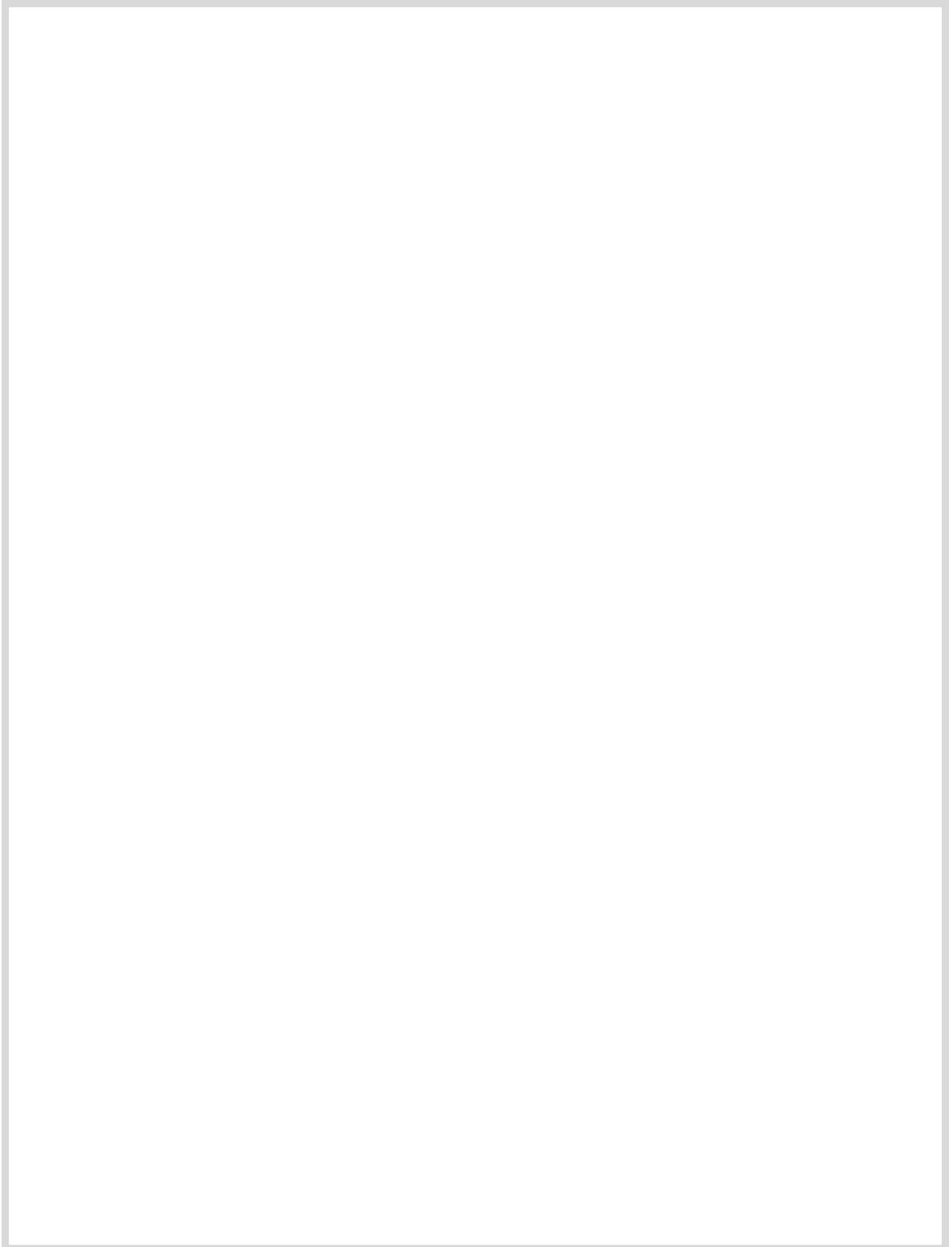


# TITLE PAGE





**STATE OF UTAH**  
OFFICE OF THE GOVERNOR  
SALT LAKE CITY  
84114-0601

MICHAEL O. LEAVITT  
GOVERNOR

OLENE S. WALKER  
LIEUTENANT GOVERNOR

December 16, 2002

My Fellow Utahns:

The past year has challenged state government, businesses, and families to make difficult financial decisions. Most of us have had to trim spending, reprioritize, and, in many cases, draw upon our savings or even borrow to meet current needs without compromising our future. State government is no different.

We have already trimmed \$197 million from operating budgets for FY 2003, nearly exhausted our reserves, and increased our debt. We are operating state government today with less state funds than two years ago, even though we have more citizens, more unemployed workers, and more children, elderly, and others in need of food, housing, and health care.

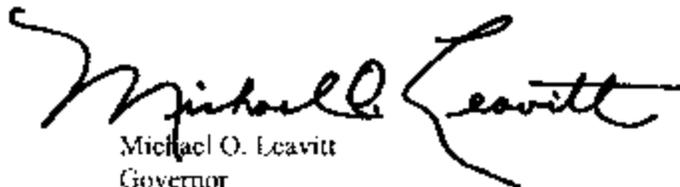
In spite of the current revenue shortfall, I oppose any further budget cuts in public or higher education spending. I believe Utah's economic success is tied directly to the achievements of the education system. Consequently, the quality of our education system is my highest funding priority. We must put *Education First*.

To fund education and balance the budget, I propose the state make difficult cuts in targeted areas and postpone road and facility construction until we have sufficient revenues. I also propose that we reduce water subsidies so we can create a more efficient water delivery system and encourage conservation. These alternatives address the revenue shortfall without cutting education or raising taxes.

These tight economic times are the most severe since World War II. They force us to ask the policy question: What is the role of state government? My budget recommendations are austere and reflect a careful assessment of the function of state government. I offer these recommendations with the belief that we can remain the best managed state in the nation if we keep our education system strong, delay infrastructure investment until we can afford it, and practice careful fiscal management.

Thank you for the opportunity to serve.

Sincerely,



Michael O. Leavitt  
Governor

**AGENCY GUIDE**

**Agency**

**See Department Section**

Administrative Services .....	Administrative Services
Agriculture and Food .....	Natural Resources
Alcoholic Beverage Control .....	Commerce and Revenue
Attorney General .....	Elected Officials
Auditor .....	Elected Officials
Board of Pardons .....	Corrections (Adult and Youth)
Capitol Preservation Board .....	Administrative Services
Career Service Review Board .....	Economic Development and Human Resources
Commerce .....	Commerce and Revenue
Community and Economic Development .....	Economic Development and Human Resources
Corrections - Adult .....	Corrections (Adult and Youth)
Courts .....	Courts
Environmental Quality .....	Environmental Quality
Financial Institutions .....	Commerce and Revenue
Governor/Lt. Governor .....	Elected Officials
Health .....	Health
Higher Education .....	Higher Education
Human Resource Management .....	Economic Development and Human Resources
Human Services .....	Human Services
Insurance .....	Commerce and Revenue
Labor Commission .....	Commerce and Revenue
Legislature .....	Legislature
Medical Education Council .....	Higher Education
National Guard .....	National Guard
Natural Resources .....	Natural Resources
Public Education .....	Public Education
Public Safety .....	Public Safety
Public Service Commission .....	Commerce and Revenue
Retirement .....	Economic Development and Human Resources
Tax Commission .....	Commerce and Revenue
Transportation .....	Transportation
Treasurer .....	Elected Officials
Trust Lands Administration .....	Natural Resources
Utah College of Applied Technology .....	Higher Education
Utah Education Network .....	Higher Education
Utah State Fair Corporation .....	Economic Development and Human Resources
Utah Technology Finance Corporation .....	Economic Development and Human Resources
Workforce Services .....	Commerce and Revenue
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*This book is available in alternate formats upon request. Please contact Ron Haymond at (801)538-1553.*

# STATE OF UTAH

## BUDGET SUMMARY

Governor's Budget Overview

Utah Revenue and Economic Forecasts

Statewide Summary Tables

**T**he state's total budget is over \$7.0 billion including federal funds, fees, licenses, and other earmarked types of revenues. These recommendations deal with the total state budget, but the primary focus is on the state funds budget of the General Fund and school funds totaling roughly \$3.6 billion, as these are discretionary dollars.

The General Fund is the primary funding source for most state government operations and includes all revenue not accounted for in other funds. Its major revenue sources are sales, insurance premiums, and beer, cigarette, liquor, and severance taxes.

School funds, which include the Uniform School Fund, are restricted to the support of education. The major revenue sources are individual income and corporate franchise taxes.

Most states do not have a separate dedicated fund for major expenditures such as education. To compare to other states and show how the majority of Utah taxpayer money is spent, the General Fund and school funds are frequently combined in this document and are referred to as state funds.





## GOVERNOR'S BUDGET OVERVIEW

### OVERVIEW

Utah, like nearly every state in the nation, continues to be seriously impacted by the national economic downturn. Our economy remains fragile and will likely not gain momentum until the national economy improves. Until it does, we must make fiscal decisions that support our long-term economic success.

These budget recommendations reflect the following principles outlined by Governor Leavitt for reshaping the FY 2003 budget and developing the FY 2004 budget:

- ◆ Maintain the quality of our education system
- ◆ Reduce water subsidies
- ◆ Delay infrastructure investment
- ◆ Protect vital human and public safety services
- ◆ Practice careful fiscal management

### REVENUE FORECASTS

Because of the recession, Utah's revenue estimates for the General Fund and Uniform School Fund for FY 2003 are estimated to be \$117 million lower than adopted by the legislature in the 5<sup>th</sup> Special Session held in June and July to re-balance the FY 2003 budget. This large drop in revenues causes the estimate for FY 2004 to be \$20 million less than the FY 2003 5<sup>th</sup> Special Session estimate. Figure 1 shows the recent decline of state revenues. The revenue estimates for FY 2004 predict the same level of revenues as collected four years earlier in FY 2000.

The Governor's Office of Planning and Budget, the Tax Commission, and the Office of the Legislative Fiscal Analyst reached consensus on the revised revenue estimates used for FY 2003 and FY 2004.

Table 6 on page 15 shows actual revenue collections for FY 2002 and forecasted collections for FY 2003 and FY 2004. Revenue growth is predicted for FY 2004 as compared to the revised lower FY 2003 collections.

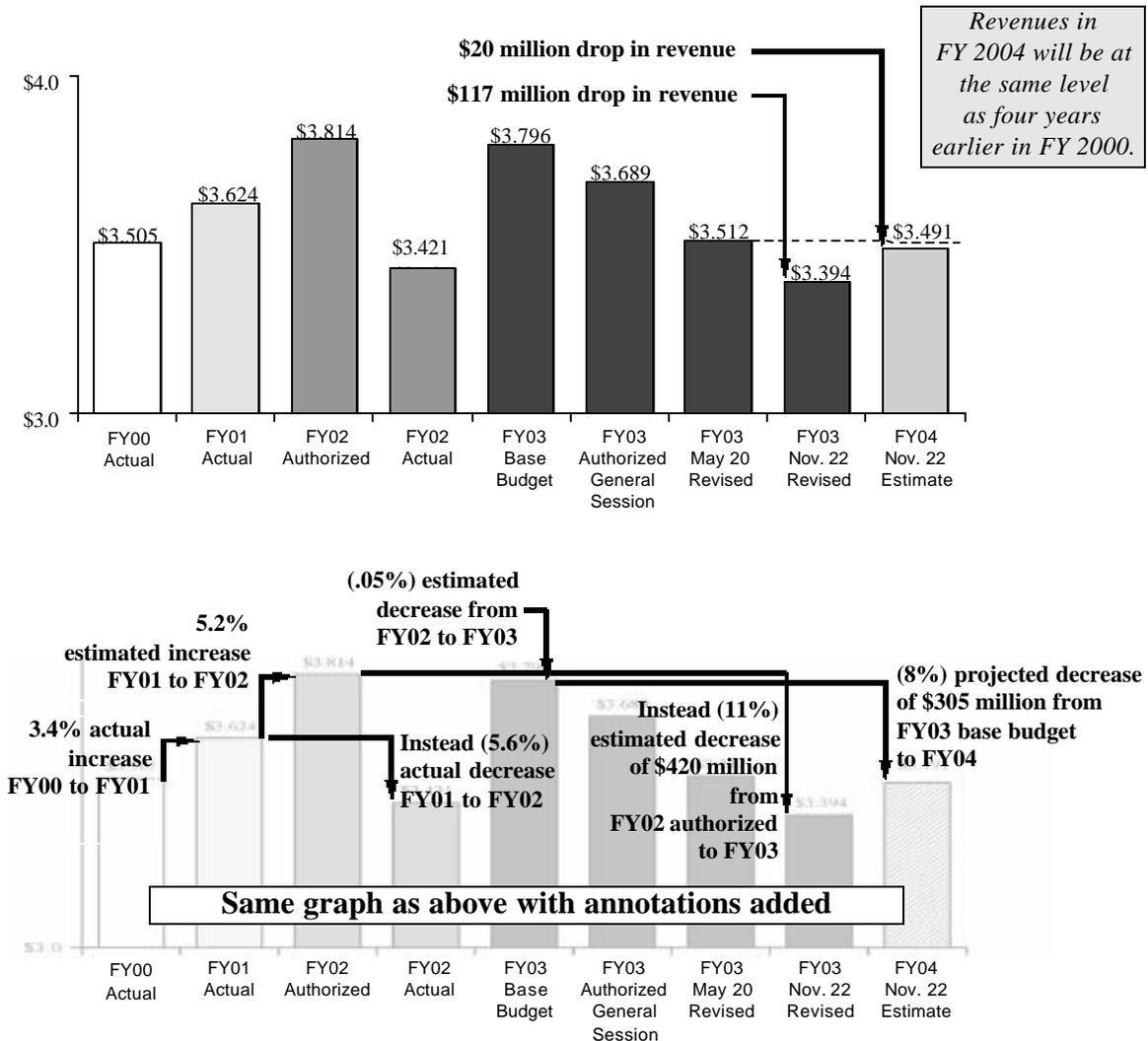
Figure 1 shows actual revenue collections for fiscal years 2000, 2001 and 2002.

The FY 2003 May 20 Revised of \$3.512 billion represents the revised estimate adopted by the legislature in the 5<sup>th</sup> Special Session for the current year's budget. The revised estimate of \$3.512 billion is \$177 million less than what was

adopted in the 2002 General Session. The current recommended FY 2003 estimate is an additional \$117 million lower.

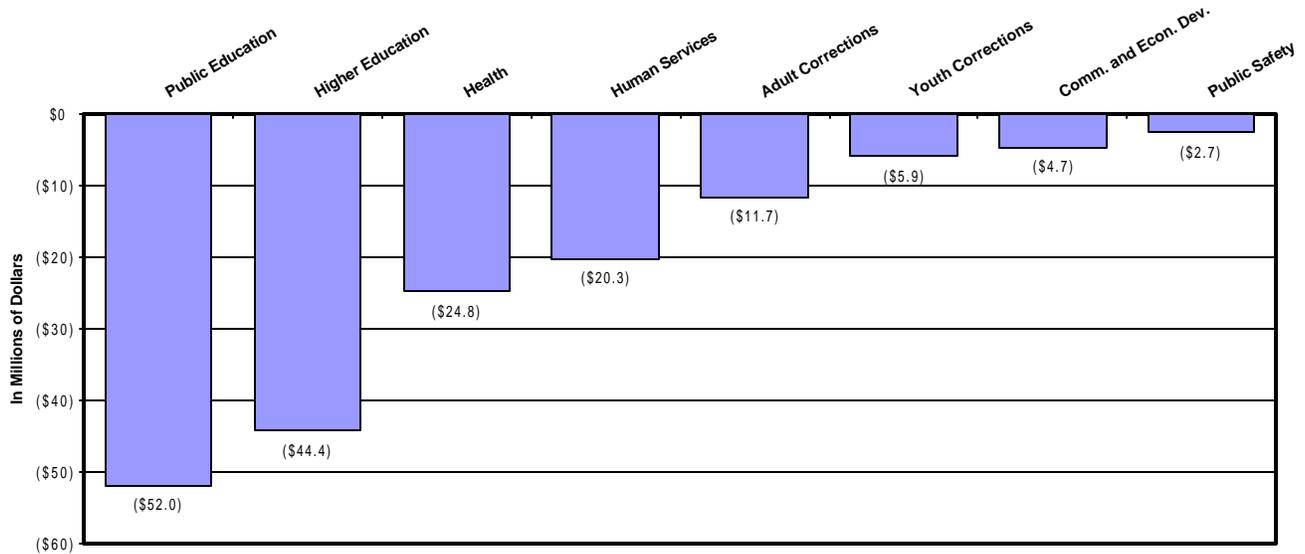
The FY 2004 recommended estimate of \$3.491 billion is higher than the new FY 2003 estimate, but it is \$20 million lower than the budget the state is currently operating on in FY 2003.

**Figure 1**  
**GENERAL FUND AND SCHOOL FUNDS**  
 Revenue Estimates, FY 2000 - 2004  
 (In billions)



Source: Governor's Office of Planning and Budget

**Figure 2**  
**BUDGET CUTS TAKEN TO DATE - MAJOR DEPARTMENTS**  
 FY 2003  
 (In millions)



Source: Governor's Office of Planning and Budget

**ACTIONS TO DATE TO BALANCE THE  
 FY 2003 BUDGET**

The past year and a half have presented budgetary challenges for the state. The budget for FY 2003 was balanced during the 2002 General Session and again in the 5<sup>th</sup> Special Session. The Figure 2 graph shows the major state fund program cuts taken to date in FY 2003.

Table 1 on page 10 summarizes the budget actions taken in FY 2002, to date in FY 2003, and recommended by the governor for the revised FY 2003 and for FY 2004. Table 8 on page 18 shows the increases and cuts for FY 2002 and FY 2003. Table 9 on page 20 shows the cuts by department for FY 2003 to date.

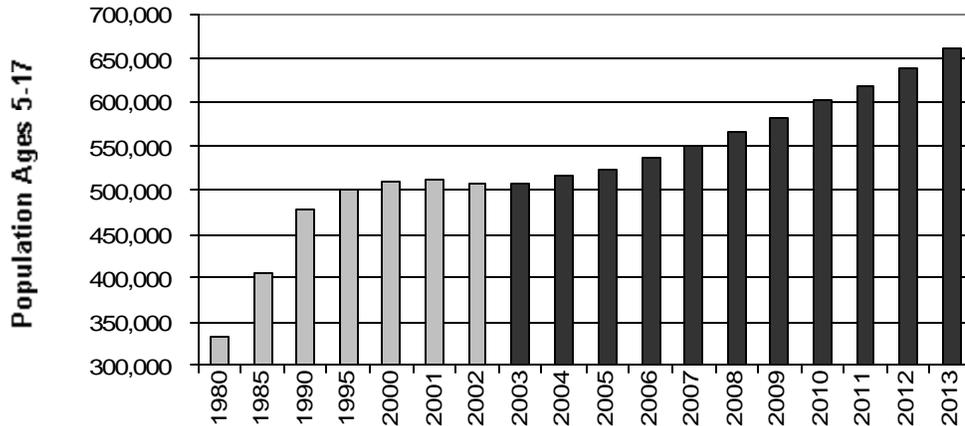
**Figure 3**

**Money Measures**

<p align="center"><b>Public Education</b></p> <p>Lowest per pupil spending in the country</p>	<p align="center"><b>Water</b></p> <p>Water loan funds contain \$250 million from the General Fund and also receive \$20 million* a year from the General Fund</p>	<p align="center"><b>Roads</b></p> <p>\$982 million spent on roads from the General Fund since 1991</p>
---	--	---

\*Of this amount, \$2.3 million is earmarked for Endangered Species mitigation efforts.

**Figure 4**  
**UTAH'S SCHOOL AGE POPULATION**  
 Years 1980-2013



Source: Governor's Office of Planning and Budget

**MAINTAIN THE QUALITY OF OUR  
 EDUCATION SYSTEM**

The Bureau of the Census' analysis of 1990s data confirms our belief that Utah's educated workforce is the key driver to our economic prosperity. Governor Leavitt endorses this and maintains that the quality of Utah's public and higher education systems must be the highest funding priority of state government. The Employers' Education Coalition has reported that the public education system faces a serious crisis. Governor Leavitt opposes further budget cuts to education.

Preservation of the education budget can be achieved by wise management of capital investment. When the business sector retrenches, one of the first areas re-evaluated is capital expansion. Governor Leavitt believes that in times of fiscal stress, the state must reduce water subsidies, postpone road projects, and delay building construction.

*Utah's school age population  
 will grow nearly as much  
 in the next decade as it did  
 in the last two decades combined.*

*See Figure 4*



### REDUCE WATER SUBSIDIES

A clean, reliable water source is essential to the state's future economic growth, but we must recognize that conservation plays a part in the equation. The goal of the state is to reduce per capita water demand from public community systems 25 percent before the year 2050. Governor Leavitt believes we can reach this goal sooner.

Governor Leavitt proposes to eliminate the earmarking of sales taxes for water development and to advance conservation-based revenue sources on nonagricultural water for the state's water loan funds. Sales tax of 1/16 cent (\$20 million) is diverted primarily to the water loan funds. In his 2002 State of the State speech, the governor said, "Our state over-subsidizes water and under-supports education. This seems irrational to me in a place with a shortage of water and an abundance of children." Figure 6 shows that Utah has the second highest consumption and the third lowest rates in the nation.

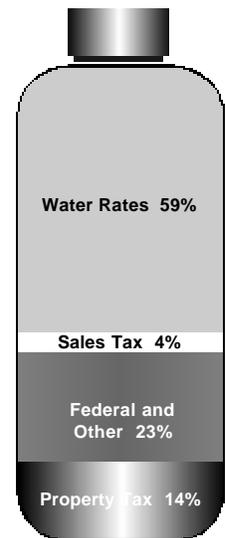
The governor acknowledges the historical need for property taxes to pay for water. He rec-

ommends a water funding policy that incorporates the economic principle of user funding, which encourages market efficiency, consumer choice, and over time, a more stable funding source for critically needed water development. Current and future budget pressures on the state's General Fund, coupled with a declining sales tax base, will further erode the sales tax as a stable funding source needed for the water loan programs.

**Figure 5**  
**HOW WE CURRENTLY PAY FOR OUR WATER**

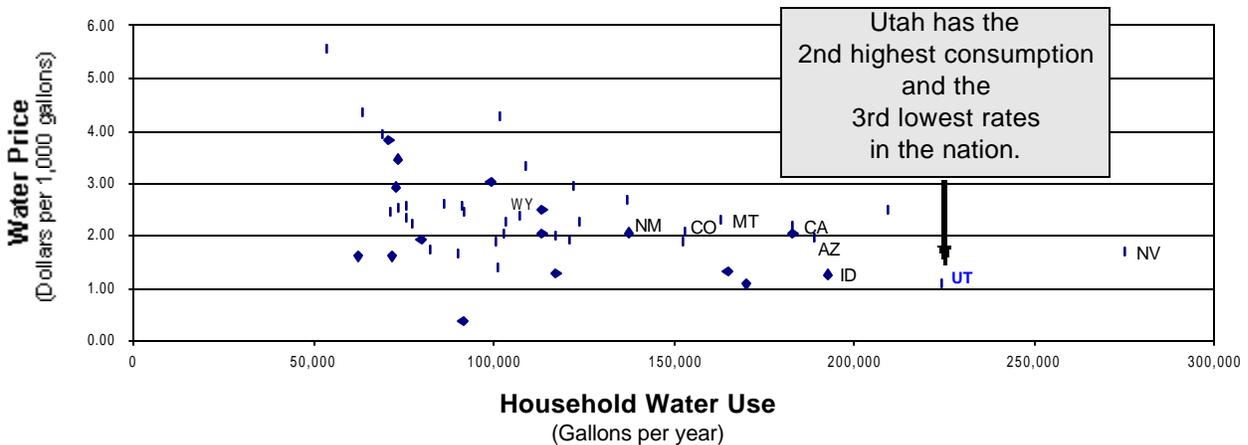
Sources of revenue in the Utah water system

Source: Governor's Office of Planning and Budget



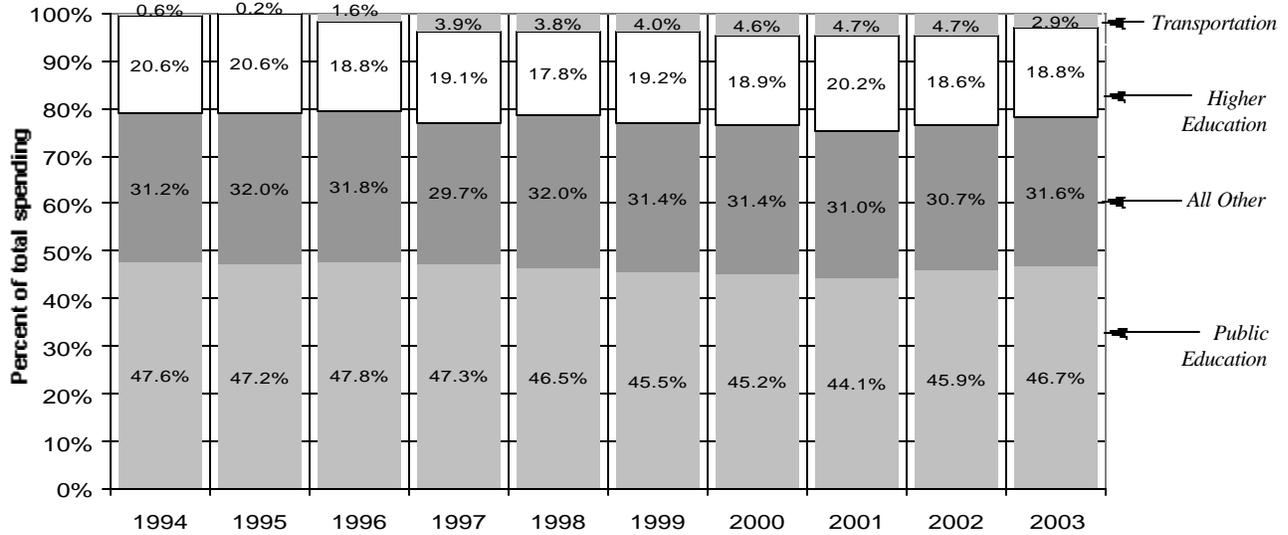
**Figure 6**  
**WATER USE AND PRICING**

Residential Water Systems in the United States  
(Only western states are labeled)



Source: American Waterworks Association, 1999 Survey

**Figure 7**  
**WHERE STATE FUNDS ARE SPENT BY CATEGORY**  
 General Fund and School Funds, FY 1994 - 2003



Source: Governor's Office of Planning and Budget

**POSTPONE ROAD PROJECTS**

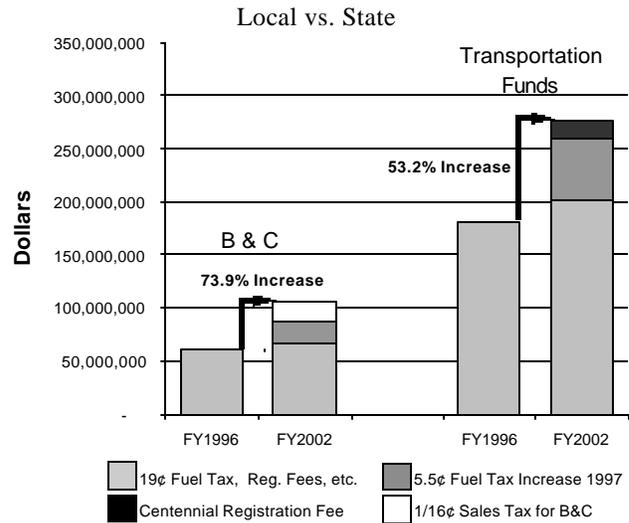
Many vehicle drivers assume that their gas taxes and motor vehicle registration fees pay for the total cost of constructing and maintaining the roads, but since 1991, \$982 million of the state's General Fund (largely sales tax) has been used for state and local roads. Governor Leavitt recommends this policy be re-examined and that the \$85 million of the General Fund used in the Centennial Highway Fund and the \$19.9 million of 1/16 cent earmarked sales tax for local class B and class C (B&C) county and city roads be returned to the General Fund.

Figure 7 shows the state budget from FY 1994 to the appropriation for FY 2003 as revised in the 5<sup>th</sup> Special Session. Transportation appropriations from the General Fund to the Centennial Highway Fund and the B&C local roads have reduced the funding available for public education, higher education, and other areas.

City and county roads have been built and maintained with state General Fund dollars

(largely sales tax). Figure 8 shows the increase in state authorizations and subsidies to B&C roads versus the increase in transportation funds for state roads. The rate of increase in the state support for city and county roads is higher than the rate of increase the state has received for its own roads.

**Figure 8**  
**INCREASE IN ROAD FUNDS**



Source: Utah Department of Transportation

## DELAY BUILDING CONSTRUCTION

A number of construction projects financed with cash appropriations are under way. To help balance the FY 2003 budget, Governor Leavitt recommends that the \$35 million in cash appropriations be freed up by issuing general obligation bonds in FY 2003. He also recommends no other new buildings be constructed except for those being financed through a lease purchase, lease revenue bonds that replace expiring leases, or non-state funds.

## PROTECT VITAL HUMAN AND PUBLIC SAFETY SERVICES

We must carefully scrutinize any reductions to state services that are basic to the health and safety of our citizens. We must also acknowledge that due to the recession, some areas will require additional state funds. The state faces increasing costs in Medicaid (the health care program for low income individuals), food stamps, foster care, and federal mandates.

## PRACTICE CAREFUL FISCAL MANAGEMENT

The state debt level must be managed conservatively and prudently so that Utah will retain its AAA bond-rating.

## COMPENSATION

Governor Leavitt recommends the state cover the large increases in the retirement rate of 12.0 percent and the health insurance rate of 8.0 percent. The retirement rate increase will make up for losses in the investments of the retirement fund, a direct impact of the recession. The health insurance increase helps cover the escalating costs of health care, including prescription drugs. The increases equate to \$29.8 million for public education teachers and staff in the form of a one percent increase in the Weighted Pupil Unit (\$14 million for health and

dental) plus \$15.9 million for retirement; \$11.4 million for state employees; and \$12.4 million for higher education faculty and staff. The governor is not recommending salary increases for either merit or cost of living.

## ECONOMIC FORECASTS

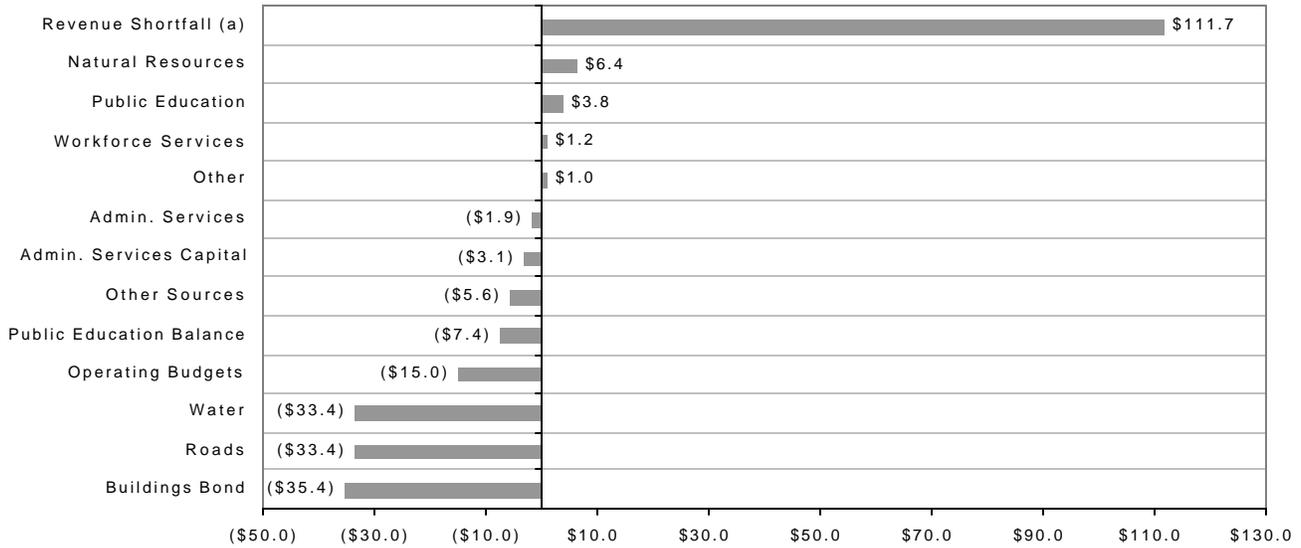
The Council of Economic Advisors provides input and reviews the basic assumptions that lead to the governor's revenue forecasts. Members of the council represent the Governor's Office of Planning and Budget, the Office of the Legislative Fiscal Analyst, Wells Fargo Bank, Federal Reserve Bank of San Francisco, Utah Foundation, University of Utah, Utah State University, Brigham Young University, and various state agencies. Detailed information concerning Utah's economy and its outlook may be found in the 2003 Economic Report to the Governor (available January 2003).

Utah's economy is currently growing slightly less than the national economy. Figure 11 shows projected growth in economic indicators for Utah. It also shows estimated unemployment rates. The following data are for the calendar years indicated:

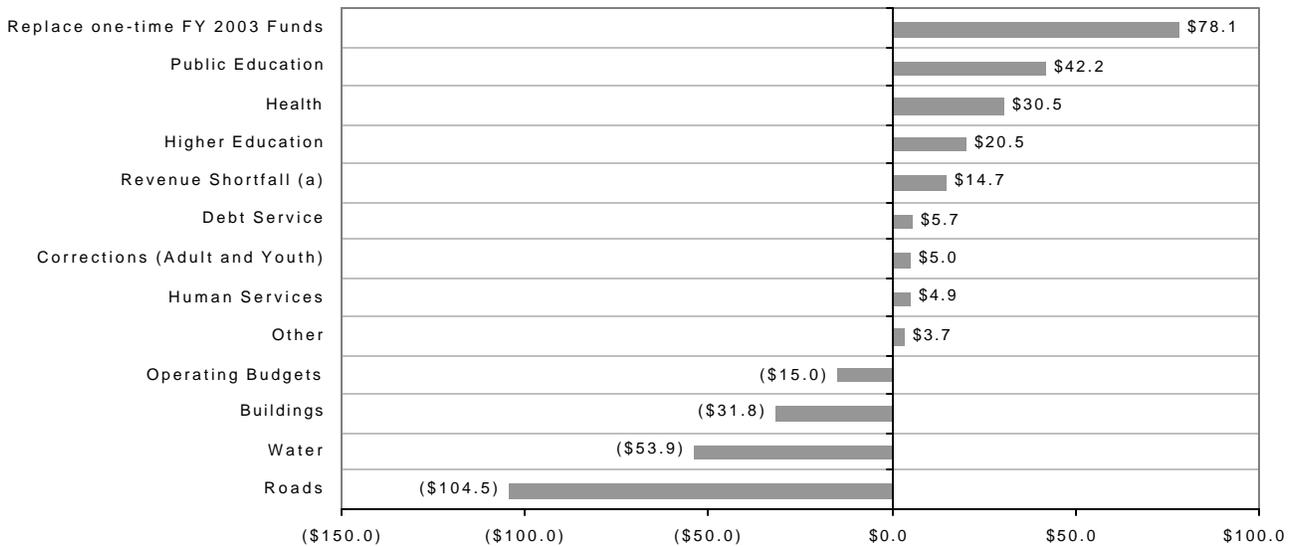
**Population** — The current state population is estimated at 2.3 million and is forecasted to grow by 1.6 percent in 2003, while the U.S. population will grow at a rate of 0.9 percent. Utah is expected to experience a net in-migration of about 800 people in 2003 and net in-migration of about 400 people in 2004.

**Employment** — Utah employment is projected to decrease 1.0 percent in 2002 but increase 0.7 percent in 2003 and 2.5 percent in 2004. Meanwhile, the national employment growth rate should increase by 0.9 percent in 2003. The state's 2003 unemployment rate is projected at 5.3 percent, compared to 5.7 percent nationally.

**Figure 9**  
**ALLOCATION BY DEPARTMENT AND AREA**  
 General Fund and School Funds, FY 2003  
 (In millions)



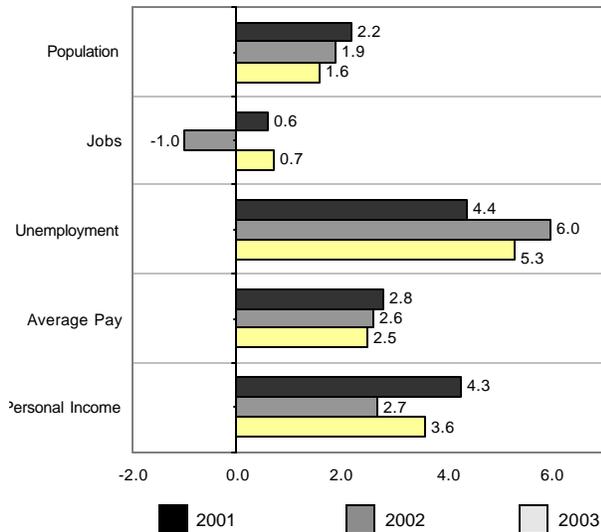
**Figure 10**  
**ALLOCATION BY DEPARTMENT AND AREA**  
 General Fund and School Funds, FY 2004  
 (In millions)



(a) The Revenue Shortfall figures are net of Permanent School Fund interest which is restricted to direct payments to schools. In FY 2003, the interest amount is \$5.6 million for a net revenue shortfall of \$117.3 million and in FY 2004, the interest amount is \$5.8 million for a net revenue shortfall of \$20.5 million.

Source: Governor's Office of Planning and Budget

**Figure 11**  
**GRAPH OF UTAH ECONOMIC INDICATORS**



Source: Governor's Office of Planning and Budget

**Personal Income** — Utahns' personal income growth will be similar to the national average. State personal income grew 4.3 percent in 2001 and is projected to increase 2.7 percent in 2002 and 3.6 percent in 2003. Nationally, personal income will grow 3.0 percent in 2002 and 4.2 percent in 2003.

**Retail Sales** — The retail sales growth rate is expected to decrease slightly from 4.1 percent in 2002 to 3.8 percent in 2003. Nationally, the growth rate will increase from 3.7 percent in 2002 to 4.1 percent in 2003.

Utah's economy slowed during 2001, especially after the September 11<sup>th</sup> terrorist attacks. Utah's slowdown is part of a national and global recession, but current expectations of the economic community are that growth will resume at a moderate rate during the first half of 2003. Service industries will remain the largest source of new jobs in the state.

**FY 2004 CHALLENGES**

Balancing the FY 2004 budget presents a challenge as revenues are weak at the same time

costs are rising. Budget pressure is felt from increases in public education enrollment, higher education enrollment, Medicaid, employee retirement and health insurance, food stamps, and abused and neglected children. The minimal increases recommended are shown in the following: (1) Figure 9, (2) Table 2 in Summary form, (3) Tables 7 and 10 by department, and (4) the tables in the Recommendations by Department section in detail.

In addition, to date, \$78 million of one-time funding has been used to balance the FY 2003 budget. These funds are replaced in the FY 2004 recommendations so as not to require further cuts or tax increases.

**APPROPRIATIONS LIMIT**

Section 63-38c-201 through 205, UCA, limits how much the state can spend from the General, Uniform School, and Transportation funds. The limit allows state spending to increase only as population, personal income, and inflation increase. The budget recommendations for both FY 2003 and FY 2004 are within the limit.

**RAINY DAY FUND**

For additional budget stabilization, the state maintains a rainy day fund. It can only be used to cover operating deficits or retroactive tax refunds. In addition to interest earnings, 25 percent of any General Fund surplus at fiscal year end is transferred to the fund. And, until the fund has been replenished for FY 2003 reductions, an additional 25 percent of any General Fund surplus is transferred to the fund. The state will need to develop a long-term plan to replenish the fund. The balance at the end of FY 2002 was \$19.4 million, as \$105.3 million was used to balance the FY 2002 budget for revenue shortfalls in the Uniform School Fund. The ceiling of the fund is 8.0 percent of the particular year's General Fund appropriation total, which was \$144.7 million at FY 2002 year end.



**Table 1**

**SUMMARY OF ACTIONS TO BALANCE THE BUDGET**  
**Three-Year Comparison**  
**(In Thousands of Dollars)**

	Authorized	Authorized	<u>Governor Recommended</u>	
	FY 2002	FY 2003	FY 2003	FY 2004 <sup>(a)</sup>
<b>Revenue Reductions</b>				
Sales Tax	(\$63.1)	(\$32.2)	(\$31.7)	\$4.4
Individual Income Tax	(219.4)	(165.1)	(87.8)	(34.0)
Corporate Franchise Tax	(97.4)	(88.3)	1.1	18.1
Other	(14.8)	(11.9)	1.1	(9.0)
<b>Total Revenue Reductions</b>	<b>(\$394.7)</b>	<b>(\$297.5)</b>	<b>(\$117.3)</b>	<b>(\$20.5)</b>
<b>Expenditure Reductions</b>				
Program Reductions				
Operating Budgets	(\$111.7)	(\$244.2)	(\$15.0)	(\$15.0)
Public Education - Unappropriated Balances	(15.0)	0.0	(7.4)	0.0
Water	(0.5)	(10.0)	(33.4)	(53.0)
Roads - Centennial Highway Fund	0.0	(66.0)	(33.4)	(84.6)
Capital Budget	0.0	0.0	0.0	(31.8)
Program Increases	6.2	98.1	6.0	107.6
Rainy Day Fund (Budget Reserve Account)	(105.3)	0.0	0.0	0.0
Switch General Fund Cash Projects to Bonds	(53.3)	(15.9)	(35.4)	0.0
Revenue Transfers to General Fund				
Olympic Special Revenue Fund Cash Projects to Bonds/Transfer to GF	(19.0)	0.0	0.0	0.0
Capital Development Fund Cash Projects to Bonds/Transfer to GF	(16.4)	0.0	0.0	0.0
Centennial Highway Fund - I-15 Construction Savings	(21.2)	(10.8)	0.0	0.0
Internal Service Funds	(2.5)	(1.7)	0.0	0.0
Industrial Assistance Fund	(2.2)	0.0	(1.1)	0.0
Wildland Fire Suppression Fund	(1.6)	0.0	0.0	0.0
Designated Sales Tax (B&C Roads)	0.0	0.0	0.0	(19.9)
Permanent Trust Fund (Tobacco)	0.0	(17.8)	0.0	0.0
Other Transfers	(3.9)	(2.1)	(3.1)	0.0
Reserve for Growth in Student Population	(20.0)	0.0	0.0	0.0
Surpluses and Beginning Balances	(17.7)	(2.0)	0.0	78.1 <sup>(b)</sup>
One-time FY 2002 Approval with Ongoing Funds	0.0	(17.0)	0.0	0.0
Unrecognized Revenues from Authorized FY 2003	0.0	0.0	7.5	0.0
Miscellaneous Sources	(10.6)	(8.1)	(2.0)	(1.9)
<b>Total Expenditure Reductions</b>	<b>(\$394.7)</b>	<b>(\$297.5)</b>	<b>(\$117.3)</b>	<b>(\$20.5)</b>

(a) FY 2004 Recommended is the change from the FY 2003 current budget adopted by the 5<sup>th</sup> Special Session since it is the existing base budget.

(b) Replacement of one-time funds used to balance the FY 2003 budget in the Authorized FY 2003 column.

*Table 1 shows program reductions and changes to meet lower than expected revenue projections.*

Table 2

**SUMMARY OF BUDGET RECOMMENDATIONS/PROGRAM CHANGES**  
**General Fund and School Funds Only**  
**FY 2003 and FY 2004**

<b>FY 2004 Ongoing Recommendations</b>					
<b>Agency</b>	<b>General Fund</b>		<b>School Funds</b>		<b>Department Total</b>
	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>	
Administrative Services - Capital		(\$23,755,000)		(\$8,049,000)	(\$31,804,000)
Adult Corrections	1,143,300				1,143,300
Debt Service			5,697,600		5,697,600
Health	30,109,300				30,109,300
Higher Education	6,771,500		890,000		7,661,500
Human Services	3,077,400				3,077,400
National Guard	40,000				40,000
Natural Resources	110,000				110,000
Public Education			11,894,500		11,894,500
Public Safety		(983,200)			(983,200)
Transportation - B&C Road Funds		(19,900,000)			(19,900,000)
Transportation - Centennial Hwy.		(79,594,700)			(79,594,700)
Transportation - Centennial Hwy. Sales Tax		(5,000,000)			(5,000,000)
Water		(53,951,200)			(53,951,200)
Workforce Services	1,619,900				1,619,900
Youth Corrections		(114,500)			(114,500)
Budget Cuts		(15,000,000)			(15,000,000)
Internal Service Fund Adjustments	939,000		61,700		1,000,700
<b>Subtotal Recommendations</b>	<b>43,810,400</b>	<b>(198,298,600)</b>	<b>18,543,800</b>	<b>(8,049,000)</b>	<b>(143,993,400)</b>
<b>Total by Funding Source</b>		<b>(154,488,200)</b>		<b>10,494,800</b>	<b>(143,993,400)</b>
			<b>Recommended Increases</b>		<b>\$62,354,200</b>
			<b>Recommended Decreases</b>		<b>(\$206,347,600)</b>
<b>FY 2004 Employee Retirement and Health Insurance Recommendations</b>					
State Employees - Insurance	\$5,394,500		\$521,400		\$5,915,900
State Employees - Retirement	5,279,500		239,000		5,518,500
Public Education - Retirement			15,882,600		15,882,600
Public Educ. Ins. Equivalent WPU			13,908,100		13,908,100
Higher Education - Insurance and Retirement	11,846,100		587,700		12,433,800
<b>Subtotal Recommendations</b>	<b>22,520,100</b>	<b>0</b>	<b>31,138,800</b>	<b>0</b>	<b>53,658,900</b>
<b>Total by Funding Source</b>		<b>22,520,100</b>		<b>31,138,800</b>	<b>53,658,900</b>
			<b>Recommended Increases</b>		<b>\$53,658,900</b>
			<b>Recommended Decreases</b>		<b>\$0</b>
<b>FY 2004 One-time Recommendations</b>					
Administrative Services		(\$1,750,000)			(\$1,750,000)
Attorney General	240,000				240,000
Human Services	65,400				65,400
<b>Subtotal Recommendations</b>	<b>305,400</b>	<b>(1,750,000)</b>	<b>0</b>	<b>0</b>	<b>(1,444,600)</b>
<b>Total by Funding Source</b>		<b>(1,444,600)</b>		<b>0</b>	<b>(1,444,600)</b>
			<b>Recommended Increases</b>		<b>\$305,400</b>
			<b>Recommended Decreases</b>		<b>(\$1,750,000)</b>

Table 3

**STATE FISCAL PLAN**  
**General Fund and School Funds**  
(In Thousands of Dollars)

	Actual FY 2002	Authorized FY 2003	Governor Leavitt's Recommendations					
			Supplementals (a)	Recom- mended FY 2003 (b)	Base FY 2004 (c)	Ongoing and One-time (d)	Recom- mended FY 2004 (e)	
<b>Sources of Funding</b>								
Beginning Balance	\$12,340	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(f) General Fund Estimates	1,678,728	1,709,550	(27,100)	1,682,450	1,709,550	(1,250)	1,708,300	
(f) School Funds Estimates	1,752,694	1,806,650	(84,609)	1,722,041	1,806,650	(13,409)	1,793,241	
<i>Subtotal GF/SF Estimates</i>	<i>3,431,422</i>	<i>3,516,200</i>	<i>(111,709)</i>	<i>3,404,491</i>	<i>3,516,200</i>	<i>(14,659)</i>	<i>3,501,541</i>	
Transfers	78,500	14,030	0	14,030	0	0	0	
(h) Transfer - from General Fund to SF	0	0	(57,542)	(57,542)	0	(61,342)	(61,342)	
(h) Transfer - to School Fund from GF	0	0	57,542	57,542	0	61,342	61,342	
Mineral Lease	3,824	541	59	600	0	510	510	
Perm. Trust Fund (Tobacco)	0	17,800	0	17,800	0	0	0	
Designated Sales Tax - Water	500	10,000	0	10,000	0	0	0	
Tobacco Settlement Interest	0	514	(514)	0	0	0	0	
Additional Fee Collections	400	0	0	0	0	0	0	
IT Innovation Fund	0	0	113	113	0	0	0	
Annual Leave Conversion	0	0	145	145	0	0	0	
Ogden/Weber ATC Land Purchase	0	0	500	500	0	0	0	
E-Purchasing Return Contributed Capital	0	0	782	782	0	0	0	
State Debt Collection	0	0	400	400	0	0	0	
Davis County Repayment	0	0	0	0	0	450	450	
UTFC Sale Proceeds	4,000	0	0	0	0	0	0	
Bond for Prior Year Capital Authorization	0	0	35,361	35,361	0	0	0	
Other	591	615	30	645	0	0	0	
(g) Economic Impact of State Construction	0	7,000	(7,000)	0	0	0	0	
Transfer (to)/from Rainy Day Fund	104,244	0	0	0	0	0	0	
IAF Reserve from Prior Fiscal Year	329	0	1,072	1,072	0	0	0	
IAF Reserve for Following Fiscal Year	(1,072)	0	0	0	0	0	0	
Reserve from Prior Fiscal Year	99,561	2,000	0	2,000	0	0	0	
Reserve for Following Fiscal Year	(2,000)	0	0	0	0	0	0	
Water	0	0	33,359	33,359	0	53,951	53,951	
Designated Sales Tax 1/16% B&C Roads	0	0	0	0	0	19,900	19,900	
1/64% Centennial Hwy Sales Tax	0	0	0	0	0	5,000	5,000	
<b>Total Sources of Funding</b>	<b>\$3,732,639</b>	<b>\$3,568,700</b>	<b>(\$47,402)</b>	<b>\$3,521,298</b>	<b>\$3,516,200</b>	<b>\$65,152</b>	<b>\$3,581,352</b>	
<b>Appropriations</b>								
Operations Budget	\$3,451,023	\$3,348,252	\$11,589	\$3,359,841	\$3,341,109	\$107,773	\$3,448,882	
Capital Budget	218,861	154,042	(36,485)	117,557	184,871	(111,399)	73,472	
Debt Service	62,755	66,300	0	66,300	68,300	5,698	73,998	
Budget Cuts - Operations	0	0	(15,000)	(15,000)	0	(15,000)	(15,000)	
Budget Cuts - Public Education Balance	0	0	(7,400)	(7,400)	0	0	0	
<b>Total Appropriations</b>	<b>\$3,732,639</b>	<b>\$3,568,594</b>	<b>(\$47,296)</b>	<b>\$3,521,298</b>	<b>\$3,594,280</b>	<b>(\$12,928)</b>	<b>\$3,581,352</b>	
<b>Ending Balance</b>	<b>\$0</b>	<b>\$106</b>	<b>(\$106)</b>	<b>(\$0)</b>	<b>(\$78,080)</b>	<b>\$78,080</b>	<b>\$0</b>	
<b>% Change from Authorized FY 2003</b>				<b>(1.3%)</b>			<b>0.4%</b>	

(a) The Supplementals column represents recommended changes to Authorized FY 2003.

(b) The Recommended FY 2003 column is based upon updated revenue projections and includes recommended supplemental appropriations and budget cuts.

(c) The Base FY 2004 column represents FY 2003 appropriations adjusted for one-time items and other base changes.

(d) The Ongoing and One-time column represents recommended changes to the FY 2004 base budget.

(e) The Recommended FY 2004 column is based upon updated revenue projections and includes recommended ongoing and one-time increases and budget cuts.

(f) See Table 6, Revenue Collections and Estimates.

(g) This amount is now included in the revenue estimates.

(h) Transfer from General Fund to School Fund to ensure public education is not short on funding.

Table 3 shows all the sources of funding used to balance the General Fund and School Funds portion of the budget. It is the total of Table 4, General Fund, and Table 5, School Funds.

Table 4

**STATE FISCAL PLAN**  
**General Fund**  
**(In Thousands of Dollars)**

	Actual FY 2002	Governor Leavitt's Recommendations					
		Authorized FY 2003	Supplementals (a)	Recom- mended FY 2003 (b)	Base FY 2004 (c)	Ongoing and One-time (d)	Recom- mended FY 2004 (e)
<b>Sources of Funding</b>							
Beginning Balance	\$11,614	\$0	\$0	\$0	\$0	\$0	\$0
(f) General Fund Estimates	1,678,728	1,709,550	(27,100)	1,682,450	1,709,550	(1,250)	1,708,300
<i>Subtotal General Fund Estimates</i>	<i>1,678,728</i>	<i>1,709,550</i>	<i>(27,100)</i>	<i>1,682,450</i>	<i>1,709,550</i>	<i>(1,250)</i>	<i>1,708,300</i>
Transfers	44,538	14,030	0	14,030	0	0	0
(h) Transfer - from General Fund to SF	0	0	(57,542)	(57,542)	0	(61,342)	(61,342)
Mineral Lease	3,824	541	59	600	0	510	510
Permanent Trust Fund (Tobacco)	0	17,800	0	17,800	0	0	0
Designated Sales Tax - Water	500	10,000	0	10,000	0	0	0
(g) Tobacco Settlement Interest	0	514	(514)	0	0	0	0
Additional Fee Collections	400	0	0	0	0	0	0
IT Innovation Fund	0	0	113	113	0	0	0
Annual Leave Conversion	0	0	145	145	0	0	0
E-Purchasing Return Contributed Capital	0	0	782	782	0	0	0
State Debt Collection	0	0	400	400	0	0	0
Davis County Repayment	0	0	0	0	0	450	450
UTFC Sale Proceeds	4,000	0	0	0	0	0	0
Bond for Prior Year Capital Authorization	0	0	9,500	9,500	0	0	0
Other	3,444	694	30	724	0	0	0
(g) Economic Impact of State Construction	0	4,000	(4,000)	0	0	0	0
Transfer (to)/from Rainy Day Fund	(1,072)	0	0	0	0	0	0
IAF Reserve from Prior Fiscal Year	329	0	1,072	1,072	0	0	0
IAF Reserve for Following Fiscal Year	(1,072)	0	0	0	0	0	0
Reserve from Prior Fiscal Year	66,831	2,000	0	2,000	0	0	0
Reserve for Following Fiscal Year	(2,000)	0	0	0	0	0	0
Water	0	0	33,359	33,359	0	53,951	53,951
Designated Sales Tax 1/16% Roads	0	0	0	0	0	19,900	19,900
1/64% Centennial Highway Sales Tax	0	0	0	0	0	5,000	5,000
<b>Total Sources of Funding</b>	<b>\$1,810,064</b>	<b>\$1,759,129</b>	<b>(\$43,696)</b>	<b>\$1,715,433</b>	<b>\$1,709,550</b>	<b>\$17,219</b>	<b>\$1,726,769</b>
<b>Appropriations</b>							
Operations Budget	\$1,598,476	\$1,608,815	\$7,789	\$1,616,604	\$1,606,237	\$63,788	\$1,670,025
Capital Budget	173,503	108,684	(36,485)	72,199	131,464	(103,350)	28,114
Debt Service	38,085	41,630	(0)	41,630	43,630	(0)	43,630
Budget Cuts - Operations	0	0	(15,000)	(15,000)	0	(15,000)	(15,000)
<b>Total Appropriations</b>	<b>\$1,810,064</b>	<b>\$1,759,129</b>	<b>(\$43,696)</b>	<b>\$1,715,433</b>	<b>\$1,781,331</b>	<b>(\$54,562)</b>	<b>\$1,726,769</b>
<b>Ending Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$71,781)</b>	<b>\$71,781</b>	<b>\$0</b>
<b>% Change from Authorized FY 2003</b>				<b>(2.5%)</b>			<b>(1.8%)</b>

(a) The Supplementals column represents recommended changes to Authorized FY 2003.

(b) The Recommended FY 2003 column is based upon updated revenue projections and includes recommended supplemental appropriations and budget cuts.

(c) The Base FY 2004 column represents FY 2003 appropriations adjusted for one-time items and other base changes.

(d) The Ongoing and One-time column represents recommended changes to the FY 2004 base budget.

(e) The Recommended FY 2004 column is based upon updated revenue projections and includes recommended ongoing and one-time increases and budget cuts.

(f) See Table 6, Revenue Collections and Estimates.

(g) These amounts are now included in the revenue estimates.

(h) Transfer from General Fund to School Fund to ensure public education is not short on funding.

Table 4 shows all the sources of funding used to balance the General Fund portion of the budget.

Table 5

**STATE FISCAL PLAN**  
**School Funds \***  
(In Thousands of Dollars)

	Actual FY 2002	Governor Leavitt's Recommendations					
		Authorized FY 2003	Supplementals (a)	Recom- mended FY 2003 (b)	Base FY 2004 (c)	Ongoing and One-time (d)	Recom- mended FY 2004 (e)
<b>Sources of Funding</b>							
Beginning Balance	\$726	\$0	\$0	\$0	\$0	\$0	\$0
(f) School Funds Estimates	1,752,694	1,806,650	(84,609)	1,722,041	1,806,650	(13,409)	1,793,241
<i>Subtotal School Funds Estimates</i>	<i>1,752,694</i>	<i>1,806,650</i>	<i>(84,609)</i>	<i>1,722,041</i>	<i>1,806,650</i>	<i>(13,409)</i>	<i>1,793,241</i>
Transfers	33,962	0	0	0	0	0	0
(h) Transfer - to School Fund from GF	0	0	57,542	57,542	0	61,342	61,342
Ogden/Weber ATC Land Purchase	0	0	500	500	0	0	0
Bond for Prior Year Capital Authorization	0	0	25,861	25,861	0	0	0
Other	(2,853)	(79)	0	(79)	0	0	0
(g) Economic Impact of State Construction	0	3,000	(3,000)	0	0	0	0
Transfer (to)/from Rainy Day Fund	105,316	0	0	0	0	0	0
Reserve from Prior Fiscal Year	32,730	0	0	0	0	0	0
<b>Total Sources of Funding</b>	<b>\$1,922,575</b>	<b>\$1,809,571</b>	<b>(\$3,706)</b>	<b>\$1,805,865</b>	<b>\$1,806,650</b>	<b>\$47,933</b>	<b>\$1,854,583</b>
<b>Appropriations</b>							
Operations Budget	\$1,852,547	\$1,739,437	\$3,800	\$1,743,237	\$1,734,872	\$43,985	\$1,778,857
Capital Budget	45,358	45,358	0	45,358	53,407	(8,049)	45,358
Debt Service	24,670	24,670	0	24,670	24,670	5,698	30,368
Budget Cuts - Public Education Balance	0	0	(7,400)	(7,400)	0	0	0
<b>Total Appropriations</b>	<b>\$1,922,575</b>	<b>\$1,809,465</b>	<b>(\$3,600)</b>	<b>\$1,805,865</b>	<b>\$1,812,949</b>	<b>\$41,634</b>	<b>\$1,854,583</b>
<b>Ending Balance</b>	<b>\$0</b>	<b>\$106</b>	<b>(\$106)</b>	<b>\$0</b>	<b>(\$6,299)</b>	<b>\$6,299</b>	<b>(\$0)</b>
<b>% Change from Authorized FY 2003</b>				<b>(0.2%)</b>			<b>2.5%</b>

\* Includes Uniform School Fund and Income Tax Revenue for Higher Education.

(a) The Supplementals column represents recommended changes to Authorized FY 2003.

(b) The Recommended FY 2003 column is based upon updated revenue projections and includes recommended supplemental appropriations and budget cuts.

(c) The Base FY 2004 column represents FY 2003 appropriations adjusted for one-time items and other base changes.

(d) The Ongoing and One-time column represents recommended changes to the FY 2004 base budget.

(e) The Recommended FY 2004 column is based upon updated revenue projections and includes recommended ongoing and one-time increases and budget cuts.

(f) See Table 6, Revenue Collections and Estimates.

(g) This amount is now included in the revenue estimates.

(h) Transfer from General Fund to School Fund to ensure public education is not short on funding.

Table 5 shows all the sources of funding used to balance the school funds portion of the budget.

Table 6

**REVENUE COLLECTIONS AND ESTIMATES**  
**Three-Year Comparison**  
**(In Thousands of Dollars)**

	Actual FY 2002	Authorized FY 2003	Governor Leavitt's Recommendations					
			Dollar Change A03-R03 (a)	Recom- mended FY 2003 (b)	Dollar Change A03-R04 (c)	Recom- mended FY 2004 (d)	Percent Change A03-R03 (e)	Percent Change A03-R04 (f)
<b>General Fund (GF)</b>								
Sales and Use Tax	\$1,441,318	\$1,465,650	(\$31,650)	\$1,434,000	\$4,350	\$1,470,000	(2.2%)	0.3%
Liquor Profits	32,540	32,450	100	32,550	1,250	33,700	0.3	3.9
Insurance Premiums	56,616	52,050	10,000	62,050	13,000	65,050	19.2	25.0
Beer, Cigarette, and Tobacco	59,956	63,300	(1,800)	61,500	(1,350)	61,950	(2.8)	(2.1)
Oil and Gas Severance Tax	18,893	25,000	(8,750)	16,250	(8,000)	17,000	(35.0)	(32.0)
Metal Severance Tax	4,953	4,650	850	5,500	1,100	5,750	18.3	23.7
Inheritance Tax	9,424	8,900	13,600	22,500	(3,400)	5,500	152.8	(38.2)
Investment Income	9,732	12,000	(4,650)	7,350	(4,400)	7,600	(38.8)	(36.7)
Other	50,638	51,000	(5,000)	46,000	(4,000)	47,000	(9.8)	(7.8)
Property and Energy Credit	(5,342)	(5,450)	200	(5,250)	200	(5,250)	(3.7)	(3.7)
<i>Subtotal General Fund</i>	<i>1,678,728</i>	<i>1,709,550</i>	<i>(27,100)</i>	<i>1,682,450</i>	<i>(1,250)</i>	<i>1,708,300</i>	<i>(1.6)</i>	<i>(0.1)</i>
<b>School Funds (SF)</b>								
<b>(Includes Income Tax Revenue for Higher Education)</b>								
Individual Income Tax	\$1,610,170	\$1,676,625	(\$87,834)	\$1,588,791	(\$33,984)	\$1,642,641	(5.2%)	(2.0%)
Corporate Franchise Tax	119,361	108,925	1,075	110,000	18,075	127,000	1.0	16.6
Permanent School Fund Interest	9,648	4,200	5,600	9,800	5,850	10,050	133.3	139.3
Gross Receipts Tax	7,959	8,000	(600)	7,400	(500)	7,500	(7.5)	(6.3)
Other	5,556	8,900	(2,850)	6,050	(2,850)	6,050	(32.0)	(32.0)
<i>Subtotal School Funds</i>	<i>1,752,694</i>	<i>1,806,650</i>	<i>(84,609)</i>	<i>1,722,041</i>	<i>(13,409)</i>	<i>1,793,241</i>	<i>(4.7)</i>	<i>(0.7)</i>
<i>Subtotal GF/SF</i>	<i>\$3,431,422</i>	<i>\$3,516,200</i>	<i>(\$111,709)</i>	<i>\$3,404,491</i>	<i>(\$14,659)</i>	<i>\$3,501,541</i>	<i>(3.2%)</i>	<i>(0.4%)</i>
Pass-thru Perm Sch Fund Int.	(9,648)	(4,200)	(5,600)	(9,800)	(5,850)	(10,050)	133.3	139.3
<b>(g) Total GF/SF</b>	<b>\$3,421,774</b>	<b>\$3,512,000</b>	<b>(\$117,309)</b>	<b>\$3,394,691</b>	<b>(\$20,509)</b>	<b>\$3,491,491</b>	<b>(3.3%)</b>	<b>(0.6%)</b>
<b>Transportation Fund</b>								
Motor Fuel Tax	\$237,925	\$231,200	\$11,600	\$242,800	\$15,800	\$247,000	5.0%	6.8%
Special Fuel Tax	84,406	88,150	(1,700)	86,450	1,300	89,450	(1.9)	1.5
Other	62,819	67,315	(2,315)	65,000	(1,315)	66,000	(3.4)	(2.0)
<b>Total Transportation Fund</b>	<b>\$385,150</b>	<b>\$386,665</b>	<b>\$7,585</b>	<b>\$394,250</b>	<b>\$15,785</b>	<b>\$402,450</b>	<b>2.0%</b>	<b>4.1%</b>
<b>Mineral Lease</b>								
Royalties	\$31,934	\$35,850	(\$3,800)	\$32,050	(\$2,800)	\$33,050	(10.6%)	(7.8%)
Bonus	4,699	4,100	400	4,500	(2,400)	1,700	9.8	(58.5)
<b>Total Mineral Lease</b>	<b>\$36,633</b>	<b>\$39,950</b>	<b>(\$3,400)</b>	<b>\$36,550</b>	<b>(\$5,200)</b>	<b>\$34,750</b>	<b>(8.5%)</b>	<b>(13.0%)</b>

(a) The change is from the Authorized FY 2003 column (adopted in the 2002 5<sup>th</sup> Special Session) to the Recommended FY 2003 column. These dollars represent reduced one-time revenues.

(b) The Recommended FY 2003 column is based upon updated consensus revenue projections with the Office of the Legislative Fiscal Analyst.

(c) The change is from the Authorized FY 2003 column (adopted in the 2002 5<sup>th</sup> Special Session) to the Recommended FY 2004 column. These dollars represent reduced ongoing revenues from the Authorized FY 2003 column.

(d) The Recommended FY 2004 column is based upon updated consensus revenue projections with the Office of the Legislative Fiscal Analyst.

(e) The percentage change is from the Authorized FY 2003 column to the Recommended FY 2003 column.

(f) The percentage change is from the Authorized FY 2003 column to the Recommended FY 2004 column.

(g) The actual shortfalls in discretionary dollars are higher because the Permanent School Fund Interest is dedicated for direct payments to schools. The FY 2003 shortfall is \$117,309,000 and the FY 2004 shortfall is \$20,509,000.

Table 6 shows actual revenue collections for FY 2002 and estimated revenue collections for FY 2003 and FY 2004. These include state revenues only; federal funds, licenses, fees, etc., are not included.

Table 7

**SUMMARY OF RECOMMENDATIONS BY DEPARTMENT**  
**FY 2002, FY 2003, and FY 2004 Appropriations from General Fund and School Funds**  
(In Thousands of Dollars)

	Actual FY 2002	Authorized FY 2003	Governor Leavitt's Recommendations					Percent Change B04-R04 (f)
			Supplementals (a)	Recom- mended FY 2003 (b)	Base FY 2004 (c)	Ongoing and One-time Adj. (d)	Recom- mended FY 2004 (e)	
<b>Plan of Financing</b>								
General Fund	\$1,810,064	\$1,759,129	(\$43,696)	\$1,715,433	\$1,781,331	(\$54,562)	\$1,726,769	(3.1%)
School Funds	1,922,575	1,809,465	(3,600)	1,805,865	1,812,949	41,634	1,854,583	2.3
<b>Total Financing</b>	<b>\$3,732,639</b>	<b>\$3,568,594</b>	<b>(\$47,296)</b>	<b>\$3,521,298</b>	<b>\$3,594,280</b>	<b>(\$12,928)</b>	<b>\$3,581,352</b>	<b>(0.4%)</b>
<b>Programs</b>								
Administrative Services	\$22,647	\$14,242	\$0	\$14,242	\$15,957	(\$1,418)	\$14,539	(8.9%) <sup>(g)</sup>
Commerce and Revenue	107,179	102,833	1,165	103,998	103,875	2,693	106,568	2.6
Corrections (Adult and Youth)	245,246	247,777	0	247,777	251,269	4,987	256,256	2.0
Courts	91,329	90,880	0	90,880	90,833	1,473	92,306	1.6
Econ. Development/Human Res.	44,274	44,331	0	44,331	33,665	272	33,937	0.8
Elected Officials	31,676	28,373	100	28,473	27,836	728	28,564	2.6
Environmental Quality	10,888	9,952	0	9,952	9,749	166	9,915	1.7
Health	218,847	231,561	0	231,561	234,267	30,545	264,812	13.0 <sup>(h)</sup>
Higher Education	646,224	619,669	50	619,719	619,382	20,467	639,849	3.3
Human Services	207,325	200,506	65	200,571	201,692	4,860	206,552	2.4
Legislature	13,889	13,179	0	13,179	13,480	141	13,621	1.0
National Guard	4,338	4,113	0	4,113	3,987	95	4,082	2.4
Natural Resources	43,280	41,490	6,409	47,899	41,292	668	41,960	1.6
Public Education	1,705,766	1,654,553	3,800	1,658,353	1,648,900	42,178	1,691,078	2.6
Public Safety	44,798	44,041	0	44,041	44,173	(82)	44,091	(0.2)
Transportation	13,317	752	0	752	752	0	752	0.0
<i>Subtotal Operations Budget</i>	<i>\$3,451,023</i>	<i>\$3,348,252</i>	<i>\$11,589</i>	<i>\$3,359,841</i>	<i>\$3,341,109</i>	<i>\$107,773</i>	<i>\$3,448,882</i>	<i>3.2%</i>
<b>Additional Actions to Balance the Budget</b>								
Operations Cuts	\$0	\$0	(\$15,000)	(\$15,000)	\$0	(\$15,000)	(\$15,000)	
Public Education Beg. Balance	0	0	(7,400)	(7,400)	0	0	0	
<b>Total Operations Budget</b>	<b>\$3,451,023</b>	<b>\$3,348,252</b>	<b>(\$10,811)</b>	<b>\$3,337,441</b>	<b>\$3,341,109</b>	<b>\$92,773</b>	<b>\$3,433,882</b>	<b>2.8%</b>
Capital Budget	\$218,861	\$154,042	(\$36,485)	\$117,557	\$184,871	(\$111,399)	\$73,472	(60.3%) <sup>(i)</sup>
Debt Service	62,755	66,300	0	66,300	68,300	5,698	73,998	8.3
<b>Total Budget</b>	<b>\$3,732,639</b>	<b>\$3,568,594</b>	<b>(\$47,296)</b>	<b>\$3,521,298</b>	<b>\$3,594,280</b>	<b>(\$12,928)</b>	<b>\$3,581,352</b>	<b>(0.4%)</b>

Continued on next page

*Table 7 Continued***SUMMARY OF RECOMMENDATIONS BY DEPARTMENT  
FY 2002, FY 2003, and FY 2004 Appropriations from General Fund and School Funds****Continued from previous page**

- (a) *Due to declining revenue projections, the governor recommends bonding for \$35.4 million in previously appropriated capital projects. The \$6.4 million recommended supplemental for Natural Resources is primarily a payment for fighting wildfires during the summer of 2002.*
- (b) *The Recommended FY 2003 column is based on updated revenue projections and includes recommended supplemental appropriations.*
- (c) *The Base FY 2004 column is the FY 2003 appropriated amount adjusted for one-time FY 2003 appropriations and program transfers between departments.*
- (d) *Recommended adjustments are shown in more detail in the individual department sections of the book, and include internal service fund rate changes, employee benefit rate adjustment, and ongoing and one-time program increases.*
- (e) *The Recommended FY 2004 column includes Governor Leavitt's budget recommendations for FY 2004.*
- (f) *The percent change is the difference from the Base FY 2004 column to the Recommended FY 2004 column.*
- (g) *The 8.9 percent reduction is largely due to a one-time transfer of funds from the LeRay McAllister Critical Land Fund.*
- (h) *The 13.0 percent increase results largely from funding federally-mandated Medicaid costs.*
- (i) *The 60.3 percent reduction results from an ongoing transfer from base capital budgets to operating budgets to help address declining revenue collections.*

*Table 7 shows the budgeted use of major state tax revenue (sales and income taxes) by state agency. It is a summary of the department tables found in a following section.*

Table 8

**HISTORY OF BUDGET CHANGES BY DEPARTMENT**

Appropriations from General Fund and School Funds, FY 2002 and FY 2003  
(In Thousands of Dollars - Rounding may cause variance of +/- \$1)

	FY 2002				FY 2003				FY 2003				Governor Recommend	
	Approp.	Adjust and Reductions	FY 2002 Actual	% Change Appr 02 to Actual 02	FY 2003 Beg Base	Budget Increases		Budget Cuts		% Change Beg. FY03 to Base	Supple- mentals	Rec. and FY 2003	Supple- mentals	Rec. and FY 2003
						One-time	Ongoing	One-time	Ongoing					
<b>Administrative Services</b>														
Administration Services	28,246	(2,124)	26,122	(17.0%)	222,001	267	2576	(21,750)	(22,991)	(9.2%)	0	0	0	2,100
Capitol Preservation Board	2,379	(31)	2,326	(2.1)	2,379	0	2	0	(221)	(10.2)	0	0	0	0
<b>Commerce and Revenue</b>														
Commerce	0	0	0	0.0	0	0	0	0	0	0.0	0	0	0	0
Financial Institutions	0	2	0	0.0	0	0	0	0	0	0.0	0	0	0	0
Insurance	4,204	(228)	3,976	(5.7)	4,315	0	52	(50)	(222)	(6.2)	0	0	0	4,214
Labor Commission	5,268	(222)	5,046	(4.2)	5,181	0	58	0	(689)	(12.2)	0	0	0	4,551
Public Service Commission	1,472	(10)	1,462	(0.7)	1,477	0	19	0	(5)	0.9	0	0	0	1,491
Tax Commission	42,155	(1,197)	40,958	(1.1)	42,461	10	626	191	(7,415)	(15.0)	0	0	0	16,095
Workforce Services	55,994	(1,542)	54,452	(6.1)	56,121	0	416	0	(1,125)	(4.2)	0	0	0	54,580
Health Insurance Pool	1,115	(126)	1,010	(4.0)	1,115	0	0	0	(29)	(2.9)	0	0	0	1,046
<b>Corrections (Adult and Youth)</b>														
Adult Corrections	181,224	(10,197)	171,027	(5.5)	184,441	0	1,012	(2,900)	(2,812)	(4.7)	0	0	0	175,942
Board of Pardons and Parole	2,601	(66)	2,517	(2.5)	2,612	0	86	0	(191)	(4.0)	0	0	0	2,507
Youth Corrections	11,560	(4,518)	69,022	(6.2)	11,694	0	1,506	0	(5,272)	(5.9)	0	0	0	69,122
<b>Courts</b>														
Courts	95,001	(1,671)	91,129	(1.9)	95,144	411	1,255	0	(6,329)	(4.5)	0	0	0	90,820
<b>Econ. Dev. and Human Resources</b>														
Community and Econ. Dev.	42,521	(2,161)	40,320	(5.1)	12,912	12,149	165	(1,500)	(1,221)	24.1	0	0	0	40,911
Utah State Fair Corporation	170	124	554	49.6	170	0	50	(50)	(12)	(1.1)	0	0	0	159
Career Service Review Board	169	0	169	0.1	169	0	2	0	(4)	(1.7)	0	0	0	167
Human Resource Management	1,291	(159)	1,112	(4.2)	1,117	0	29	(20)	(212)	(24.1)	0	0	0	2,274
<b>Elected Officials</b>														
Attorney General	12,549	292	12,841	1.6	12,609	600	177	0	(1,222)	(1.7)	100	0	0	12,192
Auditor	2,265	(20)	2,245	(0.7)	2,276	0	15	0	(162)	(4.4)	0	0	0	2,199
Governor	2,212	141	2,158	(1.9)	2,202	42	111	(164)	(2,127)	(24.6)	0	0	0	6,487
Treasurer	212	0	212	0.0	212	0	7	0	(2)	0.6	0	0	0	210
<b>Environmental Quality</b>														
Environmental Quality	11,170	(421)	10,222	(4.2)	10,604	250	102	0	(1,004)	(6.1)	0	0	0	9,952
<b>Health</b>														
Health	210,442	(11,600)	212,247	(5.0)	229,179	0	27,012	(2,900)	(21,916)	1.0	0	0	0	211,561
<b>Higher Education</b>														
Higher Education	605,910	(19,702)	586,208	(1.1)	527,561	114	19,427	0	(40,951)	(1.6)	50	0	0	566,421
Utah Education Network	12,621	(319)	12,022	(2.9)	12,377	0	101	0	(774)	(4.1)	0	0	0	11,904
Applied Technology Education	4,512	(1,622)	4,124	(1.9)	4,012	(24)	625	0	(2,672)	(5.1)	0	0	0	12,115
Medical Education Council	110	0	110	0.2	0	0	0	0	0	0.0	0	0	0	0

FY 2002		FY 2003				FY 2002 General and Special Sessions				FY 2003		FY 2003		Governor Recommend	
FY 2002	Adjust and	FY 2002	% Change		FY 2003	Budget Increases		Budget Cuts		Beg. FY03	% Change		Supple-	Recomd.	
Approp.	Reductions	Actual	Actual 02	Actual 02 to	Beg Base	One-time	Ongoing	One-time	Ongoing	to Base	to Base	mentals	FY 2003		
216,871	(9,146)	207,725	(4.1)		217,555	41	1,298	(1,200)	(12,490)	(1.2)		65	200,571		
14,547	(638)	13,909	(4.5)		14,171	64	105	(1,111)	(1,019)	(8.1)		0	11,179		
4,176	(17)	4,159	(0.4)		4,100	111	122	0	(248)	0.1		0	4,111		
10,642	(420)	10,222	(4.0)		10,087	125	208	0	(741)	(4.1)		79	9,756		
14,524	(1,467)	13,057	(4.2)		14,642	170	224	0	(1,229)	(8.2)		6,110	18,194		
1,709,817	(4,071)	1,705,746	(0.2)		1,677,905	8,175	10,101	(2,600)	(19,411)	(1.4)		1,200	1,658,151		
46,406	(1,608)	44,798	(1.5)		46,441	0	114	8	(2,741)	(5.2)		0	44,041		
11,612	(295)	11,317	(2.2)		1,100	0	0	0	(348)	(4.2)		0	752		
<b>3,532,661</b>	<b>(81,638)</b>	<b>3,451,023</b>	<b>(2.3%)</b>		<b>3,450,986</b>	<b>22,969</b>	<b>71,141</b>	<b>(13,736)</b>	<b>(83,108)</b>	<b>(3.0%)</b>		<b>11,589</b>	<b>3,359,840</b>		
<b>Subtotal Operations</b>															
<b>Capital Budget</b>															
74,125	(14,691)	59,434	(6.7)		59,971	(11,019)	0	(16,760)	(15,226)	(51.1)		(1,125)	40,407		
25,071	(25,071)	0	(100.0)		0	(11,019)	0	(11,019)	0	0.0		0	0		
5,016	(198)	4,818	(1.9)		4,567	0	0	(830)	(160)	(22.1)		0	2,557		
18,158	(10,000)	8,158	(26.1)		18,158	0	0	0	(10,000)	(26.1)		0	28,158		
146,050	0	146,050	0.0		146,000	4,000	0	(4,000)	(66,453)	(45.5)		(11,159)	46,216		
<b>288,823</b>	<b>(69,962)</b>	<b>218,861</b>	<b>(24.2%)</b>		<b>277,323</b>	<b>4,000</b>	<b>0</b>	<b>(3,429)</b>	<b>(92,452)</b>	<b>(44.5%)</b>		<b>(6,484)</b>	<b>117,558</b>		
<b>68,300</b>	<b>(5,545)</b>	<b>62,755</b>	<b>(8.1%)</b>		<b>63,300</b>	<b>0</b>	<b>0</b>	<b>(2,000)</b>	<b>0</b>	<b>(2.9%)</b>		<b>0</b>	<b>66,300</b>		
<b>\$3,889,784</b>	<b>(\$157,145)</b>	<b>\$3,732,639</b>	<b>(4.0%)</b>		<b>\$3,796,609</b>	<b>\$26,969</b>	<b>\$71,141</b>	<b>(\$50,565)</b>	<b>(\$275,560)</b>	<b>(6.0%)</b>		<b>(\$24,895)</b>	<b>\$3,543,699</b>		
<b>% Change from FY 2002 Approp. (4.0%)</b>															
<b>Less Recommended Cuts</b>															
Operating Budget															
Public Education Beg. Balance															
<b>Total FY 2003 Recommended (47,295) 3,521,299 (9.5%)</b>															

**% Change from FY 2002 Appropriation After Additional Cuts**  
 For any associated reductions in federal funds, see the State of Utah Budget Summary for Fiscal Year 2003, Fiscal Year 2002 Supplemental, Operating and Capital Budgets by Department.

**Table 9**  
**IMPACT OF BUDGET CUTS BY DEPARTMENT**  
**FY 2003 Base Budget**  
**General Fund and School Funds**

	(a) FY03 One-time and Ongoing Cuts Taken Already		(c) FY 2003 Approp. Ongoing Base Budget (1)	(d) Percent of FY03 Base 1%
	\$ Amount	% of Base		
<b>Appropriations</b>		(4)		(2)
<b>1 Administrative Services</b>				
2 Administrative Services	(\$10,741,400)	(48.7%)	\$11,125,300 (3)	\$111,300
3 Capitol Preservation Board	(280,800)	(10.9%)	2,299,700	23,000
<b>4 Commerce and Revenue</b>				
5 Insurance	(332,200)	(7.4%)	4,284,000	42,800
6 Labor Commission	(688,500)	(13.3%)	4,552,800	45,500
7 Public Service Commission	(4,600)	(0.3%)	1,490,800	14,900
8 Tax Commission	(7,024,300)	(16.5%)	35,673,400	356,700
9 Workforce Services	(3,124,600)	(5.6%)	53,414,500	534,100
10 Health Insurance Pool	(89,400)	(2.9%)	3,045,600	30,500
<b>11 Corrections (Adult and Youth)</b>				
12 Adult Corrections	(11,718,300)	(6.3%)	178,842,300	1,788,400
13 Board of Pardons and Parole	(191,400)	(7.3%)	2,507,100	25,100
14 Youth Corrections	(5,872,400)	(8.0%)	69,327,900	693,300
<b>15 Courts</b>	(6,529,300)	(6.9%)	90,468,800	904,700
<b>16 Econ. Development and Human Resources</b>				
17 Community and Econ. Development	(4,721,200)	(14.3%)	30,132,400	301,300
18 Utah State Fair Corporation	(61,500)	(16.6%)	358,500	3,600
19 Career Service Review Board	(4,300)	(2.5%)	166,600	1,700
20 Human Resource Management	(291,900)	(9.3%)	2,954,000	29,500
<b>21 Elected Officials</b>				
22 Attorney General	(1,288,200)	(6.9%)	17,697,300	177,000
23 Auditor	(161,900)	(5.6%)	2,748,600	27,500
24 Governor	(2,290,500)	(26.6%)	6,609,100	66,100
25 Treasurer	(1,600)	(0.2%)	839,800	8,400
<b>26 Environmental Quality</b>	(1,003,600)	(9.5%)	9,702,300	97,000
<b>27 Health</b>	(24,836,400)	(10.8%)	234,460,500	2,344,600
<b>28 Higher Education</b>				
29 Higher Education	(40,950,700)	(7.0%)	566,096,700	5,661,000
30 Utah Education Network	(773,700)	(5.0%)	14,904,100	149,000
31 Utah College of Applied Technology	(2,677,500)	(6.6%)	38,358,900	383,600
<b>32 Human Services</b>	(20,290,300)	(9.3%)	202,263,100	2,022,600
<b>33 Legislature</b>	(1,360,300)	(9.5%)	13,456,200	134,600
<b>34 National Guard</b>	(247,700)	(6.0%)	3,980,400	39,800
<b>35 Natural Resources</b>				
36 Agriculture and Food	(742,900)	(7.4%)	9,552,000	95,500
37 Natural Resources	(3,228,800)	(9.3%)	31,643,200	316,400
<b>38 Public Education</b>	(42,030,356)	(2.5%)	1,648,777,500	16,487,800
<b>39 Public Safety</b>	(2,735,200)	(5.9%)	44,033,400	440,300
<b>40 Transportation</b>	(548,200)	(42.2%)	751,700	7,500
<b>41 Subtotal Operations</b>	<b>(196,843,956)</b>	<b>(5.7%)</b>	<b>3,336,518,500</b>	<b>33,365,100</b>
<b>42 Capital Budget</b>				
43 Administrative Services	(\$32,846,700)	(36.7%)	\$73,511,000	\$735,100
44 Higher Education	(13,019,000)	--	--	--
45 Natural Resources	(1,010,000)	(28.3%)	3,407,300	34,100
46 Public Education	(10,000,000)	(26.1%)	28,358,000	283,600
47 Transportation	(70,405,300)	(48.2%)	79,594,700	795,900
<b>48 Subtotal Capital</b>	<b>(127,281,000)</b>	<b>(45.9%)</b>	<b>184,871,000</b>	<b>1,848,700</b>
<b>49 Debt Service</b>	<b>(2,000,000)</b>	<b>(2.9%)</b>	<b>68,300,400</b>	<b>683,000</b>
<b>50 TOTAL APPROPRIATIONS</b>	<b>(\$326,124,956)</b>	<b>(8.6%)</b>	<b>\$3,589,689,900</b>	<b>\$35,896,800</b>

(1) Includes FY 2003 Appropriation less one-time appropriations, IT reduction, and retirement allocation.

(2) This column quantifies the impact of an additional one percent cut.

(3) Excludes LeRay McAllister Critical Land Conservation Funds of \$2.5 million.

(4) Column (b) was calculated using the original FY 2003 Beginning Base prior to adjustments reflected in column (a).

Table 10

**SUMMARY OF RECOMMENDATIONS BY DEPARTMENT**  
**FY 2002, FY 2003, and FY 2004 Appropriations from All Sources of Funding**  
(In Thousands of Dollars)

	Governor Leavitt's Recommendations							Percent Change B04-R04 (f)
	Actual FY 2002	Authorized FY 2003	Supplementals (a)	Recom- mended FY 2003 (b)	Base FY 2004 (c)	Ongoing and One-time Adj. (d)	Recom- mended FY 2004 (e)	
<b>Plan of Financing</b>								
General Fund	\$1,810,064	\$1,759,129	(\$43,696)	\$1,715,433	\$1,781,331	(\$54,562)	\$1,726,769	(3.1%)
School Funds	1,922,575	1,809,465	(3,600)	1,805,865	1,812,949	41,634	1,854,583	2.3
Transportation Fund	400,441	390,869	91	390,960	393,549	8,901	402,450	2.3
Federal Funds	1,805,089	1,824,253	1,033	1,825,286	1,816,652	93,095	1,909,747	5.1
Dedicated Credits	520,208	532,639	885	533,524	548,829	28,849	577,678	5.3
Mineral Lease	36,633	36,550	0	36,550	34,740	10	34,750	0.0
Restricted and Trust Funds	348,176	360,902	5,381	366,283	342,960	30,461	373,421	8.9
Transfers	183,702	183,049	(1,961)	181,088	178,394	(4,975)	173,419	(2.8)
Other Funds	(12,441)	(10,983)	(29,547)	(40,530)	(2,033)	614	(1,419)	--
Pass-through Funds	(882)	75	0	75	75	0	75	0.0
Beginning Balances	198,170	183,544	0	183,544	109,005	0	109,005	0.0
Closing Balances	(183,544)	(109,370)	365	(109,005)	(88,248)	0	(88,248)	0.0
Lapsing Funds	(21,854)	(3,959)	0	(3,959)	(3,721)	0	(3,721)	0.0
Local Property Tax	356,458	369,419	0	369,419	369,419	17,419	386,838	4.7
<b>Total Financing</b>	<b>\$7,362,795</b>	<b>\$7,325,582</b>	<b>(\$71,049)</b>	<b>\$7,254,533</b>	<b>\$7,293,901</b>	<b>\$161,446</b>	<b>\$7,455,347</b>	<b>2.2%</b>
<b>Programs</b>								
Administrative Services	\$23,303	\$23,451	(\$257)	23,194	\$20,581	\$390	\$20,971	1.9%
Commerce and Revenue	386,403	424,990	204	425,194	411,561	10,005	421,566	2.4
Corrections (Adult and Youth)	270,420	276,277	47	276,324	276,310	6,195	282,505	2.2
Courts	100,568	102,156	0	102,156	100,400	2,194	102,594	2.2
Econ. Development/Human Res.	133,315	136,923	174	137,097	129,963	3,353	133,316	2.6
Elected Officials	69,494	71,609	230	71,839	64,996	1,021	66,017	1.6
Environmental Quality	38,702	41,852	(10)	41,842	40,281	1,117	41,398	2.8
Health	1,238,916	1,324,346	1,357	1,325,703	1,351,892	129,868	1,481,760	9.6 <sup>(g)</sup>
Higher Education	885,570	898,602	50	898,652	898,050	40,096	938,146	4.5
Human Services	456,418	456,531	1,268	457,799	453,574	13,873	467,447	3.1
Legislature	14,299	13,499	0	13,499	13,799	141	13,940	1.0
National Guard	24,509	25,778	0	25,778	25,601	259	25,860	1.0
Natural Resources	132,143	135,886	12,478	148,364	130,350	2,273	132,623	1.7
Public Education	2,347,481	2,330,964	4,165	2,335,129	2,318,007	59,771	2,377,778	2.6
Public Safety	127,600	108,742	496	109,238	101,197	1,644	102,841	1.6
Transportation	246,237	213,654	994	214,648	220,703	4,320	225,023	2.0
<b>Subtotal Operations Budget</b>	<b>\$6,495,378</b>	<b>\$6,585,260</b>	<b>\$21,196</b>	<b>\$6,606,456</b>	<b>\$6,557,265</b>	<b>\$276,520</b>	<b>\$6,833,785</b>	<b>4.2%</b>
<b>Additional Actions to Balance the Budget</b>								
Operations Cuts	\$0	\$0	(\$15,000)	(\$15,000)	\$0	(\$15,000)	(\$15,000)	
Public Education Begin Balance	0	0	(7,400)	(7,400)	0	0	0	
<b>Total Operations Budget</b>	<b>\$6,495,378</b>	<b>\$6,585,260</b>	<b>(\$1,204)</b>	<b>\$6,584,056</b>	<b>\$6,557,265</b>	<b>\$261,520</b>	<b>\$6,818,785</b>	<b>4.0%</b>
Capital Budget	\$673,773	\$530,112	(\$71,806)	\$458,306	\$536,325	(\$120,839)	\$415,486	(22.5%) <sup>(h)</sup>
Debt Service	175,189	192,303	1,961	194,264	184,750	20,765	205,515	11.2
Mineral Lease Transfers	18,455	17,907	0	17,907	15,561	0	15,561	
<b>Total Budget</b>	<b>\$7,362,795</b>	<b>\$7,325,582</b>	<b>(\$71,049)</b>	<b>\$7,254,533</b>	<b>\$7,293,901</b>	<b>\$161,446</b>	<b>\$7,455,347</b>	<b>2.2%</b>

Continued on next page

*Table 10 Continued***SUMMARY OF RECOMMENDATIONS BY DEPARTMENT  
FY 2002, FY 2003, and FY 2004 Appropriations from All Sources of Funding  
(In Thousands of Dollars)****Continued from previous page**

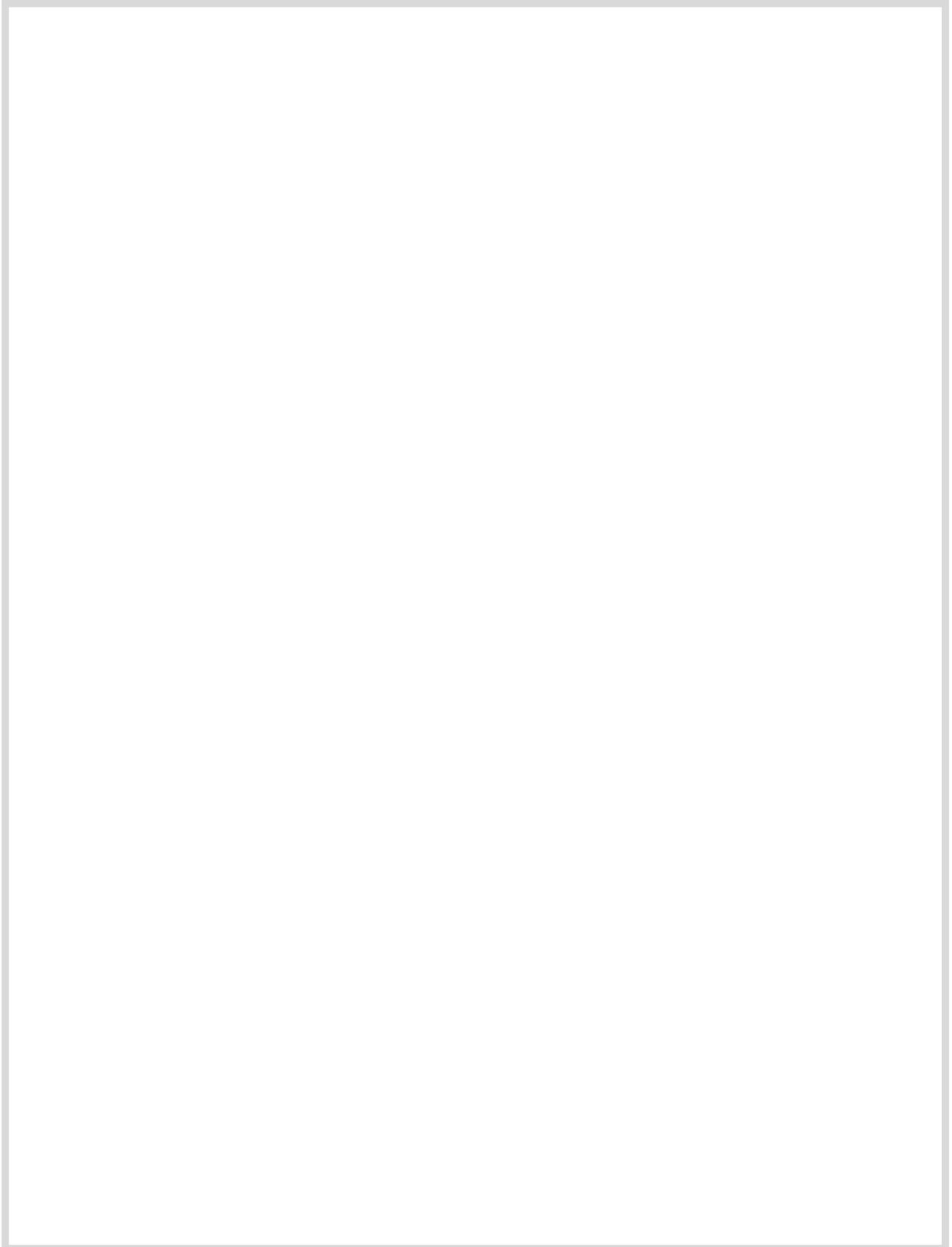
- (a) *Due to declining revenue projections the governor recommends: 1) reductions in the FY 2003 budgets and 2) bonding for \$35.4 million of previously appropriated capital projects. The \$12.5 million recommended increase for Natural Resources is primarily a payment for fighting wildfires during the summer of 2002.*
- (b) *The Recommended FY 2003 column is based on updated revenue projections and includes recommended supplemental appropriations.*
- (c) *The Base FY 2004 column is the FY 2003 appropriated amount adjusted for one-time FY 2003 appropriations and program transfers between departments.*
- (d) *Recommended adjustments are shown in more detail in the individual department sections of the book, and include internal service fund rate changes, employee benefit rate adjustments, and ongoing and one-time program increases.*
- (e) *The Recommended FY 2004 column includes Governor Leavitt's budget recommendations for FY 2004.*
- (f) *The percent change is the difference from the Base FY 2004 column to the Recommended FY 2004 column.*
- (g) *The 9.6 percent increase results largely from funding federally-mandated Medicaid costs.*
- (h) *The 22.5 percent decrease is mainly the result of an ongoing transfer from base capital budgets to operating budgets to help address declining revenue collections.*

*Table 10 shows the budgeted use of all sources of funding by state agency. It is a summary of the department tables found in the following section.*

# *STATE OF UTAH*

## **OPERATING AND CAPITAL BUDGET RECOMMENDATIONS BY DEPARTMENT**

- Agency categories in alphabetical order
- Mission statement for each department reflecting its general purpose
- Governor Leavitt's major budget recommendations
- Intent statements recommended by the governor for the FY 2003 supplemental appropriations act and the FY 2004 appropriations act
- Three-year comparison of operating and capital budgets
- Detailed FY 2004 base adjustments, FY 2004 ongoing and one-time appropriations, and FY 2003 supplemental appropriations



## GUIDE TO OPERATING AND CAPITAL BUDGET TABLES

The departmental operating and capital budget tables show actual revenue and expenditures for the past fiscal year (FY 2002), authorized and recommended revenue and expenditures for the current fiscal year (FY 2003), and recommended revenue and expenditures for the budget fiscal year (FY 2004). The guide below illustrates how to read these tables.

	Actual FY 2002	Authorized FY 2003	Recommended FY 2003	Base FY 2004	Adjust- ments	Total FY 2004
<b>PUBLIC SAFETY</b>						
<b>Operating Budget</b>						
<b>Plan of Financing</b>						
General Fund	\$39,743,500	\$42,137,800	\$42,137,800	\$41,884,200	\$2,623,700	\$44,507,900
Transportation Fund	5,495,500	5,495,500	5,495,500	5,495,500	0	5,495,500
Fees	2,200	12,500	12,500	12,500	(744,000)	12,021,900
Interest	.100	5,000	5,000	5,000	26,000	5,088,000
Investment	3,300	22,000	22,000	22,000	1,373,200	23,679,500
Taxes	1,100	1,000	1,000	1,000	31,400	1,555,100
Bequests	520,400	1,000	1,000	1,000	0	285,300
Closing Balances	(1,701,500)	0	0	0	0	0
Lapsing Funds	(2,308,300)	0	0	0	0	0
<b>Total</b>	<b>\$42,000,000</b>	<b>\$91,320,000</b>	<b>\$91,320,000</b>	<b>\$89,689,800</b>	<b>\$3,310,300</b>	<b>\$92,633,200</b>
Highway Patrol	5,252,600	5,252,600	5,252,600	5,252,600	0	5,252,600
Management Information	9,382,800	9,382,800	9,382,800	9,382,800	0	9,382,800
Fire Marshal	143,400	143,400	143,400	143,400	0	143,400
Liquor Law Enforcement	2,794,700	2,794,700	2,794,700	2,794,700	0	2,794,700
Other	5,686,700	5,686,700	5,686,700	5,686,700	0	5,686,700
Highway Patrol	37,066,600	37,066,600	37,066,600	37,066,600	0	37,066,600
Management Information	1,769,200	1,829,600	1,829,600	1,829,600	0	1,829,600
Fire Marshal	2,888,700	3,101,500	3,101,500	3,101,500	0	3,101,500
Liquor Law Enforcement	1,000,000	1,000,000	1,000,000	1,000,000	0	1,000,000
<b>Total Budget</b>	<b>1,378,400</b>	<b>\$89,689,800</b>	<b>\$89,689,800</b>	<b>\$89,689,800</b>	<b>\$3,309,900</b>	<b>\$92,632,800</b>
<b>% Change from Recommended FY 2003 to Total FY 2004</b>						<b>-3.2%</b>
<b>FTE Positions</b>	--	1,097.8	1,097.8	1,097.8	(9.0)	1,088.8

**PUBLIC SAFETY**  
Operating Budget

The "Recommended FY 2003" column represents the authorized year plus recommended supplementals.

The "Total FY 2004" column represents the base budget plus all recommended adjustments. The details are shown in the itemized tables.

**Governor Leavitt's Recommendations**

The "Actual FY 2002" column represents verified revenues and expenditures for FY 2002.

The "Base FY 2004" column represents FY 2003 authorized amounts less one-time FY 2003 amounts, plus or minus other adjustments identified in the "Base Budget" section of the itemized tables.

The "Authorized FY 2003" column reflects state tax expenditures as appropriated by the legislature, modified by revisions to federal revenues and other anticipated collections. Supplemental recommendations are not included.

The "Adjustments" column displays one-time and ongoing funding changes to existing or new programs, including the recommended compensation package. The "Ongoing Adjustments" and "One-time Adjustments" sections of the itemized table show these in detail.

The number of full-time equivalent positions (employees) is shown for reference.

## GUIDE TO RECOMMENDATIONS TABLES

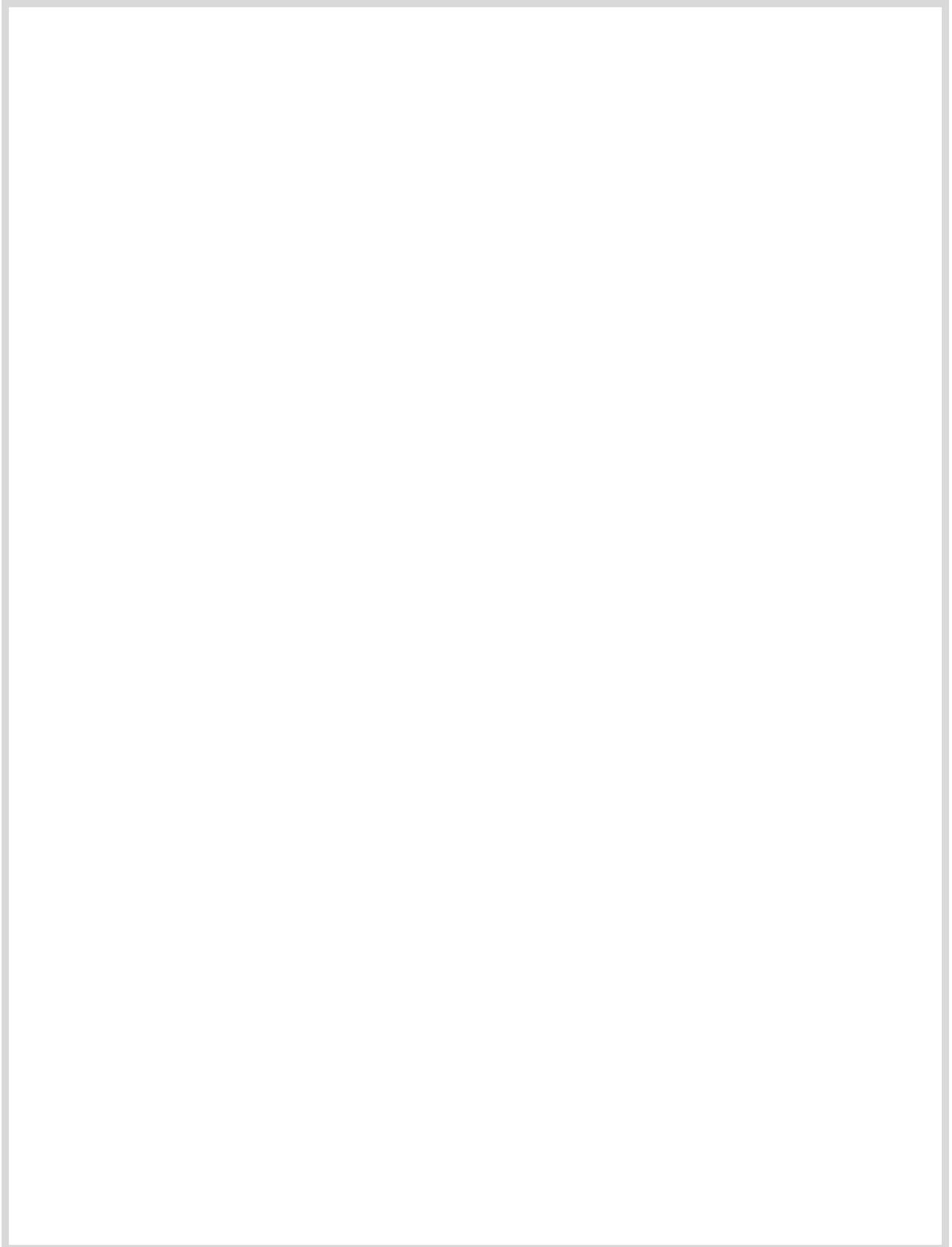
These tables show in detail the governor's recommendations for base budget adjustments, ongoing program appropriations, one-time program increases, and supplemental appropriations. Ongoing program appropriations authorize expenditures on a recurring basis. One-time program increases are expenditures on a non-recurring or limited basis. Supplemental appropriations are adjustments to authorized expenditures in the current fiscal year only.

<b>HIGHER EDUCATION</b>		General Fund	School Funds	Other Funds	Total Funds
<b>UTAH SYSTEM OF HIGHER EDUCATION FY 2004 OPERATING BUDGET</b>					
<b>Beginning Base Budget</b>					
A1	FY 2003 appropriated budget	\$0			\$0
A2	Less one-time FY 2003 appropriations				0
<b>Total FY 2004 Utah System of Higher Education Base Budget</b>					0
<b>Ongoing Adjustments</b>					
A3	Brief title/description here				0
<b>One-time Adjustments</b>					
A4	Brief title/description here	0	0	0	0
<b>Total FY 2004 Utah System of Higher Education Adjustments</b>					0
<b>Total FY 2004 Utah System of Higher Education Operating Budget</b>					0
<b>UTAH SYSTEM OF HIGHER EDUCATION FY 2003 OPERATING BUDGET</b>					
A5	Brief title/description here				0
<b>Total FY 2003 Utah System of Higher Education Supplementals</b>					0
<b>UTAH SYSTEM OF HIGHER EDUCATION FY 2004 CAPITAL BUDGET</b>					
<b>One-time Adjustments</b>					
A6	Brief title/description here				0
<b>Total FY 2004 USHE Capital Adjustments</b>		0	0	0	0
<b>Total FY 2004 Utah System of Higher Education Capital Budget</b>		\$0	\$0	\$0	\$0
<b>UTAH EDUCATION NETWORK FY 2004 OPERATING BUDGET</b>					
<b>Beginning Base Budget</b>					
A7	FY 2003 appropriated budget	\$0			\$0
<b>Total FY 2004 Utah Education Network Base Budget</b>		0			0
<b>Total FY 2004 Utah Education Network Adjustments</b>		0			0
<b>Total FY 2004 Utah Education Network Operating Budget</b>		\$0			\$0
<b>HIGHER EDUCATION TOTALS</b>					
<b>FY 2004 Operating Base Budget</b>		\$0			\$0
<b>FY 2004 Operating Adjustments</b>		0			0
<b>FY 2004 Operating Recommendation</b>		0			0
<b>FY 2003 Operating Supplementals</b>		0	0	0	0
<b>FY 2004 Capital Base Budget</b>		0	0	0	0
<b>FY 2004 Capital Adjustments</b>		0	0	0	0
<b>FY 2004 Capital Recommendation</b>		0	0	0	0
<b>FY 2003 Capital Supplementals</b>		0	0	0	0

# State of Utah

## Operating and Capital Budget Recommendations by Department

- Agency categories in alphabetical order
- Mission statement for each department reflecting its general purpose
- Governor Leavitt's major budget recommendations
- Intent statements recommended by the governor for the FY 2003 supplemental appropriations act and the FY 2004 appropriations act
- Three-year comparison of operating and capital budgets
- Detailed FY 2004 base adjustments, FY 2004 ongoing and one-time appropriations, and FY 2003 supplemental appropriations





## ADMINISTRATIVE SERVICES

*Administrative services consists of the Department of Administrative Services and the Office of the Capitol Preservation Board. Their primary focus is to provide specialized agency support services, to eliminate unnecessary duplication of services within state government, and to preserve the State Capitol building and grounds.*

### GOVERNOR'S RECOMMENDATIONS

#### *General Fund/School Funds*

- Reduce the ongoing FY 2004 capital budget by \$23,755,000 in General Fund and \$8,049,000 in school funds. The reduction would include reducing funding for alterations, repairs, and improvements from 1.1 percent to 0.9 percent of asset replacement value.
- Reduce the LeRay McAllister Critical Land Conservation Fund by \$1,750,000 in one-time funds for FY 2004.
- Remove the FY 2003 General Fund appropriation of \$3,125,000 for Youth Correction's Canyonland facility. This project was double funded with both cash and a bond.

#### *Other Funds*

- Transfer one-time FY 2003 beginning fund balances totaling \$1,939,210 to the General Fund from the Information Technology Innovation Fund, Annual Leave Conversion Fund, Capital Development Fund for Ogden/Weber land purchase, State Debt Collection Internal Service Fund, and Electronic Purchasing Internal Service Fund (The amounts are shown on Tables 3 and 4).

### FY 2004 PROPOSED LEGISLATIVE INTENT

#### *Administrative Services*

- Funds for the Executive Director's Office are nonlapsing.
- Funds for the Division of Archives are nonlapsing.
- Funds for the Division of Facilities Construction and Management are nonlapsing.
- Funds for the Division of Finance are nonlapsing and are to be used toward statewide accounting systems.
- Funds for the Judicial Conduct Commission are nonlapsing.
- Funds for Post Conviction Indigent Defense are nonlapsing.
- Funds for Finance - Mandated (LeRay McAllister Critical Land Fund and annual leave conversion) are nonlapsing.
- Funds for the Division of Purchasing and General Services are nonlapsing.

- Administrative Services internal service funds (ISF) may add full-time equivalent positions (FTEs) beyond the authorized level if the addition represents a benefit to the state and a decrease of FTEs in the user agency. Total FTEs within state government shall not change with the shift of FTEs.
- The Division of Facilities Construction and Management ISF may add FTEs beyond the authorized level if new facilities come on line or maintenance agreements are requested. Any added FTEs will be reviewed and approved by

the legislature during the next legislative session.

- Unless inappropriate or prohibited by law, the Office of Debt Collection shall be authorized to establish reasonable costs of collection to be passed onto the debtor including attorney fees, all legal costs, and administrative costs.

*Capitol Preservation Board*

- Funds for the board are nonlapsing and shall be used for the design and construction costs associated with capitol restoration.

**ADMINISTRATIVE SERVICES**

Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$22,610,200	\$14,242,100	\$0	\$14,242,100	\$15,957,700	(\$1,418,400)	\$14,539,300
School Funds	37,200	0	0	0	0	0	0
Transportation Fund	450,500	450,000	0	450,000	450,000	0	450,000
Dedicated Credits	1,852,500	2,001,800	0	2,001,800	2,005,800	8,000	2,014,600
Restricted and Trust Funds	3,719,400	4,576,100	0	4,576,100	4,586,000	47,200	4,633,200
Transfers	(4,970,900)	(840,600)	0	(840,600)	(2,629,300)	1,752,000	(877,300)
Other Funds	(115,000)	50,000	(257,300)	(207,300)	0	0	0
Beginning Balances	3,197,400	3,415,000	0	3,415,000	443,600	0	443,600
Closing Balances	(3,415,000)	(443,600)	0	(443,600)	(232,900)	0	(232,900)
Lapsing Funds	(62,900)	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$23,303,400</b>	<b>\$23,450,800</b>	<b>(\$257,300)</b>	<b>\$23,193,500</b>	<b>\$20,580,900</b>	<b>\$389,600</b>	<b>\$20,970,500</b>
<b>Programs</b>							
<b>Administrative Services</b>							
Executive Director	\$1,000,400	\$894,100	\$0	\$894,100	\$957,900	\$63,800	\$1,021,700
Administrative Rules	280,100	277,500	0	277,500	273,000	8,100	281,100
Archives	2,064,300	2,028,600	0	2,028,600	1,949,500	30,600	1,980,100
D/FCM							
Administration	2,986,900	3,086,600	0	3,086,600	3,096,000	47,200	3,143,200
Facilities Management	262,600	222,700	0	222,700	222,700	2,400	225,100
Finance							
Administration	10,634,600	12,196,500	0	12,196,500	9,692,300	202,100	9,897,400
Mandated - JCC	233,900	233,200	0	233,200	233,900	1,800	235,700
Mandated - Indigent Defense	27,400	150,000	0	150,000	150,000	0	150,000
Mandated - Other	3,701,100	1,007,300	(257,300)	750,000	2,500,000	(1,750,000)	750,000
Information Technology Services	456,700	376,600	0	376,600	376,600	0	376,600
Purchasing	1,378,800	1,362,900	0	1,362,900	1,347,600	25,500	1,373,100
Fleet Operations	2,680,000	0	0	0	0	0	0
Transfer Appropriations to Other Funds	(5,173,900)	(1,126,600)	0	(1,126,600)	(2,876,600)	1,750,000	(1,126,600)
<i>Subtotal Administrative Services</i>	<i>20,532,900</i>	<i>20,809,400</i>	<i>(257,300)</i>	<i>20,552,100</i>	<i>17,925,900</i>	<i>381,500</i>	<i>18,307,400</i>
<b>Capital Preservation Board</b>							
Operations	2,770,500	2,641,400	0	2,641,400	2,655,000	8,100	2,663,100
<i>Subtotal Capital Preserv. Board</i>	<i>2,770,500</i>	<i>2,641,400</i>	<i>0</i>	<i>2,641,400</i>	<i>2,655,000</i>	<i>8,100</i>	<i>2,663,100</i>
<b>Total Budget</b>	<b>\$23,303,400</b>	<b>\$23,450,800</b>	<b>(\$257,300)</b>	<b>\$23,193,500</b>	<b>\$20,580,900</b>	<b>\$389,600</b>	<b>\$20,970,500</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>(10.6%)</b>
FTE Positions	..	192.0	0.0	192.0	189.0	0.0	189.0



**ADMINISTRATIVE SERVICES**

	General Fund	School Funds	Transportation Fund	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>ADMINISTRATIVE SERVICES FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
A1	FY 2003 appropriated budget	\$9,395,100	(\$27,300)	\$444,400	\$1,471,700	(\$683,400)	\$15,138,100
A2	Less one-time FY 2003 appropriations	1,682,900	0	0	0	(1,790,000)	(67,100)
A3	IT reduction allocation to agencies	1,852,000	0	0	0	0	1,852,000
A4	Retirement funding allocation from Division of Finance to agencies	695,300	27,300	5,600	38,500	25,900	809,300
A5	Adjustment for extra working day	32,200	0	0	9,900	0	42,100
A6	Adjustments to estimates for non-state funding levels	0	0	0	272,500	(121,000)	151,500
	<b>Total Beginning Base Budget - Administrative Services</b>	<b>13,657,500</b>	<b>0</b>	<b>450,000</b>	<b>4,586,000</b>	<b>(2,578,500)</b>	<b>17,925,900</b>
<b>Statewide Ongoing Adjustments</b>							
A7	Internal service fund adjustments	161,300	0	0	3,700	0	165,000
A8	Benefit rate adjustments	162,200	0	0	8,800	2,000	216,500
	Subtotal Statewide Ongoing Adjustments - Adm. Services	323,500	0	0	8,800	2,000	381,500
<b>One-time Adjustments</b>							
A9	Reduce LeRay McAllister Critical Land Conservation Fund	(1,730,000)	0	0	0	1,750,000	0
	Subtotal One-time Adjustments - Administrative Services	(1,730,000)	0	0	0	1,750,000	0
	<b>Total FY 2004 Administrative Services Adjustments</b>	<b>(1,426,500)</b>	<b>0</b>	<b>0</b>	<b>47,200</b>	<b>1,752,000</b>	<b>381,500</b>
	<b>Total FY 2004 Administrative Services Operating Budget</b>	<b>\$12,231,000</b>	<b>\$0</b>	<b>\$450,000</b>	<b>\$4,633,200</b>	<b>(\$776,500)</b>	<b>\$18,307,400</b>
<b>ADMINISTRATIVE SERVICES FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
A10	Decrease balance in IT Innovation Fund	\$0	\$0	\$0	\$0	(\$112,800)	(\$112,800)
A11	Decrease balance in Annual Leave Conversion	0	0	0	0	(144,500)	(144,500)
	Subtotal Supplemental Adjustments - Administrative Services	0	0	0	0	(257,300)	(257,300)
	<b>Total FY 2003 Administrative Services Budget Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$257,300)</b>	<b>(\$257,300)</b>
<b>ADMINISTRATIVE SERVICES FY 2004 CAPITAL BUDGET</b>							
<b>Beginning Base Budget</b>							
A12	FY 2003 appropriated budget	\$26,531,700	\$17,000,000	\$0	\$800,000	\$7,900,300	\$52,232,000
A13	FY 2003 one-time appropriations	21,930,300	8,049,000	0	(800,000)	(7,900,300)	21,279,000
	<b>Total FY 2004 Administrative Services Capital Base Budget</b>	<b>48,462,000</b>	<b>25,049,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73,511,000</b>

ADMINISTRATIVE SERVICES - CONTINUED

	General Fund	School Funds	Transportation Fund	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>Ongoing Adjustments</b>							
A14 Increase capital improvement funds (AR&I) mandated by statute	1,589,000	0	1,168,000	0	0	0	2,757,000
A15 Shift ongoing base funds to AR&I	(1,589,000)	0	0	0	0	0	(1,589,000)
A16 Decrease AR&I from 1.1% to 0.9% of asset replacement value	(9,268,000)	0	(212,000)	0	0	0	(9,480,000)
A17 Decrease ongoing capital budget	(14,487,000)	(8,049,000)	0	0	0	0	(22,536,000)
<i>Subtotal Ongoing Adjustments - Capital</i>	<i>(23,755,000)</i>	<i>(8,049,000)</i>	<i>956,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(30,848,000)</i>
<b>One-time Adjustments</b>							
A18 DNR DWR Salt Lake Fish station	0	0	0	0	763,500	0	763,500
A19 Logan regional center	0	0	0	0	2,808,000	0	2,808,000
<i>Subtotal One-time Adjustments - Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>3,571,500</i>	<i>0</i>	<i>3,571,500</i>
<b>Total FY 2004 Administrative Services Capital Adjustments</b>	<b>(23,755,000)</b>	<b>(8,049,000)</b>	<b>956,000</b>	<b>0</b>	<b>3,571,500</b>	<b>0</b>	<b>(27,276,500)</b>
<b>Total FY 2004 Administrative Services Capital Budget</b>	<b>\$24,707,000</b>	<b>\$17,000,000</b>	<b>\$956,000</b>	<b>\$0</b>	<b>\$3,571,500</b>	<b>\$0</b>	<b>\$46,234,500</b>
<b>ADMINISTRATIVE SERVICES FY 2003 CAPITAL BUDGET SUPPLEMENTALS</b>							
<b>Supplemental Adjustments</b>							
A20 DYC - Canyonlands facility was double funded with bond and cash	(83,125,000)	\$0	\$0	\$0	\$0	\$0	(\$8,125,000)
A21 Bond for prior year cash authorizations	0	0	0	0	0	(35,361,000)	(35,361,000)
<i>Subtotal Supplemental Adjustments - Capital</i>	<i>(83,125,000)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(35,361,000)</i>	<i>(118,486,000)</i>
<b>Total FY 2003 Administrative Services Capital Adjustments</b>	<b>(\$83,125,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$35,361,000)</b>	<b>(\$118,486,000)</b>
<b>CAPITAL PRESERVATION BOARD FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
A22 FY 2003 appropriated budget	\$2,299,700	\$0	\$0	\$228,200	\$0	\$0	\$2,527,900
A23 Adjustment for extra working day	500	0	0	0	0	0	500
A24 Adjustments to estimates for non-state funding levels	0	0	0	16,700	0	109,900	126,600
<b>Total Beginning Base Budget - Capital Preservation Board</b>	<b>2,300,200</b>	<b>0</b>	<b>0</b>	<b>244,900</b>	<b>0</b>	<b>109,900</b>	<b>2,655,000</b>
<b>Statewide Ongoing Adjustments</b>							
A25 Internal service fund adjustments	5,200	0	0	0	0	0	5,200
A26 Benefit rate adjustments	2,900	0	0	0	0	0	2,900
<i>Subtotal Statewide Ongoing Adjustments - Cap. Pres. Bd.</i>	<i>8,100</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>8,100</i>
<b>Total FY 2004 Capital Preservation Board Adjustments</b>	<b>8,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,100</b>
<b>Total FY 2004 Capital Preservation Board Operating Budget</b>	<b>\$2,308,300</b>	<b>\$0</b>	<b>\$0</b>	<b>\$244,900</b>	<b>\$0</b>	<b>\$109,900</b>	<b>\$2,663,100</b>

**ADMINISTRATIVE SERVICES - CONTINUED**

<b>ADMINISTRATIVE SERVICES TOTALS</b>									
	<b>General Fund</b>	<b>School Funds</b>	<b>Transportation Fund</b>	<b>Dedicated Credits</b>	<b>Restricted Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>		
<b>FY 2004 Operating Base Budget</b>	\$15,957,700	\$0	\$450,000	\$2,005,800	\$4,586,000	(\$2,418,600)	\$20,580,900		
<b>FY 2004 Operating Ongoing and One-time Adjustments</b>	(1,418,400)	0	0	8,800	47,200	1,752,000	389,600		
<b>FY 2004 Operating Recommendation</b>	14,539,300	0	450,000	2,014,600	4,633,200	(666,600)	20,970,500		
<b>FY 2003 Operating Adjustments</b>	0	0	0	0	0	(257,200)	(257,200)		
<b>FY 2004 Capital Base Budget</b>	48,462,000	25,049,000	0	0	0	0	73,511,000		
<b>FY 2004 Capital Ongoing and One-time Adjustments</b>	(23,755,000)	(8,049,000)	956,000	0	3,571,500	0	(27,276,500)		
<b>FY 2004 Capital Recommendation</b>	24,707,000	17,000,000	956,000	0	3,571,500	0	46,234,500		
<b>FY 2003 Capital Adjustments</b>	(3,125,000)	0	0	0	0	(3,536,000)	(38,486,000)		



## COMMERCE AND REVENUE

*Commerce and revenue consists of departments that encourage employment, provide temporary assistance, and maintain an appropriate balance between business development and regulation.*

### GOVERNOR'S RECOMMENDATIONS

#### Commerce

##### *Restricted Funds*

- Provide \$178,700 in ongoing funds to facilitate continuing development and staffing costs associated with the Controlled Substance Database.

#### Tax Commission

##### *Transportation Fund*

- Restore the \$4,000,000 ongoing budget reduction as recommended in the findings of the legislative auditor's November 2002 report, *Performance Audit of Collecting Transportation-related Revenue*.

#### Workforce Services

##### *General Fund*

- Provide \$1,619,900 in ongoing funds for federally-mandated Food Stamp caseload increases and federal match rate changes in the Food Stamp Employment and Training program.

### FY 2003 PROPOSED LEGISLATIVE INTENT

#### *Commerce*

- Under the terms of Section 63-38-8.1, UCA, Commerce Department funds are nonlapsing up

to \$200,000 and shall be used for projects relating to e-government.

#### *Labor Commission*

- Under the terms of Section 63-38-8.1, UCA, commission funds are nonlapsing up to \$100,000 and shall be limited to computer equipment and software.

### FY 2004 PROPOSED LEGISLATIVE INTENT

#### *Commerce*

- Unused Committee of Consumer Services (CCS) funds will be transferred to CCS Professional and Technical Services and are nonlapsing.
- Funds for the Division of Public Utilities - Professional and Technical Services are nonlapsing.
- Funds for Real Estate Education are nonlapsing.

#### *Insurance*

- Funds for the Comprehensive Health Insurance Pool are nonlapsing.
- Funds for the Title Insurance Program are nonlapsing.

*Labor Commission*

- Fees collected from sponsoring and holding seminars are nonlapsing.

*Public Service Commission*

- Funds for Public Service Commission Administration are nonlapsing.
- Funds for Research and Analysis are nonlapsing.
- Funds for Speech and Hearing Impaired are nonlapsing.
- Funds for Universal Public Telecommunications Service Support are nonlapsing.

*Tax Commission*

- The Tax Commission will carry forward unexpended year-end balances for costs directly related to the modernization of the tax and motor vehicle systems and business processes.
- Funds for License Plate Production are nonlapsing.
- Funds for Liquor Profit Distribution are nonlapsing.

*Workforce Services*

- Funds for the department are nonlapsing.

**COMMERCE AND REVENUE**

Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$89,843,300	\$86,621,400	\$1,165,100	\$87,786,500	\$86,615,000	\$2,435,900	\$89,050,900
School Funds	17,335,800	16,211,100	0	16,211,100	17,259,800	256,900	17,516,700
Transportation Fund	4,839,900	5,857,400	0	5,857,400	5,857,400	4,112,300	9,969,700
Federal Funds	194,816,000	227,108,100	(1,619,900)	225,488,200	206,046,900	(54,900)	205,992,000
Dedicated Credits	15,261,800	14,569,300	315,000	14,884,300	31,663,300	122,400	31,785,700
Restricted and Trust Funds	57,235,600	63,190,000	343,600	63,533,600	52,596,300	3,038,600	55,634,900
Transfers	4,075,300	3,554,100	0	3,554,100	3,830,300	93,700	3,924,000
Pass-through Funds	0	75,400	0	75,400	75,200	0	75,200
Beginning Balances	36,784,900	31,398,600	0	31,398,600	23,512,400	0	23,512,400
Closing Balances	(31,398,600)	(23,512,400)	0	(23,512,400)	(15,876,400)	0	(15,876,400)
Lapsing Funds	(2,411,100)	(82,900)	0	(82,900)	(18,900)	0	(18,900)
<b>Total Financing</b>	<b>\$386,402,900</b>	<b>\$424,990,100</b>	<b>\$203,800</b>	<b>\$425,193,900</b>	<b>\$411,561,300</b>	<b>\$10,004,900</b>	<b>\$421,566,200</b>
<b>Programs</b>							
<b>Commerce and Revenue</b>							
Alcoholic Beverage Control	\$16,217,100	\$16,271,500	\$325,900	\$16,697,400	\$16,403,900	\$1,547,100	\$17,951,000
Commerce	16,300,300	19,230,100	310,000	19,640,100	18,597,100	1,103,700	19,700,800
Financial Institutions	3,390,600	4,181,600	0	4,181,600	4,190,600	257,200	4,447,800
Insurance	5,386,400	5,993,400	15,000	6,008,400	5,890,500	100,100	5,990,600
Health Insurance Pool	11,462,600	17,618,700	0	17,618,700	25,783,500	0	25,783,500
Labor Commission	8,821,500	8,731,700	7,700	8,739,400	8,800,300	145,600	8,945,900
Public Service Commission	1,349,300	1,712,400	0	1,712,400	1,680,500	18,900	1,699,400
Speech and Hearing Impaired Fund	1,631,000	1,632,700	0	1,632,700	1,632,700	0	1,632,700
Universal Telecom. Service Fund	6,742,300	6,805,100	0	6,805,100	6,801,000	0	6,801,000
Tax Commission	61,218,400	58,183,700	0	58,183,700	56,868,100	4,866,300	61,734,400
Workforce Services	253,583,400	284,429,200	(454,800)	283,974,400	264,913,100	1,966,000	266,879,100
<b>Total Budget</b>	<b>\$386,402,900</b>	<b>\$424,990,100</b>	<b>\$203,800</b>	<b>\$425,193,900</b>	<b>\$411,561,300</b>	<b>\$10,004,900</b>	<b>\$421,566,200</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>(0.8%)</b>
FTE Positions	--	3,591.7	9.0	3,600.7	3,627.7	19.0	3,646.7

**COMMERCE AND REVENUE**

	General and School Funds	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>ALCOHOLIC BEVERAGE CONTROL FY 2004 OPERATING BUDGET</b>							
	Beginning Base Budget						
81	FY 2003 appropriated budget	\$0	\$0	\$0	\$16,371,200	\$0	\$16,371,200
82	Adjustment for extra working day	0	0	0	33,200	0	33,200
87	Retirement funding allocation from Division of Finance to agencies	0	0	0	(500)	0	(500)
	<b>Total Beginning Base Budget - Alcoholic Beverage Control</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,403,900</b>	<b>0</b>	<b>16,403,900</b>
<b>Statewide Ongoing Adjustments</b>							
84	Internal service fund adjustments	0	0	0	18,200	0	18,200
85	Benefit rate adjustments	0	0	0	204,000	0	204,000
	<i>Subtotal Statewide Ongoing Adj. - Alcoholic Beverage Control</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>222,200</i>	<i>0</i>	<i>222,200</i>
<b>Ongoing Adjustments</b>							
86	Employees for two new stores (8 FTEs)	0	0	0	212,800	0	212,800
87	Restroom case (5 stores)	0	0	0	217,500	0	217,500
88	Bond payments (Drapet and Magna stores and warehouse expansion)	0	0	0	730,600	0	730,600
89	Package agency rate	0	0	0	34,000	0	34,000
810	Warehouse equipment new and replacement	0	0	0	60,000	0	60,000
	<i>Subtotal Ongoing Adjustments - Alcoholic Beverage Control</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,254,900</i>	<i>0</i>	<i>1,254,900</i>
<b>One-time Adjustments</b>							
811	Data general computer replacement	0	0	0	70,000	0	70,000
	<i>Subtotal One-time Adjustments - Alcoholic Beverage Control</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>70,000</i>	<i>0</i>	<i>70,000</i>
	<b>Total FY 2004 Alcoholic Beverage Control Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,547,100</b>	<b>0</b>	<b>1,547,100</b>
	<b>Total FY 2004 Alcoholic Beverage Control Operating Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,951,000</b>	<b>\$0</b>	<b>\$17,951,000</b>
<b>ALCOHOLIC BEVERAGE CONTROL FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
812	Employees for two new stores (8 FTEs)	\$0	\$0	\$0	\$147,000	\$0	\$147,000
817	Restroom case (5 stores)	0	0	0	178,900	0	178,900
	<i>Subtotal Supplemental Adjustments - Alcoholic Beverage Control</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>325,900</i>	<i>0</i>	<i>325,900</i>
	<b>Total FY 2003 Alcoholic Beverage Control Budget Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$325,900</b>	<b>\$0</b>	<b>\$325,900</b>

COMMERCE AND REVENUE - CONTINUED

	General and School Funds	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>COMMERCE FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
814	FY 2003 appropriated budget	\$0	\$143,200	\$440,800	\$17,400,100	\$0	\$17,984,100
815	Adjustment for extra working day	0	0	0	42,800	0	42,800
816	Retirement funding allocation from Division of Finance to agencies	0	0	0	(700)	0	(700)
817	Adjustments to estimates for non-state funding levels	0	61,200	432,500	2,000	75,200	570,900
	<b>Total Beginning Base Budget - Commerce</b>	<b>0</b>	<b>204,400</b>	<b>873,300</b>	<b>17,444,200</b>	<b>75,200</b>	<b>18,597,100</b>
Statewide Ongoing Adjustments							
818	Internal service fund adjustments	0	(100)	3,800	113,500	0	117,200
819	Benefit rate adjustments	0	0	400	132,700	0	133,100
	<i>Subtotal Statewide Ongoing Adjustments - Commerce</i>	<i>0</i>	<i>(100)</i>	<i>4,200</i>	<i>246,200</i>	<i>0</i>	<i>250,300</i>
Ongoing Adjustments							
820	Corporations Office Technicians (3 FTEs)	0	0	0	123,600	0	123,600
821	Securities enforcement	0	0	0	99,500	0	99,500
822	Utah Commercial Code Imaging	0	0	0	95,600	0	95,600
823	Controlled substance database	0	0	0	178,700	0	178,700
824	Consumer Fraud Investigator	0	0	0	50,000	0	50,000
825	Online authentication of certificates	0	0	0	17,000	0	17,000
826	Current expense increase including postage	0	0	0	180,000	0	180,000
827	Geologist Education and Enforcement	0	0	0	10,000	0	10,000
	<i>Subtotal Ongoing Adjustments - Commerce</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>754,400</i>	<i>0</i>	<i>754,400</i>
One-time Adjustments							
828	Controlled substance database	0	0	0	99,000	0	99,000
	<i>Subtotal One-time Adjustments - Commerce</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>99,000</i>	<i>0</i>	<i>99,000</i>
	<b>Total FY 2004 Commerce Adjustments</b>	<b>0</b>	<b>(100)</b>	<b>4,200</b>	<b>1,099,600</b>	<b>0</b>	<b>1,103,700</b>
	<b>Total FY 2004 Commerce Operating Budget</b>	<b>\$0</b>	<b>\$204,300</b>	<b>\$877,500</b>	<b>\$18,543,800</b>	<b>\$75,200</b>	<b>\$19,700,800</b>
<b>COMMERCE FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
Supplemental Adjustments							
829	Nurse Practice Act amendment changes to FBI background checks	\$0	\$0	\$300,000	\$0	\$0	\$300,000
830	Geologists Education and Enforcement	0	0	0	10,000	0	10,000
	<i>Subtotal Supplemental Adjustments - Commerce</i>	<i>0</i>	<i>0</i>	<i>300,000</i>	<i>10,000</i>	<i>0</i>	<i>310,000</i>
	<b>Total FY 2003 Commerce Budget Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$310,000</b>

COMMERCE AND REVENUE - CONTINUED

	General and School Funds	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>FINANCIAL INSTITUTIONS FY 2004 OPERATING BUDGET</b>							
	Beginning Base Budget						
811	FY 2003 appropriated budget	\$0	\$0	\$0	\$4,181,800	\$0	\$4,181,800
812	Adjustment for extra working day	0	0	0	9,000	0	9,000
813	Retirement funding allocation from Division of Finance to agencies	0	0	0	(200)	0	(200)
	<b>Total Beginning Base Budget - Financial Institutions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,190,600</b>	<b>0</b>	<b>4,190,600</b>
	<b>Statewide Ongoing Adjustments</b>						
814	Internal service fund adjustments	0	0	0	(500)	0	(500)
815	Benefit rate adjustments	0	0	0	62,700	0	62,700
	<i>Subtotal Statewide Ongoing Adjustments - Financial Inst.</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>62,200</i>	<i>0</i>	<i>62,200</i>
	<b>Ongoing Adjustments</b>						
816	MCA correction for FY 2003	0	0	0	195,000	0	195,000
	<i>Subtotal Ongoing Adjustments - Financial Inst.</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>195,000</i>	<i>0</i>	<i>195,000</i>
	<b>Total FY 2004 Financial Institutions Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>257,200</b>	<b>0</b>	<b>257,200</b>
	<b>Total FY 2004 Financial Institutions Operating Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,447,800</b>	<b>\$0</b>	<b>\$4,447,800</b>
<b>INSURANCE FY 2004 OPERATING BUDGET</b>							
	Beginning Base Budget						
817	FY 2003 appropriated budget	\$4,251,400	\$0	\$0	\$1,100,500	\$122,100	\$5,496,100
818	FY 2003 one-time appropriations	50,000	0	0	0	0	50,000
819	Adjustment for extra working day	13,400	0	0	0	0	13,400
840	IT reduction allocation	(17,200)	0	0	0	0	(17,200)
841	Retirement funding allocation from Division of Finance to agencies	(200)	0	0	0	0	(200)
842	Adjustments to estimates for non-state funding levels	0	0	0	549,500	(201,100)	348,400
	<b>Total Beginning Base Budget - Insurance</b>	<b>4,297,400</b>	<b>0</b>	<b>0</b>	<b>1,650,000</b>	<b>(79,000)</b>	<b>5,890,500</b>
	<b>Statewide Ongoing Adjustments</b>						
843	Internal service fund adjustments	5,700	0	0	3,900	0	9,600
844	Benefit rate adjustments	76,800	0	0	13,700	0	90,500
	<i>Subtotal Statewide Ongoing Adjustments - Insurance</i>	<i>82,500</i>	<i>0</i>	<i>0</i>	<i>17,600</i>	<i>0</i>	<i>100,100</i>
	<b>Total FY 2004 Insurance Adjustments</b>	<b>82,500</b>	<b>0</b>	<b>0</b>	<b>17,600</b>	<b>0</b>	<b>100,100</b>
	<b>Total FY 2004 Insurance Operating Budget</b>	<b>\$4,379,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,667,600</b>	<b>(\$79,000)</b>	<b>\$5,990,600</b>

COMMERCE AND REVENUE - CONTINUED

	General and School Funds	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>INSURANCE FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
Supplemental Adjustments							
865	Relative Value Study	\$0	\$0	\$15,000	\$0	\$0	\$15,000
	Subtotal Supplemental Adjustments - Insurance	0	0	15,000	0	0	15,000
<b>Total FY 2003 Insurance Budget Adjustments</b>							
		\$0	\$0	\$15,000	\$0	\$0	\$15,000
<b>LABOR COMMISSION FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
866	FY 2003 appropriated budget	\$4,584,600	\$0	\$2,472,800	\$0	\$1,798,100	\$8,855,500
867	Adjustment for extra working day	19,200	0	0	400	0	19,600
868	IT reduction allocation	(31,400)	0	0	0	0	(31,400)
869	Retirement funding allocation from Division of Finance to agencies	(400)	0	0	0	0	(400)
870	Adjustment to estimate for non-state funding level	0	0	(43,000)	0	0	(43,000)
<b>Total Beginning Base Budget - Labor Commission</b>							
		4,572,000	0	2,429,800	0	1,798,500	8,800,300
Statewide Ongoing Adjustments							
871	Internal service fund adjustments	10,400	0	(1,800)	0	1,100	9,700
872	Benefit rate adjustments	81,800	0	30,400	0	23,700	135,900
	Subtotal Statewide Ongoing Adjustments - Labor Commission	92,200	0	28,600	0	24,800	145,600
<b>Total FY 2004 Labor Commission Adjustments</b>							
		92,200	0	28,600	0	24,800	145,600
<b>Total FY 2004 Labor Commission Operating Budget</b>							
		\$4,664,200	\$0	\$2,458,400	\$0	\$1,823,300	\$8,945,900
<b>LABOR COMMISSION FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
Supplemental Adjustments							
873	Funding Change Employers' Retirement Fund	\$0	\$0	\$0	\$0	(\$227,800)	(\$227,800)
874	Funding Change Uninsured Employers Fund	0	0	0	0	227,800	227,800
875	Utah Safety Council Library video	0	0	0	0	7,700	7,700
	Subtotal Supplemental Adjustments - Labor Commission	0	0	0	0	7,700	7,700
<b>Total FY 2003 Labor Commission Budget Adjustments</b>							
		\$0	\$0	\$0	\$0	\$7,700	\$7,700

COMMERCE AND REVENUE - CONTINUED

	General and School Funds	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>PUBLIC SERVICE COMMISSION FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
816 FY 2003 appropriated budget	\$1,493,600	\$0	\$0	\$130,900	\$0	\$0	\$1,624,500
817 Adjustment for extra working day	4,600	0	0	0	0	0	4,600
818 IT reduction allocation	(2,800)	0	0	0	0	0	(2,800)
819 Adjustments to estimates for non-state funding levels	0	0	0	(9,300)	0	63,500	54,200
Total Beginning Base Budget - Public Service Commission	1,495,400	0	0	121,600	0	63,500	1,680,500
Statewide Ongoing Adjustments							
860 Internal service fund adjustments	3,500	0	0	0	0	0	3,500
861 Benefits adjustments	14,800	0	0	600	0	0	15,400
Subtotal Statewide Ongoing Adjustments - Public Service Comm.	18,300	0	0	600	0	0	18,900
Total FY 2004 Public Service Commission Adjustments	18,300	0	0	600	0	0	18,900
Total FY 2004 Public Service Commission Operating Budget	\$1,513,700	\$0	\$0	\$122,200	\$0	\$63,500	\$1,699,400
<b>TAX COMMISSION FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
862 FY 2003 appropriated budget	\$36,402,000	\$5,857,400	\$499,800	\$7,041,300	\$6,260,200	\$1,264,000	\$57,324,700
863 Less one-time FY 2003 appropriations	(421,400)	0	0	0	0	0	(421,400)
864 Adjustment for extra working day	122,400	0	0	0	17,800	0	140,200
865 IT reduction allocation	(299,400)	0	0	0	0	0	(299,400)
866 Retirement funding allocation from Division of Finance to agencies	(7,800)	0	0	0	(300)	0	(8,100)
867 Adjustments to estimates for non-state funding levels	0	0	(23,200)	536,000	0	(380,700)	132,100
Total Beginning Base Budget - Tax Commission	35,795,800	5,857,400	476,600	7,577,300	6,277,700	883,300	56,869,100
Statewide Ongoing Adjustments							
868 Internal service fund adjustments	(88,200)	(7,700)	100	6,700	(15,000)	0	(104,100)
869 Benefits adjustments	696,100	0	0	29,400	124,900	0	850,400
Subtotal Statewide Ongoing Adjustments - Tax Commission	607,900	(7,700)	100	36,100	109,900	0	746,300
Ongoing Adjustments							
870 Adjustment to Transportation Fund funding levels	0	4,000,000	0	0	0	0	4,000,000
871 Rent increase for Davis County Motor Vehicle Office	0	120,000	0	0	0	0	120,000
Subtotal Ongoing Adjustments - Tax Commission	0	4,120,000	0	0	0	0	4,120,000
Total FY 2004 Tax Commission Adjustments	607,900	4,112,300	100	36,100	109,900	0	4,866,300
Total FY 2004 Tax Commission Operating Budget	\$36,403,700	\$9,969,700	\$476,700	\$7,613,400	\$6,387,600	\$883,300	\$61,734,400

**COMMERCE AND REVENUE - CONTINUED**

	General and School Funds	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>WORKFORCE SERVICES FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
872 FY 2003 appropriated budget	\$53,593,900	\$0	\$197,844,200	\$3,761,300	\$0	\$3,749,400	\$258,948,800
877 Adjustment for extra working day	78,800	0	0	0	0	0	78,800
874 IT reduction allocation	(179,200)	0	0	0	0	0	(179,200)
875 Retirement funding allocation from Division of Finance to agencies (200)	(200)	0	0	0	0	0	(200)
876 Transfer Bureau of Collections and Investigations from OFS	1,175,300	0	0	0	0	264,700	1,440,000
877 Adjustments to estimates for non-state funding levels	0	0	5,091,900	(222,900)	0	(244,100)	4,624,900
<b>Total Beginning Base Budget - Workforce Services</b>	<b>54,668,600</b>	<b>0</b>	<b>202,936,100</b>	<b>3,538,400</b>	<b>0</b>	<b>3,770,000</b>	<b>264,913,100</b>
<b>Statewide Ongoing Adjustments</b>							
872 Internal service fund adjustments	2,400	0	(500)	6,100	0	1,700	9,700
879 Benefits adjustments	269,600	0	1,536,900	57,800	0	92,000	1,956,300
<i>Subtotal Statewide Ongoing Adjustments - Workforce Services</i>	<i>272,000</i>	<i>0</i>	<i>1,536,400</i>	<i>63,900</i>	<i>0</i>	<i>93,700</i>	<i>1,966,000</i>
<b>Ongoing Adjustments</b>							
880 Food Stamp Employment and Training match rate change	454,800	0	(454,800)	0	0	0	0
881 Food Stamp case load increase	1,165,100	0	(1,165,100)	0	0	0	0
<i>Subtotal Ongoing Adjustments - Workforce Services</i>	<i>1,619,900</i>	<i>0</i>	<i>(1,619,900)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Total FY 2004 Workforce Services Adjustments</b>	<b>1,891,900</b>	<b>0</b>	<b>(683,500)</b>	<b>63,900</b>	<b>0</b>	<b>93,700</b>	<b>1,966,000</b>
<b>Total FY 2004 Workforce Services Operating Budget</b>	<b>\$56,560,500</b>	<b>\$0</b>	<b>\$202,852,600</b>	<b>\$3,602,300</b>	<b>\$0</b>	<b>\$3,863,700</b>	<b>\$266,879,100</b>
<b>WORKFORCE SERVICES FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
882 Food Stamp Employment and Training match rate change	\$0	\$0	(\$454,800)	\$0	\$0	\$0	(\$454,800)
881 Food Stamp case load increase	1,165,100	0	(1,165,100)	0	0	0	0
<i>Subtotal Supplemental Adjustments - Workforce Services</i>	<i>1,165,100</i>	<i>0</i>	<i>(1,619,900)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(454,800)</i>
<b>Total FY 2003 Workforce Services Budget Adjustments</b>	<b>\$1,165,100</b>	<b>\$0</b>	<b>(\$1,619,900)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$454,800)</b>
<b>COMPREHENSIVE HEALTH INSURANCE POOL FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
884 FY 2003 appropriated budget	\$3,045,600	\$0	\$0	\$7,396,500	\$0	\$2,669,200	\$13,111,300
885 Adjustments in non-state funding levels	0	0	0	9,143,900	0	3,228,300	12,672,200
<b>Total Beginning Base Budget - Comp. Health Ins. Pool</b>	<b>3,045,600</b>	<b>0</b>	<b>0</b>	<b>16,540,400</b>	<b>0</b>	<b>6,197,500</b>	<b>25,783,500</b>
<b>Total FY 2004 Comp. Health Insurance Pool Operating Budget</b>	<b>\$3,045,600</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,540,400</b>	<b>\$0</b>	<b>\$6,197,500</b>	<b>\$25,783,500</b>

**COMMERCE AND REVENUE - CONTINUED**

	General and School Fund	Transportation Fund	Federal Fund	Dedicated Credits	Restricted Fund	Other Fund	Total Fund
<b>SPEECH AND HEARING IMPAIRED FUND FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
286 FY 2003 appropriated budget	\$0	\$0	\$0	\$1,512,500	\$0	\$272,100	\$1,784,600
287 Adjustments known-state funding levels	0	0	0	(150,200)	0	(1,700)	(151,900)
Total Beginning Base Budget - Speech/Hearing Impaired	0	0	0	1,362,300	0	270,400	1,632,700
Total FY 2004 Speech and Hearing Impaired Operating Budget	\$0	\$0	\$0	\$1,362,300	\$0	\$270,400	\$1,632,700
<b>UNIVERSAL TELECOMMUNICATIONS SERVICE SUPPORT FUND FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
288 FY 2003 appropriated budget	\$0	\$0	\$0	\$0	\$8,666,000	\$113,300	\$8,779,300
289 Adjustments known-state funding levels	0	0	0	0	(2,206,700)	228,400	(1,978,300)
Total Beginning Base Budget - Universal Telecom.	0	0	0	0	6,459,300	341,700	6,801,000
Total FY 2004 Universal Telecommunications Operating Budget	\$0	\$0	\$0	\$0	\$6,459,300	\$341,700	\$6,801,000
<b>COMMERCE AND REVENUE TOTALS</b>							
FY 2004 Operating Beginning Base Budget	\$008,874,800	\$5,857,400	\$206,046,900	\$31,663,300	\$52,396,300	\$11,522,600	\$411,561,300
FY 2004 Operating Ongoing and One-time Adjustments	2,692,800	4,112,200	(54,900)	122,400	3,038,600	95,200	10,004,900
FY 2004 Operating Recommendation	106,567,600	9,969,200	20,599,200	31,785,200	55,634,900	11,616,200	421,566,200
FY 2003 Operating Adjustments	1,165,100	0	(1,619,900)	315,000	343,600	0	203,800



## CORRECTIONS (ADULT AND YOUTH)

Mission: *Protect the public, provide rehabilitation programs for young offenders, and provide adult offenders with skills training to enhance their prospects for success after release.*

### GOVERNOR'S RECOMMENDATIONS

#### Adult Corrections

##### General Fund

- Provide \$1,143,300 in ongoing funds to the counties to pay for increased inmate core costs associated with jail contracting and jail reimbursement.
- Require the department to absorb, within its existing budget, \$704,200 for increased costs associated with building leases, medical supplies, food, drugs, and utilities.

#### Youth Corrections

##### General Fund

- Include \$838,100 in ongoing funds to pay for full-year operational costs of the Canyonlands facility and partial year operational costs of the Washington County facility. This funding recommendation does not allow 32 of 80 total beds in these facilities to become operational in FY 2004.
- Replace \$838,100 in ongoing funds for the Genesis work camp with revenue from the Victim Restitution Restricted Account.
- Require the department to absorb, within its existing budget, \$200,000 for increased costs associated with medical expenses.

#### Restricted Funds

- Recommend \$838,100 in ongoing funds for program related costs associated with the Genesis work camp.

### FY 2003 PROPOSED LEGISLATIVE INTENT

#### Adult Corrections

- The department shall have authority to transfer up to \$500,000 in FY 2003 nonlapsing funds from field operations and institutional operations to correctional industries. This funding can only be used to support offender work programs that teach inmates useful skills or provide the state with an important service.

### FY 2004 PROPOSED LEGISLATIVE INTENT

#### Adult Corrections

- The department may reallocate resources internally to fund additional probation and parole agents. For every two agents hired, the legislature grants permission to purchase one vehicle.
- Funds for the Department of Corrections - Administration are nonlapsing.
- Funds for the Department of Corrections - Department Medical Services are nonlapsing.
- The Utah Correctional Industries Board is authorized to approve increases in full-time

equivalent positions for the division where such increases will positively impact employment opportunities for the state and provide benefits to other state programs.

- Funds for the Department of Corrections - Adult Probation and Parole are nonlapsing.
- Funds for the Department of Corrections - Institutional Operations are nonlapsing.
- Funds for the Department of Corrections - Jail Contracting are nonlapsing.
- Funds for the Department of Corrections - Jail Reimbursement are nonlapsing.

*Board of Pardons and Parole*

- Funds for the board are nonlapsing.

*Youth Corrections*

- Funds for the Division of Youth Corrections - Services are nonlapsing.
- Funds for the Division of Youth Corrections - Youth Parole Authority are nonlapsing.

**CORRECTIONS (ADULT AND YOUTH)**

Operating Budget

Governor Leavitt's Recommendations							
	Actual FY 2002	Authorized FY 2003	Supplementals	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>Plan of Financing</b>							
General Fund	\$245,246,000	\$247,777,300	\$0	\$247,777,300	\$251,268,800	\$4,987,300	\$256,256,100
Federal Funds	1,554,800	3,183,500	0	3,183,500	2,891,700	17,600	2,909,300
Dedicated Credits	4,948,100	6,052,800	0	6,052,800	5,917,400	22,400	5,939,800
Restricted and Trust Funds	659,100	817,300	46,900	864,200	817,300	938,100	1,755,400
Taxes fees	16,371,800	15,414,700	0	15,414,700	15,414,900	229,100	15,644,000
Beginning Balances	4,671,800	3,031,400	0	3,031,400	0	0	0
Closing Balances	(3,031,400)	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$270,420,200</b>	<b>\$276,277,000</b>	<b>\$46,900</b>	<b>\$276,323,900</b>	<b>\$276,310,100</b>	<b>\$6,194,500</b>	<b>\$282,504,600</b>
<b>Programs</b>							
<b>Adult Corrections</b>							
Administration	\$8,819,600	\$13,467,700	\$0	\$13,467,700	\$13,576,500	\$479,600	\$14,056,100
Field Operations	38,457,700	38,858,500	0	38,858,500	40,804,900	801,400	41,606,300
Institutional Operations	108,251,500	87,436,100	0	87,436,100	87,355,900	1,648,900	89,004,800
Clinical Services	17,441,300	16,743,500	0	16,743,500	16,231,300	223,100	16,454,400
Jail Contracting	0	18,086,200	0	18,086,200	18,086,200	856,900	18,943,100
Jail Reimbursement	7,780,600	8,515,900	0	8,515,900	8,515,900	286,400	8,802,300
<i>Subtotal Adult Corrections</i>	<i>180,730,700</i>	<i>183,107,900</i>	<i>0</i>	<i>183,107,900</i>	<i>184,570,700</i>	<i>4,296,300</i>	<i>188,867,000</i>
<b>Board of Pardons</b>							
Operations	2,628,300	2,777,000	0	2,777,000	2,625,700	48,600	2,674,300
<i>Subtotal Board of Pardons</i>	<i>2,628,300</i>	<i>2,777,000</i>	<i>0</i>	<i>2,777,000</i>	<i>2,625,700</i>	<i>48,600</i>	<i>2,674,300</i>
<b>Youth Corrections</b>							
Administration	3,860,700	3,163,900	0	3,163,900	3,125,800	48,600	3,174,400
Early Intervention	7,349,300	8,877,300	0	8,877,300	8,750,900	109,400	8,860,300
Community Programs	28,746,000	29,761,400	0	29,761,400	29,369,700	166,100	29,535,800
Correctional Facilities	27,895,300	28,375,700	0	28,375,700	27,956,800	323,500	28,280,300
Rural Programs	19,119,500	19,919,400	46,900	19,966,300	19,623,200	1,196,700	20,819,900
Youth Parole Authority	290,400	294,400	0	294,400	287,300	5,300	292,600
<i>Subtotal Youth Corrections</i>	<i>87,061,200</i>	<i>90,392,100</i>	<i>46,900</i>	<i>90,439,000</i>	<i>89,113,700</i>	<i>1,849,600</i>	<i>90,963,300</i>
<b>Total Budget</b>	<b>\$270,420,200</b>	<b>\$276,277,000</b>	<b>\$46,900</b>	<b>\$276,323,900</b>	<b>\$276,310,100</b>	<b>\$6,194,500</b>	<b>\$282,504,600</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>2.3%</b>
FTE Positions		3,238.2	0.0	3,238.2	3,251.3	28.5	3,279.8

**CORRECTIONS (ADULT AND YOUTH)**

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>ADULT CORRECTIONS FY 2004 OPERATING BUDGET</b>						
Beginning Base Budget						
C1	\$176,530,800	\$1,121,800	\$3,600,200	\$198,700	\$775,700	\$182,227,200
C2	2,900,000	0	0	0	0	2,900,000
C3	456,000	0	0	0	0	456,000
C4	(159,000)	0	0	0	0	(159,000)
C5	(429,500)	0	0	0	0	(429,500)
C6	0	(65,500)	(480,500)	0	122,000	(424,000)
	<b>179,298,300</b>	<b>1,056,300</b>	<b>3,119,700</b>	<b>198,700</b>	<b>897,700</b>	<b>184,570,700</b>
<b>Total Beginning Base Budget - Adult Corrections</b>						
Statewide Ongoing Adjustments						
C7	348,600	0	0	0	0	348,600
C8	2,804,400	0	0	0	0	2,804,400
	3,153,000	0	0	0	0	3,153,000
<i>Subtotal Statewide Ongoing Adjustments - Adult Corrections</i>						
Ongoing Adjustments						
C9	856,900	0	0	0	0	856,900
C10	286,400	0	0	0	0	286,400
	1,143,300	0	0	0	0	1,143,300
<i>Subtotal Ongoing Adjustments - Adult Corrections</i>						
	<b>4,296,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,296,300</b>
	<b>Total FY 2004 Adult Corrections Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,296,300</b>
	<b>\$183,594,600</b>	<b>\$1,056,300</b>	<b>\$3,119,700</b>	<b>\$198,700</b>	<b>\$897,700</b>	<b>\$188,867,000</b>
<b>Total FY 2004 Adult Corrections Operating Budget</b>						
<b>BOARD OF PARDONS AND PAROLE FY 2004 OPERATING BUDGET</b>						
Beginning Base Budget						
C11	\$2,518,700	\$0	\$2,200	\$77,400	\$172,000	\$3,770,300
C12	7,400	0	0	0	0	7,400
C13	(4,400)	0	0	0	0	(4,400)
C14	(7,200)	0	0	0	0	(7,200)
C15	0	0	0	0	(140,400)	(140,400)
	<b>2,514,500</b>	<b>0</b>	<b>2,200</b>	<b>77,400</b>	<b>31,600</b>	<b>2,625,700</b>
<b>Total Beginning Base Budget - Board of Pardons and Parole</b>						
Statewide Ongoing Adjustments						
C16	6,000	0	0	0	0	6,000
C17	42,600	0	0	0	0	42,600
	48,600	0	0	0	0	48,600
<i>Subtotal Statewide Ongoing Adj. - Board of Pardons and Parole</i>						
	<b>48,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,600</b>
	<b>Total FY 2004 Board of Pardons and Parole Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,600</b>
	<b>\$2,563,100</b>	<b>\$0</b>	<b>\$2,200</b>	<b>\$77,400</b>	<b>\$31,600</b>	<b>\$2,674,300</b>
<b>Total FY 2004 Board of Pardons and Parole Operating Budget</b>						

**CORRECTIONS (ADULT AND YOUTH) - CONTINUED**

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>YOUTH CORRECTIONS FY 2004 OPERATING BUDGET</b>						
Beginning Base Budget						
C18 FY 2003 appropriated budget	\$69,362,800	\$2,146,800	\$2,851,300	\$541,200	\$12,972,200	\$87,874,300
C19 IT reduction allocation	(34,600)	0	0	0	0	(34,600)
C20 Adjustment for extra working day	128,100	0	0	0	0	128,100
C21 Retirement funding allocation from Division of Finance to agencies	(300)	0	0	0	0	(300)
C22 Adjustments to estimates for non-state funding levels	0	(311,400)	(55,800)	0	1,513,400	1,146,200
<b>Total Beginning Base Budget - Youth Corrections</b>	<b>69,456,000</b>	<b>1,835,400</b>	<b>2,795,500</b>	<b>541,200</b>	<b>14,485,600</b>	<b>89,113,700</b>
<b>Statewide Ongoing Adjustments</b>						
C23 Internal service fund adjustments	10,100	900	1,000	0	5,700	17,700
C24 Benefits adjustments	746,800	16,700	21,400	0	108,900	893,800
<i>Subtotal Statewide Ongoing Adjustments - Youth Corrections</i>	<i>756,900</i>	<i>17,600</i>	<i>22,400</i>	<i>0</i>	<i>114,600</i>	<i>911,500</i>
<b>Ongoing Adjustments</b>						
C25 Canyonlands facility operating costs	300,000	0	0	0	0	300,000
C26 Strawberry work camp	0	0	0	100,000	0	100,000
C27 Washington County facility operating costs	538,100	0	0	0	0	538,100
C28 Medicaid match rate change	(114,500)	0	0	0	114,500	0
C29 Partial funding switch for Genesis work camp	(838,100)	0	0	838,100	0	0
<i>Subtotal Ongoing Adjustments - Youth Corrections</i>	<i>(114,500)</i>	<i>0</i>	<i>0</i>	<i>938,100</i>	<i>114,500</i>	<i>938,100</i>
<b>Total FY 2004 Youth Corrections Adjustments</b>	<b>642,400</b>	<b>17,600</b>	<b>22,400</b>	<b>938,100</b>	<b>229,100</b>	<b>1,849,600</b>
<b>Total FY 2004 Youth Corrections Operating Budget</b>	<b>\$70,098,400</b>	<b>\$1,853,000</b>	<b>\$2,817,900</b>	<b>\$1,479,300</b>	<b>\$14,714,700</b>	<b>\$90,963,300</b>
<b>YOUTH CORRECTIONS FY 2003 OPERATING BUDGET ADJUSTMENTS</b>						
<b>Supplemental Adjustments</b>						
C20 Strawberry work camp	\$0	\$0	\$0	\$46,900	\$0	\$46,900
<i>Subtotal Supplemental Adjustments - Youth Corrections</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>46,900</i>	<i>0</i>	<i>46,900</i>
<b>Total FY 2003 Youth Corrections Budget Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$46,900</b>	<b>\$0</b>	<b>\$46,900</b>
<b>CORRECTIONS TOTALS</b>						
FY 2004 Operating Beginning Base Budget	\$251,268,800	\$2,891,700	\$5,917,400	\$817,300	\$15,414,900	\$276,310,100
FY 2004 Operating Ongoing and One-time Adjustments	4,987,300	17,600	22,400	938,100	229,100	6,194,500
FY 2004 Operating Appropriation	256,256,100	2,909,300	5,939,800	1,755,400	15,644,000	282,504,600
<b>FY 2003 Operating Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,900</b>	<b>0</b>	<b>46,900</b>



## COURTS

Mission: *Ensure equity and fairness for all Utah citizens through judicial review of laws and cases.*

### GOVERNOR'S RECOMMENDATIONS

#### *Restricted Funds*

- Provide \$534,000 in ongoing funds for increased contract and lease costs associated with court facilities.

#### *Other Funds*

- Recommend \$373,600 in supplemental funding from FY 2003 beginning nonlapsing balances in Administration to eliminate prior year deficits for the Juror/Witness/Interpreter Fees program.

### FY 2004 PROPOSED LEGISLATIVE INTENT

- Funds for the Judicial Council are nonlapsing.

- Funds for the Judicial Council/State Court Administrator - Contracts and Leases are nonlapsing.
- Under provisions of Section 67-6-2, UCA, the following salaries are approved for judicial officials for July 1, 2003 to June 30, 2004: District Court Judge, \$103,700; other judicial salaries will be calculated in accordance with the statutory formula and rounded to the nearest \$50. These are the same as for FY 2003.
- Funds for the Judicial Council/State Court Administrator - Jury and Witness Program are nonlapsing.
- Funds for the Judicial Council/State Court Administrator - Guardian ad Litem Program are nonlapsing.

**COURTS**  
Operating Budget

	Actual FY 2002	Authorized FY 2003 <sup>(a)</sup>	Governor Leavitt's Recommendations			
			Co-Units' Request FY 2004 <sup>(b)</sup>	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>Plan of Financing</b>						
General Fund	\$91,329,200	\$90,879,800	\$93,138,100	\$90,833,000	\$1,472,700	\$92,305,700
Federal Funds	97,300	97,900	97,900	97,900	0	97,900
Dedicated Credits	1,028,500	1,166,100	1,195,800	1,195,800	19,000	1,214,800
Restricted and Trust Funds	6,915,100	6,494,000	6,515,900	6,274,300	690,500	6,964,800
Transfers	1,848,900	1,912,800	1,955,000	1,955,000	11,300	1,966,300
Beginning Balances	1,172,000	1,455,400	(150,100)	(150,100)	0	(150,100)
Closing Balances	(1,455,400)	150,100	193,900	193,900	0	193,900
Lapsing Funds	(367,200)	0	0	0	0	0
<b>Total Financing</b>	<b>\$100,568,400</b>	<b>\$102,156,100</b>	<b>\$102,946,500</b>	<b>\$100,399,800</b>	<b>\$2,193,500</b>	<b>\$102,593,300</b>
<b>Programs</b>						
<b>Co-Units</b>						
Supreme Court	\$1,938,500	\$1,965,400	\$1,967,100	\$1,967,100	\$38,500	\$2,005,600
Law Library	533,100	473,500	474,000	474,000	2,400	476,400
Court of Appeals	2,677,800	2,723,200	2,724,200	2,724,200	55,000	2,779,200
Trial Courts	33,403,400	32,951,700	33,451,900	32,977,000	695,400	33,672,400
Juvenile Courts	26,005,300	27,576,800	27,779,000	27,014,800	475,300	27,490,100
Justice Courts	147,700	151,300	151,600	151,600	1,600	153,200
Court Security	2,268,800	2,231,000	2,231,000	2,231,000	0	2,231,000
Administration	3,078,900	3,878,000	3,137,600	3,137,600	99,000	3,236,600
Judicial Education	352,000	320,700	317,200	317,200	4,400	321,600
Data Processing	4,599,500	4,161,900	4,304,600	4,055,600	132,300	4,187,900
Federal Grants	1,719,700	1,736,700	1,737,800	1,737,800	7,800	1,745,600
Grand Jury	800	800	800	800	0	800
Contracts/Leases	18,568,200	18,603,800	19,358,100	18,341,100	578,600	18,919,700
Juror/Witness/Interpreter Fees	1,687,100	1,597,900	1,597,900	1,597,900	0	1,597,900
Guardian ad Litem	3,587,600	3,783,400	3,713,700	3,672,100	103,200	3,775,300
<b>Total Budget</b>	<b>\$100,568,400</b>	<b>\$102,156,100</b>	<b>\$102,946,500</b>	<b>\$100,399,800</b>	<b>\$2,193,500</b>	<b>\$102,593,300</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>						<b>0.4%</b>
FTE Positions	--	1,225.5	1,231.9	1,220.0	1.0	1,221.0

(a) In addition to the amounts listed in the Authorized FY 2003 column Governor Leavitt recommends a supplemental appropriation to transfer \$373,600 in beginning balances from the Courts main line item to the Juror/Witness/Interpreter Fees line item.

(b) As per statute, the Courts' request is included without changes.

**COURTS**

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>COURTS FY 2004 OPERATING BUDGET</b>						
<b>Beginning Base Budget</b>						
D1	\$90,833,000	\$50,500	\$1,206,900	\$6,494,100	\$1,712,600	\$100,518,400
D2	(411,000)	0	0	0	0	(411,000)
D3	224,200	0	0	3,200	0	227,500
D4	140,000	0	0	0	0	140,000
D5	(73,500)	0	0	(100)	0	(73,600)
D6	0	47,400	(111,100)	(223,000)	285,200	(1,500)
	<b>90,833,000</b>	<b>97,900</b>	<b>1,195,800</b>	<b>6,274,300</b>	<b>1,998,800</b>	<b>100,399,800</b>
<b>Statewide Ongoing Adjustments</b>						
D7	82,700	0	1,200	(9,400)	0	74,500
D8	1,390,000	0	17,800	24,300	11,300	1,443,400
	<i>Subtotal Statewide Ongoing Adjustments - Courts</i>	0	19,000	14,900	11,300	1,517,900
<b>Ongoing Adjustments</b>						
D9	0	0	0	534,000	0	534,000
D10	0	0	0	100,000	0	100,000
D11	0	0	0	41,600	0	41,600
	<i>Subtotal Ongoing Adjustments - Courts</i>	0	0	675,600	0	675,600
	<b>1,472,700</b>	<b>0</b>	<b>19,000</b>	<b>690,500</b>	<b>11,300</b>	<b>2,193,500</b>
	<b>\$92,305,700</b>	<b>\$97,900</b>	<b>\$1,214,800</b>	<b>\$6,964,800</b>	<b>\$2,010,100</b>	<b>\$102,593,300</b>
<b>COURTS FY 2003 OPERATING BUDGET ADJUSTMENTS</b>						
<b>Supplemental Adjustments</b>						
D12	\$0	\$0	\$0	\$0	\$373,600	\$373,600
D13	0	0	0	0	(373,600)	(373,600)
	<i>Subtotal Supplemental Adjustments - Courts</i>	0	0	0	0	0
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>COURTS TOTALS</b>						
	<b>\$90,833,000</b>	<b>\$97,900</b>	<b>\$1,195,800</b>	<b>\$6,274,300</b>	<b>\$1,998,800</b>	<b>\$100,399,800</b>
	<b>1,472,700</b>	<b>0</b>	<b>19,000</b>	<b>690,500</b>	<b>11,300</b>	<b>2,193,500</b>
	<b>92,305,700</b>	<b>97,900</b>	<b>1,214,800</b>	<b>6,964,800</b>	<b>2,010,100</b>	<b>102,593,300</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





## ECONOMIC DEVELOPMENT AND HUMAN RESOURCES

*Economic development and human resources includes the Department of Community and Economic Development, Utah State Fair Corporation, Department of Human Resource Management, Career Service Review Board, and the Utah Retirement Board.*

### GOVERNOR'S RECOMMENDATIONS

#### Community and Economic Development

##### *Other Funds*

- Administrative expenses of \$75,000 incurred in FY 2003 to administer the Industrial Assistance Fund will be paid from the Industrial Assistance Fund.

##### *Federal Funds*

- Provide authority to the Division of Indian Affairs to apply for federal funds for empowerment training.

### FY 2004 PROPOSED LEGISLATIVE INTENT

#### *Community and Economic Development*

- Funds appropriated in each line item of Community and Economic Development are nonlapsing.
- The Permanent Community Impact Fund Board shall appropriate one-time funding of \$238,400, contingent upon a one-to-one match, in FY 2004. The funds shall be distributed

equally between the seven associations of government in Utah. These funds are to be used for planning, studies, analysis, and other activities provided by the associations of government to member organizations.

- Any remaining net proceeds paid to the state from the liquidation of the Utah Technology Finance Corporation shall be deposited in the Industrial Assistance Fund.
- Beginning in FY 2004, \$450,000 shall be transferred from the Industrial Assistance Fund to the Utah Technology Alliance program.

#### *Utah State Fair Corporation*

- Funds for the Utah State Fair Corporation are nonlapsing.

#### *Career Service Review Board*

- Funds for the Career Service Review Board are nonlapsing.

#### *Human Resource Management*

- Funds for the Department of Human Resource Management are nonlapsing.

**ECONOMIC DEVELOPMENT AND HUMAN RESOURCES**

Operating Budget

Governor Leavitt's Recommendations							
	Actual FY 2002	Authorized FY 2003	Supplementals	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>Plan of Financing</b>							
General Fund	\$44,274,400	\$44,330,500	\$0	\$44,330,500	\$33,665,300	\$272,200	\$33,937,500
Transportation Fund	118,000	118,000	0	118,000	118,000	0	118,000
Federal Funds	30,304,600	34,008,300	99,400	34,107,700	36,314,000	38,500	36,352,500
Dedicated Credits	19,275,700	20,015,200	0	20,015,200	20,339,200	135,100	20,474,300
Restricted and Trust Funds	37,391,100	41,965,600	75,000	42,040,600	41,154,500	2,893,500	44,048,000
Transfers	2,034,800	4,385,600	0	4,285,600	120,000	0	120,000
Other Funds	(3,298,200)	(11,033,400)	0	(11,033,400)	(2,053,400)	13,600	(2,019,800)
Beginning Balances	8,072,100	3,931,400	0	3,931,400	697,400	0	697,400
Closing Balances	(3,931,400)	(697,400)	0	(697,400)	(411,800)	0	(411,800)
Lapsing Funds	(916,500)	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$133,314,600</b>	<b>\$136,923,800</b>	<b>\$174,400</b>	<b>\$137,098,200</b>	<b>\$129,963,200</b>	<b>\$3,352,900</b>	<b>\$133,316,100</b>
<b>Programs</b>							
<b>Community and Economic Development</b>							
Administration	\$2,583,700	\$2,604,400	\$0	\$2,604,400	\$2,485,900	\$32,800	\$2,518,700
Business Development	13,116,300	10,375,800	0	10,375,800	8,155,000	731,200	8,886,200
Community Development	36,138,300	40,693,000	0	40,693,000	38,294,800	(183,300)	38,111,500
Ethnic Affairs Offices	1,037,900	829,500	99,400	928,900	831,700	10,000	841,700
Fine Arts	3,725,100	3,565,100	0	3,565,100	3,223,500	18,900	3,242,400
Historical Society	467,100	585,400	0	585,400	512,000	2,200	514,200
Incentive Funds	1,403,200	346,600	75,000	421,600	346,600	3,500	350,100
Special Initiatives	3,100	0	0	0	0	0	0
State History	2,931,100	2,726,000	0	2,726,000	2,513,900	36,700	2,550,600
State Library	7,252,900	7,268,200	0	7,268,200	7,388,600	70,700	7,459,300
Travel Development	7,174,000	5,671,400	0	5,671,400	4,073,600	24,900	4,098,500
Zoos	1,607,500	1,382,500	0	1,382,500	1,507,500	0	1,507,500
Fund Transfers							
Industrial Assistance Fund	329,400	643,000	0	643,000	0	0	0
Library Expendable Trust Fund	400,000	0	0	0	0	0	0
Olens Walker Housing Loan Fund	2,568,800	1,933,400	0	1,933,400	1,933,400	0	1,933,400
Homeless Trust Fund	0	100,000	0	100,000	100,000	0	100,000
Tourism Marketing Performance Fund	0	1,750,000	0	1,750,000	0	0	0
Transfer Appropriations to Other Funds	(3,298,200)	(10,213,400)	0	(10,213,400)	(2,033,400)	0	(2,033,400)
<b>Subtotal Comm./Econ. Dev.</b>	<b>77,430,400</b>	<b>78,047,900</b>	<b>174,400</b>	<b>78,222,300</b>	<b>69,333,700</b>	<b>747,600</b>	<b>70,080,900</b>
<b>Human Resources</b>							
Human Resource Management	3,316,000	3,314,400	0	3,314,400	3,206,200	51,900	3,258,100
Career Service Review Board	139,900	209,100	0	209,100	167,000	2,600	169,600
<b>Subtotal Human Resources</b>	<b>3,455,900</b>	<b>3,523,500</b>	<b>0</b>	<b>3,523,500</b>	<b>3,373,200</b>	<b>54,500</b>	<b>3,427,700</b>
<b>Outside Reporting Agencies</b>							
Utah State Fair Corporation	4,570,000	4,776,500	0	4,776,500	4,581,000	0	4,581,000
Retirement Office	47,838,300	52,575,900	0	52,575,900	52,575,900	0	52,575,900
<b>Subtotal Outside Reporting Agencies</b>	<b>52,408,300</b>	<b>57,352,400</b>	<b>0</b>	<b>57,352,400</b>	<b>57,156,900</b>	<b>2,550,800</b>	<b>59,707,700</b>
<b>Total Budget</b>	<b>\$133,314,600</b>	<b>\$136,923,800</b>	<b>\$174,400</b>	<b>\$137,098,200</b>	<b>\$129,963,200</b>	<b>\$3,352,900</b>	<b>\$133,316,100</b>
% Change from Authorized FY 2003 to Total FY 2004							(2.6%)
FTE Positions	-	313.6	0.0	313.6	310.4	0.0	310.4

**ECONOMIC DEVELOPMENT AND HUMAN RESOURCES**

Capital Budget

<u>Governor Leavitt's Recommendations</u>							
	Actual FY 2002	Authorized FY 2003	Supplementals	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>Plan of Financing</b>							
Mineral Lease	\$1,509,900	\$1,561,200	\$0	\$1,561,200	\$1,609,900	\$0	\$1,609,900
<b>Total Financing</b>	<b>\$1,509,900</b>	<b>\$1,561,200</b>	<b>\$0</b>	<b>\$1,561,200</b>	<b>\$1,609,900</b>	<b>\$0</b>	<b>\$1,609,900</b>
<b>Projects</b>							
Special Service Districts	\$1,509,900	\$1,561,200	\$0	\$1,561,200	\$1,609,900	\$0	\$1,609,900
<b>Total Budget</b>	<b>\$1,509,900</b>	<b>\$1,561,200</b>	<b>\$0</b>	<b>\$1,561,200</b>	<b>\$1,609,900</b>	<b>\$0</b>	<b>\$1,609,900</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>3.1%</b>

**ECONOMIC DEVELOPMENT AND HUMAN RESOURCES**

	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
<b>COMMUNITY AND ECONOMIC DEVELOPMENT FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
51	\$40,963,400	\$34,527,700	\$3,655,000	\$0	\$2,096,200	(\$5,980,400)	\$75,167,000
52	(10,799,000)	0	0	0	(820,000)	0	(11,619,000)
53	44,200	0	0	0	0	0	44,200
54	(31,200)	0	0	0	0	0	(31,200)
55	(800)	0	0	0	0	0	(800)
56	0	1,861,300	(282,300)	0	8,900	4,185,000	5,772,900
Total Beginning Base Budget - DCCD							
	<b>30,176,600</b>	<b>36,314,000</b>	<b>3,352,700</b>	<b>0</b>	<b>1,285,200</b>	<b>(1,795,400)</b>	<b>69,333,100</b>
Statewide Ongoing Adjustments							
57	4,400	900	300	0	100	0	5,700
58	213,300	37,600	23,900	0	3,500	13,600	291,900
	<i>Subtotal Statewide Ongoing Adjustments - DCCD</i>	<i>217,700</i>	<i>24,200</i>	<i>0</i>	<i>3,600</i>	<i>13,600</i>	<i>297,600</i>
Ongoing Adjustments							
59	0	0	0	0	450,000	0	450,000
610	(232,400)	0	0	0	0	0	(232,400)
611	232,400	0	0	0	0	0	232,400
	<i>Subtotal Ongoing Adjustments - DCCD</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>450,000</i>	<i>0</i>	<i>450,000</i>
Total FY 2004 DCCD Adjustments							
	<b>217,700</b>	<b>38,500</b>	<b>24,200</b>	<b>0</b>	<b>453,600</b>	<b>13,600</b>	<b>747,600</b>
Total FY 2004 DCCD Operating Budget							
	<b>\$30,394,300</b>	<b>\$36,352,500</b>	<b>\$3,376,900</b>	<b>\$0</b>	<b>\$1,738,800</b>	<b>(\$1,781,800)</b>	<b>\$70,080,700</b>
<b>COMMUNITY AND ECONOMIC DEVELOPMENT FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
Supplements   Adjustments							
612	\$0	\$0	\$0	\$0	\$75,000	\$0	\$75,000
613	0	99,400	0	0	0	0	99,400
	<i>Subtotal Supplemental Adjustments - DCCD</i>	<i>99,400</i>	<i>0</i>	<i>0</i>	<i>75,000</i>	<i>0</i>	<i>174,400</i>
Total FY 2003 DCCD Budget Adjustments							
	<b>\$0</b>	<b>\$99,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75,000</b>	<b>\$0</b>	<b>\$174,400</b>
<b>COMMUNITY AND ECONOMIC DEVELOPMENT FY 2004 CAPITAL BUDGET</b>							
Base Budget							
614	\$0	\$0	\$0	\$0	\$0	\$0	\$2,003,800
615	0	0	0	0	0	0	(393,900)
Total FY 2004 DCCD Capital Budget							
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,609,900</b>
Total FY 2004 DCCD Capital Budget							
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,609,900</b>

**ECONOMIC DEVELOPMENT AND HUMAN RESOURCES - CONTINUED**

	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
<b>UTAH STATE FAIR CORPORATION FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
516	\$358,500	\$0	\$3,733,900	\$0	\$0	\$208,500	\$4,300,900
517	0	0	203,200	0	0	77,500	280,700
Adjustments to estimate for non-state funding levels							
Total Beginning Base Budget - State Fair Corporation							
	358,500	0	3,936,900	0	0	285,600	4,581,000
Total FY 2004 State Fair Corporation Operating Budget							
	\$358,500	\$0	\$3,936,900	\$0	\$0	\$285,600	\$4,581,000
<b>HUMAN RESOURCE MANAGEMENT FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
518	\$2,908,600	\$0	\$283,000	\$0	\$0	\$80,000	\$3,271,600
519	80,000	0	0	0	0	(80,000)	0
520	9,200	0	0	0	0	0	9,200
521	(34,400)	0	0	0	0	0	(34,400)
522	(200)	0	0	0	0	0	(200)
523	0	0	60,000	0	0	0	60,000
Retirement funding allocation from Division of Finance to agencies							
Adjustment to estimate for non-state funding levels							
Total Beginning Base Budget - DHRM							
	2,963,200	0	343,000	0	0	0	3,306,200
Statewide Ongoing Adjustments							
524	7,000	0	0	0	0	0	7,000
525	44,900	0	0	0	0	0	44,900
526	51,900	0	0	0	0	0	51,900
Benefit rate adjustments							
Subtotal: Statewide Ongoing Adjustments - DHRM							
Total FY 2004 DHRM Adjustments							
	51,900	0	0	0	0	0	51,900
Total FY 2004 DHRM Operating Budget							
	\$3,015,100	\$0	\$343,000	\$0	\$0	\$0	\$3,358,100
<b>CAREER SERVICE REVIEW BOARD FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
526	\$166,600	\$0	\$0	\$0	\$0	\$0	\$166,600
527	400	0	0	0	0	0	400
Adjustment for extra working day							
Total Beginning Base Budget - CSRB							
	167,000	0	0	0	0	0	167,000
Statewide Ongoing Adjustments							
528	2,600	0	0	0	0	0	2,600
529	2,600	0	0	0	0	0	2,600
Benefit rate adjustments							
Subtotal: Statewide Ongoing Adjustments - CSRB							
Total FY 2004 CSRB Adjustments							
	2,600	0	0	0	0	0	2,600
Total FY 2004 CSRB Operating Budget							
	\$169,600	\$0	\$0	\$0	\$0	\$0	\$169,600

**ECONOMIC DEVELOPMENT AND HUMAN RESOURCES - CONTINUED**

	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
<b>UTAH RETIREMENT BOARD/PUBLIC EMPLOYEES HEALTH PLANS FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget	\$0	\$0	\$12,706,600	\$0	\$39,869,300	\$0	\$52,575,900
FY 2003 budget	\$0	\$0	\$12,706,600	\$0	\$39,869,300	\$0	\$52,575,900
Total Beginning Base Budget - Utah Retirement Board	0	0	12,706,600	0	39,869,300	0	52,575,900
Ongoing Adjustments							
570 Investment advisor fees and security handling fees	0	0	0	0	2,234,000	0	2,234,000
571 Other fees	0	0	72,200	0	105,900	0	178,200
572 Professional services	0	0	28,600	0	0	0	28,600
577 Contractual services	0	0	10,000	0	0	0	10,000
Subtotal Ongoing Adjustments - Utah Retirement Board	0	0	110,900	0	2,439,900	0	2,550,800
Total FY 2004 Utah Retirement Board Adjustments	0	0	110,900	0	2,439,900	0	2,550,800
Total FY 2004 Utah Retirement Board Operating Budget	\$0	\$0	\$12,817,500	\$0	\$42,309,200	\$0	\$55,126,700
<b>ECONOMIC DEVELOPMENT AND HUMAN RESOURCES TOTALS</b>							
FY 2004 Operating Beginning Base Budget	\$33,665,300	\$36,314,000	\$20,339,200	\$0	\$41,154,500	(\$1,509,800)	\$129,963,200
FY 2004 Operating Ongoing and One-time Adjustments	272,200	38,500	135,100	0	2,893,500	13,600	3,352,900
FY 2004 Operating Recommendation	33,937,500	36,352,500	20,474,300	0	44,048,000	(1,496,200)	133,316,100
FY 2003 Operating Adjustments	0	99,400	0	0	75,000	0	174,400
FY 2004 Capital Base Budget	0	0	0	1,609,900	0	0	1,609,900
FY 2004 Capital Recommendation	0	0	0	1,609,900	0	0	1,609,900



## ELECTED OFFICIALS

*Elected officials consists of the offices of the governor, lieutenant governor, attorney general, state auditor, and state treasurer.*

### GOVERNOR'S RECOMMENDATIONS

#### Attorney General

##### *General Fund*

- Appropriate \$240,000 one time in FY 2004 and a \$100,000 supplemental for FY 2003 to fund the *David C.* litigation team.

#### Governor's Office

##### *Restricted Funds*

- Provide a supplemental appropriation of \$130,000 from the Sports Authority Restricted Revenue Fund to the State Olympic Officer.

### FY 2003 PROPOSED LEGISLATIVE INTENT

- Funds appropriated to the Attorney General for representing the state in the *David C.* lawsuit are nonlapsing and are to be used solely for representing the state in the *David C.* lawsuit.

### FY 2004 PROPOSED LEGISLATIVE INTENT

#### *Governor's Office*

- Funds for the Governor's Office are nonlapsing.
- Funds for the State Elections Office are nonlapsing.
- Funds for the Governor's Emergency Fund are nonlapsing.

- Funds for RS 2477 Rights of Way are nonlapsing.

- Funds expended from the RS 2477 fund are to be used for litigation designed to quiet title to existing rights of way established before 1976 under RS 2477 guidelines. The governor or his designee shall present a report to the legislature during each general session detailing activities funded within this line item.

- The Governor's Office - RS 2477 Rights of Way program shall provide the Department of Natural Resources up to \$150,000 from the appropriation the program receives from the Constitutional Defense Restricted Account to pay legal costs associated with public lands issues other than those directly associated with the RS 2477 Rights of Way program. The Department of Natural Resources shall provide consultation to the Office of the Governor on these issues.

- Funds for the Governor's Office of Planning and Budget are nonlapsing.

- Funds for the Commission on Criminal and Juvenile Justice are nonlapsing.

#### *State Auditor*

- Funds for the State Auditor are nonlapsing.

#### *State Treasurer*

- Funds for the State Treasurer are nonlapsing.

*Attorney General*

- Funds for the Attorney General's Office are nonlapsing.
- Funds for Contract Attorneys are nonlapsing.
- Funds for the Children's Justice Centers are nonlapsing.
- Funds for the Prosecution Council are nonlapsing.
- Funds for the prevention of domestic violence are nonlapsing.
- Funds for the Obscenity and Pornography Ombudsman are nonlapsing.
- Funds appropriated to the Attorney General for representing the state in the *David C.* lawsuit are nonlapsing and are to be used solely for representing the state in the *David C.* lawsuit.

**ELECTED OFFICIALS**  
Operating Budget

	Governor Leavitt's Recommendations					
	Actual FY 2002	Authorized FY 2003 <sup>(a)</sup>	Elected Officials' Request FY 2004	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>Plan of Financing</b>						
General Fund	\$31,676,300	\$28,373,000	\$27,835,900	\$27,835,900	\$728,400	\$28,564,300
Federal Funds	13,944,100	16,890,500	16,924,600	16,924,600	16,600	16,941,200
Declarated Credits	13,866,000	13,252,600	12,972,000	12,852,000	209,600	13,061,600
Restricted and Trust Funds	4,921,500	7,202,000	6,598,600	6,598,600	63,100	6,661,700
Transfers	1,278,600	37,200	37,200	37,200	3,200	40,400
Beginning Balances	10,697,000	6,753,200	900,000	900,000	0	900,000
Closing Balances	(6,753,200)	(900,000)	(152,000)	(152,000)	0	(152,000)
Lapsing Funds	(135,900)	0	0	0	0	0
<b>Total Financing</b>	<b>\$69,494,400</b>	<b>\$71,608,500</b>	<b>\$65,116,300</b>	<b>\$64,996,300</b>	<b>\$1,020,900</b>	<b>\$66,017,200</b>
<b>Programs</b>						
<b>Elected Officials</b>						
Attorney General	\$32,843,400	\$32,911,800	\$32,651,400	\$32,651,400	\$767,000	\$33,418,400
Auditor	3,497,500	3,578,600	3,449,400	3,449,400	72,900	3,522,300
Governor	30,919,700	32,675,800	26,822,200	26,702,200	143,700	26,845,900
Treasurer	2,233,800	2,442,300	2,193,300	2,193,300	37,300	2,230,600
<b>Total Budget</b>	<b>\$69,494,400</b>	<b>\$71,608,500</b>	<b>\$65,116,300</b>	<b>\$64,996,300</b>	<b>\$1,020,900</b>	<b>\$66,017,200</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>						<b>(7.8%)</b>
FTE Positions	--	576.8	576.8	576.8	0.0	576.8

(a) In addition to the amount listed in the Authorized FY 2003 column, Governor Leavitt recommends \$130,000 from the Sports Authority Revenue Restricted Fund for the State Olympic Officer. The governor also recommends \$100,000 from the General Fund to the Attorney General for David C. litigation costs.

**ELECTED OFFICIALS**

	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>ATTORNEY GENERAL FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
F1	\$18,323,800	\$0	\$1,073,100	\$11,465,900	\$1,358,500	\$156,900	\$32,378,200
F2	(600,200)	0	0	0	0	0	(600,200)
F3	(15,200)	0	0	0	0	0	(15,200)
F4	(11,100)	0	0	0	0	0	(11,100)
F5	52,800	0	0	0	3,500	0	56,300
F6	0	0	167,200	149,900	(254,000)	780,300	843,400
Total Beginning Base Budget - Attorney General	<b>17,750,100</b>	<b>0</b>	<b>1,240,300</b>	<b>11,615,800</b>	<b>1,108,000</b>	<b>937,200</b>	<b>32,651,400</b>
Statewide Ongoing Adjustments							
F7	24,100	0	0	0	0	0	24,100
F8	271,600	0	12,100	207,000	9,000	3,200	502,900
	295,700	0	12,100	207,000	9,000	3,200	527,000
One-time Adjustments							
F9	240,000	0	0	0	0	0	240,000
	240,000	0	0	0	0	0	240,000
Total FY 2004 Attorney General Adjustments	<b>535,700</b>	<b>0</b>	<b>12,100</b>	<b>207,000</b>	<b>9,000</b>	<b>3,200</b>	<b>767,000</b>
Total FY 2004 Attorney General Operating Budget	<b>\$18,285,800</b>	<b>\$0</b>	<b>\$1,252,400</b>	<b>\$11,822,800</b>	<b>\$1,117,000</b>	<b>\$940,400</b>	<b>\$33,418,400</b>
<b>ATTORNEY GENERAL FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
Supplemental Adjustments							
F10	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000
	100,000	0	0	0	0	0	100,000
Total FY 2003 Attorney General Budget Adjustments	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>
<b>AUDITOR FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
F11	\$2,251,000	\$0	\$0	\$690,000	\$0	\$0	\$3,441,000
F12	10,800	0	0	0	0	0	10,800
F13	(2,200)	0	0	0	0	0	(2,200)
F14	(200)	0	0	0	0	0	(200)
Total Beginning Base Budget - Auditor	<b>2,759,400</b>	<b>0</b>	<b>0</b>	<b>690,000</b>	<b>0</b>	<b>0</b>	<b>3,449,400</b>

**ELECTED OFFICIALS - CONTINUED**

	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
Statewide Ongoing Adjustments							
F15 Internal service fund adjustments	11,900	0	0	0	0	0	11,900
F16 Benefits adjustments	59,700	0	0	1,300	0	0	61,000
Subtotal Statewide Ongoing Adjustments - Auditor	71,600	0	0	1,300	0	0	72,900
Total FY 2004 Auditor Adjustments	71,600	0	0	1,300	0	0	72,900
Total FY 2004 Auditor Operating Budget	\$2,831,000	\$0	\$0	\$691,300	\$0	\$0	\$3,522,300
<b>GOVERNOR FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
F17 FY 2003 appropriated budget	\$6,528,600	\$0	\$15,219,200	\$277,900	\$4,683,500	\$536,400	\$27,245,600
F18 Less one-time FY 2003 appropriations	122,000	0	0	0	(363,300)	0	(241,300)
F19 IT reduction allocation	(41,200)	0	0	0	0	0	(41,200)
F20 Adjustment for extra working day	14,900	0	0	0	7,700	0	22,600
F21 Retirement funding allocation from Division of Finance to agencies	(300)	0	0	0	(100)	0	(400)
F22 Program transfers	(140,000)	0	0	0	0	0	(140,000)
F23 Adjustments to estimates for non-state funding levels	0	0	465,100	80,200	0	(688,400)	(143,100)
Total Beginning Base Budget - Governor	6,484,000	0	15,684,300	358,100	4,327,800	(152,000)	26,702,200
Statewide Ongoing Adjustments							
F24 Internal service fund adjustments	9,600	0	0	0	6,200	0	15,800
F25 Benefits adjustments	92,700	0	4,500	0	30,700	0	127,900
Subtotal Statewide Ongoing Adjustments - Governor	102,300	0	4,500	0	36,900	0	143,700
Total FY 2004 Governor Adjustments	102,300	0	4,500	0	36,900	0	143,700
Total FY 2004 Governor Operating Budget	\$6,586,300	\$0	\$15,688,800	\$358,100	\$4,364,700	(\$152,000)	\$26,845,900
<b>GOVERNOR FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
Supplemental Adjustments							
F26 Sports Authority Restricted Revenue	\$0	\$0	\$0	\$0	\$130,000	\$0	\$130,000
Subtotal Supplemental Adjustments - Governor	0	0	0	0	130,000	0	130,000
Total FY 2003 Governor Budget Adjustments	\$0	\$0	\$0	\$0	\$130,000	\$0	\$130,000

**ELECTED OFFICIALS - CONTINUED**

	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>TREASURER FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
F27 FY 2003 appropriated budget	\$841,400	\$0	\$0	\$188,200	\$1,160,100	\$0	\$2,189,700
F28 IT reduction allocation	(1,600)	0	0	0	0	0	(1,600)
F29 Adjustment for extra working day	2,600	0	0	0	2,700	0	5,300
F30 Adjustment to estimates for non-state funding levels	0	0	0	(100)	0	0	(100)
Total Beginning Base Budget - Treasurer	<b>842,400</b>	<b>0</b>	<b>0</b>	<b>188,100</b>	<b>1,162,800</b>	<b>0</b>	<b>2,193,300</b>
Statewide Ongoing Adjustments							
F11 Internal service fund adjustments	4,400	0	0	0	700	0	5,100
F12 Benefits adjustments	14,400	0	0	1,300	16,500	0	32,200
Subtotal Statewide Ongoing Adjustments - Treasurer	<b>18,800</b>	<b>0</b>	<b>0</b>	<b>1,300</b>	<b>17,200</b>	<b>0</b>	<b>37,300</b>
Total FY 2004 Treasurer Adjustments	<b>18,800</b>	<b>0</b>	<b>0</b>	<b>1,300</b>	<b>17,200</b>	<b>0</b>	<b>37,300</b>
Total FY 2004 Treasurer Operating Budget	<b>\$861,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$189,400</b>	<b>\$1,180,000</b>	<b>\$0</b>	<b>\$2,230,600</b>
<b>ELECTED OFFICIALS TOTALS</b>							
FY 2004 Operating Base Budget	\$27,855,900	\$0	\$16,924,600	\$12,852,000	\$6,598,600	\$785,200	\$64,996,300
FY 2004 Operating Ongoing and One-time Adjustments	728,400	0	16,600	209,600	63,100	3,200	1,020,900
FY 2004 Operating Recommendations	28,564,300	0	16,941,200	13,061,600	6,661,700	788,400	66,017,200
FY 2003 Operating Adjustments	100,000	0	0	0	130,000	0	230,000



## ENVIRONMENTAL QUALITY

Mission: *Safeguard human health and quality of life by protecting and enhancing the environment.*

### GOVERNOR'S RECOMMENDATIONS

#### *Restricted Funds*

- Increase funding from the Voluntary Cleanup Fund by \$389,600 for FY 2003 and by \$500,000 in ongoing funds for FY 2004. Participation in the cleanup program has grown steadily necessitating an increased appropriation.
- Reverse the \$400,000 FY 2003 appropriation from the Environmental Quality Restricted Account to the Hazardous Substances Mitigation Fund due to depleting funds in the restricted account.

### FY 2004 PROPOSED LEGISLATIVE INTENT

- Funds appropriated for the purpose of addressing high-level nuclear waste are nonlapsing.
- Any unexpended groundwater permit administration fees are nonlapsing and authorized for use in the groundwater permit administration

program in the following fiscal year to reduce the fees charged.

- Any unexpended funds in the Air Operating Permit program are nonlapsing and authorized for use in the Air Operating Permit program in FY 2004 to reduce emission fees.
- Funding currently earmarked within the Hazardous Substance Mitigation Fund for Sharon Steel, Midvale Slag state match is authorized for use by the department as a match for sites required to have state match under the federal Comprehensive Environmental Response, Compensation, and Liability Act (superfund) and in accordance with the provisions of Section 19-6-307(c), UCA.
- Funding for a full-time attorney to recover Petroleum Storage Tank trust funds and Petroleum Storage Tank cleanup funds is to be ongoing. The department will present information to the legislature each year indicating the amount of the appropriation versus the amount of money recovered.

**ENVIRONMENTAL QUALITY**

Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$10,887,500	\$9,952,300	\$0	\$9,952,300	\$9,748,500	\$166,300	\$9,914,800
Federal Funds	14,166,700	15,639,100	0	15,639,100	14,875,600	153,400	15,031,000
Dedicated Credits	7,120,500	6,587,700	0	6,587,700	6,581,300	86,300	6,667,800
Restricted and Trust Funds	8,228,400	8,705,300	(10,400)	8,694,900	7,951,600	703,900	8,657,500
Transfers	216,700	291,700	0	291,700	196,700	3,200	199,900
Beginning Balances	1,822,000	1,841,300	0	1,841,300	996,500	0	996,500
Closing Balances	(1,841,300)	(996,500)	0	(996,500)	(68,900)	0	(68,900)
Lapsing Funds	(1,898,900)	(168,700)	0	(168,700)	0	0	0
<b>Total Financing</b>	<b>\$38,701,600</b>	<b>\$41,852,200</b>	<b>(\$10,400)</b>	<b>\$41,841,800</b>	<b>\$40,281,300</b>	<b>\$1,117,300</b>	<b>\$41,398,600</b>
<b>Programs</b>							
<b>Environmental Quality</b>							
Executive Director	\$5,018,600	\$5,555,300	\$0	\$5,555,300	\$4,271,300	\$50,200	\$4,321,500
Air Quality	8,224,900	8,929,000	0	8,929,000	8,219,900	128,700	8,348,600
Drinking Water	3,498,700	3,550,200	0	3,550,200	3,584,200	48,700	3,632,900
Environ. Response Remediation	5,809,300	5,941,000	389,600	6,330,600	5,952,900	675,100	6,628,000
Radiation	2,155,000	2,131,200	0	2,131,200	2,599,700	37,100	2,636,800
Solid and Hazardous Waste	5,697,900	6,240,700	0	6,240,700	6,336,400	90,300	6,426,900
Water Quality	7,897,200	9,104,800	0	9,104,800	9,316,900	87,000	9,403,900
Hazardous Substances Mitigation Fund	400,000	400,000	(400,000)	0	0	0	0
<b>Total Budget</b>	<b>\$38,701,600</b>	<b>\$41,852,200</b>	<b>(\$10,400)</b>	<b>\$41,841,800</b>	<b>\$40,281,300</b>	<b>\$1,117,300</b>	<b>\$41,398,600</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>(1.1%)</b>
FTE Positions	--	421.8	0.0	421.8	421.8	0.0	421.8

# ENVIRONMENTAL QUALITY

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>ENVIRONMENTAL QUALITY FY 2004 OPERATING BUDGET</b>						
<b>Beginning Base Budget</b>						
G1	\$9,972,600	\$15,558,100	\$6,345,800	\$8,705,600	\$1,115,100	\$41,697,200
G2	(250,000)	0	0	(919,400)	0	(1,169,400)
G3	(19,800)	0	0	0	0	(19,800)
G4	35,000	28,000	14,300	17,800	600	95,700
G5	(500)	0	0	(300)	0	(800)
G6	11,200	0	0	0	0	11,200
G7	0	(710,500)	221,200	147,900	8,600	(332,800)
	<b>9,748,500</b>	<b>14,875,600</b>	<b>6,581,300</b>	<b>7,951,600</b>	<b>1,124,300</b>	<b>40,281,300</b>
<b>Statewide Ongoing Adjustments</b>						
G8	5,800	5,400	3,000	4,200	0	18,400
G9	160,500	150,000	83,500	114,500	3,200	511,700
	<i>Subtotal Statewide Ongoing Adjustments - Environmental Quality</i>	<i>255,400</i>	<i>86,500</i>	<i>118,700</i>	<i>3,200</i>	<i>530,100</i>
<b>Ongoing Adjustments</b>						
G10	0	0	0	87,200	0	87,200
G11	0	0	0	500,000	0	500,000
	<i>Subtotal Ongoing Adjustments - Environmental Quality</i>	<i>0</i>	<i>0</i>	<i>587,200</i>	<i>0</i>	<i>587,200</i>
	<b>166,300</b>	<b>155,400</b>	<b>86,500</b>	<b>765,900</b>	<b>3,200</b>	<b>1,117,300</b>
	<b>\$9,914,800</b>	<b>\$15,031,000</b>	<b>\$6,667,800</b>	<b>\$8,657,500</b>	<b>\$1,127,500</b>	<b>\$41,398,600</b>
<b>ENVIRONMENTAL QUALITY FY 2003 OPERATING BUDGET ADJUSTMENTS</b>						
<b>Supplemental Adjustments</b>						
G12	\$0	\$0	\$0	\$389,600	\$0	\$389,600
G13	0	0	0	(400,000)	0	(400,000)
	<i>Subtotal Supplemental Adjustments - Environmental Quality</i>	<i>0</i>	<i>0</i>	<i>(10,400)</i>	<i>0</i>	<i>(10,400)</i>
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,400)</b>	<b>\$0</b>	<b>(\$10,400)</b>
<b>ENVIRONMENTAL QUALITY TOTALS</b>						
	<b>\$9,748,500</b>	<b>\$14,875,600</b>	<b>\$6,581,300</b>	<b>\$7,951,600</b>	<b>\$1,124,300</b>	<b>\$40,281,300</b>
	<b>166,300</b>	<b>155,400</b>	<b>86,500</b>	<b>765,900</b>	<b>3,200</b>	<b>1,117,300</b>
	<b>9,914,800</b>	<b>15,031,000</b>	<b>6,667,800</b>	<b>8,657,500</b>	<b>1,127,500</b>	<b>41,398,600</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>(10,400)</b>	<b>0</b>	<b>(10,400)</b>



# HEALTH

Mission: *Protect the public's health by 1) preventing avoidable disease, injury, disability, and premature death; 2) assuring access to affordable, quality health care; 3) promoting healthy lifestyles and documenting health events; and, 4) monitoring and analyzing health trends.*

## GOVERNOR'S RECOMMENDATIONS

### General Fund

- Provide \$1,351,500 in ongoing funds for Early Intervention program services for 300 additional infants and children with disabilities and developmental delay.
- Fund Medicaid utilization and caseload growth, less the federal match rate change, with \$15,048,500 in ongoing General Fund and \$65,853,200 in ongoing other funds. Utah received a favorable match rate change requiring fewer state funds to draw down federal funds.
- Replace one-time FY 2003 savings achieved by shifting Medicaid clients from HMOs to a fee-for-service system with \$7,000,000 in ongoing General Fund and \$17,079,800 in ongoing federal funds.
- Provide \$1,573,000 in ongoing funds to replace one-time funding from the Medicaid Restricted Account for physical therapy, vision care, and other Medicaid costs.
- Provide \$5,136,300 in ongoing General Fund and \$15,571,800 in ongoing other funds to provide the Medicaid Pharmacy program with an increase for inflation.

### Other Funds

- Provide \$135,700 from the Medicaid Restricted Account and \$1,221,300 in federal funds as a supplemental to implement the federal Health Insurance Portability and Accountability Act (HIPAA).

## FY 2003 PROPOSED LEGISLATIVE INTENT

- Funds for the Medicaid program's compliance with HIPAA are nonlapsing.

## FY 2004 PROPOSED LEGISLATIVE INTENT

- Fees collected for the purpose of plan reviews by the Bureau of Licensing are nonlapsing.
- Funds for the Primary Care Health Grants are nonlapsing.
- Funds from the Tobacco Settlement Restricted Account are nonlapsing.
- Funds from the Cigarette Tobacco Tax are nonlapsing.
- Funds for the Utah Health Care Work Force Program are nonlapsing.
- Civil money penalties collected for child care and health care provider violations are nonlapsing.

**HEALTH**

Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$218,847,400	\$231,560,500	\$0	\$231,560,500	\$234,267,100	\$30,544,600	\$264,811,700
Federal Funds	805,534,700	876,262,700	1,221,300	877,484,000	895,516,600	89,777,900	985,294,500
Dedicated Credits	103,592,400	105,439,600	0	105,439,600	105,628,400	8,215,100	113,843,500
Restricted and Trust Funds	16,385,000	16,483,500	135,700	16,619,200	15,307,300	26,200	15,333,500
Transfers	88,619,400	95,128,100	0	95,128,100	100,571,400	1,304,100	101,875,500
Beginning Balances	8,031,900	2,038,800	0	2,038,800	2,567,600	0	2,567,600
Closing Balances	(2,038,800)	(2,567,600)	0	(2,567,600)	(1,966,700)	0	(1,966,700)
Lapsing Funds	(55,900)	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$1,238,916,100</b>	<b>\$1,324,345,600</b>	<b>\$1,357,000</b>	<b>\$1,325,702,600</b>	<b>\$1,351,891,700</b>	<b>\$129,867,900</b>	<b>\$1,481,759,600</b>
<b>Programs</b>							
<b>Health</b>							
Executive Director	\$13,089,500	\$21,309,300	\$1,357,000	\$22,666,300	\$15,067,200	(\$199,700)	\$14,867,500
Health Systems Improvement	13,427,300	14,041,600	0	14,041,600	13,813,600	138,000	13,951,600
Epidemiology and Lab Services	15,112,400	15,324,800	0	15,324,800	14,093,100	130,400	14,223,500
Community and Family Health	85,305,300	96,255,600	0	96,255,600	95,300,800	1,661,800	96,962,600
Health Care Financing	78,860,900	80,431,200	0	80,431,200	79,913,800	810,300	80,724,100
Medical Assistance	1,000,890,000	1,065,166,700	0	1,065,166,700	1,101,879,500	127,311,600	1,229,191,100
Children's Health Insurance	30,144,800	29,730,700	0	29,730,700	29,738,000	15,500	29,753,500
Local Health Departments	2,085,700	2,085,700	0	2,085,700	2,085,700	0	2,085,700
<b>Total Budget</b>	<b>\$1,238,916,100</b>	<b>\$1,324,345,600</b>	<b>\$1,357,000</b>	<b>\$1,325,702,600</b>	<b>\$1,351,891,700</b>	<b>\$129,867,900</b>	<b>\$1,481,759,600</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>11.9%</b>
FTE Positions	--	1,244.3	0.0	1,244.3	1,233.0	0.0	1,233.0

**HEALTH**

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>HEALTH FY 2004 OPERATING BUDGET</b>						
<b>Beginning Base Budget</b>						
HZ	FY 2003 appropriated budget	\$231,712,600	\$813,305,300	\$69,905,300	\$16,483,700	\$1,216,785,200
HZ	Less one-time FY 2003 appropriations	2,900,000	0	0	(190,000)	2,710,000
HZ	IT reduction allocation	(150,400)	0	0	0	(150,400)
HZ	Adjustment for extra working day	95,000	0	0	5,600	100,600
HZ	Retirement funding allocation from Division of Finance to agencies	(1,700)	0	0	(200)	(1,900)
HZ	Transfers (Environmental Quality, Human Services)	(288,400)	0	0	0	(288,400)
HZ	Adjustments to estimates for non-state funding levels	0	82,011,300	35,723,100	(991,800)	132,736,600
	<b>Total Beginning Base Budget - Health</b>	<b>234,267,100</b>	<b>895,316,600</b>	<b>105,628,400</b>	<b>15,307,300</b>	<b>1,351,891,700</b>
<b>Statewide Ongoing Adjustments</b>						
HZ	Internal service fund adjustments	(37,400)	20,900	2,700	1,100	(18,200)
HZ	Benefit rate adjustments	472,700	579,000	95,800	25,100	1,272,600
	<i>Subtotal Statewide Ongoing Adjustments - Health</i>	<i>435,300</i>	<i>599,900</i>	<i>98,500</i>	<i>26,200</i>	<i>1,253,800</i>
<b>Ongoing Adjustments</b>						
HZ0	Medicaid new case load growth and utilization	19,340,600	54,544,400	5,693,700	0	80,901,700
HZ1	Replace one-time funding from Medicaid HMO savings	7,000,000	17,079,800	0	0	24,079,800
HZ2	Replace one-time funding from Medicaid Restricted Account	1,573,000	0	0	0	1,573,000
HZ3	Medicaid inflation for Pharmacy	5,136,300	11,343,700	3,946,900	0	20,708,100
HZ4	Change in federal Medicaid match rate	(4,292,100)	6,210,100	(1,524,000)	0	0
HZ5	Maintenance of Baby Watch/Early Intervention	1,351,300	0	0	0	1,351,300
	<i>Subtotal Ongoing Adjustments - Health</i>	<i>30,109,300</i>	<i>80,178,000</i>	<i>8,116,600</i>	<i>0</i>	<i>128,614,100</i>
	<b>Total FY 2004 Health Adjustments</b>	<b>30,544,600</b>	<b>89,777,900</b>	<b>8,215,100</b>	<b>26,200</b>	<b>139,867,900</b>
	<b>Total FY 2004 Health Operating Budget</b>	<b>\$264,811,700</b>	<b>\$985,294,500</b>	<b>\$113,843,500</b>	<b>\$16,333,500</b>	<b>\$1,481,759,600</b>

**HEALTH - CONTINUED**

<b>HEALTH FY 2003 OPERATING BUDGET ADJUSTMENTS</b>						
<b>Supplemental Adjustments</b>						
	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
FY 2003 Health Insurance Portability and Accountability Act <sup>(a)</sup>	\$0	\$1,221,300	\$0	\$135,700	\$0	\$1,357,000
Subtotal Supplemental Adjustments - Health	0	1,221,300	0	135,700	0	1,357,000
<b>Total FY 2003 Health Budget Adjustments</b>	<b>\$0</b>	<b>\$1,221,300</b>	<b>\$0</b>	<b>\$135,700</b>	<b>\$0</b>	<b>\$1,357,000</b>
<b>HEALTH TOTALS</b>						
FY 2004 Operating Base Budget	\$234,267,100	\$895,516,600	\$105,628,400	\$15,307,500	\$101,172,300	\$1,351,891,700
FY 2004 Operating Ongoing and One-time Adjustments	30,544,600	89,777,900	8,215,100	26,200	1,304,100	129,867,900
FY 2004 Operating Recommendation	264,811,700	985,294,500	113,843,500	15,333,800	102,476,400	1,481,759,600
<b>FY 2003 Operating Adjustments</b>	<b>0</b>	<b>1,221,300</b>	<b>0</b>	<b>135,700</b>	<b>0</b>	<b>1,357,000</b>

(a) This item is one-time funding from the Medicaid Restricted Account.



## HIGHER EDUCATION

Mission: *Provide high quality academic, professional, and applied technology learning opportunities designed to advance the intellectual, cultural, social, and economic well-being of the state and its people.*

### GOVERNOR'S RECOMMENDATIONS

#### Utah System of Higher Education

##### *General Fund*

- Provide the State Board of Regents with an ongoing block grant of \$16,339,500 to be distributed in accordance with board priorities, including benefit adjustments.
- Continue the state's engineering initiative with an ongoing appropriation of \$2,000,000.
- Provide a \$50,000 supplemental to address FY 2003 deficiencies in funds for New Century scholarships.
- Appropriate \$125,000 in ongoing funds to meet obligations to students who qualify for New Century scholarships.
- Provide \$153,100 in ongoing funds to the Utah Education Network for benefit adjustments.

##### *Dedicated Credits*

- Appropriate \$8,187,600 in ongoing funds to reflect additional tuition generated by an estimated increase of 4,500 full-time equivalent students at state colleges and universities.
- Allocate \$10,925,900 generated by a first-tier tuition increase of 4.5 percent to support need-based student aid, provide a partial match (offset) for an increase in state funds, and meet other system needs.

#### Utah College of Applied Technology

##### *School Funds*

- Support estimated growth of 4.0 percent in student hours with an ongoing appropriation of \$890,000.
- Provide \$587,700 in ongoing funds for benefit adjustments.

##### *Dedicated Credits*

- Allocate \$175,000 in ongoing funds from tuition and fees as an offset for an increase in state school funds.

**HIGHER EDUCATION**

Operating Budget

	Governor Leavitt's Recommendations						
	Actual FY 2002	Authorized FY 2003	Supplementals	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>Plan of Financing</b>							
General Fund	\$516,561,100	\$550,742,000	\$50,000	\$550,792,000	\$550,415,600	\$18,917,100	\$569,332,700
School Funds	129,663,200	68,927,300	0	68,927,300	68,966,100	1,550,000	70,516,100
Federal Funds	7,450,700	8,988,700	0	8,988,700	8,988,700	2,200	8,990,900
Dedicated Credits	230,170,300	260,117,900	0	260,117,900	259,830,700	19,626,500	279,457,200
Mineral Lease	679,500	702,500	0	702,500	724,400	0	724,400
Restricted and Inst Funds	5,579,900	8,937,600	0	8,937,600	8,937,600	400	8,938,000
Transfers	(2,643,900)	3,324,400	0	3,324,400	186,900	0	186,900
Beginning Balances	46,588,100	48,479,400	0	48,479,400	51,616,900	0	51,616,900
Closing Balances	(48,479,400)	(51,616,900)	0	(51,616,900)	(51,616,900)	0	(51,616,900)
<b>Total Financing</b>	<b>\$885,569,500</b>	<b>\$898,602,900</b>	<b>\$50,000</b>	<b>\$898,652,900</b>	<b>\$898,050,000</b>	<b>\$40,096,200</b>	<b>\$938,146,200</b>
<b>Programs</b>							
<b>Higher Education</b>							
University of Utah	\$293,597,800	\$303,916,100	\$0	\$303,916,100	\$304,084,100	\$8,129,500	\$312,213,600
Utah State University	171,519,800	176,610,700	0	176,610,700	176,632,600	3,110,700	179,743,300
Weber State University	81,942,500	84,611,600	0	84,611,600	84,611,600	2,316,800	86,928,400
Southern Utah University	35,800,700	37,142,200	0	37,142,200	37,016,300	389,500	37,405,800
Snow College	19,811,300	19,127,800	0	19,127,800	19,127,800	25,300	19,153,100
Dixie State College of Utah	21,951,900	22,777,300	0	22,777,300	22,627,300	416,600	23,043,900
College of Eastern Utah	14,326,100	14,452,500	0	14,452,500	14,452,500	227,600	14,680,100
Utah Valley State College	71,127,100	76,730,500	0	76,730,500	76,640,500	2,506,400	79,146,900
Salt Lake Community College	84,873,900	80,953,300	0	80,953,300	80,817,200	2,441,900	83,259,100
Regents/Statewide Programs	24,073,600	19,778,200	50,000	19,828,200	19,778,200	18,461,000	38,239,200
Subtotal Higher Education	819,024,700	836,100,200	50,000	836,150,200	835,768,100	38,025,300	873,793,400
<b>Utah Education Network</b>							
Operations	20,488,600	20,323,000	0	20,323,000	20,345,000	150,400	20,495,400
Subtotal Utah Education Network	20,488,600	20,323,000	0	20,323,000	20,345,000	150,400	20,495,400
<b>Utah College of Applied Technology</b>							
Operations	45,585,400	41,692,500	0	41,692,500	41,716,900	1,920,500	43,637,400
Subtotal College of Applied Tech.	45,585,400	41,692,500	0	41,692,500	41,716,900	1,920,500	43,637,400
<b>Medical Education Council</b>							
Operations	470,800	487,200	0	487,200	200,000	0	200,000
Subtotal Medical Ed. Council	470,800	487,200	0	487,200	200,000	0	200,000
<b>Total Budget</b>	<b>\$885,569,500</b>	<b>\$898,602,900</b>	<b>\$50,000</b>	<b>\$898,652,900</b>	<b>\$898,050,000</b>	<b>\$40,096,200</b>	<b>\$938,146,200</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>4.4%</b>

Note: FY 2002 actual data for SER were not received in time for inclusion. In addition, only preliminary FY 2002 actual data were received from CEU. For other than General Fund and school funds, therefore, FY 2002 numbers provided for the institutions are generally estimates based on appropriations. Also, FY 2002 actual data for the Uintah Basin, Southeast, Southeast, and Dixie ATCs were not received in time for inclusion. For other ATCs, the data received were not complete. As a result, FY 2002 ATC numbers for other than General Fund and school funds are sometimes estimates based primarily on financial reports submitted to the State Auditor.

**HIGHER EDUCATION**

Capital Budget

Governor Leavitt's Recommendations								
	Actual FY 2002	Authorized FY 2003	Supplementals FY 2003	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004	FY 2004 Bond
<b>Plan of Financing</b>								
Other Funds	(\$34,627,500)	\$0	\$0	\$0	\$0	\$600,000	\$600,000	\$0
<b>Total Financing</b>	<b>(\$34,627,500)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$600,000</b>	<b>\$600,000</b>	<b>\$0</b>
<b>Projects</b>								
UofU Huntsman Career Institute	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UofU engineering building remodel	5,000,000	0	0	0	0	0	0	0
Ogden/Weber ATC property acquisition	500,000	0	0	0	0	0	0	0
UBA/TC Vernal property acquisition	186,000	0	0	0	0	0	0	0
USU lab annual research center	0	0	0	0	0	600,000	600,000	0
Classroom Package (CEU, USU, UVSC) <sup>(a)</sup>	(44,813,500)	0	0	0	0	0	0	0
Snow College Performing Arts Design <sup>(a)</sup>	(500,000)	0	0	0	0	0	0	0
<b>Total Budget</b>	<b>(\$34,627,500)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$600,000</b>	<b>\$600,000</b>	<b>\$0</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>								

(a) Replaced cash appropriated in the 2001 General Session with bonds

HIGHER EDUCATION

	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>UTAH SYSTEM OF HIGHER EDUCATION FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
11	FY 2003 appropriated budget	\$19,286,200	\$4,593,700	\$255,435,700	\$8,937,600	\$724,400	\$886,122,100
12	Less one-time FY 2003 appropriations	0	0	0	0	0	(334,000)
	<b>Total Beginning Base Budget - USHE</b>	<b>19,286,200</b>	<b>4,593,700</b>	<b>255,435,700</b>	<b>8,937,600</b>	<b>724,400</b>	<b>885,788,100</b>
<b>Statewide Ongoing Adjustments</b>							
13	Internal service fund adjustments	10,300	2,700	136,400	400	0	447,300
	Subtotal Statewide Ongoing Adjustments - USHE	10,300	2,700	136,400	400	0	447,300
<b>Ongoing Adjustments</b>							
14	Block grant to Board of Regents	16,339,300	0	0	0	0	16,339,300
15	Need based student aid from 0.5 of 4.5 percent tuition increase	0	0	1,191,800	0	0	1,191,800
16	Remainder of the 4.5 percent 1st tier tuition increase	0	0	9,734,100	0	0	9,734,100
17	Increased tuition from about 4,500 FTEs new enrollment	0	0	8,187,600	0	0	8,187,600
18	Engineering initiative	2,000,000	0	0	0	0	2,000,000
19	New Century Scholarship program in awards	125,000	0	0	0	0	125,000
	Subtotal Ongoing Adjustments - USHE	18,464,300	0	19,113,500	0	0	37,577,800
	<b>Total FY 2004 USHE Adjustments</b>	<b>18,762,000</b>	<b>10,300</b>	<b>19,249,900</b>	<b>400</b>	<b>0</b>	<b>38,025,300</b>
	<b>Total FY 2004 USHE Operating Budget</b>	<b>\$565,572,500</b>	<b>\$19,296,500</b>	<b>\$274,685,600</b>	<b>\$8,938,000</b>	<b>\$724,400</b>	<b>\$873,813,400</b>
<b>UTAH SYSTEM OF HIGHER EDUCATION FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
110	Address deficiency in funding for New Century Scholarships	\$0	\$0	\$0	\$0	\$0	\$0,000
	Subtotal Supplemental Adjustments - USHE	0	0	0	0	0	0
	<b>Total FY 2003 USHE Budget Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0,000</b>
<b>UTAH SYSTEM OF HIGHER EDUCATION FY 2004 CAPITAL BUDGET</b>							
<b>Beginning Base Budget</b>							
111	FY 2003 appropriated budget	\$0	\$0	\$0	\$0	\$0	\$0
	<b>Total Beginning Base Capital Budget - USHE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>One-time Adjustments</b>							
112	UtU engineering building remodel	0	0	0	0	600,000	600,000
	Subtotal One-time Capital Adjustments - USHE	0	0	0	0	600,000	600,000
	<b>Total FY 2004 USHE Capital Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>600,000</b>	<b>600,000</b>
	<b>Total FY 2004 USHE Capital Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$600,000</b>	<b>\$600,000</b>
<b>UTAH EDUCATION NETWORK FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
113	FY 2003 appropriated budget	\$2,270,000	\$12,634,100	\$4,195,000	\$1,037,000	\$186,900	\$20,323,000
114	Adjustment for extra working day	7,600	14,400	0	0	0	22,000
	<b>Total Beginning Base Budget - Utah Education Network</b>	<b>2,277,600</b>	<b>12,648,500</b>	<b>4,195,000</b>	<b>1,037,000</b>	<b>186,900</b>	<b>20,345,000</b>

HIGHER EDUCATION - CONTINUED

	General Fund	Sched Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>Statewide Ongoing Adjustments</b>							
113 Intrafiscal fund adjustments	(1,000)	(1,200)	(300)	(100)	0	0	(2,700)
Subtotal Statewide Ongoing Adjustments - Higher Education Network	(1,000)	(1,200)	(300)	(100)	0	0	(2,700)
<b>Ongoing Adjustments</b>							
116 Compensation package	151,100	0	0	0	0	0	151,100
Subtotal Ongoing Adjustments - Higher Education Network	151,100	0	0	0	0	0	151,100
<b>Total FY 2004 Utah Education Network Adjustments</b>	<b>152,800</b>	<b>(1,800)</b>	<b>(500)</b>	<b>(100)</b>	<b>0</b>	<b>0</b>	<b>150,400</b>
<b>Total FY 2004 Utah Education Network Operating Budget</b>	<b>\$2,430,400</b>	<b>\$12,646,700</b>	<b>\$4,194,500</b>	<b>\$1,036,900</b>	<b>\$0</b>	<b>\$186,900</b>	<b>\$20,495,400</b>
<b>UTAH COLLEGE OF APPLIED TECHNOLOGY FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
117 FY 2001 appropriated budget	\$1,121,300	\$11,001,000	\$0	\$1,152,000	\$0	\$0	\$11,692,300
118 FY 2001 one-time appropriations	0	24,400	0	0	0	0	24,400
<b>Total Beginning Base Budget - UCAT</b>	<b>1,121,300</b>	<b>11,025,400</b>	<b>0</b>	<b>1,152,000</b>	<b>0</b>	<b>0</b>	<b>12,198,700</b>
<b>Statewide Ongoing Adjustments</b>							
119 Intrafiscal fund adjustments	2,100	61,200	0	5,200	0	0	68,500
Subtotal Statewide Ongoing Adjustments - UCAT	2,100	61,200	0	5,200	0	0	68,500
<b>Ongoing Adjustments</b>							
120 Growth of 1.0 percent in membership hours	0	890,000	0	115,000	0	0	1,005,000
121 Compensation package	0	581,100	0	195,900	0	0	777,000
Subtotal Ongoing Adjustments - UCAT	0	1,471,100	0	310,900	0	0	1,782,000
<b>Total FY 2004 UCAT Adjustments</b>	<b>2,100</b>	<b>1,532,300</b>	<b>0</b>	<b>326,100</b>	<b>0</b>	<b>0</b>	<b>1,920,500</b>
<b>Total FY 2004 UCAT Operating Budget</b>	<b>\$1,123,400</b>	<b>\$12,557,700</b>	<b>\$0</b>	<b>\$1,478,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,159,200</b>
<b>MEDICAL EDUCATION COUNCIL</b>							
<b>Beginning Base Budget</b>							
122 FY 2001 appropriated budget	\$0	\$0	\$440,000	\$221,200	\$0	\$0	\$661,200
123 Adjustments to existing for non-state funding levels	0	0	(240,000)	(221,200)	0	0	(461,200)
<b>Total Beginning Base Budget - MEC</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200,000</b>
<b>Total FY 2004 Medical Education Council Operating Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>
<b>HIGHER EDUCATION TOTALS</b>							
FY 2004 Operating Base Budget	\$530,156,000	\$68,966,100	\$8,928,700	\$259,210,700	\$8,911,600	\$911,100	\$898,050,000
FY 2004 Operating Ongoing and One-time Adjustments	18,911,100	1,530,000	2,200	19,626,300	400	0	19,999,600
FY 2004 Operating Recommendation	\$549,067,100	\$70,496,100	\$8,930,900	\$278,837,000	\$8,912,000	\$911,100	\$918,049,600
FY 2003 Operating Adjustments	50,000	0	0	0	0	0	50,000
FY 2004 Capital Base Budget	0	0	0	0	0	0	0
FY 2004 Capital Adjustments	0	0	0	0	0	600,000	600,000
FY 2004 Capital Recommendation	0	0	0	0	0	600,000	600,000



## HUMAN SERVICES

Mission: *Help individuals and families resolve personal problems.*

### GOVERNOR'S RECOMMENDATIONS

#### General Fund

- Fund \$570,200 in ongoing funds (\$218,900 of General Fund and \$351,300 of federal Medicaid funds) for operating costs for the new Rampton II building at the Utah State Hospital.
- Fund \$280,200 in ongoing funds to replace lost Medicare revenue at the Utah State Hospital.
- Provide \$2,342,300 in ongoing funds (\$665,200 of General Fund and \$1,677,100 of federal Medicaid funds) for Emergency Services and Multiple Crisis in the Division of Services for People with Disabilities (DSPD).
- Increase ongoing funding by \$1,408,500 (\$400,000 of General Fund and \$1,008,500 of federal Medicaid funds) to provide services to those on the DSPD waiting list.
- Provide \$1,149,800 in ongoing funds (\$326,500 of General Fund and \$823,300 of federal Medicaid funds) to accommodate client portability across different systems that serve individuals with disabilities.
- Provide \$335,100 in ongoing funds to increase the Long-term Care Ombudsman program.
- In response to the *David C.* lawsuit, provide a \$65,400 supplemental in FY 2003 and make no further FY 2003 and no FY 2004 budget reductions to the Division of Child and Family Services (DCFS). With other appropriated funds, this will make \$698,000 in new FY 2003 funding to assist DCFS and the state in accelerating resolution of the *David C.* lawsuit.
- In FY 2004, appropriate \$1,882,700 ongoing and \$65,400 one time, which with other funds will provide a total of \$3,644,400, to fund 50.8 staff and related costs to assist DCFS and the state in accelerating resolution of the *David C.* lawsuit and to respond to recommendations from the legislative auditor general with respect to workload issues in DCFS.
- Require the department to fund \$1,144,200 in General Fund (\$3,300,500 in total funds) within existing budgets for increased utility, medical, and insurance costs at the State Hospital and Developmental Center and increased waiver costs for individuals served by DSPD.

### FY 2003 PROPOSED LEGISLATIVE INTENT

- Funds appropriated to Drug Courts/Drug Board from the Tobacco Settlement Restricted Account are nonlapsing.
- If available, funds in DCFS are nonlapsing up to \$50,000 and may be used for the purchase of computer equipment needing replacement.
- If funds are available, DCFS is authorized to purchase up to six additional vehicles.
- If available, funds in Aging and Adult Services are nonlapsing up to \$50,000 and may be used for vans for senior transportation.

### FY 2004 PROPOSED LEGISLATIVE INTENT

- Adoption Assistance funds appropriated for FY 2004 in DCFS are nonlapsing and are to be used for adoption assistance programs.

**HUMAN SERVICES**

Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals FY 2003</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$207,325,000	\$200,505,700	\$65,400	\$200,571,100	\$201,692,400	\$4,859,700	\$206,552,100
Federal Funds	106,068,700	115,360,300	632,600	115,992,900	114,643,000	2,172,100	116,815,100
Dedicated Credits	7,645,000	8,693,700	570,000	9,263,700	8,636,100	189,400	8,825,500
Restricted and Trust Funds	3,897,200	4,047,200	0	4,047,200	3,947,200	0	3,947,200
Transfers	134,129,600	125,748,000	0	125,748,000	124,655,500	6,652,000	131,307,500
Beginning Balances	1,450,700	2,176,400	0	2,176,400	0	0	0
Closing Balances	(2,176,400)	0	0	0	0	0	0
Lapsing Funds	(1,921,400)	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$456,418,400</b>	<b>\$456,531,300</b>	<b>\$1,268,000</b>	<b>\$457,799,300</b>	<b>\$453,574,200</b>	<b>\$13,873,200</b>	<b>\$467,447,400</b>
<b>Programs</b>							
<b>Human Services</b>							
Executive Director	\$19,665,200	\$19,291,200	\$0	\$19,291,200	\$19,138,800	\$303,500	\$19,442,300
Drug Courts/Drug Board	1,647,200	1,647,200	0	1,647,200	1,647,200	0	1,647,200
Substance Abuse and Mental Health	103,758,600	104,882,500	570,000	105,452,500	104,360,800	1,880,300	106,241,100
Services for People w/ Disabilities	143,874,300	144,299,700	0	144,299,700	144,176,000	5,770,100	149,946,100
Recovery Services	42,808,900	42,541,900	0	42,541,900	40,446,300	742,500	41,188,800
Child and Family Services	124,678,100	123,288,100	698,000	123,986,100	123,241,600	4,767,500	128,009,100
Aging and Adult Services	19,986,100	20,580,700	0	20,580,700	20,563,300	409,300	20,972,600
<b>Total Budget</b>	<b>\$456,418,400</b>	<b>\$456,531,300</b>	<b>\$1,268,000</b>	<b>\$457,799,300</b>	<b>\$453,574,200</b>	<b>\$13,873,200</b>	<b>\$467,447,400</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>2.4%</b>
FTE Positions	--	3,604.1	0.0	3,604.1	3,610.9	67.8	3,678.7

**HUMAN SERVICES**

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>HUMAN SERVICES FY 2004 OPERATING BUDGET</b>						
<b>Beginning Base Budget</b>						
J1	\$200,888,300	\$113,132,400	\$8,317,300	\$4,047,200	\$129,877,500	\$456,242,700
J2	1,757,400	0	0	0	0	1,757,400
J3	(362,600)	0	0	0	0	(362,600)
J4	327,400	0	0	0	0	327,400
J5	(898,100)	(161,100)	0	0	(1,306,600)	(2,365,800)
J6	0	1,671,700	318,800	(100,000)	(3,915,400)	(2,024,900)
	<b>201,692,400</b>	<b>114,643,000</b>	<b>8,636,100</b>	<b>3,947,200</b>	<b>124,665,500</b>	<b>453,574,200</b>
<b>Total Beginning Base Budget - Human Services</b>						
<b>Statewide Ongoing Adjustments</b>						
J7	59,400	92,900	(2,400)	0	14,300	164,200
J8	1,657,500	927,500	118,100	0	919,000	3,622,100
	<i>Subtotal Statewide Ongoing Adjustments - Human Services</i>	<i>1,020,400</i>	<i>115,700</i>	<i>0</i>	<i>933,300</i>	<i>3,786,300</i>
<b>Ongoing Adjustments</b>						
J9	218,900	0	0	0	351,300	570,200
J10	280,200	0	0	0	0	280,200
J11	140,000	0	0	0	0	140,000
J12	54,100	0	0	0	162,300	216,400
J13	665,200	0	0	0	1,677,100	2,342,300
J14	326,500	0	0	0	823,300	1,149,800
J15	400,000	0	0	0	1,008,500	1,408,500
J16	1,882,700	444,900	73,700	0	545,100	2,946,400
J17	335,100	0	0	0	0	335,100
J18	(1,225,300)	74,200	0	0	1,151,100	0
	<i>Subtotal Ongoing Adjustments - Human Services</i>	<i>3,077,400</i>	<i>73,700</i>	<i>0</i>	<i>5,718,700</i>	<i>9,388,900</i>
<b>One-time Adjustments</b>						
J19	65,400	632,600	0	0	0	698,000
	<i>Subtotal One-time Adjustments - Human Services</i>	<i>65,400</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>698,000</i>
	<b>4,859,700</b>	<b>2,172,100</b>	<b>189,400</b>	<b>0</b>	<b>6,652,000</b>	<b>13,873,200</b>
	<b>\$206,552,100</b>	<b>\$116,815,100</b>	<b>\$8,825,500</b>	<b>\$3,947,200</b>	<b>\$131,307,500</b>	<b>\$467,447,400</b>
<b>Total FY 2004 Human Services Operating Budget</b>						

**HUMAN SERVICES - CONTINUED**

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>HUMAN SERVICES FY 2003 OPERATING BUDGET ADJUSTMENTS</b>						
<b>Supplemental Adjustments</b>						
ZZ0 State Hospital - adjust estimate for acute care beds	\$0	\$0	\$570,000	\$0	\$0	\$570,000
ZZ1 DCFS - costs related to David C lawsuit	65,400	632,600	0	0	0	698,000
<i>Subtotal Supplemental Adjustments - Human Services</i>	65,400	632,600	570,000	0	0	1,268,000
<b>Total FY 2003 Human Services Budget Adjustments</b>	<b>\$65,400</b>	<b>\$632,600</b>	<b>\$570,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,268,000</b>
<b>HUMAN SERVICES TOTALS</b>						
<b>FY 2004 Operating Beginning Base Budget</b>	\$201,692,400	\$114,643,000	\$8,636,100	\$3,947,200	\$124,655,300	\$453,574,200
<b>FY 2004 Operating Ongoing and One-time Adjustments</b>	4,839,700	2,172,100	189,400	0	6,652,000	13,873,200
<b>FY 2004 Operating Recommendation</b>	206,532,100	116,815,100	8,825,500	3,947,200	131,307,300	467,447,400
<b>FY 2003 Operating Adjustments</b>	65,400	632,600	570,000	0	0	1,268,000



## LEGISLATURE

*Legislature consists of the House of Representatives, the Senate, the offices of Legislative Research and General Counsel and the Legislative Fiscal Analyst, Legislative Auditor General, Legislative Printing, and the Tax Review and Constitutional Revision commissions.*

The state legislature consists of two houses—the House of Representatives with 75 members elected to two-year terms and the Senate with 29 members elected to four-year terms. Each representative represents about 30,670 constituents. Each senator represents about 79,310 constituents.

- The **Office of Legislative Research and General Counsel** is the research and legal staff arm of the legislature and assists the legislature in the development of sound public policy, ensures the integrity of the legislative process, and preserves the legislative branch in its proper constitutional role in state government.
- The **Office of the Legislative Fiscal Analyst** is charged by the legislature with analyzing state fiscal matters, which includes projecting revenues, estimating costs, and recommending funding and management initiatives.
- The **Legislative Auditor General** conducts performance audits of state agencies and institutions, including school districts and state colleges and universities.
- **Legislative Printing** provides printing, typesetting, and graphics service to the legislature, its staff offices, and other state agencies.
- The **Tax Review Commission** provides an ongoing and comprehensive review of state tax law and makes recommendations to the governor and the legislature on taxation issues and policies.
- The **Constitutional Revision Commission** is responsible for making comprehensive reviews of the state constitution and recommending amendments to the legislature.

**LEGISLATURE**  
Operating Budget

	<b>Governor Leavitt's Recommendations</b>					
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Legislature's Request FY 2004<sup>(a)</sup></b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>						
General Fund	\$13,889,300	\$13,179,300	\$13,480,000	\$13,480,000	\$141,200	\$13,621,200
Dedicated Credits	242,400	319,600	319,600	319,600	0	319,600
Beginning Balances	3,254,000	3,086,600	3,086,600	3,086,600	0	3,086,600
Closing Balances	(3,086,600)	(3,086,600)	(3,086,600)	(3,086,600)	0	(3,086,600)
<b>Total Financing</b>	<b>\$14,299,100</b>	<b>\$13,498,900</b>	<b>\$13,799,600</b>	<b>\$13,799,600</b>	<b>\$141,200</b>	<b>\$13,940,800</b>
<b>Programs</b>						
<b>Legislature</b>						
Senate	\$1,641,700	\$1,536,050	\$1,569,900	\$1,569,900	\$5,500	\$1,575,400
House of Representatives	3,064,400	2,501,150	2,557,900	2,557,900	7,300	2,565,200
Legislative Printing	690,700	818,100	819,600	819,600	16,300	835,900
Legislative Research	5,005,700	4,764,800	4,855,700	4,855,700	63,200	4,918,900
Tax Review Commission	51,200	50,000	50,000	50,000	0	50,000
Legislative Fiscal Analyst	1,881,700	1,942,500	2,002,600	2,002,600	21,700	2,024,300
Legislative Auditor General	1,910,200	1,831,300	1,888,900	1,888,900	27,200	1,916,100
Constitutional Revision Commission	53,500	55,000	55,000	55,000	0	55,000
<b>Total Budget</b>	<b>\$14,299,100</b>	<b>\$13,498,900</b>	<b>\$13,799,600</b>	<b>\$13,799,600</b>	<b>\$141,200</b>	<b>\$13,940,800</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>						<b>3.3%</b>
FTE Positions	--	114.0	114.0	114.0	0.0	114.0

(a) As per statute, the legislature's request is included without changes.

**LEGISLATURE**

<b>LEGISLATURE FY 2004 OPERATING BUDGET</b>									
<b>Beginning Base Budget</b>									
	<b>General Fund</b>	<b>School Funds</b>	<b>Federal Funds</b>	<b>Dedicated Credits</b>	<b>Mineral Lease</b>	<b>Other Funds</b>	<b>Total Funds</b>		
<i>K1</i>	\$13,179,700	\$0	\$0	\$319,600	\$0	\$0	\$13,499,300		
<i>K2</i>	276,900	0	0	0	0	0	276,900		
<i>K3</i>	(400)	0	0	0	0	0	(400)		
<i>K4</i>	23,800	0	0	0	0	0	23,800		
	<b>13,480,000</b>	<b>0</b>	<b>0</b>	<b>319,600</b>	<b>0</b>	<b>0</b>	<b>13,799,600</b>		
<b>Total Beginning Base Budget - Legislature</b>									
<b>Statewide Ongoing Adjustments</b>									
<i>K5</i>	13,300	0	0	0	0	0	13,300		
<i>K6</i>	127,900	0	0	0	0	0	127,900		
	<i>141,200</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>141,200</i>		
	<i>Subtotal Statewide Ongoing Adjustments - Legislature</i>								
	<b>141,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>141,200</b>		
	<b>Total FY 2004 Legislature Adjustments</b>								
	<b>\$13,621,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$319,600</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,940,800</b>		
<b>Total FY 2004 Legislature Operating Budget</b>									
<b>LEGISLATURE TOTALS</b>									
	\$13,480,000	\$0	\$0	\$319,600	\$0	\$0	\$13,799,600		
	141,200	0	0	0	0	0	141,200		
	13,621,200	0	0	319,600	0	0	13,940,800		
	<b>FY 2004 Operating Recommendation</b>								



## NATIONAL GUARD

Mission: *Respond to state emergencies and augment the regular armed forces of the United States.*

### **FY 2003 PROPOSED LEGISLATIVE INTENT**

- Funds for the Veterans' Cemetery are non-lapsing. If funds are available, the National Guard is authorized to spend these funds on armory maintenance or the Veterans' Cemetery.

- Funds for the Veterans' Affairs program are nonlapsing.
- Funds for tuition assistance are nonlapsing.
- Funds for the Veterans' Cemetery are non-lapsing.

### **FY 2004 PROPOSED LEGISLATIVE INTENT**

- Funds for the Veterans' Nursing Home are non-lapsing.

**NATIONAL GUARD**  
Operating Budget

Governor Leavitt's Recommendations						
Actual FY 2002	Authorized FY 2003	Supplementals	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>\$24,508,800</b>	<b>\$25,777,600</b>	<b>\$0</b>	<b>\$25,777,600</b>	<b>\$25,601,200</b>	<b>\$258,500</b>	<b>\$25,859,700</b>
<b>Plan of Financing</b>						
General Fund	\$4,113,000	\$0	\$4,113,000	\$3,987,000	\$94,900	\$4,081,900
Federal Funds	18,069,100	0	19,570,600	19,588,400	88,600	19,677,000
Dedicated Credits	1,830,700	0	1,846,900	1,823,100	75,000	1,898,100
Transfers	292,700	0	202,700	202,700	0	202,700
Beginning Balances	22,300	0	44,400	0	0	0
Closing Balances	(44,400)	0	0	0	0	0
<b>Total Financing</b>	<b>\$24,508,800</b>	<b>\$0</b>	<b>\$25,777,600</b>	<b>\$25,601,200</b>	<b>\$258,500</b>	<b>\$25,859,700</b>
<b>Programs</b>						
<b>National Guard</b>						
Administration	\$512,400	\$0	\$504,000	\$510,100	\$6,500	\$516,600
Armory Maintenance	15,699,500	0	16,643,700	16,567,700	93,200	16,660,900
Camp Williams	1,610,900	0	1,615,200	1,617,800	(4,200)	1,613,600
Air National Guard	3,032,600	0	3,166,800	3,173,800	43,000	3,216,800
Veterans' Affairs	210,200	0	192,400	225,100	1,300	226,400
Veterans' Cemetery	371,300	0	279,300	263,100	3,700	266,800
Veterans' Nursing Home <sup>(a)</sup>	3,071,900	0	3,376,200	3,243,600	115,000	3,358,600
<b>Total Budget</b>	<b>\$24,508,800</b>	<b>\$0</b>	<b>\$25,777,600</b>	<b>\$25,601,200</b>	<b>\$258,500</b>	<b>\$25,859,700</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>						<b>0.3%</b>
FTE Positions	--	139.0	139.0	139.0	0.0	139.0

(a) Amounts for the Veterans' Nursing Home are included for FY 2003 even though the transfer from Health did not take place until FY 2003.

**NATIONAL GUARD**

	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>NATIONAL GUARD FY 2004 OPERATING BUDGET</b>						
<b>Beginning Base Budget</b>						
N1	\$4,120,100	\$15,706,300	\$1,835,600	\$0	\$175,500	\$21,837,500
N2	(132,600)	0	0	0	0	(132,600)
N3	(7,000)	0	0	0	0	(7,000)
N4	(100)	0	0	0	0	(100)
N5	6,600	3,800	0	0	0	10,400
N6	0	3,878,300	(12,500)	0	27,200	3,893,000
	<b>3,987,000</b>	<b>19,588,400</b>	<b>1,823,100</b>	<b>0</b>	<b>202,700</b>	<b>25,601,200</b>
<b>Total Beginning Base Budget - National Guard</b>						
<b>Statewide Ongoing Adjustments</b>						
N7	12,600	(33,000)	0	0	0	(20,400)
N8	42,300	121,600	0	0	0	163,900
	54,900	88,600	0	0	0	143,500
<i>Subtotal Statewide Ongoing Adjustments - National Guard</i>						
<b>Ongoing Adjustments</b>						
N9	40,000	0	75,000	0	0	115,000
	40,000	0	75,000	0	0	115,000
<i>Subtotal Ongoing Adjustments - National Guard</i>						
	<b>94,900</b>	<b>88,600</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>258,500</b>
	<b>\$4,081,900</b>	<b>\$19,677,000</b>	<b>\$1,898,100</b>	<b>\$0</b>	<b>\$202,700</b>	<b>\$25,859,700</b>
<b>Total FY 2004 National Guard Operating Budget</b>						
<b>NATIONAL GUARD TOTALS</b>						
FY 2004 Operating Base Budget	\$3,987,000	\$19,588,400	\$1,823,100	\$0	\$202,700	\$25,601,200
FY 2004 Operating Ongoing and One-time Adjustments	94,900	88,600	75,000	0	0	258,500
FY 2004 Operating Recommendation	4,081,900	19,677,000	1,898,100	0	202,700	25,859,700



## NATURAL RESOURCES

*Natural resources consists of the Department of Natural Resources, the Department of Agriculture and Food, and the School and Institutional Trust Lands Administration. Their primary focuses are to conserve, protect, and develop Utah's natural resources and agriculture and to effectively manage school and institutional trust lands.*

### GOVERNOR'S RECOMMENDATIONS

#### Natural Resources

##### *General Fund*

- Fund a \$2,930,000 supplemental to cover the costs of fire suppression on state land. Fund a \$3,400,000 supplemental to the Wildland Fire Suppression Fund to reimburse counties for excess costs of fire suppression on county land.
- Replace a one-time appropriation of \$100,000 for Water Rights salary funding in FY 2003 with ongoing funding of \$100,000 for FY 2004.
- Recommend \$10,000 in ongoing funding to cover an increase in rent for Water Rights' regional office in Price.

##### *Restricted Funds*

- Enhance the mitigation efforts of the Prairie Dog Habitat Conservation Plan with ongoing funding of \$15,500.
- Recommend \$472,000 in ongoing funding to support increased expenses in the Flame-in-go firefighting program.
- Fund a \$1,000,000 supplemental for the maintenance of motorized trails throughout the state.

##### *Other Funds*

- Provide supplementals of \$500,000 in federal funds and \$500,000 in restricted funds for the development of the Shoshone Trail in northern Utah.

#### Agriculture and Food

##### *General Fund*

- Fund a \$50,000 supplemental to help combat Mormon cricket and grasshopper infestations.

##### *Restricted Funds*

- Provide \$215,600 in ongoing funding for food safety and consumer protection programs. The funding will be generated from a proposed registration and inspection fee.

### FY 2003 PROPOSED LEGISLATIVE INTENT

##### *Natural Resources*

- The Department of Natural Resources will be authorized to transfer any lapsing General Fund at the end of the fiscal year to the Division of Facilities Construction and Management (DFCM) to pay for any shortfalls in the maintenance internal service fund (ISF) account.
- If available, funds in the divisions of Administration; Oil, Gas, and Mining; Utah

Geological Survey; Parks and Recreation; Water Rights; and Water Resources are non-lapsing. Funds may be used for the purchase of office and computer equipment needing replacement and special projects and studies.

- If available, funds in Administration are non-lapsing and may be used for the replacement of the east gate at the Natural Resources complex.

*Agriculture and Food*

- The Department of Agriculture and Food (Agriculture) is approved to purchase three state vehicles from FY 2003 nonlapsing funds.
- If available, funds in Administration are non-lapsing. Funds may be used for the purchase of office, computer, and laboratory equipment needing replacement, the disposal of hazardous waste, and special projects and studies.
- If available, funds in Resource Conservation are nonlapsing. Funds may be used for the purchase of office and computer equipment needing replacement.

**FY 2004 PROPOSED LEGISLATIVE INTENT**

*Natural Resources*

- Funds for the Bear Lake Regional Commission shall be expended only as a one-to-one-match with the funds from the State of Idaho.
- Funds for RS 2477 roads defense are non-lapsing.
- The FY 2000 one-time supplemental appropriation of \$120,000 for Thistle water tunnel improvements is nonlapsing.
- The FY 2000 one-time General Fund appropriation of \$50,000 for Wide Hollow Water Conservancy District is nonlapsing, but funds will not be released until the Environmental

Impact Statement is complete and the project has been authorized to move forward.

- The General Fund appropriation for the Species Protection program is nonlapsing.
- If funding is available, the Utah Geological Survey is allowed to pay up to \$200,000 in contributed capital to the Natural Resources Warehouse ISF in order to pay down its existing debt on the Core Sample Library.
- The Department of Natural Resources will be authorized to transfer any lapsing General Fund at the end of the fiscal year to DFCM to pay for any shortfalls in the maintenance ISF account.
- Funds for the Minerals Reclamation program are nonlapsing.
- Up to \$250,000 in revenues from the \$2.00 fishing/combination license increase will be spent on the Community Fisheries program and is nonlapsing.
- Up to \$500,000 in revenues from the \$2.00 fishing/combination license increase will be spent on the Olympic/Blue Ribbon Fisheries program and is nonlapsing.
- The Division of Wildlife Resources (DWR) will transfer \$200,000 in General Fund to Agriculture. Of this transfer, \$100,000 will be used to match funds from local governments in the Predatory Animal Control program, and \$100,000 will be used to supplement the amount required by Section 4-23-9(2)(a), UCA.
- DWR will spend a minimum of \$265,000 to improve deer herds.
- Up to \$500,000 of the DWR budget may be used for big game depredation expense. Half of these funds will be from the General Fund Restricted - Wildlife Resources Account and

half from the General Fund. These funds are nonlapsing.

- DWR will spend a minimum of \$70,000 from the Wildlife Habitat Account as stated in Section 23-19-43(5)(a), UCA, on control of predators.
- The General Fund Restricted - Wildlife Habitat Account is nonlapsing.
- Contributed Research funds are nonlapsing.
- Cooperative Environmental Studies funds are nonlapsing.
- The DWR capital budget is nonlapsing.
- Because the appropriation for the This is the Place Foundation management fee has been reduced to \$700,000, the Division of Parks and Recreation will provide an amount no greater than \$700,000 to the foundation.
- The Division of Parks and Recreation capital budget is nonlapsing.
- Mineral Lease funds are nonlapsing.
- Cooperative Water Conservation program funds are nonlapsing.
- Prior-year federal funds in the Dam Safety program are nonlapsing.

#### *Agriculture and Food*

- Funds for the Grain Inspection program are nonlapsing.

- The Auction Market Veterinarian collection is nonlapsing.
- Funds collected in the Organic Certification program are nonlapsing.
- Funds for the Agricultural Inspection program are nonlapsing.
- Funds for grants to charitable organizations specified under Section 57-18-3, UCA, or held by Agriculture will be used for purchase of conservation easements for agricultural protection. These funds are nonlapsing.
- DWR will transfer \$200,000 in General Fund to Agriculture. Of this transfer, \$100,000 will be used to match funds from local governments in the Predatory Animal Control program, and \$100,000 will be used to supplement the amount required by Section 4-23-9(2)(a), UCA. These funds are nonlapsing.
- Funds for Predatory Animal Control are nonlapsing.
- Collections for the Ag Tag license plate are nonlapsing.
- The Soil Conservation Districts will submit annual reports documenting supervisory expenses to the Soil Conservation Commission and the commissioner of Agriculture.
- Funding approved for Soil Conservation District elections is nonlapsing and will be spent only during even-numbered years when elections take place.

**NATURAL RESOURCES**

Operating Budget

Governor Leavitt's Recommendations							
	Actual FY 2002	Authorized FY 2003	Supplementals	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
<b>Plan of Financing</b>							
General Fund	\$43,278,600	\$41,490,200	\$6,408,600	\$47,898,800	\$41,291,600	\$668,300	\$41,959,900
Federal Funds	24,470,400	24,440,100	0	24,440,100	23,955,900	238,500	24,194,400
Dedicated Credits	17,510,400	15,926,100	0	15,926,100	15,747,200	109,800	15,857,000
Mineral Lease	681,100	704,100	0	704,100	716,400	9,600	726,000
Restricted and Trust Funds	46,893,400	48,826,000	0	48,826,000	48,911,900	1,236,900	50,148,800
Transfers	2,745,900	1,358,900	0	1,358,900	1,217,000	9,500	1,226,500
Other Funds	925,200	0	6,070,000	6,070,000	0	0	0
Pass-through Funds	(881,800)	0	0	0	0	0	0
Beginning Balances	7,237,800	5,588,100	0	5,588,100	534,900	0	534,900
Closing Balances	(5,588,100)	(534,000)	0	(534,000)	(114,900)	0	(114,900)
Lapsing Funds	(5,429,600)	(1,913,900)	0	(1,913,900)	(1,909,000)	0	(1,909,000)
<b>Total Financing</b>	<b>\$132,143,300</b>	<b>\$135,885,600</b>	<b>\$12,478,600</b>	<b>\$148,364,200</b>	<b>\$130,350,100</b>	<b>\$2,272,600</b>	<b>\$132,622,700</b>
<b>Programs</b>							
<b>Natural Resources</b>							
Administration	\$3,048,300	\$3,055,300	\$0	\$3,055,300	\$2,876,700	\$48,400	\$2,925,100
Endangered Species	3,019,800	2,987,200	0	2,987,200	2,987,200	15,500	3,002,700
Building Operations	1,617,800	1,660,300	0	1,660,300	1,660,300	0	1,660,300
Energy Services	2,696,300	3,789,200	0	3,789,200	3,795,700	0	3,795,700
Forestry, Fire, and State Lands	14,605,300	12,217,600	12,400,000	24,617,600	10,965,000	535,500	11,500,500
Oil, Gas, and Mining	6,241,300	7,389,400	0	7,389,400	7,205,700	93,500	7,299,200
Wildlife Resources	33,372,600	37,562,200	0	37,562,200	36,768,900	443,700	37,212,600
Contributed Research	634,400	336,700	0	336,700	336,700	0	336,700
Cooperative Studies	5,567,000	3,596,500	0	3,596,500	3,597,600	0	3,597,600
Parks and Recreation	22,484,200	23,497,500	0	23,497,500	23,023,400	267,800	23,291,200
Geological Survey	4,507,200	4,508,900	0	4,508,900	4,213,400	63,500	4,276,900
Water Resources	4,547,700	4,915,100	0	4,915,100	4,604,600	61,700	4,666,300
Water Rights	5,901,000	6,264,000	0	6,264,000	6,123,500	200,700	6,324,200
<i>Subtotal Natural Resources</i>	<i>108,242,900</i>	<i>111,779,900</i>	<i>12,400,000</i>	<i>124,179,900</i>	<i>108,138,700</i>	<i>1,730,300</i>	<i>109,869,000</i>
<b>Agriculture and Food</b>							
Administration	16,950,300	16,858,500	78,600	16,937,100	14,932,200	458,900	15,391,100
<i>Subtotal Agriculture and Food</i>	<i>16,950,300</i>	<i>16,858,500</i>	<i>78,600</i>	<i>16,937,100</i>	<i>14,932,200</i>	<i>458,900</i>	<i>15,391,100</i>
<b>Trust Lands Administration</b>							
Administration	6,950,100	7,247,200	0	7,247,200	7,259,200	83,400	7,342,600
<i>Subtotal Trust Lands Admin.</i>	<i>6,950,100</i>	<i>7,247,200</i>	<i>0</i>	<i>7,247,200</i>	<i>7,259,200</i>	<i>83,400</i>	<i>7,342,600</i>
<b>Total Budget</b>	<b>\$132,143,300</b>	<b>\$135,885,600</b>	<b>\$12,478,600</b>	<b>\$148,364,200</b>	<b>\$130,350,100</b>	<b>\$2,272,600</b>	<b>\$132,622,700</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>(2.4%)</b>
FTE Positions	..	1,455.5	0.0	1,455.5	1,455.5	4.0	1,459.5

**NATURAL RESOURCES**  
Capital Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals FY 2003</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$4,818,600	\$2,557,300	\$0	\$2,557,300	\$3,407,300	\$0	\$3,407,300
Federal Funds	8,598,000	3,711,000	500,000	4,211,000	3,711,000	0	3,711,000
Dedicated Credits	820,900	175,000	0	175,000	175,000	0	175,000
Restricted and Trust Funds	4,930,000	6,263,400	1,500,000	7,763,400	4,730,000	0	4,730,000
Transfers	(1,161,100)	(1,652,400)	0	(1,652,400)	(1,652,500)	0	(1,652,500)
Other Funds	2,000	0	0	0	0	0	0
Beginning Balances	17,612,800	13,476,700	0	13,476,700	0	0	0
Closing Balances	(13,476,700)	0	0	0	0	0	0
Lapsing Funds	(479,600)	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$21,664,900</b>	<b>\$24,531,000</b>	<b>\$2,000,000</b>	<b>\$26,531,000</b>	<b>\$10,370,800</b>	<b>\$0</b>	<b>\$10,370,800</b>
<b>Projects</b>							
<b>Natural Resources</b>							
Wildlife Resources							
Information and Education	\$31,400	\$0	\$0	\$0	\$0	\$0	\$0
Fisheries	9,654,500	5,336,000	0	5,336,000	3,316,000	0	3,316,000
Game Management	1,963,200	658,700	0	658,700	0	0	0
Parks and Recreation							
Park Renovation	4,367,900	922,400	0	922,400	100,000	0	100,000
Acquisition and Development	1,212,800	6,371,600	0	6,371,600	2,179,800	0	2,179,800
Boating Access Grants	1,143,600	3,582,200	0	3,582,200	700,000	0	700,000
Off-Highway Vehicle Grants	136,700	1,368,600	1,000,000	2,368,600	225,000	0	225,000
Riverway Enhancement and Trails	1,154,800	3,291,500	1,000,000	4,291,500	850,000	0	850,000
Water Resources							
Revolving Construction Fund	513,000	563,000	0	563,000	563,000	0	563,000
Conservation/Development Fund	1,089,500	1,089,500	0	1,089,500	1,089,500	0	1,089,500
Transfer Appropriations to Loan Funds	(1,602,500)	(1,652,500)	0	(1,652,500)	(1,652,500)	0	(1,652,500)
<i>Subtotal Natural Resources</i>	<i>19,664,900</i>	<i>21,531,000</i>	<i>2,000,000</i>	<i>23,531,000</i>	<i>7,370,800</i>	<i>0</i>	<i>7,370,800</i>
<b>Trust Lands Administration</b>							
Development and Improvement	2,000,000	3,000,000	0	3,000,000	3,000,000	0	3,000,000
<i>Subtotal Trust Lands Adm.</i>	<i>2,000,000</i>	<i>3,000,000</i>	<i>0</i>	<i>3,000,000</i>	<i>3,000,000</i>	<i>0</i>	<i>3,000,000</i>
<b>Total Budget</b>	<b>\$21,664,900</b>	<b>\$24,531,000</b>	<b>\$2,000,000</b>	<b>\$26,531,000</b>	<b>\$10,370,800</b>	<b>\$0</b>	<b>\$10,370,800</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>(57.7%)</b>

**NATURAL RESOURCES**

	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
<b>NATURAL RESOURCES FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
001	\$3,188,400	\$19,724,600	\$15,482,500	\$760,200	\$4,009,400	\$1,176,500	\$109,119,000
002	(170,000)	0	0	0	0	0	(170,000)
003	(50,800)	0	0	0	0	0	(50,800)
004	(16,400)	0	0	0	(29,200)	0	(45,200)
005	77,400	0	0	0	71,400	0	148,800
006	(4,100)	0	0	0	0	0	(4,100)
007	0	0	0	0	0	0	0
008	0	2,142,400	(679,800)	(43,900)	0	(2,257,200)	(838,500)
	<b>31,716,500</b>	<b>21,867,000</b>	<b>14,802,700</b>	<b>716,400</b>	<b>40,136,800</b>	<b>(1,080,700)</b>	<b>108,158,700</b>
<b>Total Beginning Base Budget - Natural Resources</b>							
<b>Statewide Ongoing Adjustments</b>							
009	(25,600)	100	(7,800)	0	(1,600)	100	(24,800)
010	418,500	208,300	106,500	9,600	421,400	3,300	1,167,600
	<b>392,900</b>	<b>208,400</b>	<b>98,700</b>	<b>9,600</b>	<b>419,800</b>	<b>3,400</b>	<b>1,132,800</b>
<b>Subtotal Statewide Ongoing Adjustments - Natural Resources</b>							
<b>Ongoing Adjustments</b>							
001	0	0	0	0	15,500	0	15,500
002	0	0	0	0	472,000	0	472,000
003	100,000	0	0	0	0	0	100,000
004	10,000	0	0	0	0	0	10,000
	<b>110,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>487,500</b>	<b>0</b>	<b>597,500</b>
<b>Subtotal Ongoing Adjustments - Natural Resources</b>							
	<b>502,900</b>	<b>208,400</b>	<b>98,700</b>	<b>9,600</b>	<b>907,300</b>	<b>3,400</b>	<b>1,730,300</b>
	<b>\$22,219,400</b>	<b>\$22,075,400</b>	<b>\$14,901,400</b>	<b>\$726,000</b>	<b>\$41,044,100</b>	<b>(\$1,077,300)</b>	<b>\$109,889,000</b>
<b>Total FY 2004 Natural Resources Operating Budget</b>							
<b>NATURAL RESOURCES FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
003	\$2,930,000	\$0	\$0	\$0	\$0	\$6,070,000	\$9,000,000
006	3,400,000	0	0	0	0	0	3,400,000
	<b>6,330,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,070,000</b>	<b>12,400,000</b>
<b>Subtotal Supplemental Adjustments - Natural Resources</b>							
	<b>\$6,330,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,070,000</b>	<b>\$12,400,000</b>
<b>Total FY 2003 Natural Resources Budget Adjustments</b>							
<b>NATURAL RESOURCES FY 2004 CAPITAL BUDGET</b>							
<b>Base Budget</b>							
007	\$2,557,200	\$3,711,000	\$175,000	\$0	\$3,263,400	(\$852,500)	\$8,854,200
008	850,000	0	0	0	(1,533,400)	0	(683,400)
009	0	0	0	0	0	(800,000)	(800,000)
	<b>3,407,200</b>	<b>3,711,000</b>	<b>175,000</b>	<b>0</b>	<b>1,730,000</b>	<b>(1,652,500)</b>	<b>7,370,800</b>
<b>Total FY 2004 Natural Resources Capital Base Budget</b>							
	<b>\$3,407,200</b>	<b>\$3,711,000</b>	<b>\$175,000</b>	<b>\$0</b>	<b>\$1,730,000</b>	<b>(\$1,652,500)</b>	<b>\$7,370,800</b>
<b>Total FY 2004 Natural Resources Capital Budget</b>							

NATURAL RESOURCES - CONTINUED

	General Fund	Federal Funds	Debt/Credit	Mineral Lease	Restricted Funds	Other Funds	Total Funds
<b>NATURAL RESOURCES FY 2003 CAPITAL BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
WS0	\$0	\$500,000	\$0	\$0	\$500,000	\$0	\$1,000,000
WS1	0	0	0	0	1,000,000	0	1,000,000
	0	500,000	0	0	1,500,000	0	2,000,000
<b>Total FY 2003 Natural Resources Capital Adjustments</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500,000</b>	<b>\$0</b>	<b>\$2,000,000</b>
<b>AGRICULTURE AND FOOD FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
WS2	\$9,689,700	\$2,077,000	\$944,500	\$0	\$1,513,400	\$800,400	\$15,025,000
WS3	(125,000)	0	0	0	0	0	(125,000)
WS4	(11,800)	0	0	0	0	0	(11,800)
WS5	(900)	0	0	0	0	0	(900)
WS6	23,100	0	0	0	2,500	0	25,600
WS7	0	11,900	0	0	0	7,400	19,300
<b>Total Beginning Base Budget - Agriculture and Food</b>	<b>9,575,100</b>	<b>2,088,900</b>	<b>944,500</b>	<b>0</b>	<b>1,515,900</b>	<b>807,800</b>	<b>14,932,200</b>
<b>Statewide Ongoing Adjustments</b>							
WS8	22,400	8,600	(3,900)	0	11,700	2,800	41,600
WS9	143,000	21,500	15,000	0	18,900	3,300	201,700
	165,400	30,100	11,100	0	30,600	6,100	243,300
<b>Ongoing Adjustments</b>							
WS0	0	0	0	0	215,600	0	215,600
	0	0	0	0	215,600	0	215,600
<b>Total FY 2004 Agriculture and Food Adjustments</b>	<b>165,400</b>	<b>30,100</b>	<b>11,100</b>	<b>0</b>	<b>246,200</b>	<b>6,100</b>	<b>458,900</b>
<b>Total FY 2004 Agriculture and Food Operating Budget</b>	<b>\$9,740,500</b>	<b>\$2,119,000</b>	<b>\$955,600</b>	<b>\$0</b>	<b>\$1,762,100</b>	<b>\$813,900</b>	<b>\$15,391,100</b>
<b>AGRICULTURE AND FOOD FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
WS1	\$50,000	\$0	\$0	\$0	\$0	\$0	\$50,000
WS2	28,600	0	0	0	0	0	28,600
	78,600	0	0	0	0	0	78,600
<b>Total FY 2003 Agriculture and Food Budget Adjustments</b>	<b>\$78,600</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,600</b>

NATURAL RESOURCES - CONTINUED

	General Fund	Federal Funds	Delinked Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
<b>TRUST LANDS ADMINISTRATION FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
003	\$0	\$0	\$0	\$0	\$7,247,400	\$0	\$7,247,400
004	0	0	0	0	12,000	0	12,000
005	0	0	0	0	(200)	0	(200)
	<b>Total Beginning Base Budget - Trust Lands Administration</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,259,200</b>	<b>0</b>	<b>7,259,200</b>
<b>Statewide Ongoing Adjustments</b>							
006	0	0	0	0	9,200	0	9,200
007	0	0	0	0	74,200	0	74,200
	<b>Subtotal Statewide Ongoing Adjustments - Trust Lands Admin</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>83,400</b>	<b>0</b>	<b>83,400</b>
	<b>Total FY 2004 Trust Lands Administration Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>83,400</b>	<b>0</b>	<b>83,400</b>
	<b>Total FY 2004 Trust Lands Administration Operating Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,342,600</b>	<b>\$0</b>	<b>\$7,342,600</b>
<b>TRUST LANDS ADMINISTRATION FY 2004 CAPITAL BUDGET</b>							
<b>Base Budget</b>							
003	\$0	\$0	\$0	\$0	\$3,000,000	\$0	\$3,000,000
	<b>Total FY 2004 Trust Lands Capital Base Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000,000</b>	<b>0</b>	<b>3,000,000</b>
	<b>Total FY 2004 Trust Lands Administration Capital Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$3,000,000</b>
<b>NATURAL RESOURCES TOTALS</b>							
	\$41,291,600	\$23,955,900	\$15,747,200	\$716,400	\$48,911,900	(\$272,900)	\$130,350,100
	668,300	238,500	109,800	9,600	1,236,900	9,500	2,272,600
	41,959,900	24,194,400	15,857,000	726,000	50,148,800	(263,400)	132,622,700
	6,408,600	0	0	0	0	6,070,000	12,478,600
	3,407,300	3,711,000	175,000	0	4,730,000	(1,652,500)	10,370,800
	3,407,300	3,711,000	175,000	0	4,730,000	(1,652,500)	10,370,800
	0	500,000	0	0	1,500,000	0	2,000,000

(a) Transfers to the Division of Comprehensive Emergency Management in Public Safety for the Utah Seismic Safety Commission.

(b) General Fund was transferred from each division to the Building Operations line item to properly reflect the cost of building maintenance. This adjustment has a net effect of zero on the department's budget.





## PUBLIC EDUCATION

Mission: *Provide the opportunities for each student to be literate and to possess the basic knowledge and life skills necessary to become a contributing citizen in today's society.*

### GOVERNOR'S RECOMMENDATIONS

#### Utah State Office of Education

##### *Uniform School Fund*

- Current charter school enrollment is expected to increase by 200 students, and six new charter schools are coming on line. This will cost \$564,200 in ongoing funds.

#### Utah State Office of Rehabilitation

##### *Uniform School Fund*

- To help with client growth and the operational costs of the new wing of the Center for the Deaf and the Hard of Hearing, the governor recommends \$213,100 in ongoing funds.

#### Utah Schools for the Deaf and the Blind

##### *Permanent School Trust Fund*

- The governor recommends that, starting in FY 2004, the interests and dividends derived from the permanent funds created for the Schools for the Deaf and the Blind pursuant to Section 12 of the Utah Enabling Act and distributed by the Director of the School and Institutional Trust Lands Administration be shown as a separate line item in the appropriations act. Section 53A-25-306, UCA, restricts these funds to the use of the Education Enrichment Program for Hearing and Visually

Impaired Students. The appropriation should be made to the State Board of Education for the Institutional Council of the Utah Schools for the Deaf and the Blind.

#### Minimum School Program (MSP)

##### *Uniform School Fund*

- The governor recommends the transfer of \$365,000 from the MSP's FY 2003 closing balance to fund charter school capital outlay needs.
- In order to comply with federal tracking requirements, the governor recommends that the Alternative Language Services program be removed from the Interventions for Student Success Block Grant and restored to line-item status.
- An estimated increase of 4,393 Weighted Pupil Units (WPU) for enrollment growth is to be fully funded at \$10,048,306 in ongoing funds.
- Amend Section 53-17a-111, UCA, as recommended by the Special Education Task Force, to provide that WPUs for the Special Education Add-On program shall be computed using average enrollment data for the previous five school years. Provide a three-year phase-in period to allow school districts to adjust to the formula change.

- Public education retirement rates will increase 10.92 percent, which equates to \$15,882,634 in ongoing funds.
- In response to additional growth, ongoing funds for the Pupil Transportation to and from school program will increase \$393,016.
- Youth-in-Custody program growth requires \$501,800 in ongoing funds.
- The increase in the state's guaranteed portion of the Board and Voted Leeways necessitates an increase in ongoing funding of \$4,787,850. However, increased revenue from program growth offsets that cost by \$2,561,535. The state's net cost is \$2,226,315.
- School Permanent Trust Fund interest is expected to increase a total of \$3,800,000 for FY 2003. Fiscal Year 2004 projections indicate an increase of another \$250,000, in addition to the FY 2003 estimates, for a total increase of \$4,050,000.
- It is recommended that the state subsidy provided to the current J-1 Foreign Student Exchange Program be eliminated, freeing up \$682,240 in ongoing funds. The program would continue to operate at the discretion of local districts.
- The governor recommends that the value of the WPU be increased by 1.02 percent, or \$13,908,108, for health and dental insurance increases. This is the equivalent of the 8.0 percent ongoing increase in health and dental insurance for public employees.

**PUBLIC EDUCATION**  
Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals FY 2003</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj. FY 2004</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$254,900	\$254,900	\$0	\$254,900	\$254,900	\$0	\$254,900
School Funds	1,705,509,700	1,654,298,000	3,800,000	1,658,098,000	1,648,645,000	42,178,100	1,690,823,100
Federal Funds	252,990,800	261,383,500	0	261,383,500	259,687,600	99,000	259,786,600
Dedicated Credits	22,042,200	22,801,100	0	22,801,100	22,806,200	42,700	22,848,900
Mineral Lease	709,700	729,700	0	729,700	752,500	0	752,500
Restricted and Trust Funds	541,700	532,200	0	532,200	532,400	5,000	537,400
Transfers	8,323,500	8,376,200	0	8,376,200	8,401,400	27,900	8,429,300
Beginning Balances	27,844,400	26,367,200	0	26,367,200	12,832,800	0	12,832,800
Closing Balances	(26,367,200)	(13,197,800)	365,000	(12,832,800)	(5,324,800)	0	(5,324,800)
Lapsing Funds	(827,700)	0	0	0	0	0	0
Local Property Tax	356,458,400	369,419,000	0	369,419,000	369,419,000	17,418,800	386,837,800
<b>Total Financing</b>	<b>\$2,347,480,400</b>	<b>\$2,330,964,000</b>	<b>\$4,165,000</b>	<b>\$2,335,129,000</b>	<b>\$2,318,007,000</b>	<b>\$59,771,500</b>	<b>\$2,377,778,500</b>
<b>Programs</b>							
<b>Public Education</b>							
State Office of Education	\$173,411,000	\$178,796,200	\$0	\$178,796,200	\$175,829,700	\$704,200	\$176,533,900
State Office of Rehabilitation	47,371,900	48,914,400	0	48,914,400	48,634,000	425,700	49,059,700
Schools for Deaf and Blind	21,432,200	21,711,100	0	21,711,100	22,176,800	314,900	22,491,700
Science and the Arts	3,365,100	2,946,600	0	2,946,600	2,934,300	0	2,934,300
Education Contracts	3,932,100	3,878,300	0	3,878,300	3,878,300	0	3,878,300
Nutrition Programs	102,240,100	102,635,800	0	102,635,800	102,635,800	0	102,635,800
Minimum School Program	1,986,137,600	1,962,627,600	365,000	1,962,992,600	1,952,453,600	54,276,700	2,006,730,300
Trust Fund Interest to School	6,070,000	6,000,000	3,800,000	9,800,000	6,000,000	4,050,000	10,050,000
Indirect Cost Pool	3,520,400	3,454,000	0	3,454,000	3,464,500	0	3,464,500
<b>Total Budget</b>	<b>\$2,347,480,400</b>	<b>\$2,330,964,000</b>	<b>\$4,165,000</b>	<b>\$2,335,129,000</b>	<b>\$2,318,007,000</b>	<b>\$59,771,500</b>	<b>\$2,377,778,500</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>2.0%</b>
FTE Positions	--	1,026.9	0.0	1,026.9	1,032.9	0.0	1,032.9

**PUBLIC EDUCATION**  
Capital Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
School Funds	\$28,358,000	\$28,358,000	\$0	\$28,358,000	\$28,358,000	\$0	\$28,358,000
<b>Total Financing</b>	<b>\$28,358,000</b>	<b>\$28,358,000</b>	<b>\$0</b>	<b>\$28,358,000</b>	<b>\$28,358,000</b>	<b>\$0</b>	<b>\$28,358,000</b>
<b>Projects</b>							
Capital Outlay Program	\$28,358,000	\$28,358,000	\$0	\$28,358,000	\$28,358,000	\$0	\$28,358,000
<b>Total Budget</b>	<b>\$28,358,000</b>	<b>\$28,358,000</b>	<b>\$0</b>	<b>\$28,358,000</b>	<b>\$28,358,000</b>	<b>\$0</b>	<b>\$28,358,000</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>0.0%</b>

**MINIMUM SCHOOL PROGRAM FY 2004**

	Appropriation S.B. 3 FY 2003		Governor Recommendations FY 2004		Difference FY 2003 - FY 2004	
	FY 2003 WPU's @	\$2,132	FY 2004 WPU's @	\$2,154	\$ Amount	WPU Percent
<b>Plan of Financing</b>						
<b>Local Revenue</b>						
1. Basic Levy		\$206,690,578		\$212,110,681	\$5,420,103	2.62%
2. Voted Leeway		126,669,788		136,088,319	9,418,531	7.44%
3. Board Leeway		36,058,649		38,638,837	2,580,188	7.16%
<b>Total Local Contribution</b>		<b>\$369,419,015</b>		<b>\$386,837,837</b>	<b>\$17,418,822</b>	<b>4.72%</b>
<b>State Revenue</b>						
1. Uniform School Fund		\$1,575,582,794		\$1,612,440,468	\$36,857,674	2.34%
2. Permanent Trust Fund Interest to Local Schools		6,000,000		10,050,000	4,050,000	67.50%
3. School Building Aid		28,358,000		28,358,000	0	0.00%
4. One-time Funding		5,000,000		0	(5,000,000)	(100.00%)
<b>Total State Revenue</b>		<b>\$1,614,940,794</b>		<b>\$1,650,848,468</b>	<b>\$35,907,674</b>	<b>2.22%</b>
<b>Total Revenue</b>		<b>\$1,984,359,809</b>		<b>\$2,037,686,305</b>	<b>\$53,326,496</b>	<b>2.69%</b>
<b>Programs</b>						
<b>A. Regular Basic School Programs</b>						
1. Kindergarten	20,097	\$42,846,804	20,433	\$44,012,682	\$1,165,878	2.72%
2. Grades 1-12	429,871	916,484,972	432,649	931,925,946	15,440,974	1.68%
3. Necessarily Existent Small Schools	7,386	15,746,932	7,585	16,338,090	591,138	3.75%
4. Professional Staff	41,187	87,810,684	41,678	89,774,412	1,963,728	2.24%
5. Administrative Costs	1,655	3,528,460	1,671	3,599,334	70,874	2.01%
<b>Total Regular Basic School Programs</b>	<b>500,196</b>	<b>\$1,066,417,872</b>	<b>504,016</b>	<b>\$1,085,650,464</b>	<b>\$19,232,592</b>	<b>1.80%</b>
<b>B. Restricted Basic School Programs</b>						
1. Special Education--Regular Program						
a. Special Education--Add-On WPU's	52,997	\$112,989,604	53,489	\$115,215,306	\$2,225,702	1.97%
b. S.E.-Contained Regular WPU's	12,542	26,739,544	12,417	26,746,218	6,674	0.02%
2. Special Education Pre-School	6,146	13,103,272	6,269	13,503,426	400,154	3.05%
3. Extended Year Program for Severely Disabled	238	507,416	321	691,434	184,018	36.27%
4. Special Education--State Programs	1,358	2,895,256	1,358	2,925,132	29,876	1.03%
5. Applied Technology Education						
a. Applied Technology Education--District	23,566	50,242,712	23,566	50,761,164	518,452	1.03%
b. Applied Technology--District Set Aside	995	2,121,340	995	2,143,230	21,890	1.03%
6. Class Size Reduction	29,757	63,441,934	29,757	64,096,578	654,644	1.03%
<b>Total Restricted Basic School Programs</b>	<b>127,599</b>	<b>\$272,041,068</b>	<b>128,172</b>	<b>\$276,082,488</b>	<b>\$4,041,420</b>	<b>1.49%</b>
<b>Total Basic School Program</b>	<b>627,795</b>	<b>\$1,338,458,940</b>	<b>632,188</b>	<b>\$1,361,732,952</b>	<b>\$23,274,012</b>	<b>1.74%</b>

<b>C. Related to Basic Program</b>				
1. Social Security and Retirement	\$217,072,218	\$232,954,852	\$15,882,634	7.32%
2. Pupil Transportation to and from school	56,164,040	56,557,056	393,016	0.70%
3. Transportation Levy Guarantee	500,000	500,000	0	0.00%
4. Local Discretionary Block Grant	21,824,448	21,824,448	0	0.00%
5. Interventions for Student Success Block Grant	15,533,062	12,022,517	(3,510,545)	(22.70%)
6. Quality Teaching Block Grant	64,178,111	64,178,111	0	0.00%
7. Math/Science Recruitment and Retention	600,000	600,000	0	0.00%
<b>Total Related to Basic Program</b>	<b>\$375,891,879</b>	<b>\$388,636,984</b>	<b>\$12,745,105</b>	<b>3.39%</b>
<b>D. Categorical Programs</b>				
1. Highly Impacted Schools	\$5,123,207	\$5,123,207	\$0	0.00%
2. At-Risk Programs	24,324,161	24,825,961	501,800	2.06%
3. Adult Education	8,431,047	8,431,047	0	0.00%
4. Alternative Language Services	0	3,530,545	3,530,545	100.00%
5. Accelerated Learning Programs	8,622,674	8,622,674	0	0.00%
<b>Total Special Purpose Programs</b>	<b>\$46,501,089</b>	<b>\$50,533,434</b>	<b>\$4,032,345</b>	<b>8.67%</b>
<b>E. Special Purpose Programs</b>				
1. Experimental - Developmental Programs	\$602,369	\$602,369	\$0	0.00%
2. Electronic High School	400,000	400,000	0	0.00%
3. Permanent Trust Fund Interest to Local Schools	6,000,000	10,050,000	4,050,000	67.50%
<b>Total Special Purpose Programs</b>	<b>\$7,002,369</b>	<b>\$11,052,369</b>	<b>\$4,050,000</b>	<b>57.84%</b>
<b>F. Board and Voted Leeway Programs</b>				
1. Voted Leeway Program	\$141,682,087	\$152,773,643	\$11,091,556	7.83%
2. Board Leeway Program	41,465,445	44,598,923	3,133,478	7.56%
<b>Total Board and Voted Leeway Programs</b>	<b>\$183,147,532</b>	<b>\$197,372,566</b>	<b>\$14,225,034</b>	<b>7.77%</b>
<b>G. School Building Aid Program</b>				
1. Capital Outlay Equalization Program	\$28,358,000	\$28,358,000	\$0	0.00%
<b>Total School Building Aid Program</b>	<b>\$28,358,000</b>	<b>\$28,358,000</b>	<b>\$0</b>	<b>0.00%</b>
<b>H. One-time Funding</b>				
1. Teacher Supply Money	\$5,000,000	\$0	(\$5,000,000)	(100.00%)
<b>Total One-time Funding</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>(\$5,000,000)</b>	<b>(100.00%)</b>
<b>Total Minimum School Program</b>	<b>\$1,984,359,809</b>	<b>\$2,037,686,305</b>	<b>\$53,326,496</b>	<b>2.69%</b>

**PUBLIC EDUCATION**

	General Fund	School Funds	Federal Funds	Dedicated Credits	Other Funds	Property Tax Funds	Total Funds
<b>PUBLIC EDUCATION FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
01 FY 2003 appropriated budget	\$254,900	\$1,654,324,500	\$237,428,900	\$21,844,700	\$6,237,100	\$369,419,000	\$2,289,509,100
02 Less one-time FY 2003 appropriations	0	(5,775,400)	0	0	0	0	(5,775,400)
03 Adjustment for extra working day	0	122,400	0	0	200	0	122,600
04 Retirement funding allocations from Division of Finance to agencies	0	(26,500)	0	0	0	0	(26,500)
05 Restricted Funds	0	0	0	0	532,200	0	532,200
06 Adjustments for non-state funding levels	0	0	22,258,700	961,500	10,424,800	0	33,645,000
<b>Totals Beginning Base Budget - Public Education</b>	<b>254,900</b>	<b>1,648,645,000</b>	<b>259,687,600</b>	<b>22,806,200</b>	<b>17,194,300</b>	<b>369,419,000</b>	<b>2,318,007,000</b>
<b>Statewide Ongoing Adjustments</b>							
07 Internal service fund adjustments	0	19,900	10,200	23,400	4,900	0	58,500
08 Beneficiary adjustments	0	473,000	88,700	19,300	28,000	0	609,000
<i>Subtotal Statewide Ongoing Adjustments - Public Education</i>	<i>0</i>	<i>492,900</i>	<i>98,900</i>	<i>42,700</i>	<i>32,900</i>	<i>0</i>	<i>607,500</i>
<b>Ongoing Adjustments</b>							
09 USOE - Charter school growth	0	564,200	0	0	0	0	564,200
10 USOR - Vocational Rehabilitation	0	213,100	0	0	0	0	213,100
11 MSP - Enrollment growth	0	10,048,300	0	0	0	0	10,048,300
12 MSP - Basic Levy property tax offset	0	(5,420,100)	0	0	0	5,420,100	0
13 MSP - Retirement benefits	0	15,882,600	0	0	0	0	15,882,600
14 MSP - Pupil Transportation and from school	0	395,000	0	0	0	0	395,000
15 MSP - Youth in Custody	0	501,800	0	0	0	0	501,800
16 MSP - Guarantee increases for Board and Voted Leeways	0	4,787,900	0	0	0	0	4,787,900
17 MSP - Board and Voted Leeways property tax offset	0	(2,561,500)	0	0	0	11,998,700	9,437,200
18 MSP - Permanent Trust Fund interest to local schools	0	4,050,000	0	0	0	0	4,050,000
19 MSP - Eliminate state subsidy for J-1 Foreign Exchange Student Program	0	(682,200)	0	0	0	0	(682,200)
20 MSP - WPU increase equivalent to health and dental increase - 1.02%	0	13,908,100	0	0	0	0	13,908,100
<i>Subtotal Ongoing Adjustments - Public Education</i>	<i>0</i>	<i>41,685,200</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>17,418,800</i>	<i>59,104,000</i>
<b>Totals FY 2004 Public Education Adjustments</b>	<b>0</b>	<b>42,178,100</b>	<b>99,000</b>	<b>42,700</b>	<b>32,900</b>	<b>17,418,800</b>	<b>59,771,500</b>
<b>Totals FY 2004 Public Education Operating Budget</b>	<b>\$254,900</b>	<b>\$1,690,823,100</b>	<b>\$259,786,600</b>	<b>\$22,848,900</b>	<b>\$17,227,200</b>	<b>\$386,837,800</b>	<b>\$2,377,778,500</b>
<b>PUBLIC EDUCATION FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
21 MSP - Charter School Capital Outlay	\$0	\$0	\$0	\$0	\$365,000	\$0	\$365,000
22 MSP - Permanent Trust Fund interest to local schools	0	3,800,000	0	0	0	0	3,800,000
<i>Subtotal Supplemental Adjustments - Public Education</i>	<i>0</i>	<i>3,800,000</i>	<i>0</i>	<i>0</i>	<i>365,000</i>	<i>0</i>	<i>4,165,000</i>
<b>Totals FY 2003 Public Education Budget Adjustments</b>	<b>\$0</b>	<b>\$3,800,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$365,000</b>	<b>\$0</b>	<b>\$4,165,000</b>

**PUBLIC EDUCATION - CONTINUED**

**PUBLIC EDUCATION FY 2004 CAPITAL BUDGET**

	General Fund	School Funds	Federal Funds	Dedicated Credits	Other Funds	Property Tax Funds	Total Funds
Base Budget							
FY 2003 appropriated budget	\$0	\$28,358,000	\$0	\$0	\$0	\$0	\$28,358,000
Total FY 2004 Public Education Capital Base Budget	0	28,358,000	0	0	0	0	28,358,000
Total FY 2004 Public Education Capital Budget	\$0	\$28,358,000	\$0	\$0	\$0	\$0	\$28,358,000

**PUBLIC EDUCATION TOTALS**

FY 2004 Operating Base Budget	\$254,900	\$1,648,645,000	\$259,687,600	\$22,806,200	\$17,194,300	\$369,419,000	\$2,318,007,000
FY 2004 Operating Ongoing and One-time Adjustments	0	42,178,100	99,000	42,700	32,900	17,918,800	59,771,500
FY 2004 Operating Recommendation	254,900	1,690,823,100	259,786,600	228,489,000	17,227,200	386,837,800	2,377,778,900
FY 2003 Operating Adjustments	0	3,800,000	0	0	365,000	0	4,165,000
FY 2004 Capital Base Budget	0	28,358,000	0	0	0	0	28,358,000
FY 2004 Capital Recommendation	0	28,358,000	0	0	0	0	28,358,000



## PUBLIC SAFETY

Mission: *Provide quality services, ensure a safe environment, and protect the rights of Utah's citizens.*

### GOVERNOR'S RECOMMENDATIONS

#### *Restricted Funds*

- Provide the State Fire Marshal's office with \$983,200 from ongoing restricted funds instead of the General Fund.
- Provide a training specialist and an accounting technician in the Driver License Division with \$74,000 in ongoing funds.
- Provide a supplemental appropriation of \$136,500 to acquire motorcycle replacements and five additional trailers.

#### *Federal Funds*

- Provide the Hazardous Materials Institute with \$200,000 in ongoing funds.
- Provide a supplemental appropriation of \$200,000 for the Hazardous Materials Institute.

### FY 2003 PROPOSED LEGISLATIVE INTENT

- The Department of Public Safety (DPS) may expand the fleet if money becomes available,

either through existing budgets or from outside sources of revenue.

- The \$403,000 appropriation from the Transportation Fund - Department of Public Safety Restricted Account is to be used for enforcement of alcohol and drug related offenses.

### FY 2004 PROPOSED LEGISLATIVE INTENT

- Funds appropriated to DPS are nonlapsing.
- DPS may expand the fleet from existing funds or alternate sources of revenue that may become available.
- DPS is authorized to advance officers to the Senior Trooper III level from existing appropriations and/or savings.
- Receipts above the appropriated dedicated credit amount of reimbursable flight time for DPS aircraft are nonlapsing and shall be used for major aircraft maintenance.

**PUBLIC SAFETY**

Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals FY 2003</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$44,798,000	\$44,041,400	\$0	\$44,041,400	\$44,172,700	(\$82,000)	\$44,090,700
Transportation Fund	5,495,500	5,495,500	0	5,495,500	5,495,500	0	5,495,500
Federal Funds	43,163,100	21,687,200	200,000	21,887,200	18,247,000	252,600	18,499,600
Dedicated Credits	5,962,500	4,507,400	0	4,507,400	4,625,000	45,900	4,670,900
Restricted and Trust Funds	27,630,500	27,772,700	296,500	28,069,200	27,811,500	1,420,900	29,232,400
Transfers	2,569,000	2,565,000	0	2,565,000	2,544,300	6,700	2,551,000
Beginning Balances	5,217,800	5,340,800	0	5,340,800	875,000	0	875,000
Closing Balances	(5,340,800)	(875,000)	0	(875,000)	(781,000)	0	(781,000)
Lapsing Funds	(1,895,600)	(1,793,300)	0	(1,793,300)	(1,793,300)	0	(1,793,300)
<b>Total Financing</b>	<b>\$127,600,000</b>	<b>\$108,741,700</b>	<b>\$496,500</b>	<b>\$109,238,200</b>	<b>\$101,196,700</b>	<b>\$1,644,100</b>	<b>\$102,840,800</b>
<b>Programs</b>							
<b>Public Safety</b>							
Commissioner's Office	\$29,665,300	\$6,431,700	\$0	\$6,431,700	\$4,634,900	(\$32,100)	\$4,602,800
Emergency Management	10,669,600	10,608,500	200,000	10,808,500	10,521,800	244,500	10,766,300
Peace Officer Standards and Training	5,259,500	8,272,900	0	8,272,900	6,253,000	108,500	6,361,500
Criminal Investigations and Tech. Svcs.	16,264,000	15,927,400	0	15,927,400	15,259,900	216,000	15,475,900
Liquor Law Enforcement	1,032,400	978,200	0	978,200	961,000	50,100	1,011,100
Driver License	17,547,200	19,835,200	296,500	20,131,700	18,031,500	330,900	18,362,400
Highway Patrol	36,894,600	36,329,900	0	36,329,900	35,634,600	664,600	36,299,200
Highway Safety Office	4,207,900	3,533,700	0	3,533,700	3,547,000	7,300	3,554,300
Management Information Systems	2,127,300	2,032,800	0	2,032,800	1,954,500	28,100	1,982,600
Fire Marshal	3,932,200	4,791,400	0	4,791,400	4,398,500	26,200	4,424,700
<b>Total Budget</b>	<b>\$127,600,000</b>	<b>\$108,741,700</b>	<b>\$496,500</b>	<b>\$109,238,200</b>	<b>\$101,196,700</b>	<b>\$1,644,100</b>	<b>\$102,840,800</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>(5.4%)</b>
FTE Positions	..	1,080.3	0.0	1,080.3	1,080.3	2.0	1,082.3

**PUBLIC SAFETY**

	General Fund	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>PUBLIC SAFETY FY 2004 OPERATING BUDGET</b>							
<b>Beginning Base Budget</b>							
C1 FY 2003 appropriated budget	\$44,323,200	\$5,495,500	\$21,057,400	\$4,381,700	\$27,779,200	\$1,861,500	\$104,898,500
C2 Less one-time FY 2003 appropriations	(8,000)	0	0	0	0	0	(8,000)
C3 IT recharition allocation	(137,400)	0	0	0	0	0	(137,400)
C4 Retirement funding allocation from Division of Finance to agencies	(144,400)	0	0	0	(6,500)	0	(150,900)
C5 Adjustment for extra working day	135,200	0	0	0	38,800	0	174,000
C6 Program transfers	4,100	0	0	0	0	0	4,100
C7 Adjustments to estimates for non-state funding levels	0	0	(2,810,400)	243,300	0	(1,016,500)	(3,583,600)
<b>Total Beginning Base Budget - Public Safety</b>	<b>44,172,700</b>	<b>5,495,500</b>	<b>18,247,000</b>	<b>4,625,000</b>	<b>27,811,500</b>	<b>845,000</b>	<b>101,196,700</b>
<b>Statewide Ongoing Adjustments</b>							
C8 Internal service fund adjustments	(50,600)	0	(11,000)	0	59,200	0	(2,400)
C9 Benefitaire adjustments	951,800	0	63,600	45,900	284,500	6,700	1,352,500
C10 Fire Marshal - Replace General Fund with Restricted Funds	(983,200)	0	0	0	983,200	0	0
<i>Subtotal Statewide Ongoing Adjustments - Public Safety</i>	<i>(82,000)</i>	<i>0</i>	<i>52,600</i>	<i>45,900</i>	<i>1,328,900</i>	<i>6,700</i>	<i>1,350,100</i>
<b>Ongoing Adjustments</b>							
C11 Training specialist and accounting technician	0	0	0	0	74,000	0	74,000
C12 Increase the motorcycle replacement fund	0	0	0	0	20,000	0	20,000
C13 Fund the Hazardous Materials Institute	0	0	200,000	0	0	0	200,000
<i>Subtotal Ongoing Adjustments - Public Safety</i>	<i>0</i>	<i>0</i>	<i>200,000</i>	<i>0</i>	<i>94,000</i>	<i>0</i>	<i>294,000</i>
<b>Total FY 2004 Public Safety Adjustments</b>	<b>(82,000)</b>	<b>0</b>	<b>252,600</b>	<b>45,900</b>	<b>1,420,900</b>	<b>6,700</b>	<b>1,644,100</b>
<b>Total FY 2004 Public Safety Operating Budget</b>	<b>\$44,090,700</b>	<b>\$5,495,500</b>	<b>\$18,499,600</b>	<b>\$4,670,900</b>	<b>\$29,232,400</b>	<b>\$851,700</b>	<b>\$102,840,800</b>
<b>PUBLIC SAFETY FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
<b>Supplemental Adjustments</b>							
C14 Appropriation of Restricted Firearm Fund	\$0	\$0	\$0	\$0	\$160,000	\$0	\$160,000
C15 Fund the Hazardous Materials Institute	0	0	200,000	0	0	0	200,000
C16 Motorcycle replacements and fire additional trailers	0	0	0	0	136,500	0	136,500
<i>Subtotal Supplemental Adjustments - Public Safety</i>	<i>0</i>	<i>0</i>	<i>200,000</i>	<i>0</i>	<i>296,500</i>	<i>0</i>	<i>496,500</i>
<b>Total FY 2003 Public Safety Budget Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$296,500</b>	<b>\$0</b>	<b>\$496,500</b>
<b>PUBLIC SAFETY TOTALS</b>							
<b>FY 2004 Operating Base Budget</b>	<b>\$44,172,700</b>	<b>\$5,495,500</b>	<b>\$18,247,000</b>	<b>\$4,625,000</b>	<b>\$27,811,500</b>	<b>\$845,000</b>	<b>\$101,196,700</b>
<b>FY 2004 Operating Ongoing and One-time Adjustments</b>	<b>(82,000)</b>	<b>0</b>	<b>252,600</b>	<b>45,900</b>	<b>1,420,900</b>	<b>6,700</b>	<b>1,644,100</b>
<b>FY 2004 Operating Recommendation</b>	<b>44,090,700</b>	<b>5,495,500</b>	<b>18,499,600</b>	<b>4,670,900</b>	<b>29,232,400</b>	<b>851,700</b>	<b>102,840,800</b>
<b>FY 2003 Operating Adjustments</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>296,500</b>	<b>0</b>	<b>496,500</b>



## TRANSPORTATION

Mission: *Provide a quality, economical transportation system that is safe, reliable, environmentally sensitive, and serves the public, commerce, and industry.*

### GOVERNOR'S RECOMMENDATIONS

#### *Transportation Fund*

- Recommend \$800,000 in one-time funding for development of a location reference system and \$243,000 in one-time funding for the final phase of the photolog system in Engineering Services.
- Increase ongoing funding in Maintenance Management by \$678,900 for increased costs associated with 216 additional lane miles on state highways.

#### *General Fund*

- Decrease the ongoing General Fund appropriation to the Centennial Highway Fund by \$79,594,700.
- Recommend allocating to the General Fund the state's portion of the sales tax originally used for Olympic facilities and currently going to the Centennial Highway Fund (See Tables 3 and 4).

### FY 2003 PROPOSED LEGISLATIVE INTENT

- Funds for Support Services, Engineering Services, Maintenance Management, Region Management, Equipment Management, and Aeronautics are nonlapsing.

### FY 2004 PROPOSED LEGISLATIVE INTENT

- Funds for Support Services, Engineering Services, Maintenance Management, Region Management, Equipment Management, and Aeronautics are nonlapsing.
- Any and all collections or cash income from the sale or salvage of land and buildings are to be lapsed to the Transportation Fund.
- Any surplus in the Transportation Fund not otherwise appropriated may be used by the department for the construction, rehabilitation, and preservation of state highways in Utah. The appropriation shall fund: first, a maximum participation with the federal government for the construction of federally designated highways as provided by law; next, the rehabilitation and preservation of state highways as provided by law; and last, the construction of state highways as funding permits.
- The number of full-time equivalent positions for field crews may be adjusted to accommodate the increase or decrease in the federal construction program. No portion of the money appropriated by this item shall be used either directly or indirectly to enhance or increase appropriations made to the department for other purposes.

- Funds from the Transportation Fund for pedestrian safety projects are to be used specifically to correct pedestrian hazards on state highways.
- Local authorities are encouraged to participate in the construction of pedestrian safety devices. The appropriated funds are to be used according to the criteria set forth in Section 72-8-104, UCA. The funds appropriated for sidewalk construction shall not lapse. If local governments cannot use their allocation of Sidewalk Safety Funds in two years, these funds will then be available for other governmental entities that are prepared to use the resources.
- Local participation in the Sidewalk Construction program may be on a 75/25 match basis.
- Funds from the Federal Mineral Lease Account shall be used for improvement or reconstruction of highways that have been heavily impacted by energy development. Private industries engaged in developing the state's natural resources are encouraged to participate in the construction of highways leading to their facilities. Local governments shall use their mineral lease funds to improve the most heavily impacted highways in their jurisdiction. Funds for improvement or reconstruction of energy impacted highways are nonlapsing.

**TRANSPORTATION**

Operating Budget

<b>Governor Leavitt's Recommendations</b>							
	<b>Actual FY 2002</b>	<b>Authorized FY 2003</b>	<b>Supplementals</b>	<b>Recommended FY 2003</b>	<b>Base FY 2004</b>	<b>Ongoing and One-time Adj.</b>	<b>Total FY 2004</b>
<b>Plan of Financing</b>							
General Fund	\$13,317,300	\$751,700	\$0	\$751,700	\$752,000	\$0	\$752,000
Transportation Fund	153,938,700	155,165,800	90,800	155,256,600	154,636,000	3,332,300	157,968,300
Federal Funds	50,841,700	29,931,800	0	29,931,800	39,931,800	290,900	40,222,700
Dedicated Credits	24,799,200	16,060,800	0	16,060,800	15,624,900	(59,300)	15,565,600
Restricted and Trust Funds	8,698,000	11,244,000	903,400	12,147,400	9,758,200	755,800	10,514,000
Beginning Balances	593,100	499,400	0	499,400	0	0	0
Closing Balances	(499,400)	0	0	0	0	0	0
Lapsing Funds	(5,451,600)	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$246,237,000</b>	<b>\$213,653,500</b>	<b>\$994,200</b>	<b>\$214,647,700</b>	<b>\$220,702,900</b>	<b>\$4,319,700</b>	<b>\$225,022,600</b>
<b>Programs</b>							
<b>Transportation</b>							
Support Services	\$35,420,500	\$25,352,600	(\$91,400)	\$25,261,200	\$25,298,200	\$122,500	\$25,420,700
Engineering Services	22,548,400	22,212,400	(50,000)	22,162,400	22,092,500	1,328,700	23,421,200
Maintenance Management	79,655,400	81,015,300	0	81,015,300	80,888,300	1,453,300	82,341,600
Region District Management	23,066,600	25,011,200	(50,000)	24,961,200	24,646,900	324,600	24,971,500
Equipment Management	25,055,200	18,191,000	282,200	18,473,200	17,835,000	46,100	17,881,100
Aeronautics	38,951,300	21,979,900	903,400	22,883,300	30,058,200	755,800	30,814,000
Construction Management	21,539,600	19,891,100	0	19,891,100	19,883,800	288,700	20,172,500
<b>Total Budget</b>	<b>\$246,237,000</b>	<b>\$213,653,500</b>	<b>\$994,200</b>	<b>\$214,647,700</b>	<b>\$220,702,900</b>	<b>\$4,319,700</b>	<b>\$225,022,600</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>5.3%</b>
FTE Positions	..	1,825.0	0.0	1,825.0	1,823.0	0.0	1,823.0

**TRANSPORTATION**  
Capital Budget

Governor Leavitt's Recommendations								
	Actual FY 2002	Authorized FY 2003	Supplementals FY 2003	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004	FY 2004 Bond
<b>Plan of Financing</b>								
General Fund	\$146,050,000	\$79,594,700	(\$33,359,500)	\$46,235,200	\$79,594,700	(\$79,594,700)	\$0	\$0
Transportation Fund	235,578,300	223,781,900	0	223,781,900	226,992,500	500,000	227,492,500	0
Federal Funds	233,018,100	158,089,200	0	158,089,200	155,231,200	0	155,231,200	0
Dedicated Credits	8,328,700	1,550,000	0	1,550,000	1,550,000	0	1,550,000	0
Mineral Lease	14,598,000	14,945,700	0	14,945,700	15,376,000	0	15,376,000	0
Restricted and Trust Funds	20,506,200	20,388,000	0	20,388,000	20,388,000	0	20,388,000	0
Transfers	(76,657,500)	(76,657,500)	(1,960,700)	(78,618,200)	(76,657,500)	(15,067,400)	(91,724,900)	0
Other Funds	122,400	0	0	0	0	0	0	0
Beginning Balances	1,490,300	1,738,200	0	1,738,200	0	0	0	0
Closing Balances	(1,738,200)	0	0	0	0	0	0	0
<b>Total Financing</b>	<b>\$581,296,300</b>	<b>\$423,430,200</b>	<b>(\$35,320,200)</b>	<b>\$388,110,000</b>	<b>\$422,474,900</b>	<b>(\$94,162,100)</b>	<b>\$328,312,800</b>	<b>\$0</b>
<b>Projects</b>								
Construction	\$297,638,400	\$187,379,100	\$0	\$187,379,100	\$188,678,700	\$0	\$188,678,700	\$0
Sidewalk Construction	557,500	1,982,800	0	1,982,800	500,000	0	500,000	0
E and C Road Account	105,037,000	114,383,000	0	114,383,000	114,383,000	0	114,383,000	0
Maintenance Sheds	0	255,400	0	255,400	0	500,000	500,000	0
Central Highway Fund	163,720,800	104,484,200	(35,320,200)	69,164,000	103,537,200	(94,662,100)	8,875,100	0
Mineral Lease Programs	14,342,600	14,945,700	0	14,945,700	15,376,000	0	15,376,000	0
<b>Total Budget</b>	<b>\$581,296,300</b>	<b>\$423,430,200</b>	<b>(\$35,320,200)</b>	<b>\$388,110,000</b>	<b>\$422,474,900</b>	<b>(\$94,162,100)</b>	<b>\$328,312,800</b>	<b>\$0</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>(22.5%)</b>	

**TRANSPORTATION**

	General Fund	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>TRANSPORTATION FY 2004 OPERATING BUDGET</b>							
Beginning Base Budget							
F1	\$1,010,100	\$154,549,100	\$30,470,300	\$16,060,800	\$11,244,100	\$0	\$213,334,400
F2		(700,000)	0	0	(1,489,000)	0	(2,189,000)
F3	(250,400)	0	0	0	0	0	(250,400)
F4	0	(5,000)	0	0	(100)	0	(5,700)
F5	300	269,400	0	0	3,200	0	272,900
F6	0	523,100	9,461,500	(435,900)	0	0	9,548,700
	<b>752,000</b>	<b>154,636,000</b>	<b>39,931,800</b>	<b>15,624,900</b>	<b>9,758,200</b>	<b>0</b>	<b>220,702,900</b>
Total Beginning Base Budget - Transportation							
Statewide Ongoing Adjustments							
F7	0	(100,700)	0	(153,200)	200	0	(253,700)
F8	0	1,420,300	290,900	93,900	13,800	0	1,818,900
	0	1,319,600	290,900	(59,300)	14,000	0	1,565,200
Subtotal Statewide Ongoing Adjustments - Transportation							
Ongoing Adjustments							
F9	0	678,900	0	0	0	0	678,900
F10	0	90,800	0	0	0	0	90,800
F11	0	0	0	0	741,800	0	741,800
	0	769,700	0	0	741,800	0	1,511,500
Subtotal Ongoing Adjustments - Transportation							
One-time Adjustments							
F12	0	243,000	0	0	0	0	243,000
F13	0	800,000	0	0	0	0	800,000
F14	0	200,000	0	0	0	0	200,000
	0	1,243,000	0	0	0	0	1,243,000
Subtotal One-time Adjustments - Transportation							
	<b>0</b>	<b>3,332,300</b>	<b>290,900</b>	<b>(59,300)</b>	<b>755,800</b>	<b>0</b>	<b>4,319,700</b>
	<b>\$752,000</b>	<b>\$157,968,300</b>	<b>\$40,222,700</b>	<b>\$15,565,600</b>	<b>\$10,514,000</b>	<b>\$0</b>	<b>\$225,022,600</b>
Total FY 2004 Transportation Operating Budget							
<b>TRANSPORTATION FY 2003 OPERATING BUDGET ADJUSTMENTS</b>							
Supplements/Adjustments							
F15	\$0	(\$91,400)	\$0	\$0	\$0	\$0	(\$91,400)
F16	0	(50,000)	0	0	0	0	(50,000)
F17	0	(50,000)	0	0	0	0	(50,000)
F18	0	191,400	0	0	0	0	191,400
F19	0	90,800	0	0	0	0	90,800
F20	0	0	0	0	288,400	0	288,400
F21	0	0	0	0	615,000	0	615,000
	0	90,800	0	0	903,400	0	994,200
Subtotal Supplemental Adjustments - Transportation							
	<b>\$0</b>	<b>\$90,800</b>	<b>\$0</b>	<b>\$0</b>	<b>\$903,400</b>	<b>\$0</b>	<b>\$994,200</b>
Total FY 2003 Transportation Budget Adjustments							

**TRANSPORTATION - CONTINUED**

	General Fund	Transportation Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
<b>TRANSPORTATION FY 2004 CAPITAL BUDGET</b>							
Base Budget							
F22	\$79,594,700	\$224,404,200	\$137,551,900	\$4,938,000	\$20,388,000	(\$55,508,200)	\$431,388,300
F23	0	2,588,300	(2,320,700)	(3,408,000)	0	(5,775,200)	(8,915,600)
	<b>79,594,700</b>	<b>226,992,500</b>	<b>155,231,200</b>	<b>1,550,000</b>	<b>20,388,000</b>	<b>(61,281,500)</b>	<b>422,474,900</b>
Ongoing Adjustments							
F24	(79,594,700)	0	0	0	0	0	(79,594,700)
F25	0	0	0	0	0	(15,067,400)	(15,067,400)
	<b>(79,594,700)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(15,067,400)</b>	<b>(94,662,100)</b>
One-time Adjustments							
F26	0	500,000	0	0	0	0	500,000
	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</b>
	<b>(79,594,700)</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(15,067,400)</b>	<b>(94,162,100)</b>
	<b>\$0</b>	<b>\$227,492,500</b>	<b>\$155,231,200</b>	<b>\$1,550,000</b>	<b>\$20,388,000</b>	<b>(\$76,348,900)</b>	<b>\$328,312,800</b>
<b>Total FY 2004 Transportation Capital Budget</b>							
<b>TRANSPORTATION FY 2003 CAPITAL BUDGET SUPPLEMENTALS</b>							
Supplemental Adjustments							
F27	\$0	\$0	\$0	\$0	\$0	(\$1,960,700)	(\$1,960,700)
F28	(33,359,500)	0	0	0	0	0	(33,359,500)
	<b>(33,359,500)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,960,700)</b>	<b>(35,320,200)</b>
	<b>(\$33,359,500)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,960,700)</b>	<b>(35,320,200)</b>
	<b>(\$33,359,500)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,960,700)</b>	<b>(\$35,320,200)</b>
<b>Total FY 2003 Transportation Capital Supplementals</b>							
<b>TRANSPORTATION TOTALS</b>							
FY 2004 Operating Base Budget	\$752,000	\$154,636,000	\$39,951,800	\$15,624,900	\$9,738,200	\$0	\$220,702,900
FY 2004 Operating Ongoing and One-time Adjustments	0	3,332,300	290,900	(39,200)	755,800	0	4,319,700
FY 2004 Operating Recommendation	752,000	157,968,300	40,222,700	15,585,700	10,514,000	0	225,022,600
FY 2003 Operating Adjustments	0	90,800	0	0	903,400	0	994,200
FY 2004 Capital Base Budget	79,594,700	226,992,500	155,231,200	1,530,000	20,388,000	(61,281,500)	422,474,900
FY 2004 Capital Ongoing and One-time Adjustments	(79,594,700)	500,000	0	0	0	(15,067,400)	(94,162,100)
FY 2004 Capital Recommendation	0	227,492,500	155,231,200	1,530,000	20,388,000	(76,348,900)	328,312,800
FY 2003 Capital Adjustments	(33,359,500)	0	0	0	0	(1,960,700)	(35,320,200)

# *STATE OF UTAH*

## **CAPITAL BUDGET SUMMARY AND DEBT SERVICE**

- Capital budget overview
- Bonding limit
- Capital facility projects recommended for FY 2004
- Capital facility projects recommended as FY 2003 supplementals
- Debt service table showing three-year comparisons





## CAPITAL BUDGET AND DEBT SERVICE

### OVERVIEW

The capital budget includes acquisition, development, construction, and improvement of fixed public assets.

Capital developments include any of the following: 1) a remodeling, site, or utility project costing \$1,500,000 or more; 2) a new facility with a construction cost of \$250,000 or more; or, 3) a purchase of real property where an appropriation is requested to fund the purchase.

Capital improvements are major remodeling, alterations, replacement, repairs, or improvements of fixed capital assets costing less than \$1,500,000. State law requires annual capital improvement funding to be at least 1.1 percent of the estimated replacement cost of all state facilities. For FY 2004, this amount is \$52,143,000. The Utah State Building Board allocates capital improvement funds to priority projects.

### BONDING LIMIT

The Utah Constitution Article XIV, Section 1 limits general obligation debt to 1.5 percent of the total fair market value of taxable property. As of November 13, 2002, the state's total outstanding general obligation debt is \$1,366,275,000, which is \$1,081,511,000 below the constitutional debt limit.

Section 63-38c-402, UCA, further limits outstanding general obligation debt to no more than 20 percent of the maximum allowable limit on appropriations from the General Fund, school funds, and Transportation Fund, less debt service. Considering \$954,325,000 of transportation bonds are exempt from this limit, the state's net outstanding general obligation debt is \$422,688,000 below the appropriation debt limit.

Because of the state's sound debt administration, the state continues to enjoy an AAA rating on general obligation bonds and an AA rating on revenue bonds from Moody's Investors Service, Standard and Poor's Corporation, and Fitch IBCA. These are the highest credit ratings available and save the state millions of dollars of interest on general obligation and revenue bonds.

### GOVERNOR'S RECOMMENDATIONS

Governor Leavitt recommends a total FY 2004 capital facilities budget of \$47,334,500 and debt service budget of \$205,514,500. Please see the capital table which follows for a list of the projects recommended by the governor.

#### *General Fund/School Funds*

- Recommend a \$14,487,000 ongoing General Fund reduction and an \$8,049,000 ongoing school funds reduction to the Department of

Administrative Service's (DAS) capital budget to help address the revenue shortfall.

- Recommend a \$9,268,000 ongoing General Fund reduction to the DAS capital budget by reducing the mandatory capital improvement funding from 1.1 percent to 0.9 percent of the estimated replacement cost of all state facilities.
- Recommend a \$5,697,600 ongoing school funds increase to the debt service budget. The increase is due to additional bonds issued and authorized during the 2002 legislative sessions.
- Recommend a \$3,125,000 negative General Fund supplemental because the Division of Youth Corrections was double funded with both cash and bonds in the 2002 legislative sessions.

#### *Other Funds*

- Recommend replacing prior year cash authorizations of \$35,361,000 with a general obligation bond.
- Recommend lease revenue bonding of \$24,333,400 for capital facility projects.

- Recommend a lease/purchase agreement with Tooele County of \$6,570,400.
- Recommend a \$15,067,400 ongoing and a \$1,960,700 supplemental Centennial Highway Fund increase to the debt service budget. The increase is due to additional bonds issued and authorized during the 2002 legislative sessions.

#### **FY 2004 PROPOSED LEGISLATIVE INTENT**

- When necessary to meet interest requirements on variable rate demand obligations issued to finance highway construction projects, the Division of Finance may request a transfer of funds from the Department of Transportation. After receiving such a request, the Department of Transportation shall transfer monies from the Centennial Highway Fund to the Debt Service Fund to pay interest on variable rate demand obligations issued to finance highway construction projects.

**CAPITAL FACILITIES BUDGET - FY 2004 Governor Leavitt's Recommendations**  
 All Sources of Funding

	General Fund	School Fund	Trans- portation	Restricted/ Trust	Other	Total Appropriated	Donations / Private	C-O Bonds	Revenue Bonds	Lease/ Purchase	Total Project
<b>CAPITAL FACILITY PROJECTS</b>											
<b>Administrative Services</b>											
1 Statewide capital improvements	\$24,707,000	\$17,000,000	\$956,000	\$0	\$0	\$42,663,000	\$0	\$0	\$0	\$0	\$42,663,000
2 Courts- Toledo courthouse	0	0	0	0	0	0	0	0	0	6,570,400	6,570,400
3 DPS-WV driver license bldg.	0	0	0	0	0	0	0	0	1,242,400	0	1,242,400
4 DNR-DWR Salt Lake field station	0	0	0	763,500	0	763,500	0	0	0	0	763,500
5 Logan regional center	0	0	0	2,808,000	0	2,808,000	0	0	4,478,000	0	7,286,000
6 St. George regional center	0	0	0	0	0	0	0	0	7,380,000	0	7,380,000
7 New Ogden regional center	0	0	0	0	0	0	0	0	11,233,000	0	11,233,000
<b>Total Administrative Services</b>	<b>24,707,000</b>	<b>17,000,000</b>	<b>956,000</b>	<b>3,571,500</b>	<b>0</b>	<b>46,234,500</b>	<b>0</b>	<b>0</b>	<b>24,333,400</b>	<b>6,570,400</b>	<b>77,138,300</b>
<b>Higher Education</b>											
8 USU/lab animal search ctr. add.	0	0	0	0	600,000	600,000	0	0	0	0	600,000 (6)
9 USU-Biology/Nat. Res. bldg. add.	0	0	0	0	0	0	1,900,000	0	0	0	1,900,000
<b>Total Higher Education</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>600,000</b>	<b>600,000</b>	<b>1,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500,000</b>
<b>Transportation</b>											
10 Lead purchase for 2 smart stations	0	0	500,000	0	0	500,000	0	0	0	0	500,000
<b>Total Transportation</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</b>
<b>TOTAL CAP. FACILITY PROJECTS</b>	<b>\$24,707,000</b>	<b>\$17,000,000</b>	<b>\$1,456,000</b>	<b>\$3,571,500</b>	<b>\$600,000</b>	<b>\$47,334,500</b>	<b>\$1,900,000</b>	<b>\$0</b>	<b>\$24,333,400</b>	<b>\$6,570,400</b>	<b>\$80,138,300</b>

(6) Grants and other institutional funds

**CAPITAL FACILITIES BUDGET - FY 2003 Governor Leavitt's Supplemental Recommendations**  
 All Sources of Funding

	General Fund	School Fund	Trans- portation	Restricted/ Trust	Other	Total Appropriated	Donations / Private	C-O Bonds	Revenue Bonds	Lease/ Purchase	Total Project
<b>CAPITAL FACILITY PROJECTS</b>											
<b>Administrative Services</b>											
11 DVC Copylands facility	(\$3,125,000)	\$0	\$0	\$0	\$0	(\$3,125,000)	\$0	\$0	\$0	\$0	(\$3,125,000) (6)
12 Prior year cash authorizations	0	0	0	0	(3,536,100)	(3,536,100)	0	35,361,000	0	0	0 (6)
<b>Total Administrative Services</b>	<b>(\$3,125,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(\$3,536,100)</b>	<b>(\$3,466,000)</b>	<b>0</b>	<b>35,361,000</b>	<b>0</b>	<b>0</b>	<b>(\$3,125,000)</b>
<b>TOTAL CAP. FACILITY PROJECTS</b>	<b>(\$3,125,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$3,536,100)</b>	<b>(\$3,466,000)</b>	<b>\$0</b>	<b>\$35,361,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$3,125,000)</b>

(6) This facility was double funded in the prior year with a cash and bond authorization

(c) Transfer prior year cash authorizations to a bond for the following capital facility projects:

State College - performing arts building design	\$ 486,800
Dixie - performing arts building design	1,083,800
Capital remodel - extension buildings	21,991,000
Logan Court	11,793,800
<b>Total</b>	<b>\$35,361,000</b>

**DEBT SERVICE**

All Sources of Funding

Plan of Financing	Actual FY 2002	Governor Leavitt's Recommendations					
		Authorized FY 2003	Supplementals	Recommended FY 2003	Base FY 2004	Ongoing and One-time Adj.	Total FY 2004
General Fund	\$38,084,800	\$41,629,800	\$0	\$41,629,800	\$43,629,800	\$0	\$43,629,800
School Funds	24,670,600	24,670,600	0	24,670,600	24,670,600	5,697,600	30,368,200
Dedicated Credits	33,909,700	31,555,400	0	31,555,400	31,508,200	0	31,508,200
Restricted and Trust Funds	82,657,500	82,657,500	1,960,700	84,618,200	82,657,500	15,067,400	97,724,900
Transfers	6,638,700	0	0	0	0	0	0
Beginning Balances	12,109,400	22,882,100	0	22,882,100	11,092,400	0	11,092,400
Closing Balances	(22,882,100)	(11,092,400)	0	(11,092,400)	(8,809,000)	0	(8,809,000)
<b>Total Financing</b>	<b>\$175,188,600</b>	<b>\$192,303,000</b>	<b>\$1,960,700</b>	<b>\$194,263,700</b>	<b>\$184,749,500</b>	<b>\$20,765,000</b>	<b>\$205,514,500</b>
<b>Programs</b>							
<b>Debt Service</b>							
G.O. Bond Principal	\$92,800,000	\$97,550,000	\$0	\$97,550,000	\$97,550,000	\$14,260,000	\$111,810,000
G.O. Bond Interest	53,495,300	62,600,400	2,007,200	64,607,600	55,092,100	6,550,500	61,642,600
G.O. Bond Fees	2,898,000	374,200	(46,500)	327,700	376,200	(45,500)	330,700
Revenue Bond Principal	11,498,300	13,058,300	0	13,058,300	13,693,300	0	13,693,300
Revenue Bond Interest	13,465,300	18,540,800	0	18,540,800	17,858,600	0	17,858,600
Revenue Bond Fees	1,031,700	179,300	0	179,300	179,300	0	179,300
<b>Total Budget</b>	<b>\$175,188,600</b>	<b>\$192,303,000</b>	<b>\$1,960,700</b>	<b>\$194,263,700</b>	<b>\$184,749,500</b>	<b>\$20,765,000</b>	<b>\$205,514,500</b>
<b>% Change from Authorized FY 2003 to Total FY 2004</b>							<b>6.9%</b>