



David C. Damschen  

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Utah State Treasurer

# State Debt Update

January 28, 2020

# Outstanding Debt

Estimated Total State Debt<sup>(1)</sup>

G.O. Debt \$2,541,707,529

SBOA LR Debt \$ 301,235,030

**TOTAL** **\$2,842,942,559**

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

% of Constitutional Debt Limit<sup>(1)(2)(3)</sup> 42%

<sup>(1)</sup> on February 28, 2020

<sup>(2)</sup> includes unpaid annual leave

<sup>(3)</sup> 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

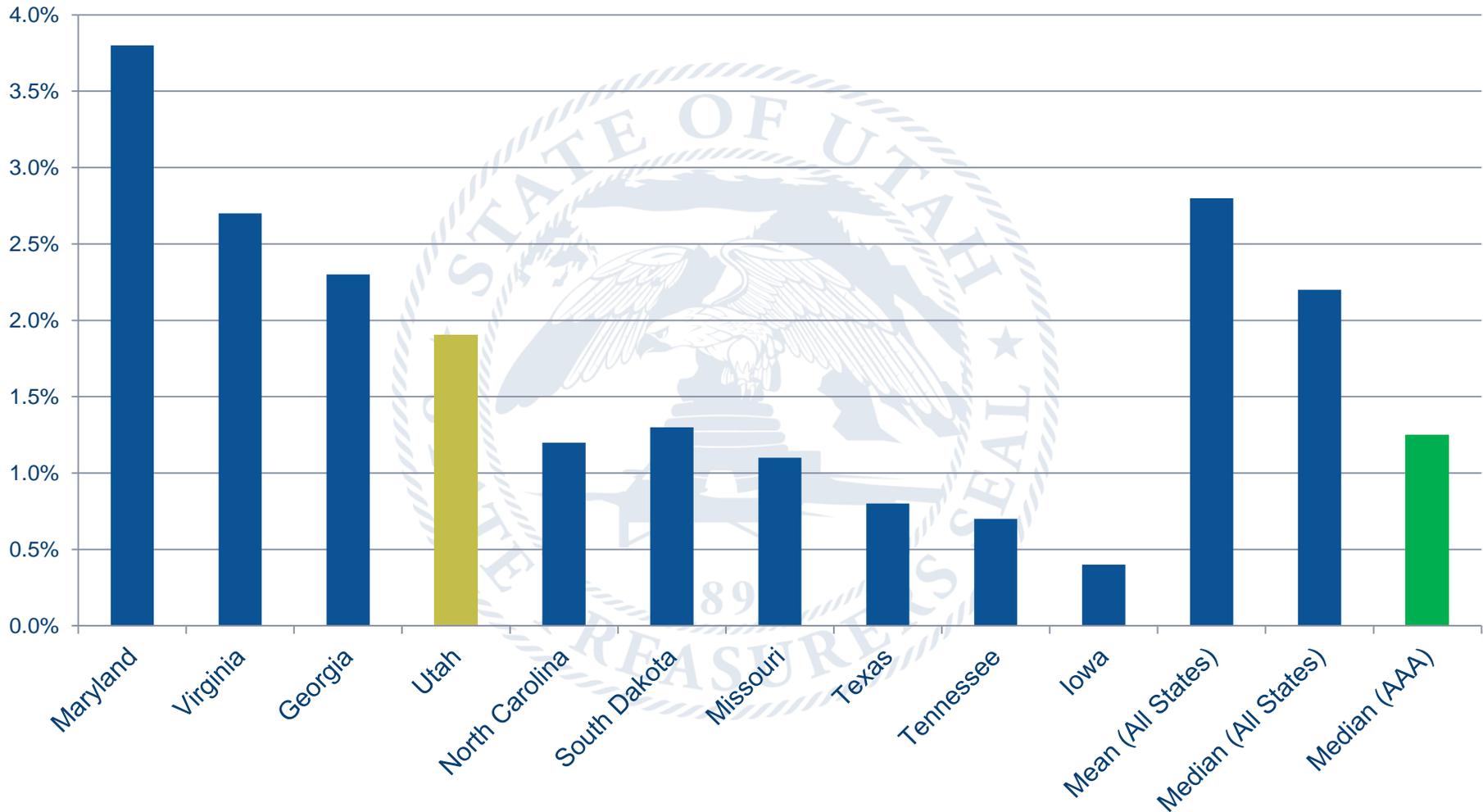
- Funds general highway construction
- Includes approx. \$89MM for reimbursement of a partial cash defeasance of series 2015 bonds

# Issuance of Authorized G.O. Debt

Sale Dates	Highway Bonds	Prison Bonds	Total Issuance
<i>Issued</i>			
July 2017	\$47 MM	\$120 MM	\$167 MM
February 2018	\$285 MM	\$100 MM	\$385 MM
January 2019	\$150 MM		\$150 MM
<i>Anticipated</i>			
February 2020	\$540 MM		\$540 MM
February 2021	\$176 MM*		\$176 MM*
<b>TOTAL:</b>	<b>\$1.110 B</b>	<b>\$220 MM</b>	<b>\$1.330 B</b>

\*Assumes new authorization which replaces 2015 defeasance-related bonds issued in 2020.

# Debt as a Percentage of Personal Income (2018)

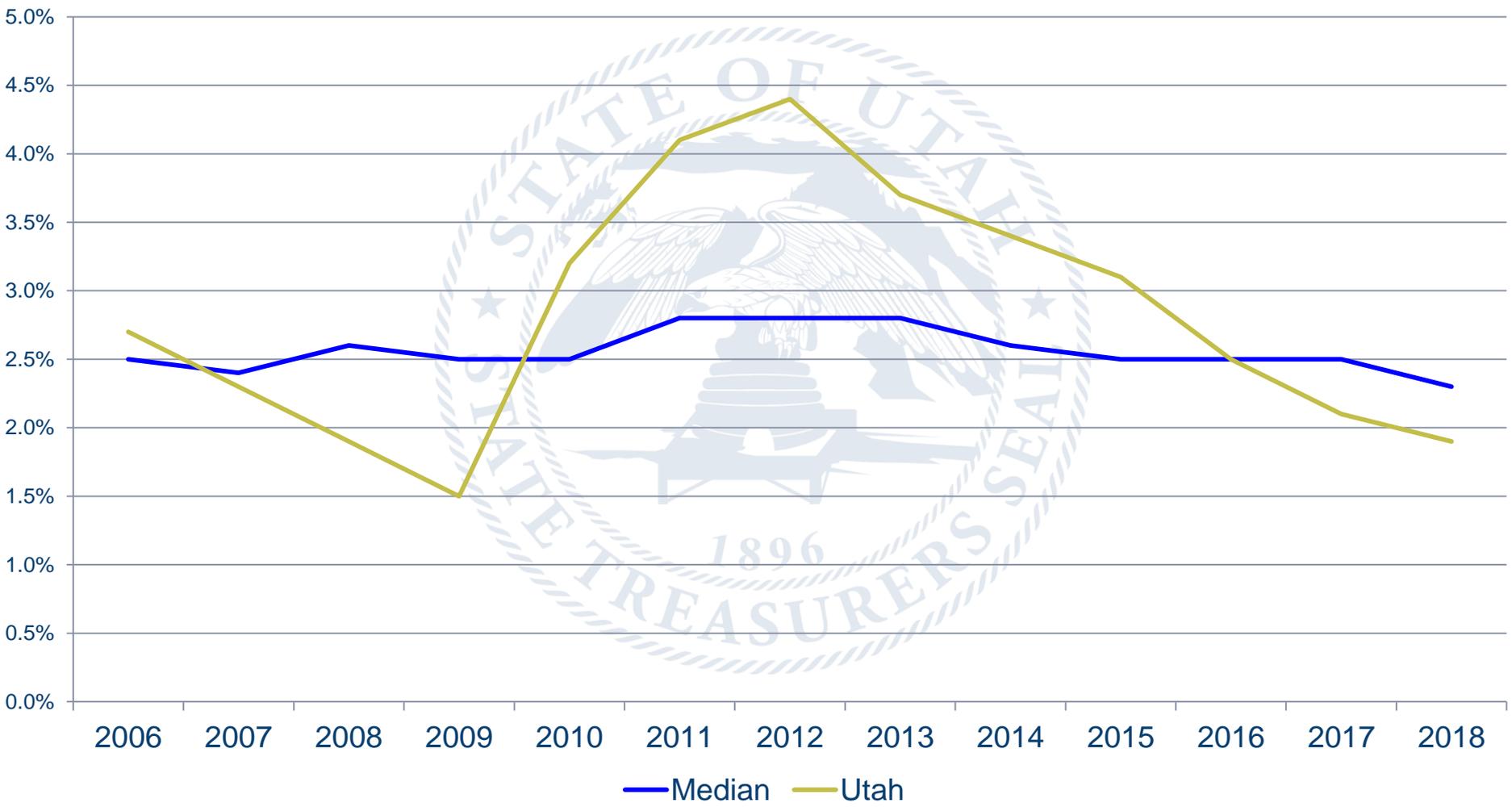


**\*Source: Moody's State Debt Medians**

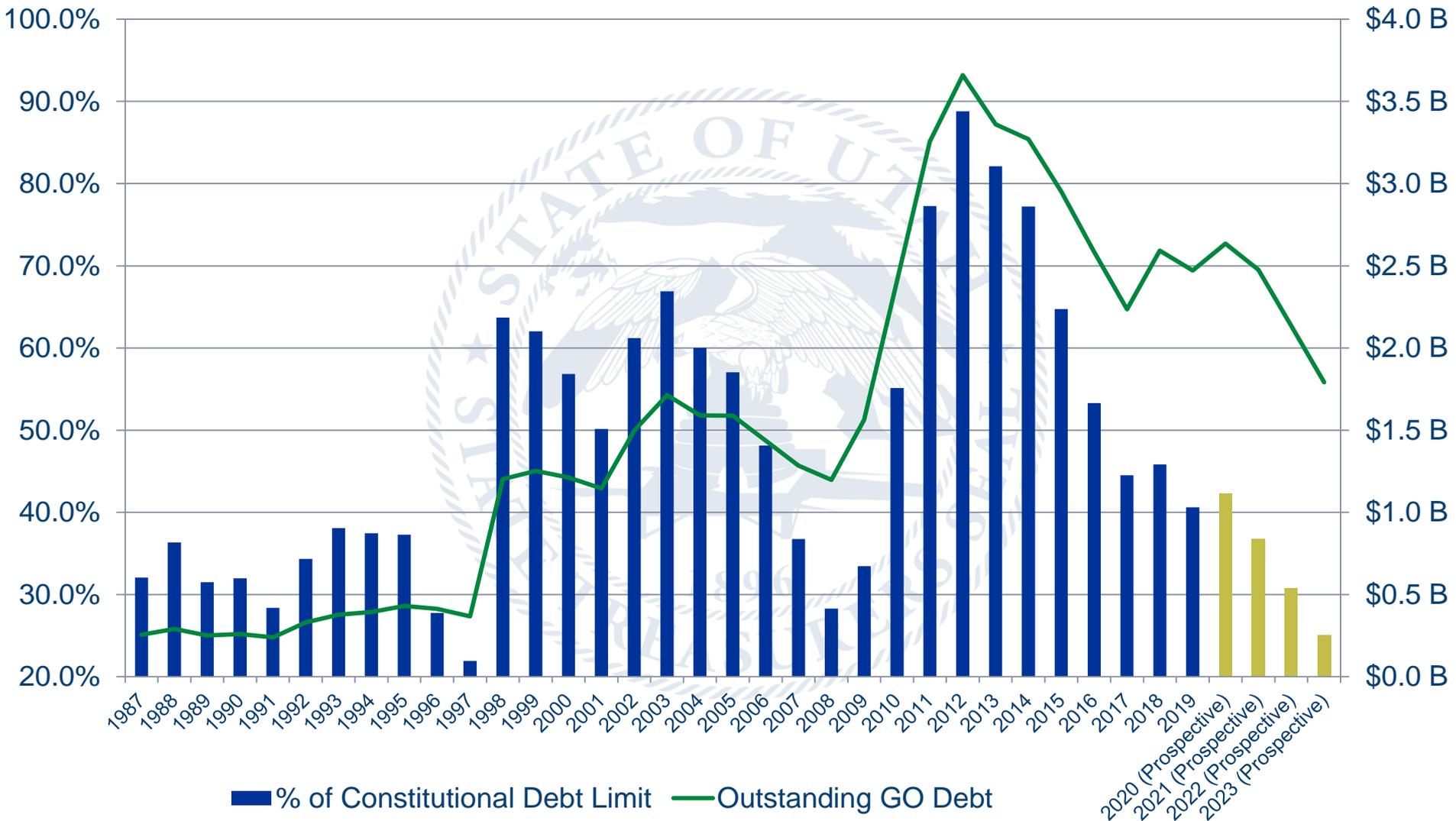
**\*All AAA/AA/Aaa States (Ex. Delaware)**

# Historical Comparison

## Debt to Personal Income vs. All States Median



# GO Debt as a % of Constitutional Debt Limit



# 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.

