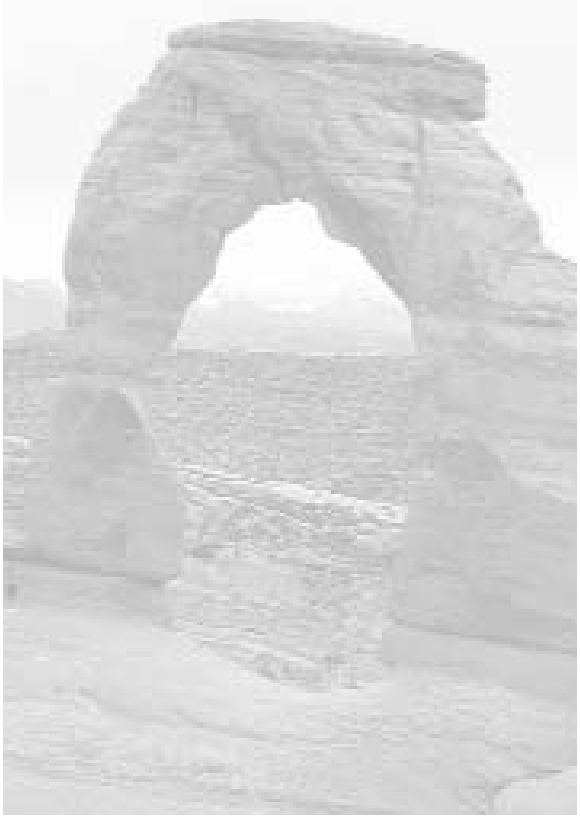
State of Utah

Capital Budget and Debt Service Summary

- Capital budget overview
- Capital table showing three-year comparisons
- Capital facility projects recommended for FY 2008 and supplemental projects for FY 2007
- Debt service table showing three-year comparisons
- Bonds outstanding



Capital Budget and Debt Service

Richard Amon, Analyst

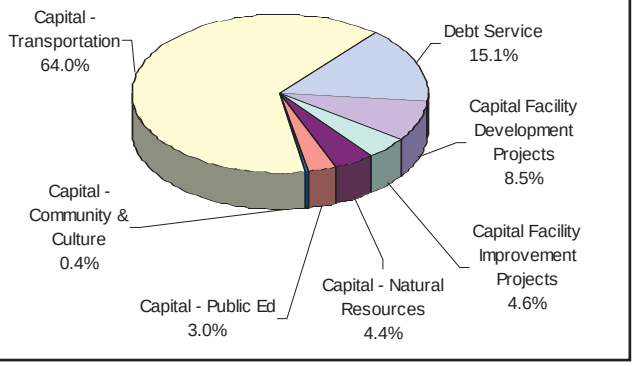
Recommendations: Governor's Goals and Initiatives

(See following tables for full list of recommendations)

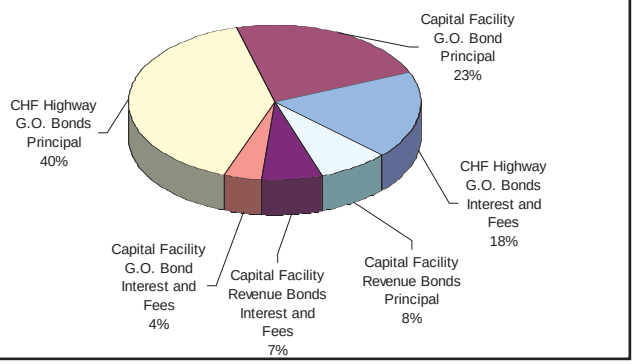
Capital Budget and Debt Service Overview

- The capital budget includes appropriations for the acquisition, development, construction, and improvement of fixed public assets.
- The debt service budget includes appropriations for debt services payments on all capital facility general obligation bonds, highway general obligation bonds, and State Building Ownership Authority (SBOA) revenue bonds.

Where Will My Taxes and Fees Go for Capital Budget and Debt Service?
(Total FY 2008 Operational Funding is $1,585,770,100)



Debt Service Expenditures
(Based on FY 2008 Recommendations)



The State has a triple A rating on general obligation bonds from Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings; and a double A rating on revenue bonds from Moody's Investors Service and Standard and Poor's Corporation.

Address highway capacity and safety conditions

- Construct a number of congestion-relief and/or safety projects throughout the State to reduce congestion and improve safety for the driving public with $30,000,000 ongoing and $70,000,000 one-time General Fund
- Repair and replace bridges throughout the State with $20,000,000 ongoing and $20,000,000 one-time General Fund
- Continue building Centennial Highway projects with $250,000,000 one-time General Fund

Preserve highway corridors before development occurs

- Increase funding for the Corridor Preservation Fund with $20,000,000 ongoing and $20,000,000 one-time General Fund

Maintain state facilities to increase building life and reduce costly future repairs

- State law requires annual capital improvement funding to be at least 1.1 percent of the estimated replacement cost of all state facilities; this requires an increase of $10,138,600 ongoing General Fund

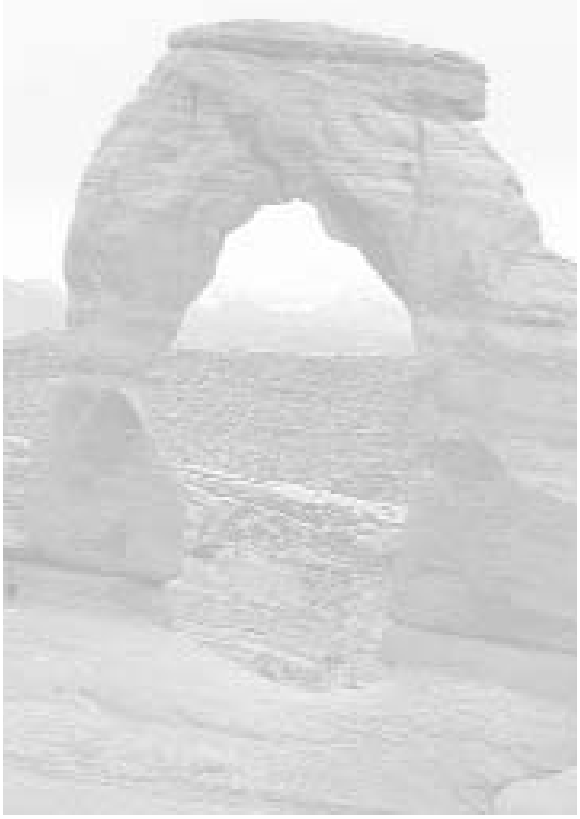
Equalize capital funding for growing school districts

- Increase Public Education's Enrollment Growth Program with $10,000,000 one-time Education Fund

New Capital Facility Development Project Recommendations (in millions)

Capitol restoration project	$51.0
Health lab	30.9
St. George Courthouse	29.0
Weber State University classroom building and chiller	23.0
Snow College library classroom building	17.7
Deaf/Blind Schools Connor Street replacement	15.8
Davis ATC technology and manufacturing building	14.2
University of Utah College of Nursing renovation	13.8
Joint Driver License and DMV	5.3
Total	**$200.7**

Capital facility development projects address economic development initiatives, inadequate space needs, and building safety conditions.



CAPITAL BUDGET

All Sources of Funding

	Actual FY 2006	Authorized FY 2007	Governor Huntsman's Recommendations: Supplementals	Recommended FY 2007	Base FY 2008	Ongoing/ One-time Adj.	Total FY 2008	FY 2007 Bond
Plan of Financing								
General Fund	$175,979,300	$460,633,100	$34,342,000	$494,975,100	$138,379,300	$538,074,400	$676,453,700	$0
Education Fund	84,081,900	133,140,600	38,778,000	171,918,600	74,307,400	48,455,200	122,762,600	0
Trans. Fund	242,720,300	233,223,300	0	233,223,300	234,173,800	2,000,000	236,173,800	0
Federal Funds	266,621,600	189,551,700	0	189,551,700	150,564,800	0	150,564,800	0
Dedicated Credits	18,466,900	1,575,000	0	1,575,000	1,575,000	0	1,575,000	0
Mineral Lease	59,686,900	57,778,600	0	57,778,600	59,767,100	0	59,767,100	0
Rest./Trust Funds	118,473,700	222,330,700	0	222,330,700	231,091,700	4,000,000	235,091,700	0
FY 2007 Rev. Bond	0	0	0	0	0	0	0	1,476,000
Transfers	(121,285,300)	(123,554,700)	0	(123,554,700)	(128,907,500)	0	(128,907,500)	0
Other Funds	0	0	0	0	0	20,000,000	20,000,000	0
Beginning Balances	179,971,400	152,011,300	0	152,011,300	32,855,100	0	32,855,100	0
Closing Balances	(152,011,300)	(32,855,100)	0	(32,855,100)	(60,098,000)	0	(60,098,000)	0
Lapsing Funds	(567,800)	0	0	0	0	0	0	0
Total Financing	**$872,137,600**	**$1,293,834,500**	**$73,120,000**	**$1,366,954,500**	**$733,708,700**	**$612,529,600**	**$1,346,238,300**	**$1,476,000**
Departments								
Admin. Services	$77,345,600	$141,541,300	$50,170,000	$191,711,300	$92,921,300	$67,665,600	$160,586,900	$1,476,000
Comm. and Culture	6,325,700	56,118,800	0	56,118,800	6,339,100	0	6,339,100	0
Higher Education	30,743,000	68,042,000	22,950,000	90,992,000	0	47,664,000	47,664,000	0
Natural Resources	15,686,800	34,740,900	0	34,740,900	24,669,500	45,200,000	69,869,500	0
Public Education	32,288,900	37,288,900	0	37,288,900	27,288,900	20,000,000	47,288,900	0
Transportation	709,747,600	956,102,600	0	956,102,600	582,489,900	432,000,000	1,014,489,900	0
Total Budget	**$872,137,600**	**$1,293,834,500**	**$73,120,000**	**$1,366,954,500**	**$733,708,700**	**$612,529,600**	**$1,346,238,300**	**$1,476,000**
% Change from Authorized FY 2007 to Total FY 2008							**4.1%**	

This table shows a summary of capital project costs for all departments and includes roads, General Fund appropriations to loan programs, state parks improvements, the Public Education Capital Outlay Program, and Community and Culture. The table on the following page shows only facility-related projects including the cost of each facility development or acquisition. For more detail on other projects, refer to the capital tables in the individual department sections.

CAPITAL FACILITIES BUDGET - FY 2008 Governor Huntsman's Recommendations

All Sources of Funding

	General Fund	Education Fund	Trans-portation	Restricted/ Trust	Total Appropriated	Donations / Private / Institutional	SBOA Revenue Bonds	Total Project	
CAPITAL FACILITY PROJECTS									
Administrative Services									
1 Statewide capital improvements	$45,250,200	$27,809,700	$0	$0	$73,059,900	$0	$0	$73,059,900	*1*
2 Capitol restoration	51,000,000	0	0	0	51,000,000	0	0	51,000,000	*2*
3 Health lab	30,852,000	0	0	0	30,852,000	0	0	30,852,000	*3*
4 ABC North Temple store expansion	0	0	0	1,000,000	1,000,000	0	0	1,000,000	*4*
5 ABC Bountiful store reconstruction	0	0	0	1,500,000	1,500,000	0	0	1,500,000	*5*
6 ABC Taylorsville store expansion	0	0	0	1,500,000	1,500,000	0	0	1,500,000	*6*
7 Replacement of state parking lot (YWCA)	1,675,000	0	0	0	1,675,000	0	0	1,675,000	*7*
8 UCI production warehouse phase I	0	0	0	0	0	0	1,476,000	1,476,000	*8*
Total Administrative Services	**128,777,200**	**27,809,700**	**0**	**4,000,000**	**160,586,900**	**0**	**1,476,000**	**162,062,900**	
Higher Education									
9 U of U School of Nursing renovation/central plant	0	13,775,000	0	0	13,775,000	9,000,000 *(a)*	0	22,775,000	*9*
10 Snow library and classroom building	0	17,651,000	0	0	17,651,000	3,300,000 *(a)*	0	20,951,000	*10*
11 DATC technology and manufacturing building	0	14,238,000	0	0	14,238,000	762,000 *(a)*	0	15,000,000	*11*
12 SUU land for Shakespearean Festival	0	2,000,000	0	0	2,000,000	0	0	2,000,000	*12*
13 WSU Hurst Center for Lifelong Learning	0	0	0	0	0	7,200,000 *(a)*	0	7,200,000	*13*
14 SLCC facilities and parking building	0	0	0	0	0	2,500,000 *(b)*	0	2,500,000	*14*
15 U of U Student Life Center	0	0	0	0	0	42,500,000 *(b)*	0	42,500,000	*15*
Total Higher Education	**0**	**47,664,000**	**0**	**0**	**47,664,000**	**65,262,000**	**0**	**112,926,000**	
Transportation									
16 Panguitch maintenance station addition	0	0	2,000,000	0	2,000,000	0	0	2,000,000	*16*
Total Transportation	**0**	**0**	**2,000,000**	**0**	**2,000,000**	**0**	**0**	**2,000,000**	
TOTAL CAP. FACILITY PROJECTS	**$128,777,200**	**$75,473,700**	**$2,000,000**	**$4,000,000**	**$210,250,900**	**$65,262,000**	**$1,476,000**	**$276,988,900**	

(a) Private donations
(b) Student fees and private donations

CAPITAL FACILITIES BUDGET - FY 2007 Governor Huntsman's Supplemental Recommendations

All Sources of Funding

	General Fund	Education Fund	Trans-portation	Restricted/ Trust	Total Appropriated	Donations / Private / Institutional	SBOA Revenue Bonds	Total Project	
CAPITAL FACILITY PROJECTS									
Administrative Services									
17 St. George Courthouse	$29,000,000	$0	$0	$0	$29,000,000	$0	$0	$29,000,000	*17*
18 Tax joint Driver License/DMV building	5,342,000	0	0	0	5,342,000	0	0	5,342,000	*18*
19 Schools for the Deaf and the Blind	0	15,828,000	0	0	15,828,000	0	0	15,828,000	*19*
Total Administrative Services	**34,342,000**	**15,828,000**	**0**	**0**	**50,170,000**	**0**	**0**	**50,170,000**	
Higher Education									
20 WSU classroom building/chiller plant	0	22,950,000	0	0	22,950,000	6,000,000 *(c)*	0	28,950,000	*20*
Total Higher Education	**0**	**22,950,000**	**0**	**0**	**22,950,000**	**6,000,000**	**0**	**28,950,000**	
TOTAL CAP. FACILITY PROJECTS	**$34,342,000**	**$38,778,000**	**$0**	**$0**	**$73,120,000**	**$6,000,000**	**$0**	**$79,120,000**	

(c) Private donations.

DEBT SERVICE

All Sources of Funding

Plan of Financing	Actual FY 2006	Authorized FY 2007	Governor Huntsman's Recommendations: Supplementals	Recommended FY 2007	Base FY 2008	Ongoing & Onetime Adj.	Total FY 2008
General Fund	$59,879,700	$51,679,700	$0	$51,679,700	$51,679,700	$0	$51,679,700
Education Fund	17,164,300	17,164,300	0	17,164,300	17,164,300	0	17,164,300
Dedicated Credits	25,252,700	34,368,900	0	34,368,900	34,578,800	0	34,578,800
Restricted and Trust Funds	133,597,800	135,181,200	0	135,181,200	135,181,200	0	135,181,200
Transfers	7,628,300	0	0	0	0	0	0
Beginning Balances	12,635,900	20,722,200	0	20,722,200	23,358,700	0	23,358,700
Closing Balances	(20,722,200)	(23,358,700)	0	(23,358,700)	(22,430,900)	0	(22,430,900)
Total Financing	**$235,436,500**	**$235,757,600**	**$0**	**$235,757,600**	**$239,531,800**	**$0**	**$239,531,800**
Programs							
Debt Service							
G.O. Bond Principal	$137,120,000	$140,470,000	$0	$140,470,000	$150,885,000	$0	$150,885,000
G.O. Bond Interest	67,570,600	60,597,000	0	60,597,000	53,746,300	0	53,746,300
G.O. Bond Fees	93,600	98,700	0	98,700	98,700	0	98,700
Revenue Bond Principal	15,626,000	17,729,200	0	17,729,200	18,806,100	0	18,806,100
Revenue Bond Interest	14,873,600	16,706,100	0	16,706,100	15,862,800	0	15,862,800
Revenue Bond Fees	152,700	156,600	0	156,600	132,900	0	132,900
Total Budget	**$235,436,500**	**$235,757,600**	**$0**	**$235,757,600**	**$239,531,800**	**$0**	**$239,531,800**
% Change from Authorized FY 2007 to Total FY 2008							**1.6%**

GENERAL OBLIGATION BONDS OUTSTANDING

As of December 1, 2006

Bond Series or Bond Authorization	Original Amount	Final Maturity Date	Outstanding Principal as of 1-Dec-06	Amount Exempt From Statutory Debt Limit	Unissued Bond Authorizations [a]
Capital Facility Projects					
2002A Series	$129,640,000	July 1, 2007	$45,400,000	$0	
2003A Series	138,020,000	July 1, 2010	133,925,000	0	
2004B Series	93,585,000	July 1, 2011	71,445,000	0	
2002 Authorization HB 252 (Adair) - USU engineering building					$6,206,300
2004 Authorization HB 2 (Pace) - various projects					9,142,400
2005 Authorization HB 1007 (Buxton) - Veterans' Nursing Home					4,600,000
2006 Authorization SB 75 (Mansell) - USTAR Initiative					111,100,000
Capital Facility Projects Subtotal			**$250,770,000**	**$0**	
Highway Projects					
1997E Series	$135,000,000	July 1, 2007	$10,500,000	$10,500,000	
1997F Series	205,000,000	July 1, 2007	17,375,000	17,375,000	
1998A Series	210,000,000	July 1, 2008	36,475,000	36,475,000	
2001B Series (Refunding - $208.000M)	334,250,000	July 1, 2009	108,425,000	108,425,000	
2002A Series	151,560,000	July 1, 2011	28,775,000	0	
2002B Series (Refunding)	253,100,000	July 1, 2012	250,700,000	250,700,000	
2003A Series (Refunding $128.700M)	269,385,000	July 1, 2013	172,325,000	169,325,000	
2004A Series (Refunding)	314,775,000	July 1, 2016	314,775,000	125,315,000	
2004B Series	47,050,000	July 1, 2019	47,050,000	47,050,000	
2000 Authorization SB 273 (Steele) - Interstate 80 interchange at 5600 West					$6,000,000 [b]
2003 Authorization HB 260 (Harper) - Salt Lake County 1/4 of 0.25 percent					26,398,200 [b]
Highway Projects Subtotal			**$986,400,000**	**$765,165,000**	
Total General Obligation Bonds Outstanding			**$1,237,170,000**	**$765,165,000**	
Plus Unamortized Premiums			**72,566,000**	**42,256,500**	
Less Deferred Amount on Refunding			**(18,361,700)**	**(13,324,100)**	
Total General Obligation Bonds Payable			**$1,291,374,300**	**$794,097,400**	
Debt Per Capita [c]			**$494**		

(a) Bonds authorized but not yet issued.

(b) These bond authorizations are exempt from statutory debt limit calculations.

(c) Based on 2006 population estimate of 2,615,129.

Constitutional Debt Limit, Utah Constitution Article XIV, Section 1

Total Fair Market Value (FMV) of Taxable Property	$198,982,832,600
Constitutional Debt Limit (1.5 percent)	$2,984,742,500
Less: Outstanding General Obligation Debt	(1,291,374,300)
Additional Constitutional Debt Incurring Capacity of the State	$1,693,368,200

Limits general obligation debt to 1.5 percent of the total FMV of taxable property. The FMV of taxable property is based on the Utah Property Tax 2005 Annual Statistical Report.

State Appropriations and Tax Limitation Statutory Debt Limit, Title 63, Chapter 38c, Section 402

Fiscal Year Ending June 30, 2007 Appropriation Limit	$2,278,912,100
Statutory General Obligation Debt Limit (45 percent)	$1,025,510,400
Less: Outstanding General Obligation Debt	(1,291,374,300)
Plus: Statutorily Exempt General Obligation Highway Bonds	794,097,400
Remaining Statutory G.O. Debt Incurring Capacity	$528,233,500

Limits outstanding general obligation debt to no more than 45 percent of the maximum allowable limit on appropriations from the General Fund and from non-Uniform School Fund income tax revenues.

STATE BUILDING OWNERSHIP AUTHORITY REVENUE BONDS OUTSTANDING

As of December 1, 2006

Bond Series or Bond Authorization	Original Amount	Final Maturity Date	Principal as of 1-Dec-06	Exempt From Statutory Debt Limit	Unissued Bond Authorizations [a]
1992AB Series	$27,580,000	August 15, 2011	$10,290,000	$0	
1993A Series	6,230,000	January 1, 2013	2,975,000	0	
1995A Series	93,000,000	May 15, 2007	4,155,000	0	
1996AB Series	61,600,000	May 15, 2007	3,160,000	0	
1997A Series	4,150,000	May 15, 2008	385,000	0	
1998A Series	25,710,000	May 15, 2008	1,510,000	0	
1998C Series (Refunding)	105,100,000	May 15, 2019	103,685,000	0	
1999A Series	9,455,000	May 15, 2009	1,150,000	0	
2001A Series	69,850,000	May 15, 2021	64,675,000	0	
2001B Series	25,780,000	May 15, 2024	23,595,000	0	
2001C Series	30,300,000	May 15, 2022	30,300,000	0	
2003 Series (Refunding $4.455M)	22,725,000	May 15, 2025	21,485,000	0	
2004A Series (Refunding $19.095M))	45,805,000	May 15, 2027	44,975,000	0	
2004B Series (Refunding)	8,920,000	May 15, 2013	8,615,000	0	
2006A Series	8,355,000	May 15, 2027	8,355,000	0	
1999 Authorization SB 2 (Evans B.) - Human Services Brigham City office					$2,510,000
2000 Authorization SB 235 (Suazo) - State Fair Park multipurpose building					10,500,000
2006 Authorization SB 236 (Hickman) - three Department of Alcoholic Beverage Control stores					7,371,000
Total State Building Ownership Authority Revenue Bonds Outstanding			**$329,310,000**	**$0**	
Plus Unamortized Premiums			**4,693,100**	**0**	
Less Deferred Amount on Refunding			**(1,989,200)**	**0**	
Total State Building Ownership Authority Revenue Bonds Payable			**$332,013,900**	**$0**	
Debt Per Capita [b]			**$127**		

(a) Bonds authorized but not yet issued.

(b) Based on 2006 population estimate of 2,615,129.

State Building Ownership Authority (SBOA) Statutory Debt Limit, Title 63B, Chapter 1, Section 306

Total Fair Market Value (FMV) of Taxable Property	$198,982,832,600
Statutory Debt Limit (1.5 percent)	$2,984,742,500
Less: General Obligation Debt	(1,291,374,300)
Less: SBOA Lease Revenue Bonds	(332,013,900)
Plus: Statutorily Exempt General Obligation Highway Bonds	794,097,400
Plus: Statutorily Exempt SBOA Lease Revenue Bonds	-
SBOA's Additional Debt Incurring Capacity	$2,155,451,700

Limits general obligation and SBOA debt to 1.5 percent of the total FMV of taxable property. The FMV of taxable property is based on the Utah Property Tax 2005 Annual Statistical Report.