



State of Idaho

A Report to Our Citizens

Photo Courtesy of Idaho Tourism

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Governor Little's Vision

"My goal is to make Idaho a place where we all have the opportunity to thrive, where our children and grandchildren choose to stay, and for the ones who have left to choose to return."

- Governor Brad Little

Our Kids, Idaho's Future

Governor Little assembled the "Our Kids, Idaho's Future" Task Force to formulate a five-year blueprint for improvement and investment in Idaho's K-12 public education system. The task force members include teachers, school administrators, education stakeholders, business leaders, and a bipartisan group of legislators from every corner of the state. The task force will review the K-12 budget to align investments with the priorities, with the overall goals of improving student achievement, identifying a framework to successfully measure student success, recruit and retain teachers, and others.

Government Objectives

Promote a strong public education system, reduce regulations and clean up outdated laws, strengthen partnerships and friendships with foreign countries, improve connectivity and broadband infrastructure, combat opioid and substance misuse; reduce wildfire risk, improve forest health, and support jobs through additional, coordinated active land management projects; and gain efficiencies and improve customer service across the state.

Idaho Rebounds: Our Path To Prosperity

Governor Brad Little, with the help of the Department of Health and Welfare and guidance issued by the White House and the Centers for Disease Control and Prevention, has established a data-driven approach to opening up Idaho's economy during the COVID-19 pandemic. This approach aims to reduce the risk of COVID-19 to Idahoans and preserve capacity in our healthcare system, while keeping businesses open safely. From an economic standpoint, Idaho's rebound from COVID-19 starts with employee and consumer confidence, which leads into business stability and growth and eventually promotion and attraction.

Governor Little signed an executive order forming his new Coronavirus Financial Advisory Committee to oversee the approximately \$1.3 billion in federal funds that Idaho will receive to fight the COVID-19 pandemic. State Controller Brandon Woolf has partnered with Governor Little to report the use of funds on [Transparent.Idaho.Gov](https://transparent.idaho.gov), giving all Idahoans the opportunity to see how the federal funds are used. The Governor's Coronavirus Financial Advisory Committee will make recommendations to ensure the federal funds are appropriately prioritized and efficiently distributed across state, local and tribal governments. It also will play a critical oversight role to ensure the federal funds are used judiciously and appropriately.

Additional information and resources concerning Idaho's response to the COVID-19 pandemic can be found at: [Coronavirus.Idaho.Gov](https://coronavirus.idaho.gov).

Demographic Information

Year	Population*	Per Capita Income	Unemployment Rate	State Employees
2019	1,787,000	\$ 45,966	2.9%	24,296
2020	1,821,000	\$ 49,351	5.5%	24,643
Change	1.9%	7.4%	2.6%	1.4%

School Year	Public School Enrollment	Public Higher Education Enrollment
2018/2019	307,228	54,315
2019/2020	479,205	50,500
Change	56.0%	(7.0)%

*Sources: October 2020 Idaho Economic Forecast, Office of the Idaho State Controller, Idaho Department of Labor, and Idaho State Board of Education.

Idaho's Progress

In Fiscal Year 2020

Photo Courtesy of Idaho Tourism

Idaho's Economy

Under Governor Little's leadership, the State's economy has continued to grow. According to the U.S. Bureau of Economic Analysis, the value of all goods produced in Idaho rose 5.8 percent from \$79.1 billion in 2018 to \$83.7 billion in 2019 (unadjusted for inflation). Growth in agriculture, forestry, fishing and hunting; construction; transportation and warehousing; information; professional and business services; and arts, entertainment, recreation, accommodation, and food services accounted for the majority of gross state product increase in 2019.

Idaho Gross State Product (dollars in millions)

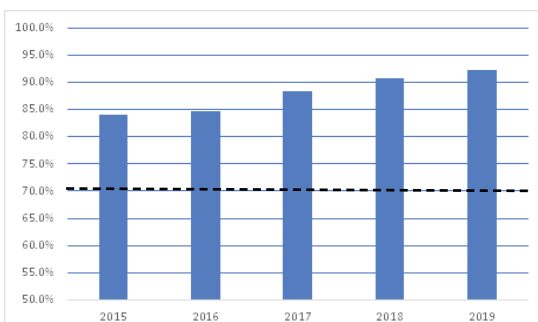
	2016	2017	2018	2019
Yearly Total	\$69,076	\$73,287	\$79,091	\$83,666

Transportation

In order to improve and maintain the State's system of roads and highways, the Legislature authorized the Idaho Transportation Board to issue GARVEE bonds. To date, \$825.1 million has been borrowed from issued bonds.

The graph below illustrates the pavement condition of the State's highways, which has an impact on the operating costs of passenger and commercial vehicles.

Percent of Pavement in Good or Fair Condition*



Target: Keep at least 70 percent of all state highways in good or fair condition.

*Information provided by the Idaho Transportation Department.

#1 STATE

Job Growth in Nation
(Kiplinger)

#3 STATE

Business Friendliness
(CNBC)

#1 STATE

Top Performing Economy
(Bloomberg)

↓ **LOWEST**
AVG. COST
of Utilities in the Nation
(Move.org)

#4 STATE

Cost of Doing Business
(CNBC)

TOP
PLACES

to Travel in 2018
(Travel + Leisure)

9,181
Jobs since July 1, 2014
Total Tax Reimbursement Commitments

12 **800**
major metros within an
mile radius

2.8%

Unemployment Rate
(U.S. = 3.6%)

Idaho has consistently
been recognized as a
national leader for
employment and wage
growth.

1.75
million people in 2018

Source: <https://commerce.idaho.gov/>

Education

The table below shows the number and type of state-wide degrees awarded over the past three years.

Degrees Awarded

	2018	2019	2020
Associate	3,581	3,479	3,614
Bachelor's	6,648	6,895	6,973
Master's	1,860	1,782	1,968
Doctorate	362	372	379

Target: No state-wide target has been identified.

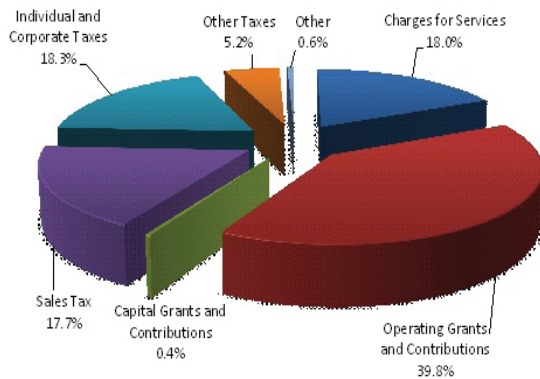
Idaho's Finances

Revenues and Expenses

Photo Courtesy of Idaho Tourism

Primary Government Revenues

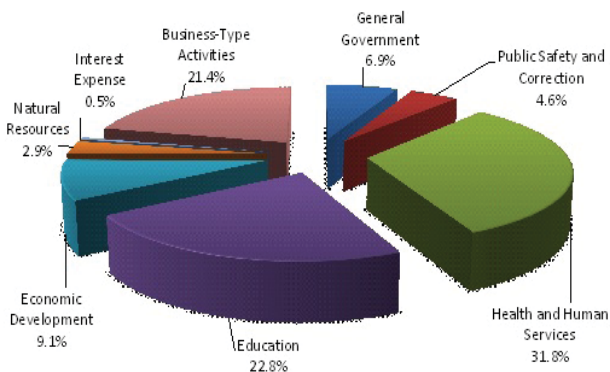
Fiscal Year 2020 Revenues by Source



Revenues By Source (dollars in thousands)	2019 Revenues	2020 Revenues	Change
Charges for Services	\$ 2,079,284	\$ 2,135,147	2.7%
Operating Grants and Contributions	3,556,450	4,734,215	33.1%
Capital Grants and Contributions	32,343	44,547	37.7%
Sales Tax	1,899,088	2,107,259	11.0%
Individual and Corporate Taxes	1,958,640	2,175,241	11.1%
Other Taxes	591,255	616,517	4.3%
Other	63,253	70,284	11.1%
Total Revenue	\$ 10,180,313	\$ 11,883,210	16.7%

Primary Government Expenses

Fiscal Year 2020 Expenses by Source



Expenses by Source (dollars in thousands)	2019 Expenses	2020 Expenses	Change
General Government	\$ 644,708	\$ 743,223	15.3%
Public Safety and Correction	466,263	495,324	6.2%
Health and Human Services	3,048,267	3,434,555	12.7%
Education	2,325,261	2,461,028	5.8%
Economic Development	1,047,957	978,415	(6.6)%
Natural Resources	314,839	317,428	0.8%
Interest Expense	87,846	57,873	(34.1)%
Business-Type Activities	1,694,765	2,307,250	36.1%
Total Expenses	\$ 9,629,906	\$ 10,795,096	12.1%

An independent audit of the State's financial statements (the Comprehensive Annual Financial Report) resulted in a clean audit opinion.



To view the Comprehensive Annual Financial Report, please visit the State Controller's website at www.sco.idaho.gov



What's Next?

Future Challenges and Economic Outlook

Photo Courtesy of Idaho Tourism

Future Challenges

Education

In his 2020 State of the State Address, the Governor emphasized that education remains his number one priority. Over the past year, the state made significant investments in public education including raising starting teacher pay, increasing funds available for Opportunity Scholarships, and doubling funding for literacy. The “Our Kids, Idaho’s Future” task force not only identified a push to increase literacy, but also the need to continue investing in Idaho’s teachers. The Governor proposed an additional \$30 million in ongoing General Fund as a down payment to continue increasing teacher pay over the next several years, stating that these and other efforts should elevate the profession and help us keep good teachers in Idaho classrooms. Finally, the Governor revealed that he was advancing another recommendation from the task force, to provide teachers additional training and resources so they can identify and better serve students facing trauma and mental illness, giving parents peace of mind when they send their children to school each day.

Health Care

Your Health Idaho has been recognized as one of the best health exchanges in the country. The Governor communicated his intent to continue developing Idaho solutions that bring health care costs down for all Idahoans in his 2020 State of the State Address.

Idaho’s Outlook

Economy

Idaho has a dynamic economy influenced by local, national, and international factors. The Governor announced in his 2020 State of the State Address that the country recently took a critical step toward helping Idaho secure future jobs and economic prosperity - Congress ratified the President’s trade agreement with Canada and Mexico - two of Idaho’s biggest export markets. The Governor strongly supported this deal, as it preserves and enhances critical gains made in previous trade agreements for Idaho products, notably those coming from the farming and agriculture industry. According to the October 2020 Idaho Economic Forecast published by the Idaho Division of Financial Management, the U.S. Department of Agriculture data indicates that net farm income is expected to be up 23% by the end of the year.

Employment

The unemployed rate in Idaho has fluctuated in 2020 due to the COVID-19 pandemic, rising from 2.5% in March 2020 to 11.8% in April 2020. Since then, measurements have declined to 4.2% in August with an uptick of 6.1% in September due to a quick expansion by over 22,000 (re)entrants into the state’s labor market.

Housing Market

Housing starts are expected to total 17,900 in 2020, with 13,700 single-family housing units.

Idaho’s Economic Outlook

	2020	2021	2022	2023
Per Capita Personal Income	\$ 44,443	\$ 42,760	\$ 43,420	\$ 42,275
Percentage Change	6.2%	(3.8)%	1.5%	2.0%
Nonfarm Employment	752,824	784,644	809,075	831,293
Percentage Change	(1.0)%	4.2%	3.1%	2.7%
Housing Starts	17,923	17,863	17,314	16,464
Percentage Change	6.5%	(0.3)%	(3.1)%	(4.9)%



We want to hear from you. Do you like this report? What information would you like to see in next year’s report? Your input is important to us. Please let us know by contacting: cafr@sco.idaho.gov

