

The following brief information is provided to present the perspective on the recommendations contained in the *Executive Budget*. Further information is available in the *Executive Budget Detail* pages for each agency, which can be found at <http://dfm.idaho.gov/>.

Budget Approach

The budget approach utilized in the FY 2009 *Executive Budget* reflects the emphasis the Governor is putting on improved accountability and span of control in state government's management structure.

FY 2008 Budget Highlights

- The FY 2008 General Fund revenue estimate is \$2,912.2 million. This is an increase of \$111.4 million from the projection used at the end of the 2007 session.
- The Governor is recommending \$21.8 million in deficiency warrant fund transfers and \$20.2 million in General Fund supplementals.
- FY 2008 is currently projected to end the fiscal year with an unspent balance of approximately \$230.6 million that is carried forward into the FY 2009 budget for additional one-time disposition.

FY 2009 Budget Highlights

- The FY 2009 General Fund revenue estimate is \$3,011.9 million. This reflects an increase of approximately 3.4% over FY 2008.
- The Governor is recommending an increase in the grocery credit to \$90 per person in households with taxable income below \$1,000 (corresponding to gross income of \$25,000 for a family of four, or 120% of the poverty level). The Governor's proposal also extends eligibility for the grocery credit to all Idaho residents in a household below the income tax filing requirement, unless they are receiving food stamps. Under this plan, the credit is reduced for households with taxable income above \$1,000, with a complete phase-out of the grocery credit occurring at a taxable income of \$26,000 (corresponding to a gross income of \$50,300 for a family of four, or 240% of the poverty level).
- The Governor is recommending \$3,127.3 million in General Fund expenditures for FY 2009. This includes \$2,930.6 million in ongoing expenditures and \$196.7 million in one-time items. The ongoing portion of the FY 2009 budget represents an increase of approximately 6.3% from the FY 2008 projected expenditure.
- The FY 2009 General Fund budget is structurally balanced.
- The FY 2009 budget provides funds for a 5% merit based employee compensation package for all state employees, including judges, teachers, and all public school employees.
- The FY 2009 budget includes funding to implement the Governor's Executive Order 2007-21 that requires eligible vehicle purchases in all state agencies to be low-emission and where possible flex-fuel or hybrid.
- The FY 2009 budget includes \$58 million in one-time General Fund monies for the early payoff of bonds drawing from the General Fund. Doing so will save the State multi-millions in what would have been additional interest over the next 15 years.