Legislative Services Office, Budget & Policy Analysis

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Presentation to the Joint Legislative Economic Outlook and Revenue Assessment Committee

Paul Headlee, Division Manager

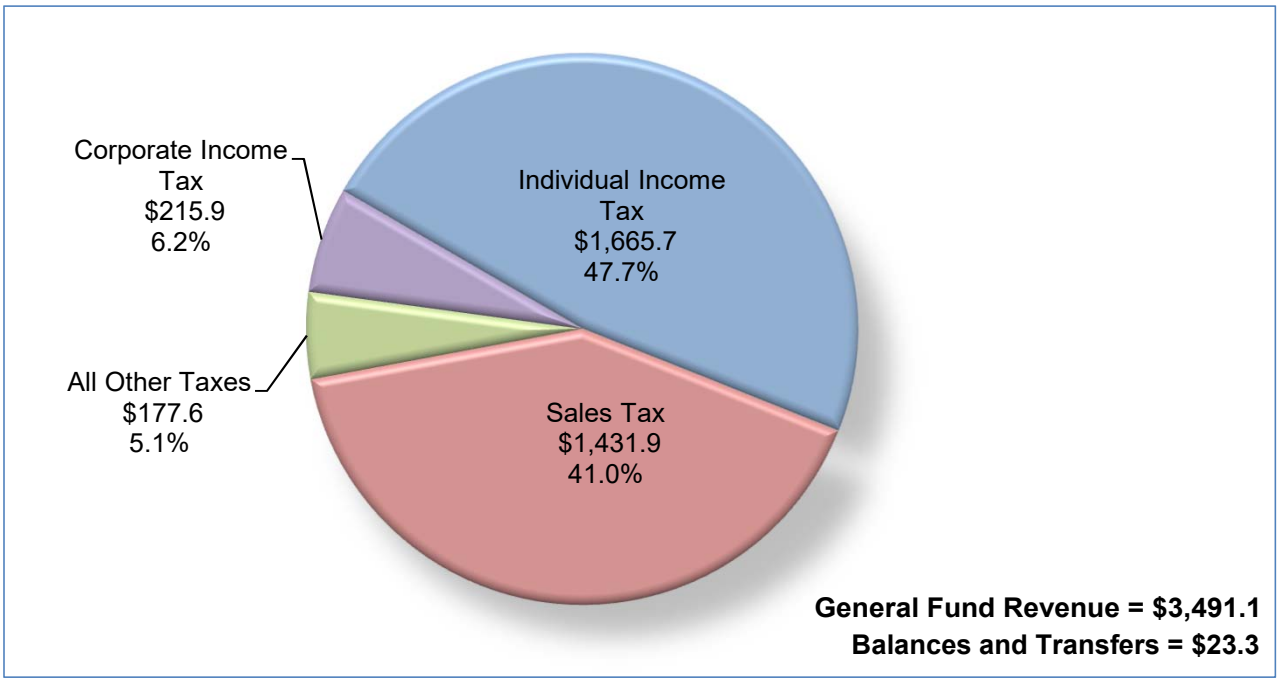
FY 2018 and FY 2019 General Fund Appropriation Update

1. FY 2018 Pie Charts of Revenue and Appropriations
2. 22-year General Fund Appropriation History
3. FY 2018 and FY 2019 Updates
4. Reserve Fund Balances
5. FY 2019 Agency Request – All Funds

FY 2018 General Fund Revenue & Appropriations

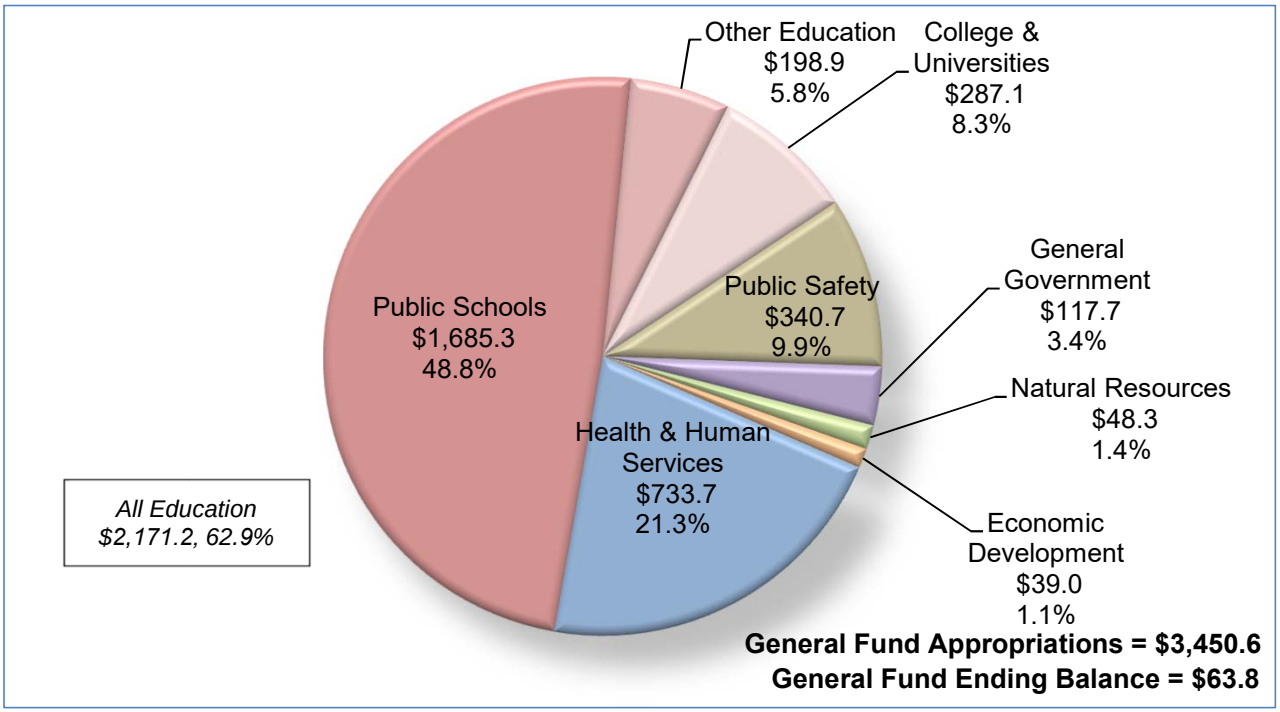
"Where the money comes from . . ."

Dollars In Millions (Percent of Revenue)



"Where the money goes . . ."

Dollars In Millions (Percent of Appropriations)



Twenty-Two Year History of General Fund

Original Appropriations: FY 1997 to FY 2018

Millions of Dollars

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total Gen Fund
2018	$1,685.3	$287.1	$198.9	$2,171.2	$706.1	$262.1	$311.1	$3,450.6
2017	$1,584.7	$279.5	$187.5	$2,051.7	$677.1	$256.2	$288.0	$3,273.0
2016	$1,475.8	$258.8	$169.7	$1,904.3	$649.5	$247.4	$270.7	$3,071.9
2015	$1,374.6	$251.2	$153.7	$1,779.5	$637.3	$243.3	$276.0	$2,936.1
2014	$1,308.4	$236.5	$143.0	$1,687.9	$616.8	$218.3	$258.0	$2,781.0
2013	$1,279.8	$228.0	$138.0	$1,645.7	$610.2	$205.5	$240.7	$2,702.1
2012	$1,223.6	$209.8	$128.3	$1,561.7	$564.8	$193.1	$209.3	$2,529.0
2011	$1,214.3	$217.5	$129.9	$1,561.7	$436.3	$180.7	$205.1	$2,383.8
2010*	$1,231.4	$253.3	$141.2	$1,625.8	$462.3	$186.8	$231.7	$2,506.6
2009	$1,418.5	$285.2	$175.1	$1,878.8	$587.3	$215.9	$277.3	$2,959.3
2008	$1,367.4	$264.2	$166.2	$1,797.7	$544.8	$201.2	$276.9	$2,820.7
2007*	$1,291.6	$243.7	$148.4	$1,683.7	$502.4	$178.0	$229.7	$2,593.7
2006	$987.1	$228.9	$141.8	$1,357.9	$457.7	$152.2	$213.2	$2,180.9
2005	$964.7	$223.4	$138.3	$1,326.3	$407.6	$142.8	$205.5	$2,082.1
2004	$943.0	$218.0	$131.3	$1,292.3	$375.8	$140.6	$195.3	$2,004.1
2003	$920.0	$213.6	$130.4	$1,264.0	$359.6	$145.0	$199.3	$1,967.9
2002	$933.0	$236.4	$142.1	$1,311.5	$358.0	$147.3	$227.5	$2,044.3
2001*	$873.5	$215.0	$121.1	$1,209.5	$282.1	$123.2	$189.2	$1,804.0
2000	$821.1	$202.0	$110.4	$1,133.4	$270.7	$108.5	$162.1	$1,674.7
1999	$796.4	$192.9	$103.5	$1,092.8	$252.7	$106.4	$159.0	$1,610.8
1998	$705.0	$178.6	$94.4	$978.0	$236.6	$90.3	$134.0	$1,438.9
1997	$689.5	$178.0	$94.4	$961.9	$238.5	$78.6	$133.7	$1,412.7

Percentage of Total

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total
2018	48.8%	8.3%	5.8%	62.9%	20.5%	7.6%	9.0%	100%
2017	48.4%	8.5%	5.7%	62.7%	20.7%	7.8%	8.8%	100%
2016	48.0%	8.4%	5.5%	62.0%	21.1%	8.1%	8.8%	100%
2015	46.8%	8.6%	5.2%	60.6%	21.7%	8.3%	9.4%	100%
2014	47.0%	8.5%	5.1%	60.7%	22.2%	7.8%	9.3%	100%
2013	47.4%	8.4%	5.1%	60.9%	22.6%	7.6%	8.9%	100%
2012	48.4%	8.3%	5.1%	61.8%	22.3%	7.6%	8.3%	100%
2011	50.9%	9.1%	5.5%	65.5%	18.3%	7.6%	8.6%	100%
2010*	49.1%	10.1%	5.6%	64.9%	18.4%	7.5%	9.2%	100%
2009	47.9%	9.6%	5.9%	63.5%	19.8%	7.3%	9.4%	100%
2008	48.5%	9.4%	5.9%	63.7%	19.3%	7.1%	9.8%	100%
2007*	49.8%	9.4%	5.7%	64.9%	19.4%	6.9%	8.9%	100%
2006	45.3%	10.5%	6.5%	62.3%	21.0%	7.0%	9.8%	100%
2005	46.3%	10.7%	6.6%	63.7%	19.6%	6.9%	9.9%	100%
2004	47.1%	10.9%	6.6%	64.5%	18.8%	7.0%	9.7%	100%
2003	46.8%	10.9%	6.6%	64.2%	18.3%	7.4%	10.1%	100%
2002	45.6%	11.6%	7.0%	64.2%	17.5%	7.2%	11.1%	100%
2001*	48.4%	11.9%	6.7%	67.0%	15.6%	6.8%	10.5%	100%
2000	49.0%	12.1%	6.6%	67.7%	16.2%	6.5%	9.7%	100%
1999	49.4%	12.0%	6.4%	67.8%	15.7%	6.6%	9.9%	100%
1998	49.0%	12.4%	6.6%	68.0%	16.4%	6.3%	9.3%	100%
1997	48.8%	12.6%	6.7%	68.1%	16.9%	5.6%	9.5%	100%

2010* *Moved Deaf/Blind School from "Other Education" to "Public Schools"; Historical Society and Libraries to "All Other Agencies".*
2007* *Adjusted for H1 of 2006 Special Session which increased Public Schools General Fund by $250,645,700.*
2001* *Moved Department of Environmental Quality and Veterans Services from H&W to "All Other Agencies".*

FISCAL YEAR 2018 BUDGET UPDATE AS OF 12-7-2017

All numbers in $ millions

	Updated with FY 2018 Requested Adjustments and November Revenue	Diff. from August Revised Forecast
FY 2018 REVENUES		
1. Beginning Balance	100.9	0
2. After Year-End Reversion (Health & Welfare)	2.6	0
3. Adjusted Beginning Balance from FY 2017	103.5	0
4. DFM August Revised 3.8% plus ahead/behind	3,611.5	32.2
5. Carryover from FY 2017	5.9	0
6. Transfers - 2017 Session (H291, S1129, S1177, S1194)	(50.2)	0
7. Transfer - Deficiency Warrants for Pest Control	(.2)	(.2)
8. Transfer - Statutory Budget Stabilization Fund	(25.1)	(25.1)
9. Transfer - Surplus Eliminator (50% BSF, 50% SIP)	(7.1)	(7.1)
10. Transfer - S1206 to Strategic Initiatives Program (SIP)	(27.7)	(27.7)
11. Total Revenues	3,507.1	(27.9)
12. TOTAL REVENUE & BEGIN. BALANCE (line 3 + 11)	3,610.6	(27.9)
FY 2018 APPROPRIATIONS		
13. FY 2018 Original Appropriations at Sine Die	3,450.6	
14. Carryover from FY 2017	5.9	0
15. Supplemental Appropriation Requests	28.8	28.8
16. FY 2018 Estimated Total Appropriations	3,485.3	28.8
17. ESTIMATED ENDING BALANCE (Line 12-16)	125.4	

Assumptions: 1. FY 2018 revenue growth is currently running 4.7% over FY 2017 actuals (3.8% plus $32.2 million ahead of forecast), 2. Transfers for deficiency warrants, Budget Stabilization Fund, surplus eliminator, and Strategic Initiatives Program are approved, 3. All supplemental appropriations as requested are approved, and 4. revenue ahead of forecast is not "recognized" during the 2018 session.

Note: S1041 of 2017 added Section 33-1018C, Idaho Code, which requires the Joint Finance Appropriations Committee to consider a transfer into the Public Education Stabilization Fund (PESF) in the same amount as the current year withdrawal from that same fund. The withdrawal from PESF in July 2017 was $20.6 million.

FY 2019 GENERAL FUND STATE AGENCY BUDGET REQUEST
AS OF 12-7-2017

All numbers in $ millions

FY 2019 Scenario

		Hypothetical 4.61% Revenue Estimate (20-year avg.)	Percent Diff. from FY 2018 Gen. Fund Orig. Approp of $3,450.6B
	FY 2019 REVENUES		
1.	Estimated Onetime Beginning Balance from FY 2018	125.4	
2.	4.61% over FY 2018 Revised 3.8%, plus ahead/behind	3,778.0	
3.	Transfer Requests (Controller, Dept. Comm., Wolf Control)	(103.4)	-3.0%
4.	TOTAL AVAILABLE REVENUE	3,799.9	
	FY 2019 APPROPRIATIONS (based on agency requests, 12-7-2017)		
5.	FY 2019 BASE ($18.1M less than FY 2018 Orig. Approp.)	3,432.5	-0.5%
6.	MAINTENANCE COSTS ABOVE FY 2019 BASE (Benefits, Replacement Items, CEC, Nondiscretionary/Statutory)	143.2	4.2%
Line Items by Functional Area (Net Cash Transfers)			
7.	Education	82.7	
8.	Health and Human Services	47.5	
9.	Public Safety	36.1	
10.	Natural Resources	1.4	
11.	Economic Development	3.5	
12.	General Government	11.3	
13.	TOTAL LINE ITEMS ABOVE MAINTENANCE COSTS	182.7	5.3%
14.	FY 2019 Orig. Appropriation Request (lines 5+6+13)	3,758.4	8.9%
15.	ESTIMATED ENDING BALANCE (line 4 - 14)	$41.5	

Assumptions: 1. Revenue is 4.61% over the FY 2018 estimated actual collections, 2. The $103.4M of transfers on line 3 are approved, and the 8.9% FY 2019 budget request as of 12-7-2017 is approved.

Note: Because the revenue estimate on line 2 exceeds the FY 2018 estimated revenue collections by 0.61%, a $22.0 million statutory transfer to the Budget Stabilization Fund would be required in the following year (FY 2020). Therefore, the estimated ending balance on line 15 to be carried forward into FY 2020 would include sufficient funding for that transfer.

Idaho's Major Reserve Funds (June, 2018)

Budget Stabilization Fund Section 57-814, Idaho Code	$319 M
Public Education Stabilzation Fund Section 33-907, Idaho Code	$65 M
Traditional Millennium Fund Section 67-1803, Idaho Code	$38 M
Higher Education Stabilization Fund Section 57-814, Idaho Code	$2 M
Total	$424 M

FY 2019 Request by Decision Unit

Decision Unit	FTP	Gen	Ded	Fed	Total
FY 2018 Original Appropriation	**19,301.16**	**3,450,575,300**	**1,729,923,400**	**2,726,699,500**	**7,907,198,200**
Reappropriation	0.00	5,899,200	460,411,400	150,375,000	616,685,600
Supplementals	9.00	28,798,300	37,590,900	68,373,100	134,762,300
Rescissions	0.00	0	0	(236,900)	(236,900)
Deficiency Warrants	0.00	209,800	0	0	209,800
Cash Transfers & Adjustments	0.00	(209,800)	0	0	(209,800)
FY 2018 Total Appropriation	**19,310.16**	**3,485,272,800**	**2,227,925,700**	**2,945,210,700**	**8,658,409,200**
Noncognizable Funds and Transfers	149.05	0	744,300	12,395,500	13,139,800
Expenditure Adjustments	0.00	0	(4,157,300)	(1,100,000)	(5,257,300)
FY 2018 Estimated Expenditures	**19,459.21**	**3,485,272,800**	**2,224,512,700**	**2,956,506,200**	**8,666,291,700**
Removal of Onetime Expenditures	(6.00)	(44,717,600)	(671,273,200)	(259,101,200)	(975,092,000)
Base Adjustments	6.57	(8,045,100)	(160,300)	(8,246,400)	(16,451,800)
FY 2019 Base	**19,459.78**	**3,432,510,100**	**1,553,079,200**	**2,689,158,600**	**7,674,747,900**
Benefit Costs	0.00	(9,851,600)	(10,972,500)	(4,715,900)	(25,540,000)
Inflationary Adjustments	0.00	1,927,900	1,929,000	24,900	3,881,800
Replacement Items	0.00	26,408,700	71,691,600	4,298,600	102,398,900
Statewide Cost Allocation	0.00	808,400	403,200	282,700	1,494,300
Annualizations	0.00	4,460,200	109,900	9,446,600	14,016,700
Change in Employee Compensation	0.00	6,793,400	5,016,200	2,233,800	14,043,400
Public Schools Admin/Classified CEC	0.00	2,346,400	0	0	2,346,400
Military Compensation	0.00	64,000	42,400	207,400	313,800
Nondiscretionary Adjustments	0.00	114,042,200	(910,000)	94,128,500	207,260,700
Other Adjustments	0.00	0	2,700	0	2,700
Endowment Adjustments	0.00	(3,794,000)	4,311,100	0	517,100
FY 2019 Program Maintenance	**19,459.78**	**3,575,715,700**	**1,624,702,800**	**2,795,065,200**	**7,995,483,700**
Line Items by Functional Area					
Education	113.45	82,747,000	(3,300)	100,000	82,843,700
Health and Human Services	31.33	47,513,700	(601,900)	108,044,900	154,956,700
Law and Justice	72.00	36,145,700	4,251,800	0	40,397,500
Natural Resources	17.00	1,429,300	18,967,200	2,476,800	22,873,300
Economic Development	29.25	4,537,000	54,910,100	9,718,800	69,165,900
General Government	76.37	113,705,400	5,648,300	36,646,000	155,999,700
Cash Transfers	0.00	(103,400,000)	(2,216,000)	0	(105,616,000)
FY 2019 Total	**19,799.18**	**3,758,393,800**	**1,705,659,000**	**2,952,051,700**	**8,416,104,500**
Percent Change from Orig. Appropriation	2.6%	8.9%	(1.4%)	8.3%	6.4%
Percent Change from Total Appropriation	2.5%	7.8%	(23.4%)	0.2%	(2.8%)

FY 2019 Total Request

	FTP	Pers Costs	Oper Exp	Cap Out	T/B Pymts	Lump Sum	Total
General	9,450.45	857,193,200	260,289,600	10,389,000	785,677,700	1,784,948,800	3,698,498,300
OT	0.00	408,000	21,019,500	36,468,000	2,000,000	0	59,895,500
Fund Total:	9,450.45	857,601,200	281,309,100	46,857,000	787,677,700	1,784,948,800	3,758,393,800
Dedicated	8,337.01	584,414,600	391,910,200	156,364,400	365,919,800	90,709,700	1,589,318,700
OT	0.00	17,800	9,032,000	106,690,500	600,000	0	116,340,300
Fund Total:	8,337.01	584,432,400	400,942,200	263,054,900	366,519,800	90,709,700	1,705,659,000
Federal	2,006.72	269,904,600	226,447,800	266,615,700	1,863,121,300	264,115,000	2,890,204,400
OT	5.00	247,200	24,964,800	36,635,300	0	0	61,847,300
Fund Total:	2,011.72	270,151,800	251,412,600	303,251,000	1,863,121,300	264,115,000	2,952,051,700
Total:	**19,799.18**	**1,712,185,400**	**933,663,900**	**613,162,900**	**3,017,318,800**	**2,139,773,500**	**8,416,104,500**