

STATE OF
IDAHO

CITIZENS' FINANCIAL REPORT



**FOR THE FISCAL YEAR ENDED
JUNE 30, 2002**

A Message From Keith Johnson, Acting State Controller

It is with pleasure that I present to you, the citizens of Idaho, the fifth annual Idaho Citizens' Financial Report (also known as the Popular Annual Financial Report). This report provides an overview of the financial condition of the State of Idaho by presenting selected financial, economic, and demographic information in an easy-to-understand format.

Americans are proud of our heritage, our country, and our way of life. Not only our democratic, representative form of government, but the rights and freedoms that go along with it. We treasure our freedom of speech and debate, our support of tolerance and acceptance. It has been noted by observers and writers that our country is coming together and working together.



Syringa, State Flower
Source: Office of the Governor

Idaho, like the majority of the states across our country, is suffering significant budget constraints. Income and sales taxes, Idaho's primary revenue sources, have declined with the decline in economic activity in Idaho. Since the beginning of this national recession, Idaho (again, like most other states) has been able to rely on reserves to balance our State's budget. At this point in the economic downturn however, our options for balancing the budget are limited.

Policy makers are faced with a significant challenge from this point forward. Should Idaho find new sources of revenue, or should we look to constrain spending and reduce public services? Our policy makers will strive to find answers to these questions in the upcoming legislative session.

A good discussion of policy alternatives requires a sound understanding of the State's finances along with an understanding of the public services the State provides. Each year, the Idaho Citizens' Financial Report presents a focus on four specific agencies, their finances, and their programs. Due to the significance of Education and Human Services, we always present information about these services. This year we also highlight Commerce and Veterans Services.

I hope this report provides you with a better understanding of how public funds are used to provide public services. Especially during a time when public funds are scarce, this knowledge provides some context to the public debate about how to solve our current budget shortfalls.



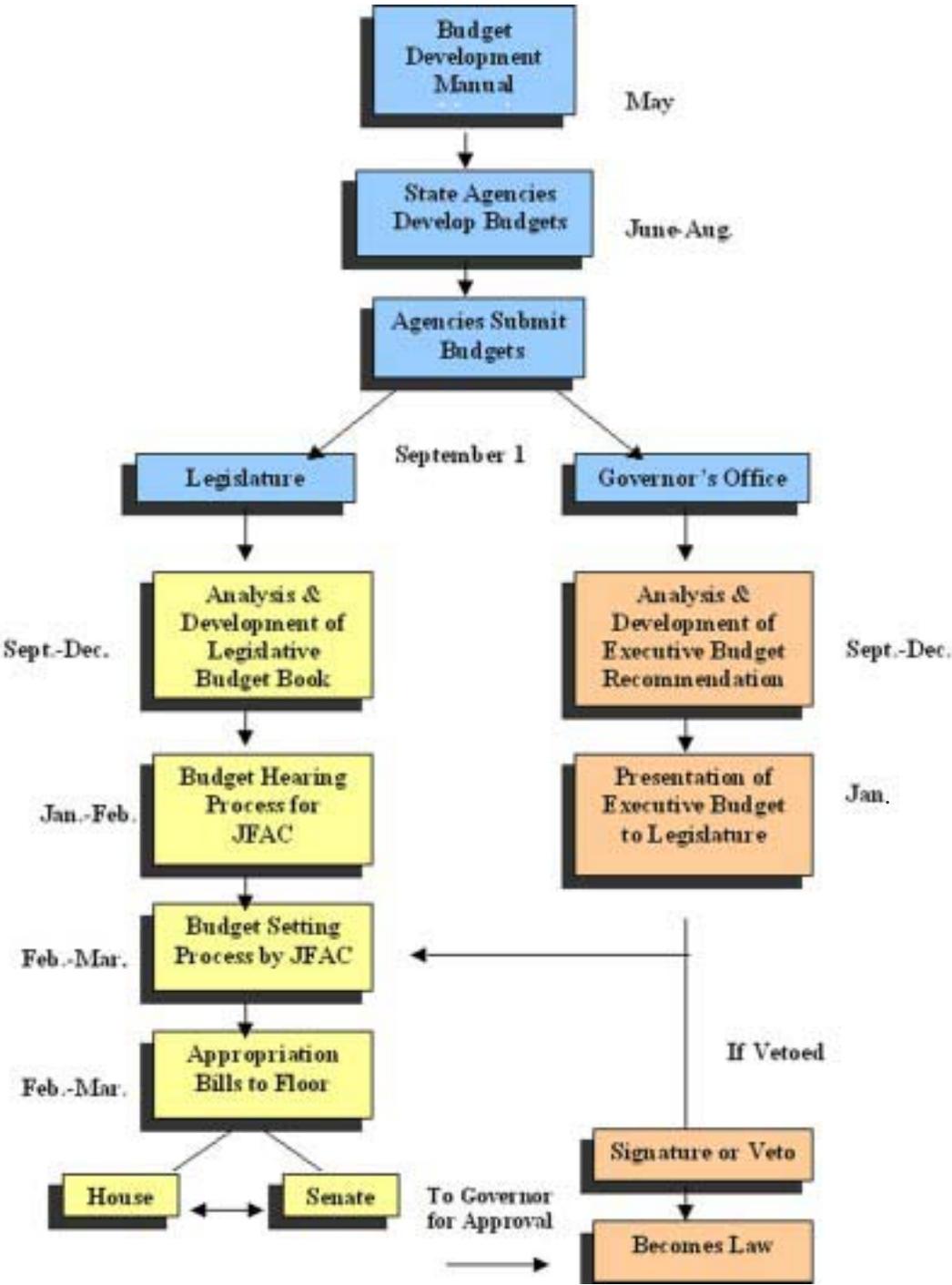
Keith Johnson
Acting State Controller

Front cover photograph courtesy of Idaho Department of Agriculture

Idaho Citizens' Financial Report

Idaho's Budget Process

Idaho's citizen legislature generally meets annually commencing in January and continuing through the first part of March. One of the tasks accomplished during that time frame is to set the coming fiscal year's budget for each state agency.



Source: Idaho Legislature

The Idaho Citizens' Financial Report briefly explains the financial condition of the State of Idaho and presents some major state programs. Its purpose is to summarize and simplify the presentation of information contained in the Comprehensive Annual Financial Report (CAFR).

This report is not intended to replace the detailed financial position set forth in the CAFR, which will continue to be provided by the Office of the State Controller. A copy of the CAFR may be obtained from our website or by writing or calling our office (refer to back cover).

The financial statements presented in this report are in accordance with generally accepted accounting principles, except when noted otherwise. The report depicts trends in state revenues and spending in selected economic and demographic areas affecting the State that are of particular public interest.

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the State of Idaho for its Popular Annual Financial Report for the fiscal year ended June 30, 2001. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, with contents that conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year. We believe this report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA.

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

STATE OF IDAHO

For the fiscal year ending
June 30, 2001



William Patrick Harte
President

Jeffrey L. Esser
Executive Director

The State's Assets and Liabilities

Statement of Net Assets*
June 30, 2002
(dollars in millions)

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash	\$500	\$385	\$885
Investments	903	344	1,247
Accounts Receivable, Net	268	84	352
Due from Other Governments or Funds	145	5	150
Loan/Notes Receivable, Net	9	110	119
Capital Assets	3,579	609	4,188
Other Assets	36	34	70
Total Assets	\$5,440	\$1,571	\$7,011
LIABILITIES			
Accounts and Other Payables	\$215	\$28	\$243
Deposits	11	4	15
Bonds and Notes Payable	113	45	158
Other Liabilities	241	384	625
Total Liabilities	580	461	1,041
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	3,467	392	3,859
Restricted	1,005	495	1,500
Unrestricted	388	223	611
Total Net Assets	4,860	1,110	5,970
Total Liabilities and Net Assets	\$5,440	\$1,571	\$7,011

*Includes governmental and proprietary funds

This year's report presents the State's balances in a different manner due to implementation of new reporting guidelines, GASB Statement No. 34. This accounting standard was issued by the Governmental Accounting Standards Board requiring governments to report new information and restructuring much of the information that has been reported in prior financial reports. The Statement was developed to make annual reports easier to understand and more useful for decision makers.

Governmental Activities include most of the State's basic services and are paid for by state taxes and federal grants.

Business-Type Activities account for operations that function in a manner similar to private business, where the cost of providing goods or services is paid for mainly through user charges.

Net Assets measure the difference between what the State owns (assets) versus what the State owes (liabilities).

Invested in Capital Assets, Net of Related Debt, measures the value of capital assets the State owns, less depreciation, and any debt owed from buying or building the assets.

Restricted Net Assets are assets that are not available for general use due to external restrictions, constitutional provisions, or enabling legislation on how they can be used.

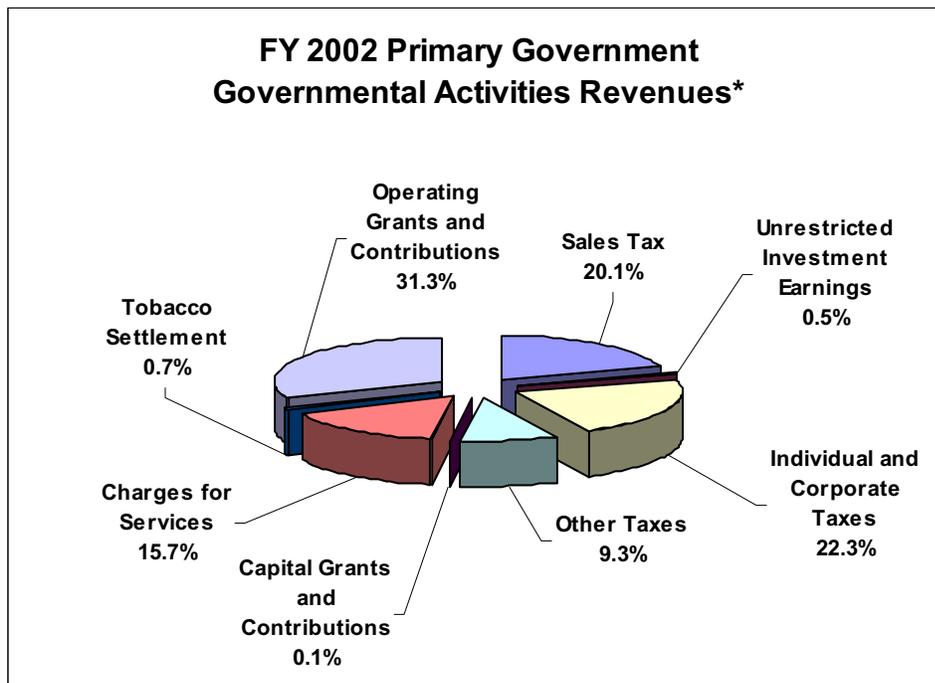
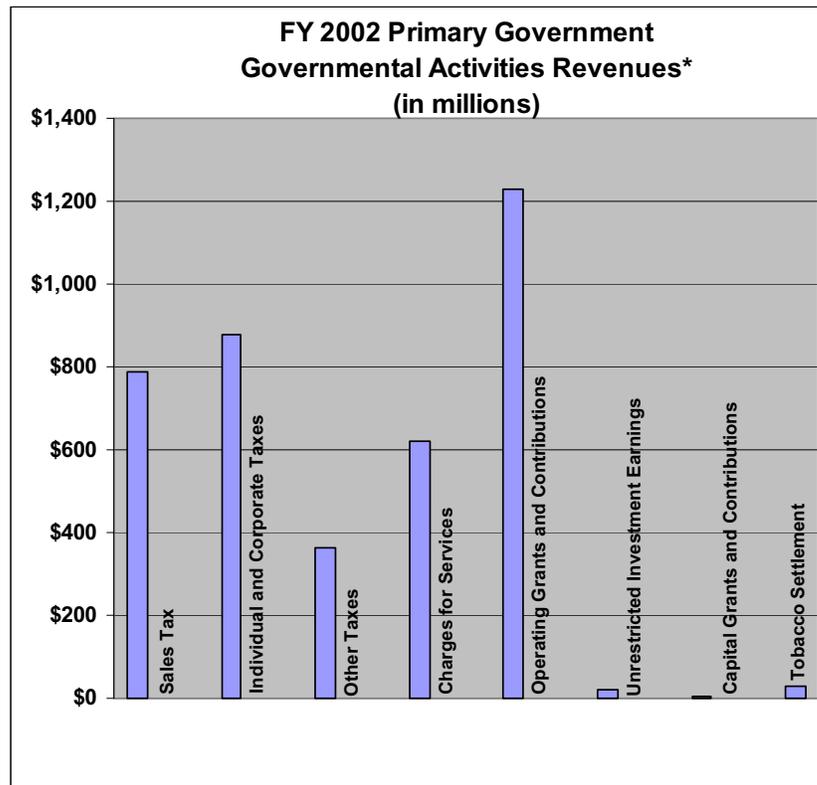
Unrestricted Net Assets are assets that may be used according to the State's desires, but use may be limited by state statutes.

Where the Money Comes From

Taxes, federal grants, and charges for services are Idaho's largest sources of income.

The collection of taxes is the main source of funds for Idaho. State income taxes are collected from individuals earning wages and businesses earning profits. Sales taxes are collected from retail transactions.

Federal grants are the next largest source of funds for Idaho. Grants are awarded for specific purposes. For example, the Federal Department of Health and Human Services awards grant money for Medicaid and Child Support services and the Federal Department of Energy awards grant money for state oversight of the Idaho Nuclear Energy and Environmental Laboratory.



Charges for services is the third largest source of state revenues. For example, the Department of Fish and Game charges a fee for issuing a fishing license.

Permits are issued to businesses and individuals. The Department of Parks and Recreation will issue a permit for citizens to use a state park for a year. The money raised by issuing these permits will help to pay for the upkeep of the park.

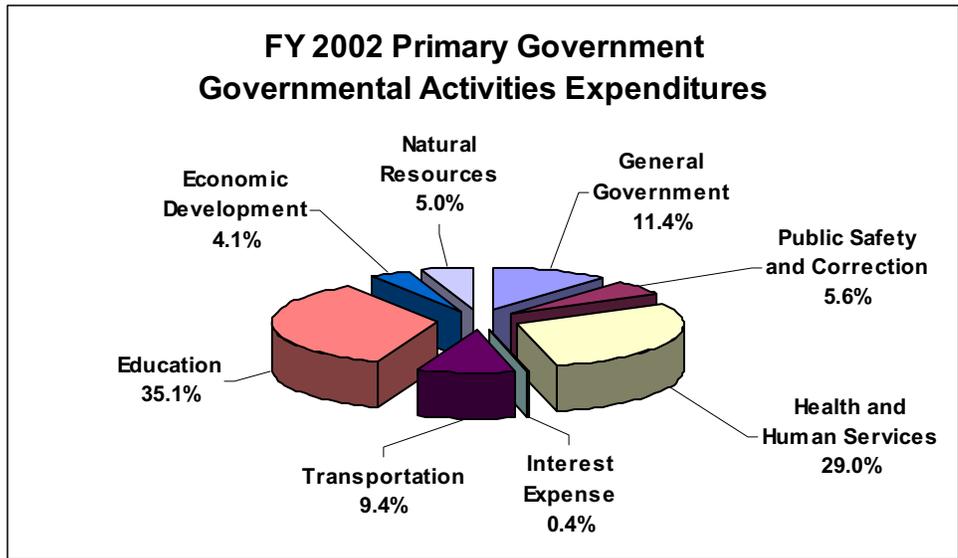
*Includes governmental and internal service funds

Where the Money Goes

Each year the Idaho Legislature meets and sets a budget for the State. This past year the two largest consumers of the State budget were Education and Health and Human Services.

Of the total governmental fund expenditures, Education spent the largest share of state funds, accounting for \$1,504 million paid out in fiscal year 2002. The money was used for public schools, colleges and universities, and other education.

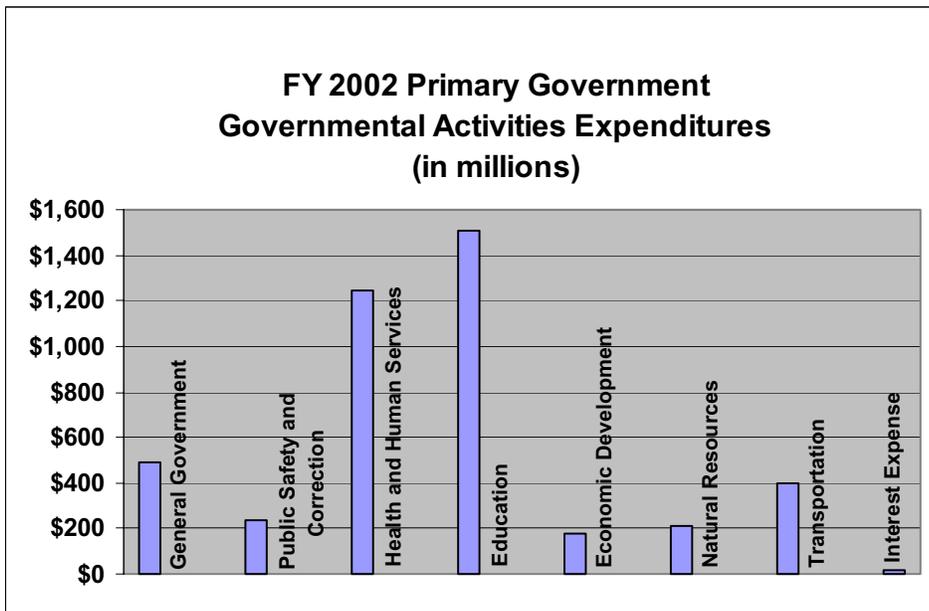
Health and Human Services expenditures totaled \$1,242.6 million. Medicaid programs received over half of the Health and Human Services budget. Medicaid provides medical and dental services for low-income families and individuals. Medicaid also assists those who are unable to pay for medical and dental



services, because of youth, old age, pregnancy, or disability. Additional Health and Human Services programs include the AIDS Drug Assistance Program, Child Adoption, Children's Mental Health, and Child Protection Referrals.

A large portion of the budget was spent for transportation, \$401.1 million. This includes all expenses for the repair and maintenance of the State's infrastructure, which includes long-lived assets such as roads and bridges.

The remaining \$1,134.7 million of expenditures was spent on programs such as law enforcement, natural resources, agriculture, economic development, and general government. These programs are run by employees of the State of Idaho and help to protect the people, the land, and provide for future economic development.



Economic/Demographic

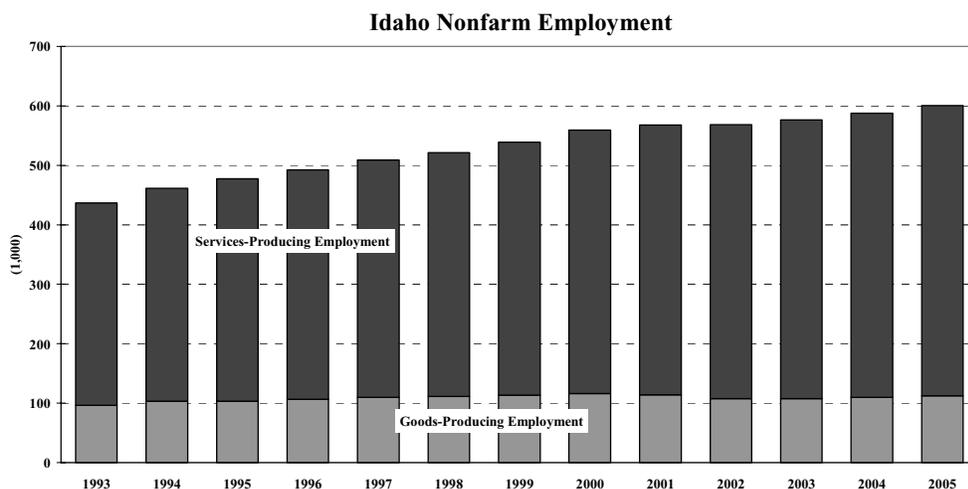
Economic Condition and Outlook

Idaho's economy is expected to grow annually after this year, but a return to growth rates experienced in the late 1990s is not anticipated. Idaho nonfarm employment is projected to increase 1.5 percent in 2003, 2.1 percent in 2004, and 2.4 percent in 2005. Initial strength should come from the State's large services-producing sector. It is forecast to expand 0.6 percent this year, 2.0 percent next year, 2.1 percent in 2004, and 2.3 percent in 2005.

Idaho personal income (not adjusted for inflation) is projected to rise 5.1 percent in both 2003 and 2004 and 5.5 percent in 2005. Part of this improvement reflects the anticipated stronger growth for Idaho's average annual wage. Idaho real personal income (adjusted for inflation) should grow 2.4 percent in 2003, 2.3 percent in 2004, and 2.7 percent in 2005.

Services-Producing Industries

In 2001, there were almost 454,000 jobs in this sector. Several factors are helping growth. The biggest reason is the change from a goods-producing economy to a services-producing one. In 1970, about one out of every four jobs in Idaho was in the goods-producing sector (manufacturing, mining, and construction). Three decades later, the goods-producing sector accounted for just one out of every five jobs. In the past, services employment was driven by local goods-producing industries. This has changed. As the economy evolves, services-based industries rely less on these industries. An example of this trend is the



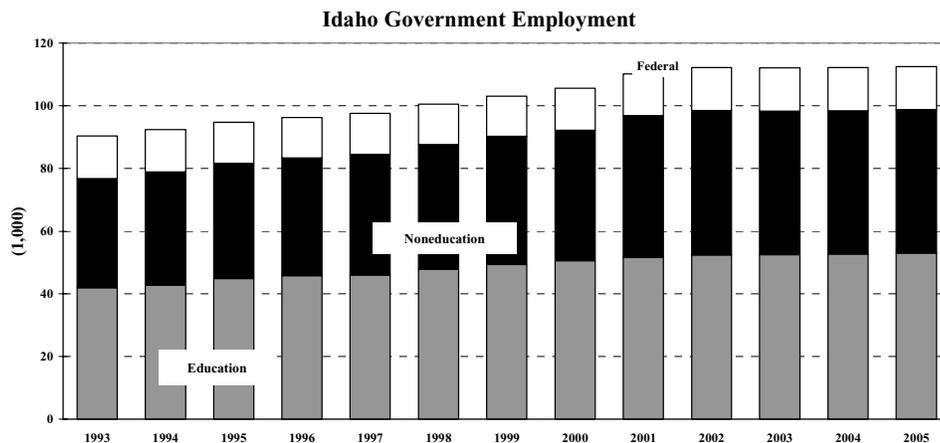
growing number of call centers in Idaho. The call centers are involved in a wide range of activities including sales, help lines, telemarketing, customer service, and market research. Call centers also include a wide variety of business sectors.

These sectors include manufacturing, transportation, communications, trade, finance, insurance, business services, and research and development. These companies have flourished in Idaho because new technology eliminates the need for companies to be located near their markets. Instead, they are drawn to Idaho because of its high quality labor force. This has created opportunities in the Gem State that a few years ago would have seemed impossible. For example, landlocked Boise is the home to an international shipping company's scheduling operations.

Source: Idaho Division of Financial Management

Federal, State, and Local Governments

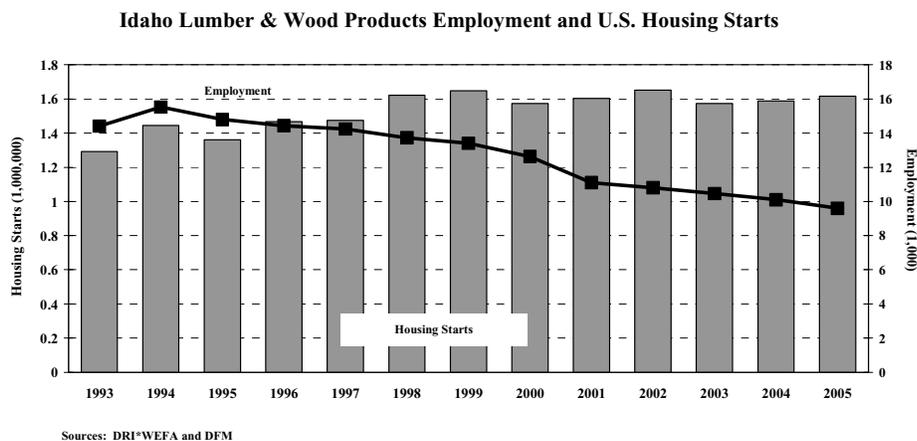
Like most states, Idaho is facing budget shortfalls. The tight state budget will limit government payrolls. Local government budget caps will also limit employment growth. As a result, state and local government payrolls are expected to advance by no more than one-half percent annually through 2005. The outlook for federal job growth opportunities in the Gem State is even more limited. Federal employment decisions are ultimately determined in D.C. by federal budget writers. While federal spending may be boosted, it remains to be seen how it will benefit Idaho. The events of September 11, 2001, have generated increased spending on the military and homeland defense. Since the U.S. military has a relatively small presence in this state, Idaho is not likely to benefit from this spending.



Lumber and Wood Products

The State's lumber and wood sector suffered another setback when the owner of the mill in Cascade, Idaho, announced dismantling the mill in June 2002.

Most of this sector's woes can be traced to the dwindling supply of timber from public lands. The health of the Gem State's lumber industry depends on the supply of public timber. Federal records show the amount of timber harvested from federal lands has indeed declined. The soft export market has flooded



the domestic market with lumber and wood products, which helps to explain why this sector continues to lose jobs at a time when the domestic demand for its products is relatively strong. Idaho lumber and wood products employment is forecast to drop 4.6 percent in 2003, 4.2 percent in 2004, and 4.9 percent in 2005.

Public Schools

Idaho's K-12 public schools are focusing their programs, personnel, and professional development on two main goals: setting high expectations for all students and developing a coordinated academic, assessment, and accountability system that ensures careful attention to each child's progress. Like other states, Idaho has adopted new academic standards, effective for the graduating class of 2005, and is using this time to develop the tools for a standards-based educational system.

Data Collection

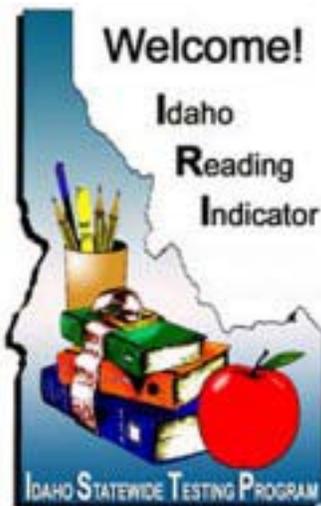
Key to this effort is a complete system of data collection and review on several levels: state, district, school, classroom, and individual student. Although state and federal laws and regulations require the State Department of Education to collect and report certain information, Dr. Marilyn Howard, Idaho's Superintendent of Public Instruction, is advocating better use of data to guide teaching practices. In 2001, the J. A. and Kathryn Albertson Foundation awarded \$3.5 million to the State Department of Education to begin working with 13 pilot districts to develop a standardized student database system.

Academic Initiatives

Two initiatives, one in reading and one in math, are improving the basic building blocks of academic achievement. The Idaho Reading Initiative, focusing on K-3 students, was one of the



three state-level reading programs featured at a 2002 meeting of the Education Commission of the states. The Idaho Math Academy, a partnership among the Office of the Governor, the State Department of Education, and private corporate sponsors, was launched to focus on middle-grade teachers as a way to encourage students to take more challenging math courses.



Reading Results at State Level - School Year 2000-2001

	Fall		Winter		Spring	
	No. of Students	Percent	No. of Students	Percent	No. of Students	Percent
Grade K						
At Grade Level	6,599	42	7,533	45	8,870	57
Near Grade Level	6,584	35.5	5,271	31.5	4,884	31
Below Grade Level	3,600	21.5	3,933	23	1,834	11.5
Grade 1						
At Grade Level	10,820	63.5	11,462	65.5	8,255	52.5
Near Grade Level	3,917	24	4,678	28.5	5,772	36.5
Below Grade Level	2,809	12.5	1,403	8	1,728	11
Grade 2						
At Grade Level	8,474	51.5	9,901	55.5	8,716	53.5
Near Grade Level	5,457	27.5	4,563	25.5	4,488	27.5
Below Grade Level	4,027	21	3,484	19	3,130	19
Grade 3						
At Grade Level	8,424	49	9,741	53	8,175	49
Near Grade Level	6,597	28.5	3,630	19.5	4,838	29.5
Below Grade Level	3,357	22.5	4,998	27.5	3,607	21.5

Source: Idaho Department of Education



Character Development

Superintendent Howard believes Idaho's students should be both "smart and good" – smart because they meet high academic standards and good because they understand what it means to be responsible citizens in a democratic society. To help our students meet these goals, the State Department of Education administers a federal character education grant for local communities so they can develop the right programs for their students. The State Department of Education has recently added new projects in areas of economics and citizen rights and responsibilities.

Standards and Assessments

Idaho piloted its first Idaho Standards Achievement Test (ISAT) in 2002 as a way of measuring how well students are meeting academic goals. Idaho's standards-based system sets clear expectations for all students at each grade level. The ISAT will be part of a comprehensive testing program that will be used to monitor student progress through each year of school. The Idaho Legislature has supported this effort by appropriating funds for the implementation of achievement standards and the comprehensive assessment program. This is a complex, statewide professional development process that focuses on aligning the written, taught, and tested curriculum.



Source: Idaho Department of Education

No Child Left Behind

Idaho's public school system must comply with new federal requirements of the "No Child Left Behind Act," enacted by Congress late in 2001 and signed into law early in 2002. Highlights of the legislation include the requirement of states to develop standards in core subject areas annually and test students in reading and math in grades 3-8 and once in high school beginning no later than the 2005-06 school year. By 2007-08, states must also test students in science at least once each year in grades 3-12.

States are also required to ensure that by the end of the 2005-06 school year, core subjects are taught by "highly qualified teachers." Para-professionals must also be qualified, which in Idaho means having an associate degree or two years of college or demonstrating competency in helping children learn math and reading through a rigorous exam.

Another mandate is for states to issue yearly accountability report cards at the state, district, and school level. Idaho issued its first state-level report card in the fall of 2002.



IDAHO DEPARTMENT OF HEALTH & WELFARE

The Department of Health and Welfare (DHW) accounted for 28.73 percent of the entire State's FY02 appropriated budget of \$4,097,945,200. The DHW provides many programs and services for the citizens of the State.

The Department's child support program promotes the physical and economic health of families by ensuring parents are financially responsible for their children. The child support program is responsible for establishing and enforcing child support and medical support orders, modifying child support orders to ensure that support awards remain comparable to changes in parental income, and helping to locate and collect support from the non-custodial parent.

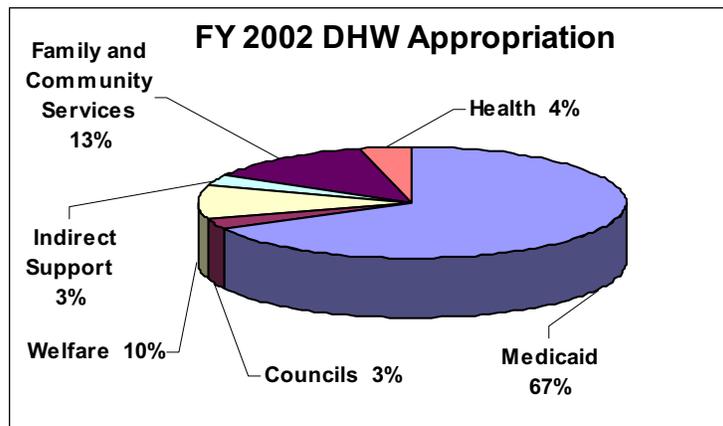
Temporary Assistance to Families in Idaho (TAFI), Aid to the Aged, Blind and Disabled, and food stamps are examples of the self-reliance programs administered by the DHW. Adult participants who receive aid through TAFI are required to participate in work preparation activities so they can become financially independent.

The Medicaid program provides medical assistance services for people at risk. Youth, old age, pregnancy, or disability are considered factors in determining risk, with eligibility based on state and federal income requirements. Covered services include hospitalization, physician services, nursing home care, prescription drugs, and dental care.

Hospitals and nursing facilities are the two most costly service categories, with more than \$250 million being spent between them. Prescription drugs are a growing concern, as these costs totaled \$98 million in 2001, up almost 30 percent from federal fiscal year 2000.

The health services range from immunizations to food safety, emergency medical services to testing for communicable and genetic diseases. These programs and services actively promote healthy lifestyles, while monitoring diseases and health risks as a safeguard for Idaho citizens.

Indirect support services provide the vision, management, and technical support for carrying out the Department's mission. Indirect support is comprised of the Office of the Director, Regional



Source: Idaho Department of Health and Welfare

Directors, Legal Services, Management Services, Human Resources, and Information and Technology Services.

Family and Children’s Services programs include substance abuse and mental health. Substance abuse services include prevention and treatment programs, prevention and treatment staff development, treatment facility approval, and driving under the influence evaluator licensing. Substance abuse prevention services use an array of strategies to target specific populations ranging from early childhood to adults.

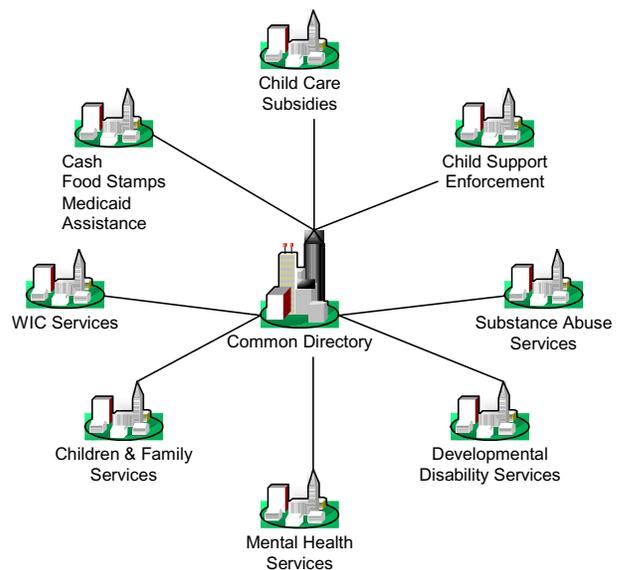
For adult substance abuse clients, 52.5 percent are receiving help for alcohol abuse, 24 percent for methamphetamines, and 17.2 percent for marijuana use.

The Developmental Disability Services program manages and delivers services for people of all ages with developmental disabilities. The program builds partnerships with community members to provide service choices for consumers and their families, so they can strive for self-direction and fully participate in their communities.

Welfare programs include the Idaho Child Care Program (that subsidizes childcare costs for low-income families while the parents work or attend educational or training programs), Child Support Enforcement, cash assistance, and food stamps.

Common Directory

The Common Directory is a central directory that stores information about the people participating in services of the Department of Health and Welfare. This new directory establishes a foundation for a more comprehensive view of the people being served by the DHW.



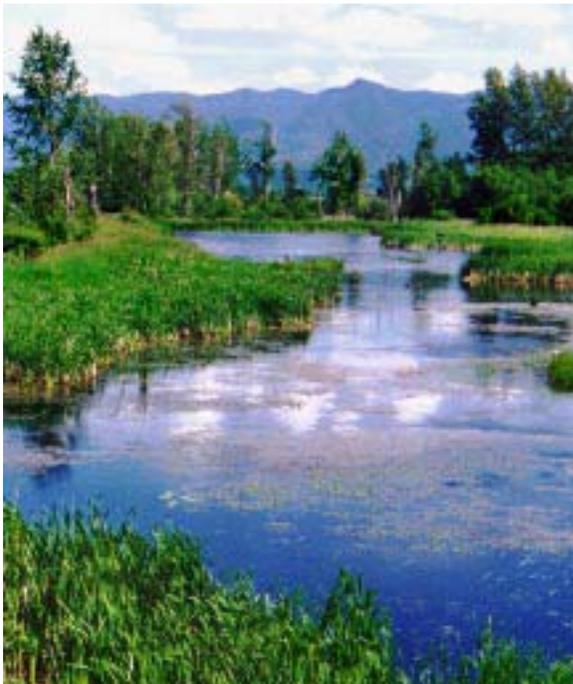
With a complete view of who they are serving, services provided, and results of the services, the DHW can develop technology solutions that provide a new approach to serving folks in need. These technology solutions will improve how the DHW helps people while saving taxpayer dollars.

Source: Idaho Department of Health and Welfare

Commerce

The Idaho Department of Commerce's Division of Tourism Development maintains the official web site for the State, www.visitid.org, which provides travelers with comprehensive information about vacation opportunities throughout Idaho. A "Cool Deals" section features discounted travel packages and allows travelers to access trip information and make reservations on-line.

A new "Itinerary Planner" tool allows visitors to build a personalized list of travel activities, lodging, events and travel packages, and save or e-mail the list to friends. Visitors can also order a variety of publications electronically, including a state highway map, fish and game regulations, and state park guides.



Source: Idaho Department of Commerce

The Division also conducts a variety of surveys on-line to obtain information used to improve its web site, understand travel customers, and target marketing efforts.

Travel industry information can be found at www.idoc.state.id.us. Travel suppliers, industry members, and the media can access research and travel statistics, obtain information about the travel grant program, sign up for conferences and programs, submit travel package information, and access marketing leads on-line.

An image library on www.visitid.org allows viewers to download photographs directly from the web site or request a CD-ROM with high-resolution photos suitable for publication, eliminating the cost of duplication and mailing of slides.

A monthly electronic newsletter keeps Idaho's tourism industry professionals abreast of the latest news and marketing opportunities.

News releases may be distributed locally, regionally, or worldwide via electronic fax and e-mail. Subscription to an on-line media directory service makes it possible to target specific groups of journalists or publications with news releases or tips on Idaho story ideas.

By continuously seeking to improve processes and understand the needs of consumers and industry, the Tourism Division of the Idaho Department of Commerce has used the internet to keep down costs and maintain staffing at 1993 levels, even as inquiries have increased 44 percent, from 201,065 to a projected 363,434 in 2002.

Connecting the State

Syringa Networks is a new fiber optic broadband network linking 12 small Idaho telecommunications companies in southern Idaho. The \$40 million network will give businesses and residences in rural Idaho the same high-speed communications access normally only available in larger states and metropolitan areas. The Rural Economic Development Initiative and the nation's first broadband tax credit, available to companies that expand broadband technology in the State, made the network possible.



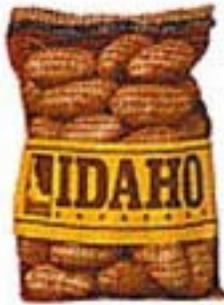
Source: Office of the Governor

State Grant Awards

The cities of Salmon and Sandpoint as well as Teton County were awarded grants for infrastructure improvements, the relocation of utilities, and a 12,000 square foot facility expansion to allow companies to expand their businesses. It is estimated that these economic development projects will add 131 jobs to the economy.

World Famous

The soil, water, clean air, and climate in Idaho contribute to those consistently high quality potatoes that have made Idaho famous for so many years. Idaho's rich volcanic soil is ideally suited for potatoes. Warm, sunny days, cool nights, and water from melting snow in nearby mountains make the perfect combination for growing the world's best potatoes.



Source: Idaho Department of Commerce

Federal Grant Awards

Grants totaling \$8.5 million were awarded to 27 Idaho communities to construct public facilities necessary for economic development. The funds were from a \$10 million appropriation from the U. S. Department of Housing and Urban Development.

Grant recipients match the amounts with other federal and state dollars and construct sewer and water systems, housing projects, fire and emergency medical stations, and senior centers.

The awards range from \$500,000 to St. Maries for a downtown revitalization project and \$93,010 to Rigby for renovation of a vacant building as a senior center, to \$106,000 awarded to Murtaugh for water system improvements, and \$110,271 to Boise County/Lowman for a main and two satellite fire stations along Highway 21.

Veteran Services

State Veterans Homes

Following the events of September 11, 2001, Americans experienced a nationwide resurgence of patriotism. Like their fellow citizens, Idahoans demonstrated their patriotism; but, strong patriotism has been a part of life in Idaho since statehood. In fact, not long after Idaho became a state Governor William McConnell and Idaho legislators approved funding for construction of the Old Soldiers Home, which opened its doors to homeless Civil War veterans on May 1, 1895.



Old Soldiers Home in Boise

Early on, Idaho legislators recognized the importance of establishing an advisory body to oversee the operation of the Old Soldiers Home. Members of the first advisory body included the Governor, Secretary of State, and Attorney General. Today, a five-member Idaho Veterans Affairs Commission, appointed by the Governor, oversees operations.

Soldiers Home Moves to New Site

In 1964, severe fire damage and old age made it necessary to relocate the Old Soldiers Home from West State Street (today's Veterans Park) to its current location in old Fort Boise. The Division of Veterans Affairs donated five acres of land and

Source: Idaho Division of Veterans Services

construction began. The new home was renamed the Idaho State Veterans Home. In response to a growing demand for skilled nursing care, beds were added to the Boise Veterans Home in 1977. New 66-bed homes were opened in Pocatello in 1992 and Lewiston in 1994, enabling veterans living in southeastern and northern Idaho to remain near their communities and still obtain needed nursing care.



New Veterans Home in Pocatello

Emergency Grants and Idaho Veterans

America's wars highlighted the need for change in veterans programs. Service men and women returning from World War I formed veteran service organizations that brought about many of these changes. Returning World War II veterans became the beneficiaries of the GI Bill, the VA Home Loan Program, and the Veterans Employment Act. In lieu of a war bonus, being offered by many states, Idaho established an Emergency Grant Program. The program continues today providing temporary assistance to needy veterans. During 2002, \$40,000 in one-time grants of \$1,000 were awarded to veterans and their families.

State Veterans Service Officers

After the Korean War, state service officers began providing training for county and veterans service organization service officers. Today, the Office of Veterans Advocacy provides annual training sessions, administers the Emergency Grant Program, and brings over \$200 million in federal funds to Idaho in veterans benefits.

A New State Veterans Cemetery

On April 14, 2000, Governor Dirk Kempthorne signed the Idaho Division of Veterans Services budget appropriation, which included \$200,000 for a master plan for a State Veterans Cemetery. One hundred percent of the construction costs will be reimbursed to Idaho by the Department of Veterans Affairs (VA) after construction of the cemetery begins. Total cost of construction is anticipated to be approximately \$9 million. The State of Idaho will operate and maintain the cemetery. Construction will begin in 2003. The cemetery will be completed the summer of 2004.

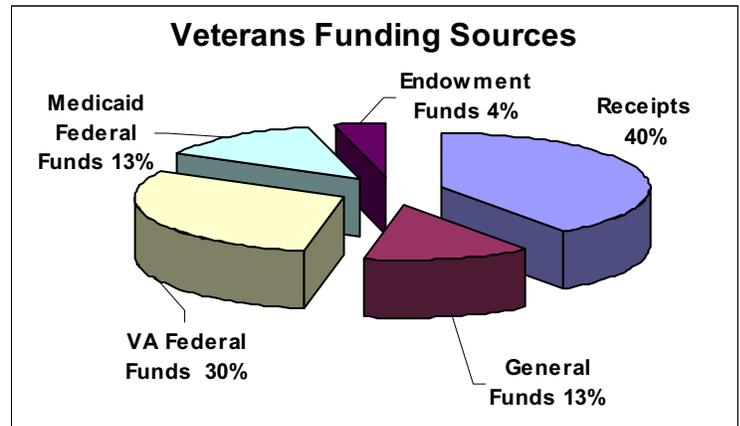
Through the generous donation of land by the Terteling Corporation and the purchase of additional acreage from Dry Creek Cemetery by the State of Idaho, the cemetery will soon become a reality.

Idaho's Ongoing Commitment

Services for Idaho veterans has changed over the years. Whether it is providing long-term care, helping homeless veterans, assisting veterans with VA claims and benefits, or providing them with a dignified final resting place, our mission will always be **"...to care for him who shall have borne the battle...."**

Division of Veterans Services Funding Sources

General Funds	\$2,064,700
Endowment	\$678,300
VA Federal Funds	\$4,841,180
Medicaid Federal Funds	\$2,183,120
Receipts	\$6,406,400



Governor Honors Hero



World War I veteran and former resident of the Idaho State Veterans Home - Boise, Harry Rabinowitz receives the French Legion of Honor Medal at age 104.

Important Initiatives

Rural Idaho

Originally formed in 2000, Governor Kempthorne charged the 65 member Idaho Rural Task Force with developing strategies for spreading economic prosperity to rural areas.

The Legislature funded the Governor's Rural Idaho Initiative to promote economic growth in Idaho's rural areas. The various types of projects include the development of industrial centers, downtown revitalization projects, and transportation plans. The construction of a 65-room hotel in downtown Cascade that will help the community diversify its economy is an example of one of these projects.



Construction in Cascade
Source: Idaho Department of Commerce

The construction of a 65-room hotel in downtown Cascade that will help the community diversify its economy is an example of one of these projects.

Budget cuts have caused the Department of Commerce to cut \$400,000 from the program, but according to Director Gary Mahn, the initiative remains 90 percent intact.

Grupo Modelo Breaks Ground in Idaho Falls

Bonneville County received a \$500,000 Rural Idaho Initiative check for development of a rail line and an adjoining spur that will allow Grupo Modelo, an international beer manufacturer, to ship malt from its new barley malting plant in Idaho Falls to production facilities in Mexico.

It's estimated the Grupo Modelo plant will contribute \$128 million to Idaho barley sales, processing, construction investment, and taxes to the eastern Idaho economy. More than 50,000 acres of barley worth \$17 million will be required to meet the processing needs of Modelo's new plant, which is slated for completion by late 2004 or early 2005.

Source: Office of the Governor

Sandpoint

Sandpoint was awarded \$300,700 to improve streets, relocate city utilities, and build a waste storage tank for Litehouse Foods, Inc. Officials estimate 41 jobs will be created as the company increases production of bleu cheese and opens a retail store to sell more than 80 products from 22 different Idaho companies. Plans for increased cheese production will result in an estimated 22 percent increase in area dairy production.



Litehouse Food Truck

Photograph courtesy of Litehouse Foods Inc.

Data Sources

Commerce, Idaho Department of
Education, Idaho Department of
Financial Management, Idaho Division of
Governor, Office of the

Health and Welfare, Idaho Department of
Idaho State Legislature
Veterans Services, Division of

FACTS ABOUT IDAHO

Name: Originally suggested for Colorado, the name “Idaho” was used for a steamship which traveled the Columbia River. With the discovery of gold on the Clearwater River in 1860, the diggings began to be called the Idaho mines. “Idaho” is a coined or invented word and is not a derivation of an Indian phrase “E Dah Hoe (How)” supposedly meaning “gem of the mountains.”

Nickname: The “Gem State”

Motto: “Esto Perpetua” (Let it be perpetual)

Discovered by Europeans: 1805, the last of the 50 states to be sighted

Organized as Territory: March 4, 1863, act signed by President Lincoln

Entered Union: July 3, 1890, 43rd state to join the Union

GEOGRAPHY

Land Area: 83,557 square miles, 13th in area size

Water Area: 880 square miles

Highest Point: 12,662 feet above sea level at the summit of Mt. Borah, Custer County in the Lost River Range

Lowest Point: 770 feet above sea level at the Snake River at Lewiston

Length: 479 Miles

Width: 305 miles at the widest point

Geographic Center: Settlement of Custer on the Yankee Fork River, Custer County

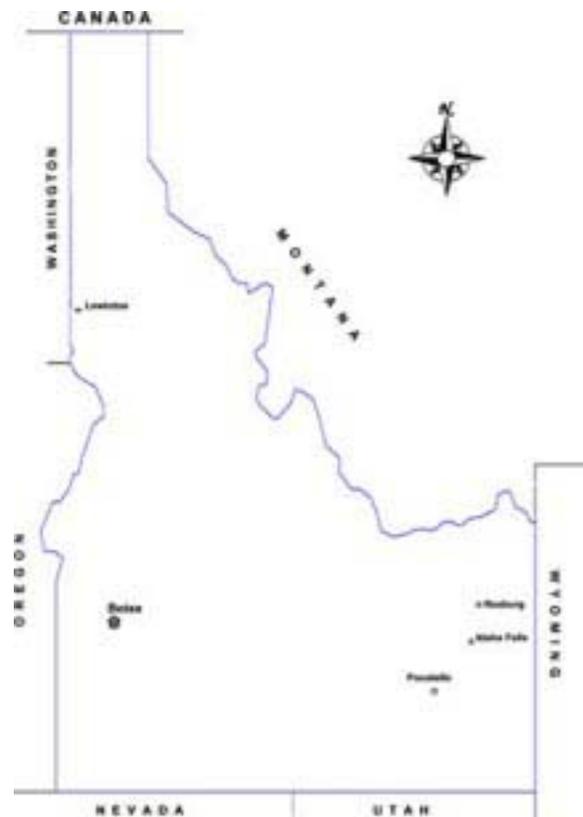
Number of Lakes: More than 2,000

Navigable Rivers: Snake, Coeur d’Alene, St. Joe, St. Maries, and Kootenai

Largest Lake: Lake Pend Oreille, 180 square miles

Temperature Extremes: Highest, 118 degrees at Orofino July 28, 1934, -60 degrees at Island Park Dam, January 18, 1943

2001 Population: 1,321,006 (Idaho Department of Commerce)



Source: Office of the Governor

STATE OF IDAHO WEBSITES & PHONE NUMBERS

OFFICE	WEB ADDRESS	PHONE NUMBER
Administration, Department of	http://www2.state.id.us/adm/	332-1824
Aging, Commission on	http://www.idahoaging.com	334-3833
Agriculture, Department of	http://www.agri.state.id.us/	332-8500
Appellate Public Defender	http://www.sapd.state.id.us/	334-2712
Arts Commission	http://www2.state.id.us/arts/index.htm	334-2119
Attorney General, Office of	http://www2.state.id.us/ag/	334-2400
Commerce, Department of	http://www.idoc.state.id.us/	334-2470
Consumer Protection Unit (1-800-432-3545)	http://www2.state.id.us/ag/consumer.com	334-2424
Correction, Department of	http://www.corr.state.id.us/	658-2000
Developmental Disabilities Council (1-800-544-2433)	http://www2.state.id.us/icdd/index.htm	334-2178
Education, Board of	http://www.sde.state.idahoboardof ed.com	334-2270
Education, Department of	http://www.sde.state.id.us/Dept/	332-6800
Engineers and Land Surveyors, Board of Professional	http://www2.state.id.us/ipels/index.htm	334-3860
Finance, Department of (1-800-346-3378)	http://finance.state.id.us	332-8000
Financial Management, Division of	http://www2.state.id.us/dfm/dfm.htm	334-3900
Fish and Game, Department of	http://www2.state.id.us/fishgame/fishgame.html	334-3700
Governor, Office of the	http://www2.state.id.us/gov/govhmpg.htm	334-2100
Health and Welfare, Department of	http://www2.state.id.us/dhw/hwgd_www/home.html	334-5500
Health Districts Conference Office	http://www2.state.id.us/phd/hdcopage.htm	334-3566
Hispanic Affairs, Commission on	http://www2.state.id.us/icha/	334-3776
Historical Society, Idaho State	http://www.idahohistory.net	334-2682
Human Resources, Division of	http://www.dhr.state.id.us/	334-2263
Human Rights Commission	http://www2.state.id.us/ihr/ihrhome.htm	334-2873
Humanities Council	http://www.idahohumanities.org	334-3844
Idaho, State of	http://www.state.id.us	334-2411
Independent Living Council	http://www2.state.id.us/silc/	334-3800
Industrial Commission	http://www2.state.id.us/iic/index.htm	334-6000
INEEL Oversight Program	http://www2.state.id.us/deqinel/main_op.htm	373-0498
Information Technology Resource Mgmt. Council	http://www2.state.id.us/itrmc/	332-1876
Insurance Fund, State	http://www2.state.id.us/isif	332-2100
Insurance, Department of	http://www.doi.state.id.us/	334-4250
Judicial Branch/Supreme Court	http://www2.state.id.us/judicial/judicial.html	334-2246
Juvenile Corrections, Department of	http://www.djc.state.id.us/	334-5100
Labor, Department of	http://www.jobservice.us	334-6252
Lands, Department of	http://www2.state.id.us/lands/	334-0200
Legislative Branch	http://www2.state.id.us/legislat/legislat.html	1-800-626-0471
Legislative Districts	http://www2.state.id.us/legislat/csgnews/	
Library, Idaho State	http://www.lili.org/isl/	334-2150
Lieutenant Governor, Office of	http://www2.state.id.us/gov/lgo/lgov.htm	334-2200
Liquor Dispensary, Idaho State	http://www2.state.id.us/isld/	334-2524
Lottery Commission	http://www.idaholottery.com/	334-2600
Military, Division of	http://www2.state.id.us/mil/cover.htm	422-4272
Nursing, Board of	http://www2.state.id.us/ibn/ibnhome.htm	334-3110
Outfitters and Guides Licensing Board	http://www2.state.id.us/oglb/oglbhome.htm	327-7380
Parks and Recreation, Department of	http://www.idahoparks.org/	334-4199
Police, Idaho State	http://www.isp.state.id.us	884-7000
Public Employees Retirement System	http://www.persi.state.id.us/	334-3365
Public Television, Idaho	http://www.idptv.state.id.us/	373-7220
Public Utilities Commission	http://www.puc.state.id.us/	334-0300
Purchasing, Division of	http://www2.state.id.us/adm/purchasing/default.htm	327-7465
Rural Development Council	http://www.rurdev.usda.gov/nrdp/id.html	334-6113
Tax Commission-Forms	http://www2.state.id.us/tax/forms.htm	334-7660
Transportation Department, Idaho	http://www2.state.id.us/itd/itdhmpg.htm	334-8000
Unclaimed Property	http://www2.state.id.us/tax/unclaimed.htm	334-7627
Veterans Services, Division of	http://www.idvs.state.id.us/	334-3513
Vocational Rehabilitation, Division of	http://www2.state.id.us/idvr/idvrhome.htm	334-3390
Water Resources, Department of	http://www.idwr.state.id.us	327-7900
Women's Commission	http://www2.state.id.us/women/	334-4673