

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, January 12, 2023

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-Chairman Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, and Just
Representatives Co-Chairman Horman, Miller, Bundy, Raybould, Furniss, Handy, Lambert, Petzke, Tanner, and Nash

ABSENT/ EXCUSED: None

CONVENED: **Co-Chairman Grow** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at 8:00 a.m.

LSO STAFF PRESENTATION: **STATEWIDE COST ALLOCATION PLAN (SWCAP); Tim Hibbard, Analyst, Legislative Services Office (LSO) Budget and Policy Analysis**
Mr. Hibbard discussed the SWCAP's requirements from Idaho Code Section 67-3531, which requires that each Idaho agency must prepare and submit a cost allocation plan to determine the agency's proportional use as it relates to the state as a whole (see attachment 1). He explained how costs were measured for the Attorney General's office, State Controller's office, and State Treasurer's office, including how costs were recouped every two fiscal years. **Mr. Hibbard** instructed how direct billing, costs that are not recouped, worked and are tracked to ensure each state agency has sufficient appropriation to provide the services necessary.

REVIEW OF DEFICIENCY WARRANTS AND SUPPLEMENTAL APPROPRIATIONS; Matt Farina, Analyst, LSO Budget and Policy Analysis
Mr. Farina gave an overview of fiscal year (FY) 2023 totals for requested deficiency warrants, supplemental appropriations, and rescissions, broken down by requesting agency. He described the two authorizing bodies being the Board of Examiners, with three voting members, and the Board of Land Commissioners, with five voting members. He detailed the three specific deficiency warrants that are being requested (see attachment 2). **Mr. Farina** clarified that a supplemental appropriation is used to increase funding or transfer an appropriation between programs or expenditure classes, and a rescission is a reduction to the current year appropriation.

OVERVIEW OF BUDGET HEARING PROCESS; Keith Bybee, Division Manager, LSO Budget and Policy Analysis

Mr. Bybee reviewed his December 9, 2022 Memorandum (see attachment 3), which provides information to state agencies regarding their presentations to the Committee. He briefed the Committee on history and context of budget briefings, performance measures, how agencies function, and outcomes created based upon past budgets. **Mr. Bybee** provided an example budget briefing, using last years Legislative Services handout (see attachment 4). He also went over how motions would be drafted and made, and how working groups would collaborate and come to a consensus, thereafter making their recommendations to the Committee.

PERSONNEL STRUCTURE IN STATE GOVERNMENT; Christine Otto, Principal Budget and Policy Analyst, LSO Budget and Policy Analysis

Ms. Otto identified the personnel structure in state government and what personnel costs look like in an appropriation bill. She stated that as of December 2022, Idaho employs 24,227 people, with 51% being classified positions and 49% being non-classified (see attachment 5). **Ms. Otto** reviewed the State Employee Compensation Philosophy sections governed by Idaho Code and reviewed examples of how agencies may choose to use their appropriated personnel dollars and manage Full-Time Equivalent Positions (FTPs). She summarized the original FTP appropriations from FY 2022 through FY 2023, and the Governor's requested FY 2024's 325.56 new FTP positions.

In response to Committee questions, **Ms. Otto** discussed agency level position vacancy rates and how FTPs are used to measure those rates; how allocated personnel costs are spent; how merit increases are determined; and an overview of change in employee compensation history and employee benefit packages.

ADJOURNED:

There being no further business before the Committee, **Co-Chairman Grow** adjourned the meeting at 10:05 a.m.

Senator Grow
Chair

Erin Miller
Secretary