



BRAD LITTLE
GOVERNOR

January 7, 2019

Idaho State Legislature
State Capitol Building
PO Box 83720
Boise, Idaho 83720

Dear Legislator:

I am transmitting to you today the Executive Budget documents in accordance with Idaho Code 67-3506. My budget proposal includes the following highlights:

FY 2019 – The FY 2019 General Fund revenue estimate of \$3,750,320,500 is a .5% increase in revenue from FY 2018. My budget recommendation includes the following:

- \$35,615,800 in supplemental spending and
- \$1,200,000 in one-time revenue due to a transfer from the Consumer Protection Fund.

FY 2020 – The FY 2020 General Fund revenue estimate of \$4,057,429,900 reflects an 8.2% growth in revenue from FY 2019. Accordingly, my budget recommendation includes the following:

- \$106,098,500 in enhanced funding for public schools,
- a General Fund revenue reduction of \$4,975,600 for proposed executive branch legislation, and
- larger-than-normal ending balances of \$97,647,500 in FY 2019 and \$172,588,000 in FY 2020 to enable the state to respond without disruption in services should current revenue shortfalls not be resolved when taxpayers file in the spring of 2019.

Change in Employee Compensation (CEC) – My recommendations for changes in salaries and benefits for FY 2020, addressing each of the four components identified in Idaho Code 67-5309C(2), include the following:

- a 3% merit-based change in employee compensation (CEC) for permanent positions,
- a 2% change to the compensation schedule,
- continuation of the payline exceptions identified by the Division of Human Resources in the FY 2020 CEC and Benefits Report, and
- utilization of the current overfunding of health insurance reserves to lower the state appropriation.

Idaho State Legislators
January 7, 2019
Page 2

Federal Funds Inventory – In accordance with Idaho Code 67-3507(4), federal funding reports required by 67-1917 and disclosures required by 67-3502(5) are included.

Additional details are provided to all legislative members and the public in my Executive Budget and related documents that are available at <http://dfm.idaho.gov/>. Print versions will be provided upon request.

Sincerely,

Brad Little
Governor of Idaho