

January 28, 2020
# Outstanding Debt

**Estimated Total State Debt**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>G.O. Debt</td>
<td>$2,541,707,529</td>
</tr>
<tr>
<td>SBOA LR Debt</td>
<td>$301,235,030</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,842,942,559</strong></td>
</tr>
</tbody>
</table>

**Constitutional Debt Limit** $6,234,754,009

% of Constitutional Debt Limit **42%**

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1. on February 28, 2020
2. includes unpaid annual leave
3. SBOA LR debt is not a constitutional debt obligation
February 2020 G.O. Bond Issue

- Expected Bond Proceeds: $539.26MM
- Expected True Interest Cost: 1.72%
- Average Life: 7.8 years
- Pricing Date: February 11, 2020
- Closing Date: February 27, 2020

- Funds general highway construction
- Includes approx. $89MM for reimbursement of a partial cash defeasance of series 2015 bonds
## Issuance of Authorized G.O. Debt

<table>
<thead>
<tr>
<th>Sale Dates</th>
<th>Highway Bonds</th>
<th>Prison Bonds</th>
<th>Total Issuance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issued</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 2017</td>
<td>$47 MM</td>
<td>$120 MM</td>
<td>$167 MM</td>
</tr>
<tr>
<td>February 2018</td>
<td>$285 MM</td>
<td>$100 MM</td>
<td>$385 MM</td>
</tr>
<tr>
<td>January 2019</td>
<td>$150 MM</td>
<td></td>
<td>$150 MM</td>
</tr>
<tr>
<td><strong>Anticipated</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 2020</td>
<td>$540 MM</td>
<td></td>
<td>$540 MM</td>
</tr>
<tr>
<td>February 2021</td>
<td>$176 MM*</td>
<td></td>
<td>$176 MM*</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1.110 B</strong></td>
<td><strong>$220 MM</strong></td>
<td><strong>$1.330 B</strong></td>
</tr>
</tbody>
</table>

Debt as a Percentage of Personal Income (2018)

*Source: Moody’s State Debt Medians
*All AAA/AAA/Aaa States (Ex. Delaware)
Historical Comparison
Debt to Personal Income vs. All States Median

![Graph showing historical comparison of debt to personal income between Utah and the all states median.](image-url)
Contingent Liabilities

State Guaranteed Debt

School Bond Guaranty Program $3.66 Billion

Moral Obligation Pledged Debt

- Charter School Credit Enhancement $359.5MM
- Board of Regents (Student Loan) $506.7MM
- Board of Regents (Higher Education) $1.45 Billion
- Recapitalization Revenue Bonds $19.56MM
Final Thoughts

• Recommended Debt Levels
  – 1% to 1.5% of Total State Personal Income
    (20% to 40% of CDL)

• The debt target is specific to late-stage economic expansion. The target optimizes debt capacity for issuance after an economic downturn.