Idaho Millennium Permanent Endowment Fund

Fiscal Year	Beginning Market Value	Actual/Projected Receipts	Transfers	Earnings/ (Losses)*	Transfer from 0545 to 0499*	Ending Market Value
2007	$ -	$ 17,640,532	$ 10,000,000	$ 454,070	$ -	$ 28,094,602
2008	28,094,602	22,802,728	0	2,296	0	50,899,626
2009	50,899,626	24,771,612	0	(8,181,051)	(474,559)	67,015,628
2010	67,015,628	20,791,657	0	5,530,576	(1,729,866)	91,607,995
2011	91,607,995	19,555,588	0	21,399,579	(2,374,778)	130,188,383
2012	130,188,383	26,111,038	0	539,308	(3,950,037)	152,888,693
2013	152,888,693	20,000,000	0	9,344,205	(5,457,980)	176,774,917
2014	176,774,917	20,000,000	0	10,754,566	(6,477,612)	201,051,872
2015	201,051,872	20,000,000	0	12,166,194	(7,867,438)	225,350,628
2016	225,350,628	20,000,000	0	13,592,036	(9,048,616)	249,894,048
2017	249,894,048	20,000,000	0	15,032,903	(10,230,854)	274,696,096
2018	274,696,096	20,000,000	0	16,488,987	(11,424,997)	299,760,086
2019	299,760,086	20,000,000	0	17,960,450	(12,631,723)	325,088,814
2020	325,088,814	20,000,000	0	19,447,457	(13,851,193)	350,685,077
2021	350,685,077	20,000,000	0	20,950,169	(15,083,544)	376,551,703
2022	376,551,703	20,000,000	0	22,468,755	(16,328,912)	402,691,546
2023	402,691,546	20,000,000	0	24,003,380	(17,587,434)	429,107,493
2024	429,107,493	20,000,000	0	25,554,215	(18,859,249)	455,802,459
2025	455,802,459	20,000,000	0	27,121,431	(20,144,498)	482,779,393
TOTAL		$ 391,673,153	$ 10,000,000	$ 254,629,527	$ (173,523,288)	

*Note: The amount listed for the current fiscal year under "Earnings/(Losses)" represents a combination of actual year-to-date and projected earnings. The amounts under "Transfers" & "Transfer from 0545 to 0499" represent a combination of actual year-to-date and projected transfers. Projected earnings assume a 6.0% return on investment from FY 2013 forward, as suggested by the State Treasurer's Office. Data for FY 2012 reflected budgeted amounts and assumptions of an 8% return.

Idaho Millennium Fund

Fiscal Year	Beginning Market Value	Actual/Projected Receipts	Transfers*	Earnings/ (Losses)*	Transfer from 0540 to 0499*	Ending Market Value
2000	$ -	$ 29,728,524	$ -	$ 495,787	$ (386,959)	$ 29,837,353
2001	29,837,353	22,751,124	0	(2,105,516)	(1,729,535)	48,753,427
2002	48,753,427	26,602,063	(19,335,604)	(4,255,408)	(2,438,933)	49,325,545
2003	49,325,545	26,653,835	(70,311,509)	(724,806)	(4,943,065)	0
2004	0	22,818,949	0	(61,929)	0	22,757,020
2005	22,757,020	23,151,453	0	621,571	(1,941,119)	44,588,925
2006	44,588,925	21,253,142	0	2,138,244	(284,669)	67,695,642
2007	67,695,642	4,605,075	(10,000,000)	3,418,332	(1,360,348)	64,358,701
2008	64,358,701	5,700,682	0	2,840,943	(2,533,638)	70,366,688
2009	70,366,688	6,192,903	64,059	1,136,762	(3,553,869)	74,206,543
2010	74,206,543	5,197,914	149,538	660,273	(3,247,393)	76,966,875
2011	76,966,875	4,888,897	(4,493,162)	693,571	(3,467,581)	74,588,601
2012	74,588,601	6,527,759	(62,847,100)	435,426	(3,627,698)	15,076,988
2013	15,076,988	5,000,000	0	124,711	(3,700,511)	16,501,188
2014	16,501,188	5,000,000	0	168,009	(814,730)	20,854,467
2015	20,854,467	5,000,000	0	213,553	(634,493)	25,433,527
2016	25,433,527	5,000,000	0	257,377	(851,162)	29,839,742
2017	29,839,742	5,000,000	0	299,352	(1,079,070)	34,060,024
2018	34,060,024	5,000,000	0	854,577	(1,298,375)	38,616,226
2019	38,616,226	5,000,000	0	964,484	(1,508,425)	43,072,286
2020	43,072,286	5,000,000	0	1,071,741	(1,723,131)	47,420,896
2021	47,420,896	5,000,000	0	1,176,141	(1,943,404)	51,653,633
2022	51,653,633	5,000,000	0	1,277,744	(2,158,365)	55,773,012
2023	55,773,012	5,000,000	0	1,376,626	(2,367,599)	59,782,039
2024	59,782,039	5,000,000	0	1,472,858	(2,571,229)	63,683,669
2025	63,683,669	5,000,000	0	1,636,547	0	70,320,216
TOTAL		$ 271,072,322	$ (166,773,778)	$ 16,186,970	$ (50,165,299)	

*Note: The amount listed for the current fiscal year under "Earnings/(Losses)" represents a combination of actual year-to-date and projected earnings. The amounts under "Transfers" & "Transfer from 0540 to 0499" represent a combination of actual year-to-date and projected transfers. The State Treasurer's Office projects tobacco settlement cash receipts of around $25 million per year from FY 2012 through FY 2025. Of that amount, $20 million is to be deposited in the Permanent Endowment Fund (0545) and $5 million into the Millennium Fund (0540), per Idaho Code. Returns for FY 2012 are based upon a budgeted 5% estimate, as in previous years. Return assumptions for FY 2013 through FY 2017 have been adjusted down to 1%, then increased to 2.5% thereafter given the new norm for fixed income markets as suggested by the State Treasurer's Office.

History of Non-program Transfers from the Millennium Fund

H701 (2002 Idaho Sess. Laws 156) transferred to the General Fund the April 2002 tobacco payment ($19.3 million) distributed to the State of Idaho pursuant to the tobacco Master Settlement Agreement.

S1517 (2002 Idaho Sess. Laws 205) transferred to the General Fund $10 million from the fiscal year 2003 scheduled tobacco payments.

S1195 (2003 Idaho Sess. Laws 341) transfers the following: (1) $798,200 to the Income Fund for remaining portion of appropriation of FY03 Millennium Fund projects; (2) $2,438,700 to the Income Fund for FY04 Millennium Fund projects; (3) the entire remaining balance of the fund corpus to the General Fund (approximately $40.2 million); and (4) $16,350,315 to the General Fund from the April 2003 tobacco payment.

$2.228 million of the $70.3 million transfer out in April of FY 2003 was not a true transfer; instead it was directly deposited into the General Fund and was not first deposited to the Millennium Fund

SB1416 (2006 Idaho Sess. Laws 187) establishes the Permanent Endowment Fund and requires that 80% of all future settlement funds and earnings be transferred to the Permanent Endowment Fund and 20% of all future settlement funds and earnings be transferred to the Idaho Millennium Fund. It also requires an initial transfer of $10,000,000 to the Permanent Endowment Fund from the Millennium Fund and a transfer of any amount over $100 million from the Millennium Fund to the Permanent Endowment Fund. The ending book value is greater than $100 million, starting in FY 2016, because Idaho Code 67-1805 requires that any amount in excess of $100 million be transferred to the permanent endowment fund as determined on the second business day in July (Idaho Code 67-1804), rather than the end of the fiscal year. Due to the timing of the transfer at the beginning of the fiscal year, instead of the end of the fiscal year, the ending book value will exceed the $100 million.

$3,000,000 from the Idaho Millennium Fund to the Catastrophic Health Care Fund for FY 2012. SB 1201, section 2 (2011 Idaho Sess. Laws chapter 315) authorized the transfer of $21,959,000 from the Idaho Millennium Fund to the General Fund for FY 2012. For FY 2011, HB 341, section 6 (2011 Idaho Sess. Laws chapter 298) appropriated $573,000 from the Millennium Fund to the Department of Health and Welfare. For FY 2012, it authorized the transfer of up to $42,317,700, by no later than September 1, 2011, from the Idaho Millennium Fund to reimburse the State Treasury for payments made of the Medical Assistance Service Programs prior to June 30, 2011. The actual transfer amount totaled $37,888,100 from the Idaho Millennium Fund to the Cooperative Welfare Fund. The amount appropriated and transferred for **FY 2011 totaled $4,898,000. For FY 2012**, the combined total of the $3,000,000, the $21,959,000, and the $37,888,100 amounts to **$62,847,100.**

FY 2013 Governor's Recommendation for the Millennium Income Fund

Organization	Program	Recommendation
Dept. of Correction	Substance Abuse Treatment	$1,859,200
Health and Welfare	Counter Marketing, Cessation	1,300,000
Public Health Districts	Tobacco Cessation Programs	500,000
Idaho Supreme Court	Youth Diversion Programs	420,000
Boys and Girls Clubs	MethSMART and SMARTMoves	177,500
Idaho Drug Free Youth	Parent/Teen Substance Prevention	150,000
American Cancer Society	Women's Health Check	150,000
American Lung Association	Tobacco Control Intervention	120,700
Allumbaugh House	Detox and Crisis Mental Health Services	113,000
Idaho Meth Project	Meth Prevention and Education Program	100,000
Idaho State Police	Prevention of Minor's Access to Tobacco	94,000
State Treasurer's Office	Investment Management Consultant Fees	80,000
Total Recommendation		**$5,064,400**

***Substance Abuse Treatment* - $1,859,200**. The recommended funding will be used by the Department of Correction for the continued coordination, assessment, and community-based substance use disorder treatment and recovery support services for felony offenders. The funds will serve felony offenders who will benefit from substance use disorder treatment in the community rather than incarceration in a state facility. An additional $3,804,500 in General Fund dollars is recommended in the department's budget for this program. The recommended funding of $5,663,700 is the same amount that was awarded in FY 2012 on a one-time basis from the Millennium Income Fund.

***Counter Marketing, Cessation* - $1,300,000**. Funding will continue the Department of Health and Welfare counter marketing, nicotine replacement therapies (NRT), and QuitLine and QuitNet programs.

***Tobacco Cessation Programs* - $500,000**. Funding will continue the Public Health District Millennium Fund Cessation Program. Through this program, high-quality, "best practice" tobacco cessation programs are provided statewide at no cost to Idahoans who want to quit smoking. Target audiences include pregnant women and adolescents, though the program is available to all people who wish to quit tobacco use.

***Youth Diversion Programs* - $420,000**. The Idaho Supreme Court will use this recommended funding to continue to support Youth Courts as a juvenile prevention and intervention program ($113,300), programs for tobacco/substance abuse and status offenders ($200,900), and a tobacco and alcohol diversion court to handle underage misdemeanor tobacco and alcohol cases in the 5th and 7th district ($105,800).

***MethSMART and SMARTMoves* - $177,500**. Funding will be used to launch the Boys and Girls Clubs of Idaho's statewide methamphetamine education and prevention program called MethSMART and to expand the current SMARTMoves series to serve 700 Idaho youth. The objective of both of these programs is to prevent or delay the onset of meth, tobacco, alcohol, and other drug use, and sexual involvement by young people.

Parent/Teen Substance Prevention Program* - $150,000**. The Governor recommends funding for the Idaho Drug Free Youth to implement a multi-faceted Parent and Teen Prevention Education Program called ***i2i to educate Idaho parents (together with their teens) about alcohol and other drugs and the damage that substances can do to the underdeveloped teen brain. The target population will be parents and students in grades 6 through 8.

Funding will be used to present the ***i2i*** Prevention Education Program in at least 30 communities and 10 corporate/civic groups during the 2012-2013 school year.

***Women's Health Check* - $150,000**. Funding will be used to support breast and cervical cancer early detection efforts of the American Cancer Society's Idaho Women's Health Check (WHC) program. It will also be used to assess tobacco use history of all enrolled clients, referring those who use tobacco to Idaho's QuitLine/QuitNet or other tobacco cessation resources.

***Tobacco Control Intervention* - $120,700**. Funding will help the American Lung Association deliver three programs to address youth tobacco prevention, engagement, and smoking cessation: Teens Against Tobacco Use (TATU), Support Teens Against Nicotine Dependency (STAND), and Not On Tobacco (N-O-T).

***Detox and Crisis Mental Health Services* - $113,000**. The Governor recommends funding to the Allumbaugh House partnership to sustain sobering, detoxification, and crisis mental health services and financial commitments from private partners. Without the grant, the Allumbaugh House partnership will risk losing its private financial partners. Bridging the funding gap in FY 2013 will provide the necessary resources to achieve sustainability in FY 2014.

***Meth Prevention and Education Program* - $100,000**. Funding will be used to match private sector funding to sustain the ongoing prevention and public awareness messaging of the Idaho Meth Project. Between private sector funds and media match, a $100,000 award from the Millennium Fund will be used to leverage additional funding to support a state-wide media campaign – including television, radio, and billboard advertising-for the Idaho Meth Project. This project is a large-scale prevention program aimed at significantly reducing first-time Meth use.

***Prevention of Minor's Access to Tobacco* - $94,000**. Funding assists the Idaho State Police and the Department of Health and Welfare with the cost of tobacco permittee compliance inspections. These inspections are required under Idaho statute. The inspections are a fundamental part of preventing teenage initiation of tobacco use. The tobacco permittee compliance inspections encourage tobacco retailers to remain vigilant in asking teens for identification and refusing to sell tobacco products to minors.

***Investment Management Consultant Fees* - $80,000**. The Governor recommends a one-time supplemental appropriation for FY 2012 to pay investment management consultant fees related o the Millennium Endowment Fund. To comply with sections 67-1801-1802, *Idaho Code*, these fees cannot be netted from earnings or paid directly from the Endowment Fund. The Governor also recommends a one-time appropriation of $80,000 in FY 2013 for the same purpose.