

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, January 08, 2020

TIME: 8:02 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye

**ABSENT/
EXCUSED:** None

CONVENED: **Co-Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:02 a.m.

LSO STAFF PRESENTATION: **Paul Headlee**, Manager, LSO, Budget & Policy Analysis

Paul Headlee presented a general overview of the FY 2020–2021 budget request and governor’s recommendations. The governor’s recommended revenue forecast for the current year is a 6.1 percent increase over actual collections from last year. **Rep. Anderson** questioned whether the tax relief fund, as it pertains to the grocery tax, would be one-time or ongoing. **Alex Adams** stated that the transfer will be ongoing.

LSO STAFF PRESENTATION: **Rob Sepich**, Senior Analyst, LSO Budget & Policy Analysis

Rob Sepich introduced the working process of Deficiency Warrants, Supplemental Appropriations, and Rescissions. The process was explained for reopening a budget during the current year, which is contingent on an emergency, and changes to current year appropriations were also explained.

LSO STAFF PRESENTATION: **Robyn Lockett**, Principal Analyst, LSO Budget & Policy Analysis

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 FY 2019 withdrawal was \$331.6 million. This section of Idaho Code does not require the committee to act; rather, the requirement is to consider a transfer into the fund as a supplemental appropriation in the current fiscal year. **Robyn Lockett** provided options to reduce the amounts of transfers, including appropriating more money up front and/or authorizing supplemental appropriations.

LSO STAFF PRESENTATION: **April Renfro**, Division Manager, LSO Audits

April Renfro provided an overview of the multiple types of LSO audit processes and reports. She discussed four main types of reports, auditing processes and procedures, agency selection, issuance time frame, independent audit reports on financial statements and internal control and compliance, internal control reports, single audit report, management review reports, the various types of open findings, and management review report findings. Each year 10–12 principal agencies are visited, and management review cycles depend on risk area. Reports are submitted to JFAC chairs before being released. All working papers are confidential until reports are published. **Rep. Horman** asked about requiring more detailed financial statements.

**LSO STAFF
PRESENTATION:**

Keith Bybee, Deputy Division Manager, LSO Budget & Policy Analysis

Keith Bybee provided an overview of the General Fund collection pages dating 2014 – 2021, which measures the difference between the appropriations and revenues. Mr. Bybee explained the General Fund Daily Update, a daily tracker that compares committee action with the governor’s budget. With the DFM forecast, LSO will be tracking 2020 and 2021. Mr. Bybee reviewed the FY 2020 governor’s recommendation and legislation action metric, which are used to determine alignment with the governor’s budget.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 10:10 a.m.

Representative Youngblood
Chair

Jenny Miller
Secretary