



State of Utah
Financial Highlights
 Fiscal Year Ended June 30, 2006



GENERAL FUND SURPLUS	\$ 85,129,000
PERCENTAGE OF GENERAL FUND BUDGET	4.19%
UNIFORM SCHOOL FUND SURPLUS	\$ 223,302,000
PERCENTAGE OF UNIFORM SCHOOL FUND BUDGET	10.07%

MAJOR STATE REVENUE SOURCES
 (Does not include federal and restricted revenues unless indicated)

	<u>Fiscal 2006</u>	<u>Fiscal 2005</u>	<u>Percent Change</u>
General Fund			
Sales Tax	\$ 1,806,265,000	\$ 1,634,522,000	10.5%
Licenses, Fees and Permits	\$ 18,793,000	\$ 17,940,000	4.8%
Cigarette, Tobacco and Beer Taxes	\$ 60,832,000	\$ 61,941,000	(1.8)%
Mineral Lease (Federal).....	\$ 156,851,000	\$ 82,704,000	89.7%
Insurance Premium Tax	\$ 71,418,000	\$ 67,359,000	6.0%
Mining, Oil and Gas Taxes.....	\$ 88,557,000	\$ 64,932,000	36.4%
Investment Income.....	\$ 40,006,000	\$ 13,602,000	194.1%
Liquor Profit.....	\$ 47,291,000	\$ 38,067,000	24.2%
Uniform School Fund			
Individual Income Tax.....	\$ 2,288,483,000	\$ 1,934,028,000	18.3%
Corporate Franchise and Gross Receipts Taxes.....	\$ 368,869,000	\$ 206,730,000	78.4%
State Sales Tax Restricted			
<i>For Local Government Highways, Water Loans, Conservation and Other Programs</i>			
	\$ 44,896,000	\$ 45,390,000	(1.1)%

MAJOR PROGRAMS
 (Includes expenditures from federal and restricted revenue sources)

	<u>Fiscal 2006 Expenditures</u>	<u>Fiscal 2005 Expenditures</u>	<u>Percent Change</u>
Public Education	\$ 2,331,806,000	\$ 2,177,845,000	7.1%
Higher Education	\$ 1,048,345,000	\$ 997,446,000	5.1%
Health – Medical Assistance	\$ 1,518,091,000	\$ 1,397,207,000	8.7%
Workforce Services.....	\$ 417,588,000	\$ 420,067,000	(.6)%
Corrections – Adult	\$ 203,959,000	\$ 193,613,000	5.3%
Human Services – Child and Family Services.....	\$ 138,186,000	\$ 133,674,000	3.4%
Human Services – People with Disabilities.....	\$ 165,185,000	\$ 159,093,000	3.8%
Natural Resources	\$ 144,601,000	\$ 124,993,000	15.7%
Public Safety.....	\$ 149,847,000	\$ 137,931,000	8.6%
State Courts	\$ 111,746,000	\$ 106,276,000	5.1%

HIGHWAY CONSTRUCTION AND MAINTENANCE

	<u>Fiscal 2006</u>	<u>Fiscal 2005</u>	<u>Percent Change</u>
Major Funding Sources			
Motor and Special Fuel Taxes.....	\$ 341,530,000	\$ 335,321,000	1.9%
Vehicle Registration and Permits ⁽¹⁾	\$ 90,391,000	\$ 85,255,000	6.0%
Federal Funds ⁽²⁾	\$ 269,678,000	\$ 241,610,000	11.6%
General Fund Transfer to Transportation Fund	\$ 88,100	\$ 88,000	.1%
General Fund Transfer to Transportation Investment Fund	\$ 120,000,000	\$ 59,595,000	101.4%
Major Transportation Expenditures			
Highway Construction ⁽³⁾	\$ 541,236,000	\$ 446,261,000	21.3%
Highway Maintenance.....	\$ 102,947,000	\$ 101,112,000	1.8%
Local B&C Roads.....	\$ 114,763,000	\$ 114,529,000	.2%

Note: The Centennial Highway Fund is now included in the Transportation Investment Fund which was created in fiscal year 2006.
 (1) Includes vehicle registration fees of \$21,486,000 and \$20,422,000 from the Transportation Investment Fund in fiscal years 2006 and 2005.
 (2) Includes federal funds of \$5,416,000 and \$32,732,000 from the Transportation Investment Fund in fiscal years 2006 and 2005.
 (3) Includes expenditures of \$176,300,000 and \$152,953,000 from the Transportation Investment Fund in fiscal years 2006 and 2005.

State of Utah Financial Highlights

Appropriations Limitation

By statute, the total of the amount appropriated from the General Fund plus the income tax revenues appropriated for higher education is limited to the growth in population and inflation.

	Fiscal 2007 ⁽¹⁾	Fiscal 2006
Appropriations Limitation	\$ 2,270,761,000	\$ 2,099,609,000
Actual Appropriations ⁽²⁾	\$ 2,251,991,000	\$ 2,049,208,000
Under the Limit.....	\$ 18,770,000	\$ 50,401,000

(1) Preliminary – amounts may be adjusted by subsequent appropriations.

(2) By law, the appropriations do not include amounts for debt service, emergency expenditures, amounts from other than unrestricted revenue sources, transfers to Budget Reserve Accounts (Rainy Day Funds), capital developments meeting certain criteria, or General Fund appropriations to the Transportation Investment Fund.

General Obligation Bonds

Activity in Fiscal Years 2006–2007 to date

General Obligation Bonds Payable at June 30, 2006 (Net).....	\$ 1,436,845,000
Principal Payment July 1, 2006	(140,220,000)
Amortization of Premium and Deferred Amount on Refunding	(5,251,000)
General Obligation Bonds Payable at November 30, 2006 (Net).....	1,291,374,000
Constitutional Bonding Limit (1.5% of the total taxable property fair market value)	2,984,743,000
Additional Constitutional Bonding Capacity ⁽¹⁾	<u>\$ 1,693,369,000</u>
Statutory Bonding Limit (45% of the fiscal year 2007 Appropriations Limitation)	\$ 1,021,842,000
Bonds Subject to Limitation (Net)(\$794,097,000 net highway bonds are exempt)	(497,277,000)
Additional Statutory Bonding Capacity ⁽¹⁾	<u>\$ 524,565,000</u>

The State of Utah's Triple/Triple Bond Rating is the best possible

Fitch	AAA
Moody's	Aaa
Standard & Poor's.....	AAA

(1) The State has an additional \$163,341,000 in bonds authorized but not issued, which when sold will reduce bonding capacity.

Status of Selected Funds

Fiscal Year 2006

School Trust Fund

This is a permanent fund established by the State Constitution. Certain investment earnings are paid to the Uniform School Fund for the support of public schools. The remaining income is reinvested to build balances in the School Trust Fund and enhance future earnings.

Beginning Fund Balance	\$ 553,847,000
Income from Land Use.....	79,906,000
Gain on Sale of Land.....	33,026,000
Change in Fair Value of Investments.....	26,157,000
Ending Fund Balance	<u>\$ 692,936,000</u>
Investment Income Paid to Uniform School Fund	\$ 18,132,000

Budget Reserve Accounts (Rainy Day Funds)

The Budget Reserve Accounts combined can retain up to a maximum of 6% of the combined General Fund and Uniform School Fund appropriations for a given fiscal year. The combined maximum limit is \$254,925,000.

<u>General Fund Budget Reserve Account</u>	
Beginning Reserve Balance.....	\$ 105,614,000
Investment Income	4,025,000
Transfer from General Fund.....	21,920,000
Ending Reserve Balance.....	<u>\$ 131,559,000</u>
<u>Education Budget Reserve Account</u>	
Beginning Reserve Balance.....	\$ 40,542,000
Investment Income	2,260,000
Transfers from Uniform School Fund.....	80,564,000
Ending Reserve Balance	<u>\$ 123,366,000</u>