



State of IDAHO

Fiscal Year 2009

A Report to Our Citizens



Demographic Information

	2008	2009
Population	1,523,000	1,538,000
Per Capita Income	\$32,148	\$31,760
Unemployment Rate	4.9%	8.9%
State Employees	24,843	24,231
	2007/2008	2008/2009
Public School Enrollment	272,058	275,075

Governor Otter's Vision

"My goal as your governor is to empower Idaho to be all that America was meant to be, and to empower Idahoans to be the architects of their own destiny. I hope you will join me in that endeavor."

- Governor C.L "Butch" Otter



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Plans for the Future

Project 60 - the Governor's plan to position Idaho for economic recovery and future prosperity by concentrating on three key parts of Idaho's economy.

1. Foster systemic growth by maintaining and enhancing Idaho's current workforce, recruiting highly-skilled workers, and supporting business with transportation and technical infrastructure.
2. Recruit new companies to Idaho by targeting those that fit our current industries (energy, recreation technology, manufacturing, aeronautics, technology) and continuing to build and market Idaho as a top state for business.
3. Encourage foreign investment into Idaho by promoting Idaho products through increased foreign marketing, recruiting foreign direct investment utilizing our International Trade Offices, establishing an Immigrant Investor Program which grants visas to foreign nationals, and targeting specific markets such as Canada, Asia, and Mexico.

Government Objectives

Promote responsible government, enhance economic opportunity, and empower Idahoans by providing the reasonable public and regulatory policies, essential infrastructure, educational opportunities, and government services upon which job-creating businesses rely.

Did You Know?

- Idaho has a seaport - The Port of Lewiston is the farthest inland port on the west coast of the United States. The seaport is 465 miles upriver from the Pacific Ocean.
- The Idaho state seal is the only state seal designed by a woman, Emma Edwards Green.
- In 1928 Idaho became the first state to feature a graphic on a license plate by proudly displaying an impressive Idaho potato that filled the entire plate.
- Idaho's 511 traveler information service provides continual updates about weather-related road conditions, road work, commercial vehicle restrictions, road closures, and other travel information via the phone or Internet.

Idaho's Progress

In Fiscal Year 2009



Photography courtesy of Aspengull - Flickr.com

Educating the Workforce of Tomorrow

- The public school support budget has increased nearly 95% from what it was 10 years ago. In fiscal year 2000 the budget was \$877.9 million compared to 2010's budget of \$137 billion. This has been an ongoing effort to strengthen Idaho education.
- Student achievement rose significantly in the 2008-2009 school year. Based on the spring 2009 ISAT, two-thirds of Idaho schools made adequate yearly progress compared to just one-fourth two years ago.
- The State Department of Education successfully implemented the Idaho Math Initiative which provides increased professional development for educators. An estimated 2,000 teachers and administrators have successfully completed the training so far.
- A new community college, the College of Western Idaho, began offering classes for the Spring semester of 2009, with a total of 1,195 students enrolled.

Strengthening Idaho's Economy

- Idaho hosted more than 2,500 athletes and delegates from over 100 countries at the 2009 Special Olympic World Winter Games.
- The distribution of liquor revenues provided an additional \$24.4 million dollars to cities and counties across Idaho.
- The Idaho Air National Guard has been charged with retrofitting half of the nation's A-10 "Warthog" combat aircraft with new high-tech equipment. This restored 57 jobs in fiscal year 2009, and the contract is expected to provide jobs through 2010.

What People Are Saying About Idaho

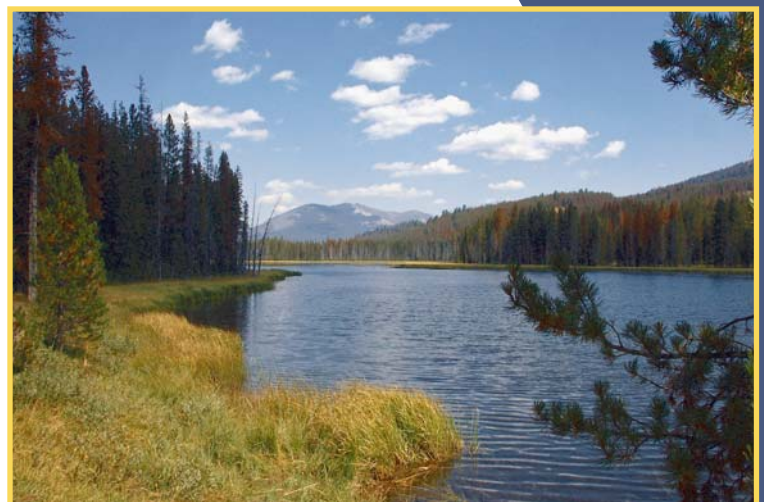
- No. 1 in Patents Per Capita - Fraser Institute, July 2008
- No. 3 in America's Best Places for Alternative Energy-Geothermal - Forbes.com, July 2008

Protecting Our Children

- The Idaho Meth Project recently unveiled its latest advertising campaign. The campaign will reach 70-80% of Idaho's teens three to five times per week through public service messaging and/or community outreach. Idaho ranks seventh in the country for lifetime Meth use by high school students and has spent nearly \$500,000 every month on methamphetamine-related treatment, representing more than 40% of the State's total drug and alcohol treatment dollars.
- Legislators passed a new law which requires daycare providers who receive compensation and care for four or more children to be licensed. Some of the basic requirements include: criminal history background checks; health, safety, and fire inspections; and restrictions on firearms, alcohol, and tobacco use. This act establishes staff-child ratio recommendations consistent with nationally accepted standards.

Traveling in Idaho

- Idaho's fatality rate continues to drop - reaching its lowest mark since 1978. The Idaho Transportation Department estimates 40 lives saved last year.
- Signs on the state highway system are being upgraded to increase visibility at night. The new reflective signs are expected to improve driver safety and have a useful life twice as long as the current signs.
- The Idaho State Police worked with the Idaho Transportation Department to enhance traffic safety by promoting public awareness and education of Idaho's "Move Over Law." This law requires motorists to slow down and move over, if able, when they approach a police or emergency vehicle stopped along the side of the road.
- The 17th annual report on the Performance of State Highway System ranked Idaho 14th nationally for efficient management of the highway system.



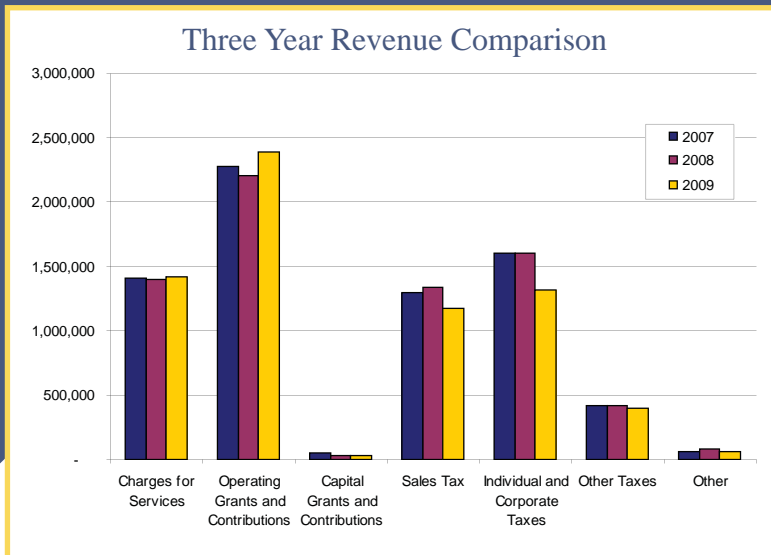
Photography courtesy of Stephen Wolfe

Idaho's Finances

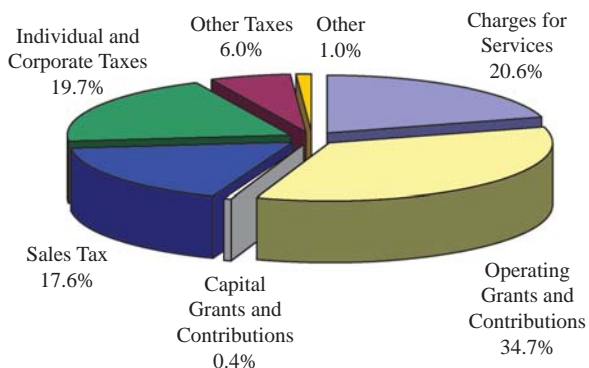
Revenues and Expenses

Primary Government Revenues

Revenues By Source (dollars in thousands)	2008 Revenues	2009 Revenues
Charges for Services	\$1,393,936	\$1,381,973
Operating Grants and Contributions	2,200,190	2,328,468
Capital Grants and Contributions	30,384	30,046
Sales Tax	1,334,032	1,177,106
Individual and Corporate Taxes	1,599,881	1,320,968
Other Taxes	414,660	400,602
Other	80,168	67,233
Total Revenues	\$7,053,251	\$6,706,396



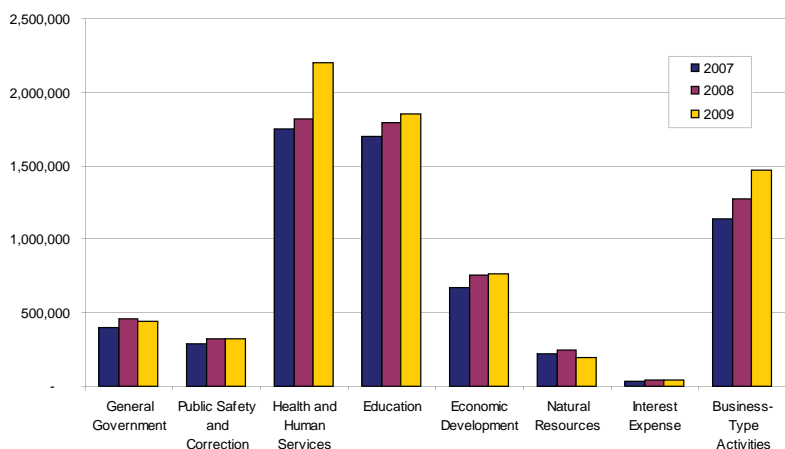
Fiscal Year 2009 Revenues by Source



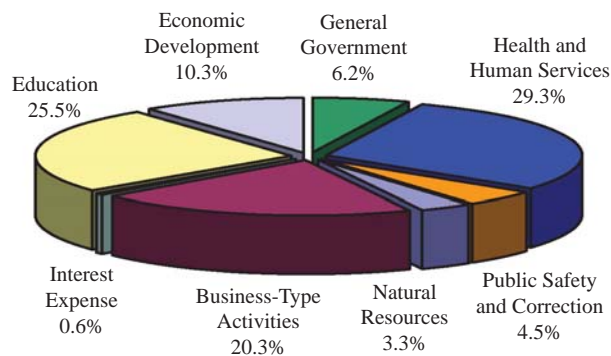
Primary Government Expenses

Expenses by Function (dollars in thousands)	2008 Expenses	2009 Expenses
General Government	\$463,125	\$450,875
Public Safety and Correction	324,843	326,125
Health and Human Services	1,818,932	2,115,148
Education	1,796,160	1,850,258
Economic Development	756,677	743,811
Natural Resources	243,925	241,108
Interest Expense	45,530	46,767
Business-Type Activities	1,271,886	1,472,791
Total Expenses	\$6,721,078	\$7,246,883

Three Year Expense Comparison



Fiscal Year 2009 Expenses by Function



An independent audit of the State's financial statements resulted in an unqualified audit opinion. Financial information is prepared according to Generally Accepted Accounting Principles (GAAP).



What's Next?

Future Challenges and Economic Outlook

Doing What We Can With What We Have



Photography courtesy of Roger Lynn

The Federal Government provided \$787.0 billion in federal stimulus funds, in which Idaho was awarded \$491.7 million. In accordance with federal goals, Idaho will use the stimulus money to:

- Create and protect jobs in all regions of the state
- Provide a quality education for Idaho's school-aged children
- Provide temporary relief for Idahoans directly impacted by the global recession
- Minimize ongoing costs to taxpayers in the current year as well as future years
- Delay use of rainy day funds as a hedge against continued declines in state revenue

Helping Idahoans

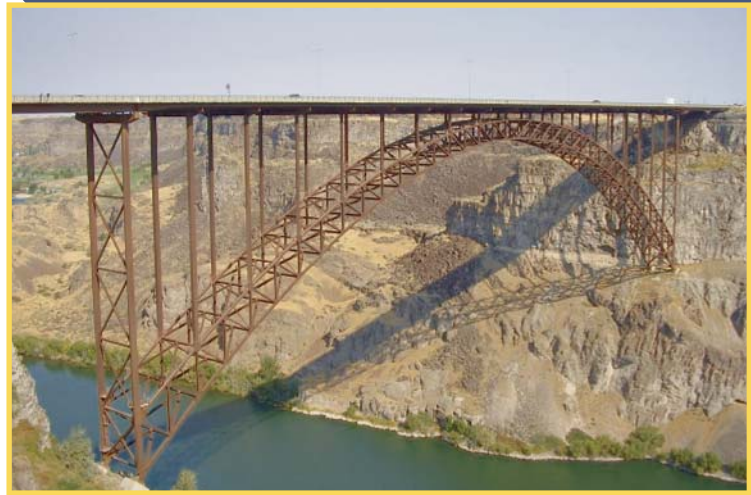
- The American Recovery and Reinvestment Act will ensure the completion of eight highway projects and create an anticipated 2,800 additional jobs.
- Idaho will receive money to help support the increased need for food stamps and other benefits for low-income families and individuals. The additional federal dollars will allow the Department of Health and Welfare, as well as its partner organizations across the state, to maintain assistance for other responsibilities such as home weatherization and assistance to victims of crime.

What People Are Saying About Idaho

- Fastest Growth for Green Jobs - Pew Institute, June 2009
- Most Improved State for Employing Energy Efficiency - American Council for an Energy Efficient Economy, October 2008
- No. 4 America's Top States for Business - CNBC.com, July 2008

Idaho Employment

- In fiscal year 2010 Idaho increased the minimum wage rate to \$7.25 per hour. This pay increase will affect an estimated 40,000 workers.
- Micron, Idaho's largest non-government employer, announced in February 2009 it would be reducing its workforce to approximately 5,000 employees. This is compared to the almost 11,000 people Micron employed in 2007.
- Many of Idaho's neediest families - those who have suffered from the loss of a job - will benefit from temporarily increased levels of support in the unemployment benefit provided by federal stimulus money. Currently, this has added \$25 a week to benefits being received by Idaho's unemployed, and extended the time frame to receive benefits to a maximum of 99 weeks.



Photography courtesy of Kaesi - Flickr.com

Education for our Future

- With the use of federal stimulus money, Idaho's educational programs will not experience the same cutbacks as other agencies or programs. Governor Otter has set aside half of the federal money received in fiscal year 2009 for fiscal years 2010 and 2011. Idaho continues to strive to educate our children, Idaho's future.
- \$3 million in federal stimulus funding was secured to establish the Idaho Education Network (IEN). This modern technology will help bridge the gap between rural and urban schools. Through this network, every Idaho school will be connected with broadband technology.
- Idaho's newest community college, the College of Western Idaho, will begin offering professional-technical courses, certificates, and degrees beginning in Fall 2009.

The State Controller's Office appreciates your feedback. Would you like to see any other information included in this report?

