

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	19,937,780	161,000	1,043,075	(3,950,037)	147,380,201
2013	147,380,201	19,929,915	0	17,887,327	(5,457,980)	179,739,463
2014	179,739,463	21,960,475	0	31,773,318	(6,446,586)	227,026,669
2015	227,026,669	20,000,000	4,112,658	9,066,728	(7,948,571)	252,257,485
2016	252,257,485	20,000,000	0	15,202,976	(9,836,840)	277,623,621
2017	277,623,621	20,000,000	0	16,661,150	(11,561,194)	302,723,577
2018	302,723,577	20,000,000	0	18,134,447	(12,774,159)	328,083,864
2019	328,083,864	20,000,000	0	19,623,292	(13,995,379)	353,711,777
2020	353,711,777	20,000,000	0	21,127,862	(15,229,266)	379,610,373
2021	379,610,373	20,000,000	0	22,648,324	(16,476,173)	405,782,523
2022	405,782,523	20,000,000	0	24,184,846	(17,736,251)	432,231,118
2023	432,231,118	20,000,000	0	25,737,598	(19,009,638)	458,959,078
2024	458,959,078	20,000,000	0	27,306,751	(20,296,475)	485,969,354
2025	485,969,354	20,000,000	0	28,892,478	(21,596,905)	513,264,927
TOTAL		\$ 387,390,286	\$ 14,273,658	\$ 298,495,641	\$ (186,894,658)	

*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.

Summary Tables and Graphs

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	4,984,445	(61,963,317)	173,879	(3,627,698)	14,155,910
2013	14,155,910	4,982,479	7,234	47,128	(3,700,511)	15,492,239
2014	15,492,239	5,490,119	15,051	24,198	(791,804)	20,229,802
2015	20,229,802	5,000,000	(15,051)	170,175	(586,631)	24,798,296
2016	24,798,296	5,000,000	0	251,462	(804,691)	29,245,067
2017	29,245,067	5,000,000	0	293,689	(1,048,082)	33,490,675
2018	33,490,675	5,000,000	0	840,927	(1,268,777)	38,062,825
2019	38,062,825	5,000,000	0	951,206	(1,480,087)	42,533,944
2020	42,533,944	5,000,000	0	1,058,819	(1,695,775)	46,896,988
2021	46,896,988	5,000,000	0	1,163,565	(1,916,792)	51,143,761
2022	51,143,761	5,000,000	0	1,265,505	(2,132,467)	55,276,799
2023	55,276,799	5,000,000	0	1,364,715	(2,342,395)	59,299,119
2024	59,299,119	5,000,000	0	1,461,266	(2,546,700)	63,213,685
2025	63,213,685	5,000,000	0	1,555,231	(2,745,532)	67,023,385
TOTAL		\$ 270,001,605	\$ (165,882,761)	\$ 15,479,591	\$ (52,575,050)	

*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.

HB 329, section 5 (2011 Idaho Sess. Laws chapter 293) appropriated and transferred \$4,325,000 for FY 2011, and authorized the transfer of \$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.**

S1408, Chapter 317, Laws of 2012. Appropriated and transferred \$241,000 from the Millennium Fund. Of that amount, \$161,000 was transferred to the Millennium Permanent Endowment Fund to repay the endowment fund for expenses related to investment management consulting fees that were paid in error from FY 2009 through FY 2011. It also appropriated and transferred \$80,000 from the Idaho Millennium Fund to the Idaho Millennium Income Fund to cover the appropriation made to the State Treasurer for investment management consulting fees that will be paid in FY 2012.

Summary Tables and Graphs

FY 2016 Governor's Recommendation for the Millennium Income Fund

Organization	Program	Recommendation
Drug Policy, Office	Marijuana Educational Campaign	\$995,000
Dept. of Correction	Substance Abuse Treatment	\$1,859,200
Juvenile Corrections	Juvenile Interventions	\$1,055,000
Health and Welfare	Comprehensive Tobacco Control	\$2,500,000
Public Health Districts	Tobacco Cessation	\$750,000
Idaho State Police	Preventing Minors' Access to Tobacco	\$94,000
Family Physicians	Tar Wars Program	\$68,500
American Lung Association	TATU, STAND	\$186,900
Idaho Association of Counties	Community Recovery Centers	\$250,000
American Cancer Society	Women's Health Check	\$130,900
Idaho Youth Ranch	Idaho Youth Ranch Anchor House	\$50,000
Idaho Drug Free Youth	Idaho Drug Free Youth i2i Program	\$193,400
Boys and Girls Club	Youth Empowerment Project	\$142,300
Idaho Meth Project	Meth Prevention and Education Program	\$343,700
Canyon Springs High School	Youth Court Program	\$181,000
Boise State University	Alcohol Drug Awareness Resources Center	<u>\$116,200</u>
Total Recommendation		\$8,916,100

Marijuana Educational Campaign - \$995,000: The Governor recommended a one-time request from the Millennium Fund to develop and implement a statewide marijuana educational campaign. The campaign funding allocation consists of \$75,000 for campaign development, \$75,000 for media development, \$750,000 in communication costs, \$30,000 in material and supplies, and \$65,000 for consultants. There is an increase in cost compared to prior public service campaigns. This is attributed to the conception and design of the materials and marketing. The previous "Lock Your Meds" campaign was already established and the Office of Drug Policy leased the rights to use the material. There is currently no other marijuana education campaign available.

Substance Abuse Treatment (SUD Program) - \$1,859,200: The Governor recommends one-time spending authority from the Millennium Fund for the department's Substance Use Disorder Treatment Program.

Juvenile Interventions - \$1,055,000: The Governor recommends one-time funding from the Millennium Fund to be used to prevent and reduce the use of tobacco and other substances by youth, through the engagement and leadership of judges and local juvenile justice councils. The councils and courts will collaborate to identify and implement evidence-based interventions for juveniles committing tobacco, substance abuse, and status offenses (offenses due to age, for instance: truancy, runaway, etc.).

Comprehensive Tobacco Control - \$2,500,000: The Governor recommends one-time Millennium Fund for smoking cessation and prevention efforts, such as tobacco counter-marketing and nicotine replacement therapy.

Tobacco Cessation - \$750,000: The Governor recommends Millennium Fund for the continuation of the health district tobacco prevention and cessation program. This amount is level funding to the FY 2015 appropriation.

Preventing Minors' Access to Tobacco - \$94,000: The Governor recommends one-time Millennium Fund spending authority for Minors' Access to Tobacco compliance checks. The department is statutorily required to perform one compliance check per permittee per year.

Tar Wars Program - \$68,500: The Governor recommends one-time Millennium Fund for the Idaho Academy of Family Physicians for the TAR WARS tobacco prevention program for grade school-aged children.

TATU and STAND Program - \$186,900: The Governor recommends one-time Millennium Fund for the American Lung Association for the TATU, STAND, and NOT youth tobacco prevention and education programs.

Community Recovery Centers - \$250,000: The Governor recommends one-time Millennium Fund for the Idaho Association of Counties for start-up costs for community recovery centers.

Women's Health Check - \$130,900: The Governor recommends one-time Millennium Fund for the American Cancer Society's Women's Health Check. The Women's Health Check works to increase awareness of the link between tobacco use and breast and cervical cancers and assist women into screenings to promote early detection.

Idaho Youth Ranch Anchor House - \$50,000: The Governor recommends one-time Millennium Fund to support the Idaho Youth Ranch Anchor House, a residential treatment facility in Coeur d'Alene that serves boys ages 13-18 with substance abuse and tobacco cessation and prevention programs.

Idaho Drug Free Youth i2i Program - \$193,400: The Governor recommends one-time Millennium Fund for the Idaho Drug Free Youth i2i Program. The i2i Program is a prevention education program that uses peer support programs to prevent and reduce underage drinking, tobacco use, and drug use.

Idaho Teen Empowerment Programs - \$142,300: The Governor recommends one-time Millennium Fund for the Boys and Girls Clubs of Idaho Teen Empowerment Programs. The Teen Empowerment Program targets at-risk youth and engages them in activities that promote healthy lifestyles, academic achievement, and community involvement.

Idaho Meth Project - \$343,700: The Governor recommends one-time Millennium Fund for continuation of the Idaho Meth Project campaign and expansion of prescription drug abuse prevention programs for Idaho teens.

Youth Court Program - \$181,000: The Governor recommends one-time Millennium Fund for the Canyon Springs High School Youth Court program. The funding will enable Canyon Springs High School to continue their Youth Court program and provide resources to other high schools interested in implementing a peer court program.

Regional Alcohol Drug Awareness Resource Center (RADAR) - \$116,200: The Governor recommends one-time Millennium Fund for Boise State University's Regional Alcohol Drug Awareness Resource Center (RADAR). RADAR provides no-cost substance abuse prevention and addiction treatment resources, such as evidence-based best practices and trainings to institutions, agencies, providers, and community members throughout the state.

Transfer of Remaining Balance: The Governor recommends that any remaining unexpended and unencumbered cash balance in the Idaho Millennium Income Fund be transferred to the Idaho Millennium Permanent Endowment Fund.