



Memorandum

To: Executive Appropriations Committee

From: Jared Gibbs

Date: December 3, 2024

Re: Fiscal Health Check-up: Obligations and Reserves

In accordance with Section [36-12-13\(2\)\(h\)](#) of the Utah Code and Joint Rule [3-2-402](#), the Office of the Legislative Fiscal Analyst will summarize the status of State obligations and reserves enumerated below. It will additionally provide the same figures for the past nine fiscal years. We present this summary through the office's [Fiscal Health Dashboard](#).

Obligations

- Bond debt - general obligation and revenue bonds;
- Unfunded liabilities - retirement, sick leave, other post-employment benefits (OPEB), and annual leave;
- Contingent liabilities - economic development tax increment financing (EDTIF) and the Utah Fund of Funds; and
- General Fund borrowing- internal borrowing from ISFs

Reserves

- Budgetary reserves - General Fund Budget Reserve Account, Education Fund Budget Reserve Account, Medicaid Growth Reduction and Budget Stabilization Account, and State Disaster Recovery Restricted Account;
- Operating reserves - General Fund restricted account balances, non-lapsing balances, and the Growth in Student Population Account;
- Working rainy day amounts - cash-fund infrastructure and cash-funded roads; and
- Constitutionally restricted funds - Permanent State School Fund and Permanent State Trust Fund.

On the dashboard, we report several measures to contextualize the absolute amount of a given account. First, we show the current year data alongside the historical data and pair it with a related trend line where appropriate. Second, we provide the year-over-year growth in percentage terms. Finally, we show speedometer graphics to provide a general sense of the health of each account.