



# Governor C.L. “Butch” Otter

Annual Budget Presentation  
FY2008 Supplemental & FY2009

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# General Fund Revenue

	FY2008	FY2009	Change
Income Tax	\$1,404.25	\$1,423.25	1.4%
Corporate Tax	\$ 184.46	\$ 187.83	1.8%
Sales Tax	\$1,170.77	\$1,249.32	6.7%
Product Taxes	\$ 26.80	\$ 37.66	40.5%
Miscellaneous	\$ 125.91	\$ 113.73	(9.7%)
Total	\$2,912.19	\$3,011.90	3.4%

*in millions of dollars*

# FY2008 General Fund Summary

	Ongoing	One-Time
Beginning Balance	\$ 0.0	\$ 254.7
FY2008 Revenue	\$2,805.4	\$ 106.8
Total Available	\$2,805.4	\$ 361.5
Expenditures	\$2,756.2	\$ 180.0
Ending Balance	\$ 49.2	\$ 181.5
Percentage Change =	6.3%	

*in millions of dollars*

*Based upon Governor's FY2009 Recommendation*

# State Budget Growth

- General Fund
  - FY2008 as passed by Legislature = 6.6%
  - FY2008 after supplementals = 6.3%
  - FY2009 (agency request) = 9.9%
  - FY2009 (Governor's recommend) = 6.3%

# FY2008 General Fund Supplementals

- Dept. of Agriculture
  - \$9,000,000 – fallowing program in Water District 130
- Dept. of Juvenile Corrections
  - \$27,200 – support of interstate compact



# FY2008 General Fund Supplementals

- Dept. of Health & Welfare
  - \$2,037,800 – other increases offset by early revisions in Medicaid (slower growth than anticipated)
- Office of Drug Policy
  - \$4,200 – increased Operating Expense



# FY2008 General Fund Supplementals

- Human Rights Commission
  - \$3,600 – increased office space  
(an additional \$8,400 in other funds)
- Tax Appeals
  - \$143,300 – for additional appeal hearings
- Tax Commission
  - \$97,200 – additional equipment

# FY2008 General Fund Supplementals

- Dept. of Correction
  - \$3,853,100 –  
continued operations



– \$5,023,100 – PIE  
building conversion



# FY2009 Summary

	Ongoing	One-Time
Beginning Balance	\$ 0.0	\$ 230.6
FY2008 Revenue	\$2,956.3	\$ 55.6
Grocery Tax Credit	\$ (23.8)	\$ 0.0
Total Available	\$2,932.5	\$ 286.2
Expenditures	\$2,930.5	\$ 252.6
Ending Balance	\$ 2.0	\$ 33.6

Percentage Change = 6.3%

*in millions of dollars*

*Based upon Governor's FY2009 Recommendation*

# FY2009 Highlights

- One-time Spending –  
Where did the Surplus Go?
  - \$58 million for early bond payoffs
  - \$50 million for Opportunity Scholarships
  - \$20 million for aquifer study
  - \$21.5 million for 2007 fires
  - \$10 million for 2008 fires
  - \$35 million for maintenance of state buildings, parks and university campuses
  - \$70 million for secure mental health facility

# FY2009 Highlights

- FTP Changes
  - Requests totaled 301.69 new positions
  - Recommendation contains:

	General	All Funds
• Total new FTPs	179.11	<b>99.36</b>
• Juvenile Corrections	44.50	44.50
• All Other Agencies	134.61	54.86

# FY2009 Highlights

- 5% CEC for all State employees (including judges, teachers, and school administrators)
- Implements Zero-Based Budgeting for all State agencies on six-year rotating schedule
- Requires eligible state vehicles to be low emission and/or hybrids and provides funding



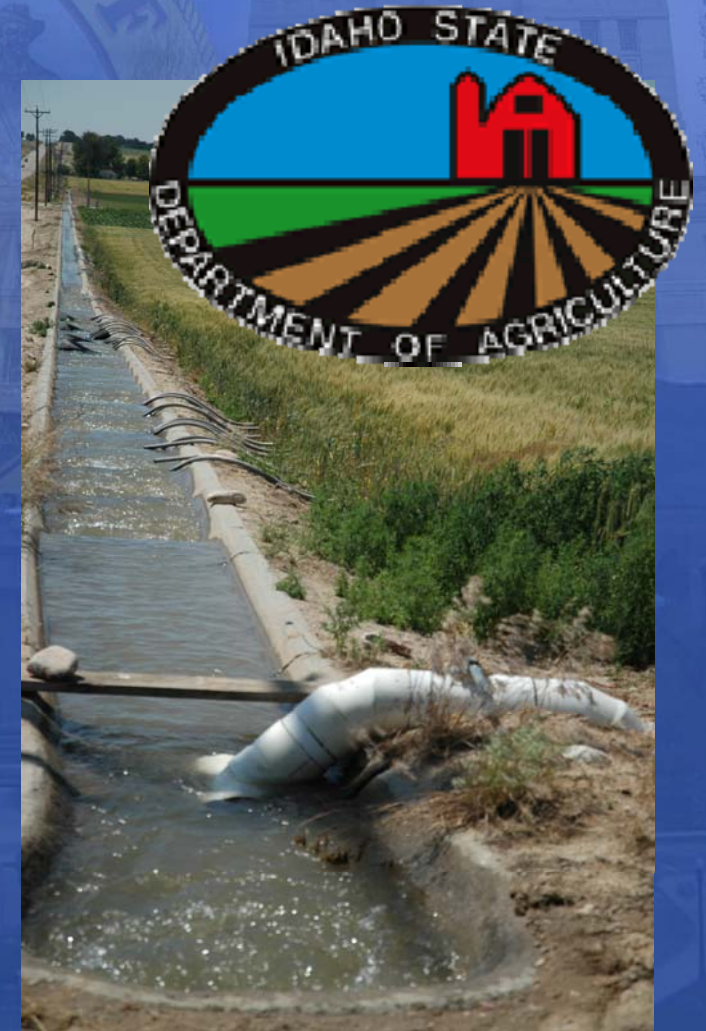
# FY2009 Highlights

- Administration
  - Consolidates IT services, starting with email, document imaging and telephones
    - 85 separate email servers in 40 different systems & 65 non-compatible telephone systems
- Buildings
  - Provides over \$35 million for maintenance and repairs
  - Provides over \$58 million for early bond payoffs



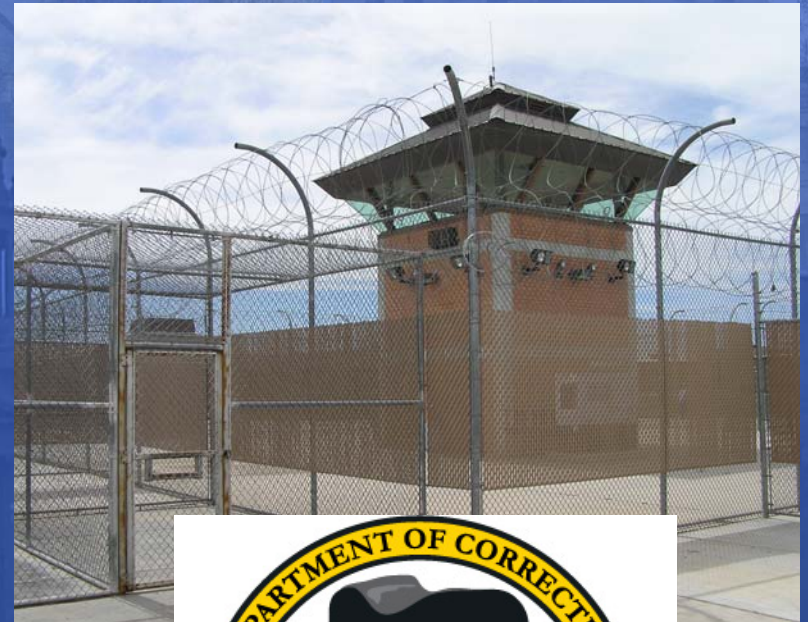
# FY2009 Highlights

- Agriculture
  - \$4 million for Eurasion Water Milfoil Eradication
  - \$5 million for Drought Related Water Projects
- Commerce
  - Expands Trade Office in New Delhi, India



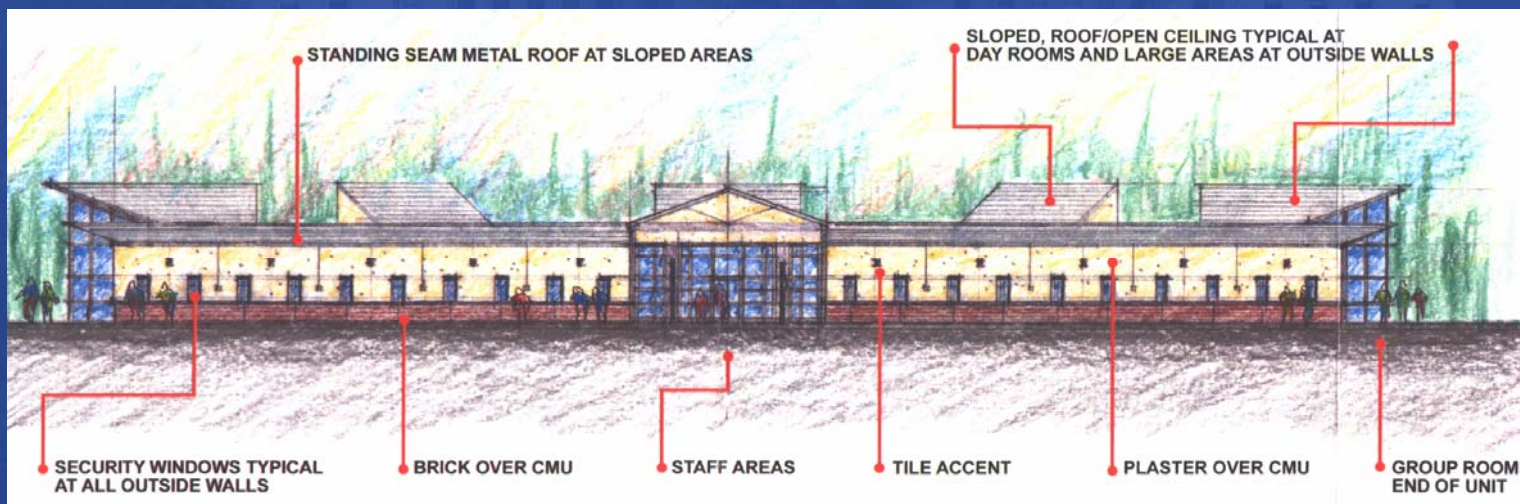
# FY2009 Highlights

- Correction
  - Additional segregation beds & patrol officers
  - New effort at Parole Commission to help keep offenders from being returned to prison



# FY2009 Highlights

- Correction
  - \$70 million for new secure mental health facility to be built in cooperation with H&W
    - \$60 million transfer from Econ. Recovery Fund
    - \$10 million in new General Fund monies





# FY2009 Highlights

- Office of Drug Policy
  - Fully implements GAIN assessment tool
  - Expands Drug Courts
  - \$1 million for Idaho Meth Project
    - From Millennium Fund



# FY2009 Highlights

- Education
  - \$50 million increase to Opportunity Scholarship Trust Fund
  - Fully-funds classroom supply initiative
  - Increase number of medical training positions



# FY2009 Highlights

- Education
  - Provides over \$1 million for nursing school
  - Expands “Read to Me” library program across state



# FY2009 Highlights

- Education
  - Expands annual contribution to Community Colleges
    - From liquor sales fund
    - \$200,000 per school
    - Includes CWI



# FY2009 Highlights

- Health and Welfare
  - Provides \$3.3 million for improvements at Idaho State School and Hospital
  - Implements the Idaho Health Data Exchange
  - Expands coverage of annual flu shots
- Juvenile Corrections
  - Funds the operation of new 24-bed facility in Nampa

# FY2009 Highlights

- Fires
  - \$21.5 million in 2007 Deficiency Warrants
  - \$10 million for 2008 estimated needs



# FY2009 Highlights

- Military
  - New temporary armory in Sandpoint
  - Renovation of armories in Caldwell, Lewiston and Nampa
- State Police
  - Funds Project CHOICE
  - Funds additional mobile computers



# FY2009 Highlights

- State Police
  - 6 new Forensic Scientists
  - Removes ISP from gas tax and shifts to General Fund over two-year period
  - Funds US Attorney for prosecuting gang members



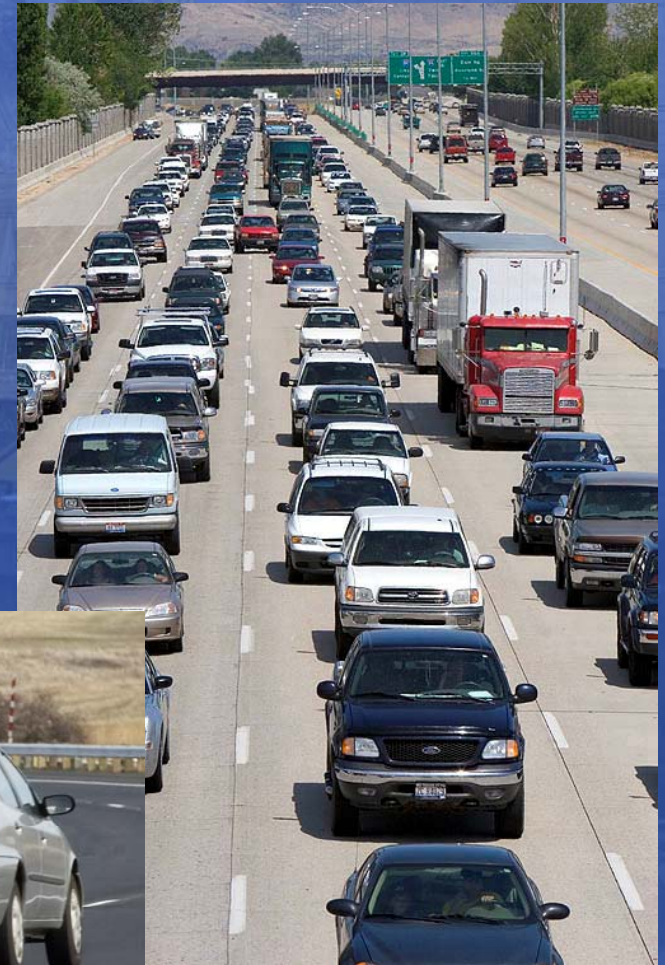


# FY2009 Highlights

- Parks and Recreation
  - Provides over \$10 million for deferred maintenance and improvements
    - Includes new revenue generating cabins
- Veterans
  - Supports federal funding for new cemetery
  - Supports making all Idaho homes Medicare certified

# FY2009 Highlights

- Transportation
  - New construction dollars
  - Supports Board's GARVEE request of \$134 million

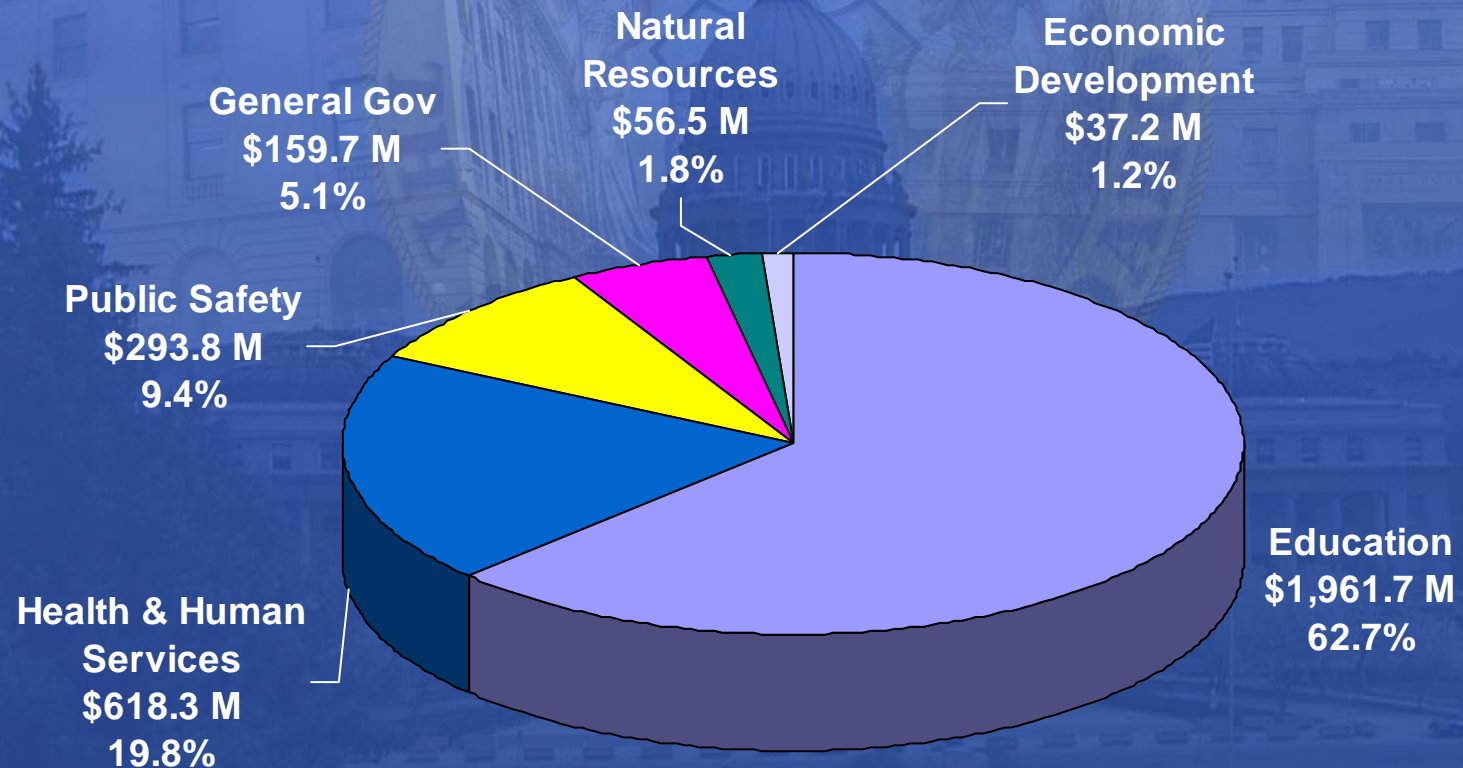


# FY2009 Highlights

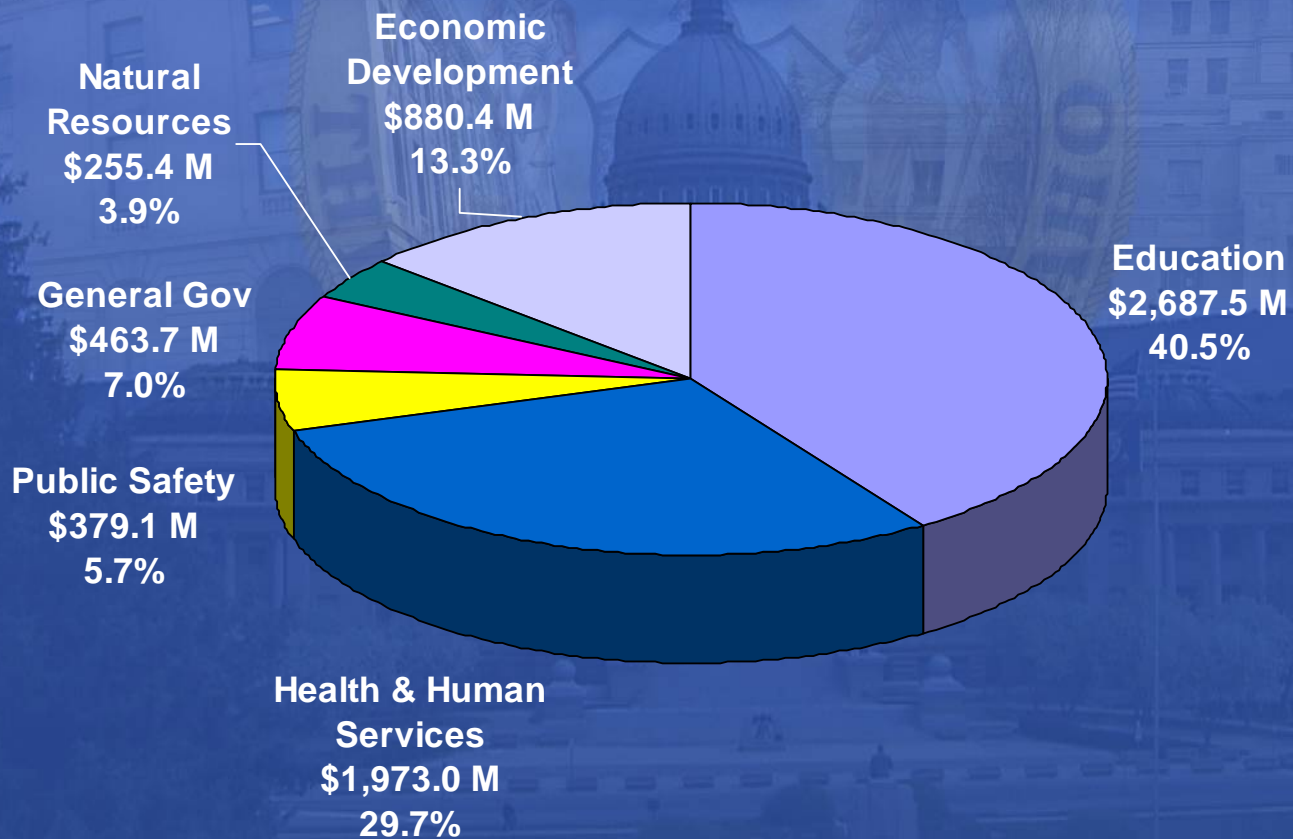
- Water
  - \$20 million for statewide aquifer modeling



# FY 2009 General Fund Expenditures



# FY 2009 Expenditures – All Funds



# General Fund Recommendations for Selected Budgets

Entity	FY 2008 App.	FY 2009 Rec.	% Change
Public Schools	\$1,367,363,800	\$1,439,941,100	5.3%
College and Universities	264,227,700	290,506,300	11.8%
Other Education Budgets	166,157,300	226,272,100	36.2%
Medicaid	376,384,400	428,882,700	13.9%
Other Health & Human Serv. Budgets	199,620,800	189,419,800	-5.1%
All Public Safety Budgets	253,216,500	293,822,700	16.0%
All General Government Budgets	104,756,500	159,693,700	52.4%
All Natural Resource Budgets	55,812,300	56,508,400	1.2%
All Economic Development Budgets	33,135,100	37,217,600	12.3%
<b>Totals</b>	<b>\$2,820,674,400</b>	<b>\$3,127,264,300</b>	<b>10.9%</b>

# FY 2009 General Fund Expenditure Breakdown

	State Dept.'s	Public Schools	Total
FY 2009 Base Recommendation	1,388,288,100	1,366,763,800	2,755,051,900
Personnel benefit roll-up costs	24,413,900	0	24,413,900
Operating Expenditure inflation adjustment	3,008,300	0	3,008,300
Replacement Capital Outlay	29,055,800	0	29,055,800
Nonstandard Adjustments	2,763,900	0	2,763,900
Annualizations	457,900	0	457,900
Change in Employee Compensation	34,151,600	45,038,700	79,190,300
Nondiscretionary Adjustments	31,294,800	27,789,100	59,083,900
Other Adjustments	-813,100	0	-813,100
Line Items (Enhancements)	174,702,000	349,500	175,051,500
<b>FY 2009 Total Recommendation</b>	<b>\$1,687,323,200</b>	<b>\$1,439,941,100</b>	<b>\$3,127,264,300</b>
<b>Percent Change from FY 2009 Base</b>	<b>21.5%</b>	<b>5.4%</b>	<b>13.5%</b>



Thank You

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